

HEALTH SECTOR REFORM PROJECT

QUARTERLY REPORT (JAN- APRIL 2006)

**Project Management Unit
Ministry of Health**

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1.0 INTRODUCTION

In 1995-96, the Government of Belize, through the Ministry of Health developed a National Health Plan, which analyzed health conditions and determinant factors and presented a set of mission statements and goals to guide health sector policy development and planning. This plan constituted an important step toward health sector reform reflecting the GOB's commitment to improved equity, accessibility, quality, efficiency and effectiveness in the health sector, which includes both private and public.

The Government of Belize (GOB), with the support of the Inter-American Development Bank (IDB), the Caribbean Development Bank (CDB), the European Union (EU), and a grant from the Multilateral Investment Fund (MIT) is now undertaking the Health Sector Reform Project aimed at reforming its health services delivery system. The IDB Loan Agreement No. 1271/OC-BL was signed on the 10th April 2001; the CDB Loan Agreement No. 14/SFR-OR-BZ was signed on the 29th June 2001; the EU loan was signed on April 10, 2001; whereas the MIF grant was approved on December 8, 2000.

2.0 PROJECT OBJECTIVE

The objective of the Project is to improve the quality, efficiency and equity in the delivery of health services. To achieve this objective, the project will restructure the health sector, rationalize and improve services, support a national health insurance fund and support the development of the private sector.

3.0 EXECUTING AGENCY

The Ministry of Health (MOH) is the Executing Agency for the project. A Project Management Unit (PMU) was established and is led by a Project Manager, who reports to the Chief Executive Officer in that Ministry.

The Project Management Unit has been fully staffed with a Project Manager, Project Accountant, Project Engineer, Engineering Assistant, and two Executive Assistants, one for administration and the other for procurement.

The Project Management Unit is currently housed within the Ministry of Health, East Block Building, Belmopan City.

The Unit has been executing all the components of the Project.

4.0 UPDATE ON STATUS OF PROJECT COMPONENTS

IDB FUNDED COMPONENTS

4.1 COMPONENT 1 – SECTOR RESTRUCTURING

4.1.1 REORIENTING THE MINISTRY OF HEALTH

4.1.1.1 Legal Draftsman

Background: The overall objective of this consultancy is to provide the draft legislation that will adequately address the GOB's Health Sector Reform Project's agenda that allows the implementation of the Separation of Functions as outlined in the Policy Document approved by Cabinet.

Update: The MOH Counterparts have prepared the Terms of Reference for this consultancy; however, based on discussions at various meetings, it was decided that the TOR needs to be revised to reflect various decisions. This process is expected to be accomplished early April 2006.

4.1.2 PILOTING AUTONOMY WITH THE KARL HEUSNER MEMORIAL HOSPITAL AUTHORITY (KHMHA)

4.1.1.2 Development of new Information System

Background: The contract was signed with Accesstec Inc. to implement this consultancy on October 8, 2004. The consultancy commenced in November 2004 and was originally envisaged to take 10 months to complete for a total cost of US\$300,000.00.

Update: Accesstec have completed many of the milestones as outlined below:

Milestone 1:	Accounting System Installation	Completed December 2, 2004
	Delivery of Industrial Engineering Report	Completed February 28, 2004
	Internal Reporting Engine Go-Live	Completed February 22, 2004
	Inception Report	Completed March 22, 2005
Milestone 2:	BHIS Billing System Go-Live	Completed October 18, 2005
	This milestone involved the interfacing of the accounting, billing, and Patient Admission and Discharge Transfer module	
Milestone 3:	Completed Data Replication & Transfer Functions Completed October 18, 2005	
Milestone 4:	Production Level Data Store Go-Live	Completed October 21, 2005
	This milestone involved the provision to the MOH of two production level data store servers. Both servers are at the MOH's headquarters and are fully functional.	

Milestone 5: Administrative Documentation Completed Completed November 14, 2005
Accesstec provided the MOH with detailed instructions on the use of the BHIS.

Milestone 6: Clinician Order Entry Completed December 22, 2005
This component of the system will allow users to prescribe medications to patients electronically. Access to the following electronic functions are also available: dispense, test, disease coding and procure coding

4.1.3 PROMOTING KNOWLEDGE AND BEHAVIORAL CHANGE

Background: The scope of works for this consultancy is to promote behavioral change in targeted population groups such as women, young children, the poor, the elderly and those with special needs including indigenous groups in the specific areas of diabetes and hypertension.

This consultancy was originally a CDB funded one; however, based on one of the criticisms levied against the Terms of Reference by the CDB basically stating that it severely underestimated the time required by the consultants to conduct the necessary baseline surveys, the MOH, requested the use of IDB funds to complement the CDB funded portion of this consultancy. IDB's approval to this request and others was obtained and the Amendatory Contract No. 1 was signed on October 21, 2004.

Update: See Section 4.4.4.

4.2 COMPONENT 2 - SERVICES RATIONALIZATION AND IMPROVEMENT

4.2.1 INFRASTRUCTURAL WORKS

This component will address the necessary activities to reorganize surgical and other key hospital services in the public sector into a smaller number of regional centers in an effort to increase the capacity utilization and to improve the quality of health care. It will focus mainly on infrastructure and equipment improvement for the health sectors at all levels: primary, secondary and tertiary.

Table 1, on the following page, outlines the infrastructural works to be funded by the Inter-American Development Bank, based on a realignment which was approved by the IDB.

Table 1: IDB Funded Infrastructural Works

Works	Description	Estimated Budget
Lot K: Belmopan Halfway House, Western Regional, Port Loyola Acute Mental Health Day Care Center	Belmopan Halfway House – involves the construction of a 8,600 sq. ft. single storey structure	BZ\$1,290,000.00
	Western Regional Hospital – involves the retrofit and repair to the roof and electrical wiring; and enhancing the physical appearance of the building.	BZ\$505,000.00
	Port Loyola Mental Health Day Care Center – involves the construction of approximately 900 sq. ft. reinforced concrete structure on the Port Loyola Health Center Compound	BZ\$100,000.00
Lot L: San Ignacio Community Hospital and Regional Health Management Team Office	Construction of 15,000 sq. ft. single storey structure	BZ\$3,100,000.00
Lot N: Corozal Community Hospital	Retrofit of the roof, windows, doors; renovation of the East Wing and Accident & Emergency Department; paint the entire building; and repair to the sewage collection and treatment system	BZ\$817,000.00
Lot P: Northern Regional Hospital	Retrofit of the roof, windows and doors; and improvement to site drainage	BZ\$545,000.00
Total		BZ\$6,357,000.00

4.2.1.1 Preparation of Project Proposal Documents

Due to the new procurement procedure recommended by IDB as a result of the restructuring and extension of the loan, which requires that the Unit prepares Project Proposal Documents for each sub-project, the following outlines the status on the development of such documents. The Project Proposal Document consists of Terms of Reference, Project Brief and a Functional Plan.

1. Corozal Community Hospital

Subsequent to numerous meetings with the technical team, the Project Proposal Document was submitted to the Office of the Director of Health Services (ODHS), on November 21, 2005 for approval. The DHS approval was forwarded to the Unit on December 20, 2005. Thereafter, the documents were forwarded to the IDB for its no objection rating on January 9, 2006. IDB's approval to the PPD was submitted on January 19, 2006.

2. Northern Regional Hospital Hurricane Retrofitting

Meetings were held on February 7 and 9, 2005 with MOH Senior Management, which resulted in the finalization of the scope of works for the Northern Regional Hospital Hurricane Retrofitting Project. During one of the meetings, the DHS informed the PMU that at the request of the MOH a structural assessment of the Hospital was done by an A & E firm approximately 4-years prior. The Assessment Report was located by the PMU on March 1, 2005.

Using the Assessment Report and information provided by the Northern Regional Hospital (Memorandum Ref: ACC/2/01/05 (6) dated May 4, 2005) the PMU completed preparation of the draft Project Proposal Document (PPD) for the Northern Regional Hospital Hurricane Retrofitting project on May 26, 2005.

The Project Proposal Document was submitted to the IDB on October 11, 2005 for approval. The IDB's approval was forwarded to the Unit on October 24, 2005.

3. Karl Heusner Memorial Hospital - Acute Psychiatric Unit

The Project Proposal Document for the Port Loyola Acute Mental Health Day Care Center was submitted by the PMU to the ODHS on December 9, 2005 for approval. The DHS approval was granted on February 3, 2006. The document was immediately thereafter forwarded to the IDB on February 3, 2006 for no objection, which was provided on February 8, 2006.

4. Belmopan Halfway House

The PMU completed preparation of the Draft Terms of Reference and Project Brief on April 18, 2005. PMU incorporated the recommendations made by the Technical Team and completed the revised PPD on May 8, 2005.

The Project Proposal Document was submitted to the IDB on October 11, 2005 for approval. The IDB's approval was forwarded to the Unit on October 24, 2005.

5. Western Regional Hospital Hurricane Retrofitting and Electrical Upgrade

The Project Proposal Document was submitted to the IDB on October 11, 2005 for approval. The IDB's approval was forwarded to the Unit on October 24, 2005.

6. **San Ignacio Community Hospital**

The Project Proposal Document for the San Ignacio Community Hospital and Regional Health Management Team office was completed by the PMU and forwarded to the Director of Health Services on January 30, 2006. The DHS's approval to the document was provided on February 8, 2006.

Outstanding - Land Acquisition: The Ministry of Health through the Ministry of Natural Resources were in discussions with Alpha & Omega International Realty concerning the acquisition of approximately 6-acre portion of land in the Cerro Lindo Development for the construction of the Community Hospital. These discussions proved to be very lengthy therefore the PMU investigated the availability of land around the Cerro Lindo Development area. Land was identified adjacent to the Cerro Lindo Land. MOH and PMU visited the land and decided to cease all prior acquisition efforts and purchase the land identified.

Land measuring 4.3 acres were purchased from the St. Martin's Credit Union on March 29, 2006 for a total sum of BZ\$90,000.00. The Unit also identified land near the St. Martin's land measuring 1.53 acres, owned by Mr Kevin Espot, for acquisition. Negotiations between the owner and the Ministry of Natural Resources resulted in the owner offering BZ\$130,000.00 for the land. The owner is finalizing the survey plans prior to the MOH's purchase of the land.

The PMU also engaged the services of a Surveyor, Mr. Lloyd Tingling, to conduct the survey of the land and to obtain the authenticated plan and title number for the land.

This activity and the identification of the alternative site for the construction of the San Ignacio Community Hospital saved GOB about BZ\$980,000.00 since the cost of the Cerro Lindo land as quoted by Alpha & Omega was BZ\$1,200,000.00.

This activity was precedent to the commencement of construction works.

4.2.1.2 Architectural and Engineering Consultancy for the Works in Table 1

1. Lot K - Belmopan Halfway House, Western Regional Hospital, Port Loyola Acute Mental Health Day Care Center

No objection to short list of Architectural & Engineering Firms: The Ministry requested the Bank's no objection to a short list of eight (8) Architectural & Engineering Consultancy firms on October 23, 2005 [Ref: 6425/PMU/04/05 (363)]. The Bank provided its no objection in letter Ref: COF/CBK/536/2005 dated October 24, 2005.

Request for Statements of Capability: Letters [Ref: 6425/PMU/82/05(14)] inviting Expressions of Interest (EOIs) and Statements of Capability (SOCs) were sent out to the eight short-listed Architectural & Engineering Consultancy firms on October 27, 2005. The submission deadline was scheduled for Wednesday, November 30, 2005. SOCs were received from two firms, Gutierrez & Associates Architects (GAA) and Architecture and Project Management (APM).

Further to consultation with the IDB, the Ministry proceeded to evaluate the two submissions on November 11, 2005. The evaluation resulted in the disqualification of APM because the firm was registered in May, 2005 and an incomplete assessment of GAA due to inadequate data. The IDB advised that the process had to be redone. The invitation letter was revised to include a data sheet outlining the requirements of the SOC, to ensure that the required information was submitted by the A & E firms, as well as the short list of A & E firms and submitted to the IDB on November 25, 2005 for no objection [Ref: 6425/PMU/04/05 (397)]. The Bank provided its no objection on December 9, 2005 [Ref: COF/CBL/631/2005].

The second round of requesting Statements of Capability commenced on December 9, 2005 by sending out invitations [Ref: 6425/PMU/82/05 (44)] to the revised short list of A & E firms. The deadline for submission was set for December 29, 2005. Four out of five firms submitted SOC's by the deadline.

The submissions were evaluated by the committee and the Evaluation Report was provided to the IDB for approval on January 25, 2006. IDB granted its approval for the qualification of Gutierrez & Associate Architects and Mitchell Moody Associate for the works on February 6, 2006.

Letters of invitation referenced 6425/PMU/82/06(71) and dated February 9, 2006 were sent to the two qualified firms requesting Technical and Financial Proposals. The deadline for submission of proposals was set at March 15, 2006. At the deadline, the two firms submitted proposals. The Unit has scheduled Monday, April 3, 2006 for the opening of the proposal.

The Unit also requested IDB's no objection to the Evaluation Criteria and the make-up of the Evaluation Committee on March 7, 2006. IDB's letter referenced COF/CBL/156/2006 dated March 22, 2006 granted approval to both items.

2. Lot L – San Ignacio Community Hospital and RHMT Office

On February 2, 2006, the PMU requested IDB's no objection to a proposed list of firms to request Technical and Financial Proposal based on their prequalification under the HSRP project and other recent IDB funded project. IDB's no objection to this proposed list was received on February 8, 2006.

Based on IDB's approval three firms were invited to submit Technical and Financial Proposals on February 13, 2006. Two of the invited firms provided the PMU with written interest in submitting proposals for the project whereas the third firm expressed its interest in teaming up with one of the other short-listed firm. The deadline for submission of proposals was set for March 20, 2006.

At the close of request for proposals, two of the three invited firms submitted documents. These firms are Anthony Thurton & Associates and Mitchell Moody Associates.

The PMU also requested IDB's no objection to the Evaluation Criteria and the make-up of the Evaluation Committee on March 7, 2006. IDB's letter referenced COF/CBL/156/2006 dated March 22, 2006 granted approval to both items.

The Unit expects to open the submissions on Tuesday, April 4, 2006.

3. Lot N – Corozal Community Hospital

On February 2, 2006, the PMU requested IDB's no objection to a proposed list of firms to request Technical and Financial Proposal based on their prequalification under the HSRP project and other recent IDB funded project. IDB's no objection to this proposed list was received on February 8, 2006.

Based on IDB's approval seven firms were invited to submit Technical and Financial Proposals on February 13, 2006. Six of the invited firms provided the PMU with written interest in submitting proposals for the project whereas the seventh firm expressed its interest in teaming up with one of the other short-listed firm. The deadline for submission of proposals was set for March 20, 2006.

At the close of request for proposals, four of the seven invited firms submitted documents. These firms are Anthony Thurton & Associates, Mitchell Moody Associates, Gutierrez & Associate Architects, and DIEMA: Architectural and Engineering Consultants.

The PMU also requested IDB's no objection to the Evaluation Criteria and the make-up of the Evaluation Committee on March 7, 2006. IDB's letter referenced COF/CBL/156/2006 dated March 22, 2006 granted provisions to both items.

The Unit expects to open the submissions on Tuesday, April 4, 2006.

4. Lot P – Northern Regional Hospital

On February 2, 2006, the PMU requested IDB's no objection to a proposed list of firms to request Technical and Financial Proposal based on their prequalification under the HSRP project and other recent IDB funded project. IDB's no objection to this proposed list was received on February 8, 2006.

Based on IDB's approval seven firms were invited to submit Technical and Financial Proposals on February 13, 2006. Six of the invited firms provided the PMU with written interest in submitting proposals for the project whereas the seventh firm expressed its interest in teaming up with one of the other short-listed firm. The deadline for submission of proposals was set for March 20, 2006.

At the close of request for proposals, four of the seven invited firms submitted documents. These firms are Anthony Thurton & Associates, Mitchell Moody Associates, Gutierrez & Associate Architects, and DIEMA: Architectural and Engineering Consultants.

The PMU also requested IDB's no objection to the Evaluation Criteria and the make-up of the Evaluation Committee on March 7, 2006. IDB's letter referenced COF/CBL/156/2006 dated March 22, 2006 granted approval to both items.

The Unit expects to open the submissions on Tuesday, April 4, 2006.

4.2.2 PROCUREMENT OF EQUIPMENT

4.2.2.1 Procurement of Ambulances

This component originally involved the procurement of eight (8) ambulances and their related equipment. However, due to budgetary constraints the number was reduced to seven.

The specification for the ambulance and the related equipment were completed by MOH and forwarded to the Unit.

Subsequent to prolonged efforts by the Unit in obtaining expressions of interests and quotations from local firms for the supply of ambulance, and the matter of conflict of interest between one selected supplier and the Ministry, the IDB recommended the use of international competitive bidding for the procurement of the ambulance.

A procurement notice and bidding document were drafted and forwarded to IDB for its no objection on January 27, 2006. IDB's no objection to the procurement notice was received on February 6, 2006. The notice was published in the February 28th edition of the UN Development Business. It was also published in local papers on February 24 and March 3.

IDB requested modifications to the Bidding Documents, which were incorporated, and thereafter approved by IDB on February 28, 2006.

As of March 31, 2006, four local and three international firms have purchased bidding documents. Bids are expected in by April 18, 2006.

4.2.2.2 Procurement of Medical Equipment – IDB Funded

Background: There were no provisions in the loan funds to contract a Medical Equipment Specialist. The scope of work for this consultancy is divided into the following five phases:

1. Planning Phase: Assessment of the facilities and the preparation of a needs assessment plan identifying the equipment needs prioritized in relation to the available loan funds. Prepare technical specification.

2. Acquisition Phase: Divide equipment into appropriate lots and prepare Requests for Proposals for tendering. Evaluate bids received and prepare Evaluation Report.

3. Distribution Phase: Coordinate equipment arrival, customs formalities and deliver equipment to facilities.

4. Installation & Commissioning: Oversee equipment installation and commission.

5. Operation and Maintenance Phase: Supervise equipment warranties. Monitor after sales support. Coordinate training for users and maintenance personnel. Organize a preventative maintenance plan.

As there were no loan funds available for this consultancy, the Project Management Unit spent the better part of 2005 trying to generate the information for Phase 1, the Planning Phase through the National Engineering & Maintenance Center, Regional Managers and facility staff. This effort proved futile and resulted in limited success as expertise with regards to specification, cost and standardization of medical equipment was not available or demonstrated.

Later that year, having agreed with the Bank that this consultancy may be funded through a percentage of the loan funds identified in the IDB loan for medical equipment, the Project Management Unit requested the assistance of PAHO in reviewing the Terms of Reference developed and identifying potential consultants. PAHO recommended that the Terms of Reference be separated into phases as described above and provided the names and CV's of two consultants. They also estimated that Phases 1 to 4 of the consultancy would need 10 man-months and an execution time span of 12 to 18 months. They did not provide an estimate of cost.

On March 21, 2004, two representatives of CCI, a Canadian company that specializes in assisting Governments in the procurement of medical equipment arrived in Belize. On Monday, March 22, 2004 they were taken on a tour of the KMH, and the Southern Regional Hospital. On Tuesday, March 23, 2004, they were taken on a tour of Matron Roberts Health Center and paid courtesy calls on the CEO, MOHC and the Mr. Harold Arzu from the IDB. Based on their observations and knowledge of medical equipment procurement, they were invited to submit a proposal to develop and assist with the procurement of equipment for all the health facilities funded under the loan.

The proposal submitted by these consultants estimated the cost of their services to be between 7% – 10% of the medical equipment budget. Considering that this represented a sizable portion of the already limited budget available to procure medical equipment, PMU attempted to conduct as much of the consultancy as was possible in-house.

On Monday, July 1, 2004 two separate meetings were held with the Central Regional Health Manager, Dr. Jose Lopez, and the Facility Administrators and staff of Matron Roberts and Cleopatra White Health Centers. The purpose of the meetings were to give a brief overview of the civil works projects for the three Belize District Polyclinic II's, and to explain the importance of taking an inventory of medical and administrative equipment and furniture and to outline a process for developing this inventory list. At this meeting, an inventory format developed in May 2004 was distributed as the instrument for recording the inventory and for cataloguing the equipment based on its state of repair. Category 1 was equipment in good shape; Category II was equipment that would have to be replaced in 12 – 18 months; Category III was equipment that would have to be replaced immediately. PMU's Executive Assistant, Ms. Gina Sampson conducted a review of the inventory lists developed for each of the two health facilities on July 7 and 8, 2004. On Friday, July 9, 2004 she again met with the Facility Administrators to determine the location of Categories I and II equipment and furniture in the floor plan of the new health facilities.

Despite the format provided; and PMU's best efforts to explain to the staff the necessity of providing detailed descriptions, to assist with the procurement of new equipment; the staff of

the facilities when identifying existing equipment provided very sparse details. PMU had to make many repeated attempts to get additional information on equipment and furniture.

Due to difficulties experienced with obtaining specification for medical equipment, no procurement of medical equipment was initiated for the three Belize District Polyclinic II's. In addition, further to the IDB/CDB Administrative Mission conducted in November 2004, a decision was taken by the Bank to halt any partial procurement of equipment before the hiring of a medical equipment specialist to write specifications and tendering out all needed equipment together with a phased delivery schedule.

Update: The MOH Counterpart finalized the preparation of the Terms of Reference for the Medical Equipment Specialist on December 29, 2005. This document was forwarded to the DHS for approval on December 29, 2005. The DHS approval to the TOR was provided to the Unit on March 23, 2006. The Unit is currently reviewing the Terms of Reference prior to its submission to the IDB for approval.

4.2.2.3 Procurement of Central Laboratory Equipment – IDB Funded

Background: A list of Central Laboratory Equipment was developed and submitted to the PMU for procurement in March 2003. As the list contained specific brands names of equipment, the PMU requested that the Director of the Central Medical Laboratory submit a justification for the preferences. Subsequent to this, the list was revised. The PMU is currently awaiting the revised list of Laboratory Equipment including the supporting justification to purchase specific brand names, from MOH.

Update: Progress on this procurement has been halted pending the procurement of medical equipment for the Belize District Polyclinic II's. (See 4.2.2.2).

4.3 COMPONENT 3 – SUPPORT TO NHI FUND

Component 3 is financed by the Inter-American Development Bank (IDB) and the Government of Belize (GOB). This component of the Health Sector Reform Project (HSRP) is intended to achieve an equitable and sustainable system of sector financing by supporting the setting up of a National Health Insurance Fund (NHIF) and focusing public spending on the poor.

The development of the NHIF is intended to focus primarily on ensuring that health spending results in *achieving the national goal of equity and health service purchasing at highest quality for money*, not on how to raise money for health care. The NHIF will have great purchasing power which will enable the Fund to generate change in service providers. The Fund will have the power to demand improvement in the quality and efficiency in the delivery of health care.

Component 3 is subdivided into two subcomponents a) Technical Development of the NHIF and b) Innovation Fund. Subcomponent 3a focuses on technical assistance and training and setting up the NHIF Company as purchaser of services. Subcomponent 3b includes an

Innovation Fund where loan resources will be used to finance payments to health care providers on a pilot basis in Southside Belize City. The pilot will facilitate the testing of the system for contracting health care providers and acquiring contract health care skills at KMH and health regions. The pilot project will be designed to demonstrate the Government's commitment to long-term participation with the private sector.

4.3.1 Subcomponent 3a: Technical Development of the NHIF

The Technical Development subcomponent is comprised of twelve (12) sub-activities. Below is a summary description and status of each sub-activity.

4.3.1.1 **Appoint Health Policy Committee**

The National Health Insurance (NHI) Policy Committee was enacted under the SSB amendment Act dated August 31, 2001. The Committee is chaired by Dr. Gregg Garcia Executive Chairman, NHI and has representation from the following organizations:

- i. Ministry of Health - Chief Executive Officer and Director of Health Services
- ii. Social Security Board - General Manager
- iii. Belize Medical and Dental Association - President
- iv. Opposition Party
- v. Unions
- vi. Churches
- vii. Better Business Bureau
- viii. Chamber of Commerce

The function of the NHI Policy Committee is decided on:

- Matters relating to the health care needs of the population,
- Problems encountered by private and public providers of services and by customers,
- Health care policies of the Government,
- Formulation of regulations under this Part;
- Standards and quality pertaining to the functions of the Board in ensuring the availability and effective utilization of health care services by NHI beneficiaries

The Technical Committee is an ad hoc committee of the Health Sector Reform Steering Committee. It was established in 2002 in order to provide technical recommendations to the HSRSC on critical issues related to the reform. Initially, the committee was charged with providing an objective review of the pilot project on the Southside of Belize City. Membership is comprised of representatives of the MOH, NHI and the BMDA with specialists from other areas co-opted as required. The technical committee does not meet to a defined schedule but rather, depending on the tasks set for it. It is chaired by the member responsible for that particular activity (usually, purchasing - NHI and regulation and stewardship - MOH). All meetings are minuted.

On average the committee has met at least once a month since its formation. Major tasks have included:

- Evaluation of the pilot project
- Ongoing audits for effectiveness, efficiency and quality indicators for the extensions to the Southside pilot project.

- Sustainable financing alternatives for NHI purchased services
- Coordinating activities under the MIF
- Roll out of NHI purchased services to the rest of the country

4.3.1.2 Design Performance Contracts

Maxwell Stamp designed two performance contracts. One was signed between the Ministry of Health and Social Security Board and the other between Social Security Board and NHIF Company.

4.3.1.3 Establish NHIF Company

Background: In order to maximize public acceptability, it was proposed that the NHIF Company should be a corporate body independent of the Government of Belize. The options proposed in the Belize Health Sector Reform Programme Project Document, June 1999 included:

- i. An independent statutory authority under contract with the GOB. The NHIF Company would sub-contract SSB to collect contributions - a function SSB already undertakes for social security purposes¹. A Board will be selected by Cabinet. The Board will appoint a small top management team.
- ii. A mutual fund owned by its members with a Board elected by those members
- iii. Part of the Social Security Board (SSB) but maintaining separate financial arrangements.

Update: The NHIF Company was established as a sub-unit of the Social Security Board (SSB) under the SSB Amendment act dated August 31, 2001. SSB and NHI funds are fire walled. It is expected that in the long term the NHIF Company will expand and manage a significantly larger budget than the SSB.

4.3.1.4 Appoint Management Team

Background: In addition to the NHI Committee, the Social Security Board appointed a management team for the planning and implementation of activities of the NHI scheme. The two principal functions of the Company would be to 1.) collect financial contributions and 2.) spend the resulting fund on health care. SSB would be contracted to collect contributions and paid a management fee.

Dalila Castillo was employed as Manager of NHI from December 1999 but actually took up position in January 2000.

Dr Ramon Figueroa took up position as Director of Purchasing and Planning for NHI in January 2000.

Subsequently SSB was restructured and four units were created in 2001:

- NHI
- Pensions and other benefits

¹ Belize Health Sector Reform Programme Project Document, June 1999 pg. 19 - Health and Life Sciences Partnership

- Finance
- Administration

At this time, Dalila Castillo became the Director of the NHI unit, Mr. Carlos Magana was employed as the economist with responsibility for NHI, and Ms Ruth Jaramillo was employed as the Local Manager for NHI (Belize Southside project). SSB and NHIF have shared staff for Information System and Public Relations.

Outstanding: An assessment of the NHIF Company's staffing requirements for national level coverage needs to be conducted.

4.3.1.5 Labour Market Assessment Mechanism

Background: The Central Statistical Office (CSO) conducted a Labour Force Survey in May, 2005.

Outstanding: The Health Sector Reform Project Steering Committee (HSRPSC), Ministry of Health (MOH) and National Health Insurance Fund (NHIF) Company are to use the information to assess i) the level and type of employment in the country; ii) income and disposable income of the population; and iii) most practical and sustainable financing for NHIF.

4.3.1.6 National Income and Expenditure Survey

Background: A model² was developed to explore the possible revenue that could be generated by a national insurance system. The biggest uncertainty associated with the revenue model was that of income distribution in Belize. Useful data was not available and the crude average income used, from CSO data, could have distorted the actual amount that could be raised in contribution based on a percentage of income since lower and upper limits would have to be established. The Project Document highlighted that a key element of implementation was the execution of a significant survey to investigate income distribution and current expenditures on health care. The survey would form the basis of further financial modeling for national health insurance. The survey would also be geared at investigating demand and care-seeking behavior factors within the country.

Update: Statistics on national income and expenditure are currently available from the Central Statistical Office and Central Bank. The MOH, GOB is to utilize the information to determine whether or not the country can afford NHI, as well as the level of payroll deduction that the country could afford.

² HSRP Project Documents, Technical Note 3: Sector Financing, June 1999 Section 4.3. Implications for Revenue indicates that the model assumes that [NHI] contribution will start at 4% if income (paid 20% employer, 20% employee) rising to 5% after two years and to 6% after a further two years. GOB would be required to provide a subvention in the first three years because the NHIF Company would fund a deficit in funding an 'optimum' package of services. Within three years the deficit would be eliminated that NHIF would be in surplus.

In light of GOB's decision not to proceed with the NHI payroll tax, the NHI Technical Committee used the Poverty Assessment Survey, 2002 (conducted by NHDAC and CSO) to develop estimates for the provision of primary health care and limited secondary health care (OBGYN and Pediatrics).

Outstanding: The MOH, SSB, NHI is to establish the level of payroll taxation that the country can afford for national health insurance.

4.3.1.7 Identification of the Poor Population Survey

Update: GOB undertook a Poverty Assessment Survey in 2002.

4.3.1.8 Financial Model/Simulation

Introduction: Health Care delivery will be via PCPs in designated Health Zones. The Health Zones which the PCP serves may vary in size depending on whether it provides service to an urban or rural area. Satellite or mobile operations to hard to access communities for example, may be a feature of the rural model.

The methodology used to develop the financial model A ratio of 4000 patients to 1 GP will be utilized. The ratio of patients to nurses will be 1:3000. Each PCP can register a maximum of 12,000 patients that are within its designated Health Zone.

The Health Zone formation determinants were:

1. The Enumeration Districts system employed by CSO for its census was used to break down geographic areas into small populations.
2. Census 2000 figures were forecasted for 2003 applying a growth rate of 2.7% uniformly as advised by CSO.
3. Where the census stated a 0 population for an area, these were visited and an estimated population was used instead.
4. Enrollee access) or mobility to and from point of care and home should take no more than 30-45 minutes by foot or moving vehicle (depending on the form of transportation readily available in that zone).
5. MOH Health facilities already present that will undergo transformation into polyclinic Hs
6. Other principles as can be found in the HLSP Document for example that which states that the private sector will provide service where the excess demand cannot or is not being met by the MOH at present.

Update: A financial model was developed and tested during the Belize City Southside Pilot Project.

4.3.1.9 National Health Insurance Fund (NHIF) Legislation

Background: It was proposed that the NHIF Company would operate under contract to Ministry of Finance and enabling legislation would ensure that the Company conforms to national health goals and policies. Legislation would be required to allow the collection of contributions and to set the context within which the Company must operate.

Update: Amendment to SSB Act was passed in 2001

4.3.1.10 Social Security Board (SSB) Legislation

Amendment to SSB Act was passed in 2001.

4.3.1.11 Appoint concurrent auditing

A concurrent audit was indicated as part of the activities under the special conditions for disbursement under the health sector reform program for Component 3. Over the course of implementation, several developments/decisions were made which “negated” the need for the concurrent audit. In discussion with Mr. Arzu, Jan/16/ 2006, it was stressed that the audit was only necessary if the innovation funds were used to support piloting of NHI.

In October 20/2004, ref COF/CBC/620/2004, an amendatory contract was signed. This contract eliminated special conditions A and B of Component 3. The innovation fund of annex A was also eliminated. Consequently, these activities were no longer funded by the loan.

In the aide memoir of the Administration Mission to the Belize Health Sector Reform Project (1271/OC Belize) between November 8 and 12, 2004, it was noted that the pilot program contemplated under the loan thru the innovation fund was being funded through SSB funds. This was the basis for the amendatory contract.

SSB legislation was amended in 2001 to set up NHI. In August 2001, performance agreements were signed between MOH and SSB and also between SSB and NHIS respectively. These activities met the conditions under subsection C of component 3 special condition. In the MOH/SSB agreement SSB became the implementing agency for this component. It follows that SSB is expected to report to MOH on this component. In the agreement between SSB/NHIS, SSB is responsible to ensure the following:

1. Ring fencing of funds for healthcare from other social security activities
2. Separate internal audit and independent external audit of SSB and NHIS.
3. Fire walling of SSB fund and NHIS funds.

SSB would be expected to ensure these happen and report to MOH.

Medical audits are conducted by MOH, NIH and BMDA semi annually for compliance of Primary Care Providers (PCP) with contractual agreements. Medical records are audited to establish the PCP's productivity, customer satisfaction, health care quality and efficiency. The PCP's score determines if the facility is awarded a bonus.

4.3.1.12 *Install Financial and Management Control Systems*

Social Security Board financed an Information Technology Consultancy for the development of an extensive Financial Control System for NHI funds. The re-aligned HSRP budget includes an additional US\$150,000 towards strengthening SSB's IT system with a geographic zoning module.

SSB provided computers for each PCP in Belize City Southside and will be providing computers for the PCPs in the Southern Health Region. SSB will also incur the cost of providing minimum information technology (1 CPU per PCP) required for the roll out of NHI in the other health regions.

4.3.2 Subcomponent 3b: Innovation Fund (US\$420,000.00)

Background: Paragraph 2.20 of the Project Report³ referred to in the IDB Loan Agreement⁴ and the CDB Loan Agreement⁵ states that “The second sub-component will finance the creation of a temporary fund, the Innovation Fund, to allow the NHIF to use loan resources to finance payments to health care providers under the execution of two pilots which will be fundamental to develop the purchasing model and acquire purchasing skills while offering the private sector a clear signal of the GOBL commitment towards stimulating long-term participation of the private sector in the provision of health care services.” Additionally, as stated in paragraph 2.21, the objectives of the Innovation Fund are:

- i. To enable the NHIF to initiate purchasing (through pilots) from the private sector before contributions are collected;
- ii. To Signal the private sector regarding the type, volume and quality of services required, thereby reducing resistance and motivating providers to adopt required changes.

“Eligible activities will be: purchasing medical (basic medical services through two pilots for developing purchasing skills) and ancillary services (contracting out services to support the existing public supply (KMH) from selected domestic providers.

Requirements for use of funds: resources will be allocated by means of a competitive process where quality standards will be the critical factor. The GOBL will prepare Operation Guidelines (OG) for running the Fund.

Update: SSB invested some \$4,000,000.00⁶ in the pilot project and has invested a further \$16,000,000.00⁷ in addendums to the contracts with the PCPs to date.

Since SSB funds were used to finance the pilot instead of Loan funds and considering that the goals of the Innovation Fund had been achieved under the Pilot Project, MOH as the executing agency for the Health Sector Reform Project, applied for the reprogramming of those funds originally intended for the Innovation Fund, to support activities under Components 1 and

³ BL-0014 Belize Health Sector Reform Program – Project Report

⁴ Signed April 10th 2001 reference CLOSED FILE MOH GEN 59/01 part V1 note (52)

⁵ Signed 26th June 2001 reference CLOSED FILE MOH GEN 59/01 part V11

⁶ Exact figure available from SSB upon formal request to General Manager

⁷ Exact figure available from SSB upon formal request to General manager

2 of the Project.^{8 9 10 11 12} The reprogramming was granted on (insert date) under cover letter from IDB ref.

CDB FUNDED COMPONENTS

4.4 COMPONENT 1- SECTOR RESTRUCTURING

4.4.1 REORIENTING THE MINISTRY OF HEALTH

4.4.1.1 Procurement of Technical Advisors/PAPU Training Facilitators

Background: Technical assistance will be procured to train the Policy and Planning Unit (PAPU) personnel in the areas of policy and strategic planning.

Update: The MOH Counterparts have finalized the preparation of the Terms of Reference for this consultancy. The draft document is currently with the DHS for approval.

4.4.2 DECONCENTRATING OPERATIONAL AUTHORITY TO HEALTH REGIONS

4.4.2.1 Technical Assistance for a Regional Health Management Expert

Background: The scope of works for this consultancy is to formalize the management structure of the Regional Health Management Teams (RHMT) and develop management tools and systems for their effective and efficient management.

Update: Presently, the MOH Counterparts are working on the development of the Terms of Reference.

4.4.3 PUBLIC COMMUNICATION STRATEGY

Background: The scope of works for this consultancy is to promote the Health Sector Reform Project.

Update: The MOH Counterparts were tasked with preparing the relevant Terms of Reference for the consultancy, which was provided to the ODHS on January 17, 2006. The document was approved by the DHS and forwarded to the CDB for comments on February 3, 2006. CDB's comments on the said Terms of Reference are still pending.

⁸ CEO Anderson to Mr. Hugo Souza May 21st 2002 Ref: GEN/59/01/02 VOL V111 (2)

⁹ Arzu to Anderson June 13th 2002 Ref CBL-236/02

¹⁰ Arzu to Anderson October 1st 2002 Ref CBL-416/02

¹¹ Arzu to Anderson June 13th 2002 Ref CBL-236/02

¹² Arzu to Anderson October 1st 2002 Ref CBL-416/02

The PMU also requested of the CDB a short-list of possible consultancy firms within the region capable of undertaking the works. However, CDB, in its letter referenced 27/19/397, responded expressing the need to advertise internationally and locally for expressions of interest to undertake the consultancy works. Consequently, the Unit drafted a procurement notice which was forwarded to CDB for approval on March 13, 2006. CDB's approval and modifications to the notice was received on March 15, 2006. The notice will be published on April 16, 2006.

4.4.4 PROMOTING KNOWLEDGE AND BEHAVIORAL CHANGE

Background: The scope of works for this consultancy is to promote behavioral change in targeted population groups such as women, young children, the poor, the elderly and those with special needs including indigenous groups in the specific areas of diabetes and hypertension.

Update: The MOH Counterparts have revised the Terms of Reference taking into the consideration the inputs from the CDB and the document was approved by the ODHS.

The final Terms of Referenced was forwarded to the CDB for comments on February 3, 2006. CDB's comments on the said Terms of Reference are still pending.

The PMU also requested of the CDB a short-list of possible consultancy firms within the region capable of undertaking the works. However, CDB, in its letter referenced 27/19/397, responded expressing the need to advertise internationally and locally for expressions of interest to undertake the consultancy works. Consequently, the Unit drafted a procurement notice which was forwarded to CDB for approval on March 13, 2006. CDB's approval and modifications to the notice was received on March 15, 2006. The notice will be published on April 16, 2006.

4.5 COMPONENT 2 – SERVICES RATIONALIZATION AND IMPROVEMENT

4.5.1 INFRASTRUCTURAL WORKS

This component will address the necessary activities to reorganize surgical and other key hospital services in the public sector into a smaller number of regional centers in an effort to increase the capacity utilization and to improve the quality of health care. It will focus mainly on infrastructure and equipment improvement for the health sectors at all levels: primary, secondary and tertiary.

Consultants for CDB Funded Civil Works

The Consultants for the CDB funded civil works were funded utilizing GOB Counterpart funds. See Section 4.6.1 for the status of these works.

Contractors for Civil Works

Due to a decision taken by the CDB to expand the National Health Insurance to the Belize District by January 2004, it was decided that works on the Belize District Polyclinic II be commenced (see Table 5, below).

Table 5 – List of CDB Funded Infrastructural Works – Belize District Polyclinics II

Component	Description of Works
Lot F	Renovations/Extensions to Cleopatra White Polyclinic II
Lot G	Renovations/Extensions to Matron Roberts Polyclinic II
Lot H	Renovations/Extensions to San Pedro Polyclinic II

In this light, the three lots outlined in Table 5, above, were let out to tender on January 9, 2004 for a six-week tender period. The pre-bid meeting and site visits were held on February 2, 2004 and February 3, 2004, respectively.

At the deadline for submission of bids, February 23, 2004, only two of eleven invited firms submitted bids for Lots F, G, and H. The bids submitted exceeded the pre-tender estimates prepared by the Consultants, Gutierrez & Associates Architects. Several factors contributed to the price discrepancies, including, but not limited to:

1. A drastic increase in steel prices worldwide;
2. An increase in the price of fuel and other construction materials;
3. A 1% increase in sales tax effective February 1, 2004;
4. Apprehension on the part of contractors to offer tax exempt prices due to negative experiences on previous Bank projects; and
5. High pricing of certain components by the contractors.

The consultant's pre-tender estimates were adjusted to reflect the above-mentioned factors. The tender evaluation report was submitted to the CDB with the recommendation of proceeding to negotiations with the firm of Kee Chanona Ltd. for Lots F and G; and Usher Construction for Lot H. CDB's no objections were received on May 10 and 17, 2004. Subsequent to the CDB's no objection, negotiation meetings were conducted on May 19 and 20, 2004 for Lots F and G and Lot H, respectively.

Due to CDB delays in the approval of the financing of these projects, and in approving the Long-term Lease Agreement for the San Pedro Polyclinic II, the PMU had to request two extensions in the bid validity period for Lots F, G, and H.

The contracts for Lots F and G were signed between GOB and Kee-Chanona Ltd. on July 5, 2004 whereas the contract for Lot H was signed on July 12, 2004 between GOB and Usher Construction.

I. Lot F- Renovation/Extension to Cleopatra White Polyclinic II

Kee-Chanona Ltd. (KCL) took possession of the site on August 2, 2004, and construction works commenced immediately.

During the demolition phase, several works not included in the contract became apparent. The categories of major renovations were: additional demolition; tongue and groove flooring system; ground floor slab. The Contractor and GOB agreed to a cost-sharing proposal to cover the cost of replacing the floor slab.

The Capital Steering Works Committee also requested several variations within the contract, which were also incorporated.

The Consultant certified practical completion of Lot F on January 12, 2005, and it was thereafter signed off by the relevant parties on March 3, 2005.

In an agreement between the Government of Belize (GOB) and Kee-Chanona Limited (KCL) on February 11, 2005 liquidated damages penalty payments accrued by KCL for Lot F were waived by the GOB in lieu of a 6-month extension in the defects liability period for Lot F. KCL agreed to waive all late penalty fees accrued by the GOB for Lot F.

The warranty for the roll-up shutters installed at Cleopatra White Polyclinic II will expire on March 3, 2006. MOH has a 5-year warranty on the Building sign lettering for Lot F and a 1-year guarantee on workmanship.

The official opening ceremony for Lot F was held on March 17, 2005 on the Cleopatra White Polyclinic II compound.

The defects liability period for Lot F expired on January 12, 2006. A final inspection visit was scheduled for January 11, 2006 between PMU, the Consultant and the Contractor during which 8 final defects were documented. The Contractor was informed of these defects, however, to date some defects are still evident on the structure as outlined below:-

- 1 leak in the MCH Examination Room No. 1
- Water stains evident between Examination Room #5 and #6
- Moisture stains evident on the ceiling tiles in the stairwell
- A/C unit in the Lounge leaks and drips on the wooden floor

The Consultant had recommended release of the retention bond; however, due to the defects still evident on the structure, the Unit has withheld release of the bond.

Table 6, below, shows the final account for Lot F.

Table 6 – Final Accounts – Lot F- Cleopatra White Polyclinic II

Component	Firm	Original Contract Sum	Total Final Investment (BZ\$)	Cost Overruns
Civil Works	Kee-Chanona Ltd.	\$694,025.48	\$761,705.67	\$67,680.19
Roll-up shutters	Lazaro Urbina & Sons	\$11,760.83	\$13,130.00	\$1,369.17
Building signage	Jeronimo Mangroo	\$3,317.00	\$3,317.00	-
AC supply (4 no.)	Enrique Martinez & Sons	\$2,943.00	\$2,943.00	-
Total		\$712,045.91	\$781,095.67	\$69,049.36

II. Lot G- Renovation/Extension to Matron Roberts Polyclinic II

Kee-Chanona Limited took possession of the site on August 2, 2004 and construction commenced immediately.

During the demolition phase, several works not included in the contract became apparent. The categories of major renovations were: additional demolition; tongue and groove flooring system; ground floor slab. The Contractor and GOB agreed to a cost-sharing proposal to cover the cost of replacing the floor slab.

The Capital Steering Works Committee also requested several variations within the contract, which were also incorporated.

The Consultant certified practical completion of Lot G on December 23, 2004. The Practical Completion Certificate was signed off by all parties on March 3, 2005.

The official opening ceremony for Lot G was held on March 10, 2005 on the Matron Roberts Polyclinic II compound.

In an agreement between the Government of Belize (GOB) and Kee-Chanona Limited (KCL) on February 11, 2005 liquidated damages penalty payments accrued by KCL for Lot G were waived by the GOB in lieu of a 6-month extension in the defects liability period for Lot F. KCL agreed to waive all late penalty fees accrued by the GOB for Lot F. The defects liability period for Lot F expired on December 23, 2005.

A site inspection was conducted on December 23, 2005 at the Polyclinic II in preparation of the expiration of the Defects Liability Period by the Contractor, Consultant and PMU, MOH. The defects identified were issued to Kee-Chanona Ltd. by Gutierrez & Associates Architects in a letter of even date.

The defects were made good, and the Consultant in its letters dated January 25 and January 31 recommended release of bond and sign-off on final completion certificate. The Final Completion Certificate was signed off by the Unit on February 7, 2006 and the Bond was released on March 14, 2006.

The 1-year warranty for the roll-up shutters installed at Matron Roberts Polyclinic II will expire on February 10, 2006. MOH has a 5-year warranty on the building sign lettering for Lot G and a 1-year guarantee on workmanship.

Table 7, below, shows the final account for Lot G.

Table 7 – Final Accounts – Lot G – Matron Roberts Polyclinic II

Component	Firm	Original Contract Sum	Total Final Investment (BZ\$)	Cost Overruns
Civil Works	Kee-Chanona Ltd.	\$786,956.92	\$839,458.60	\$52,501.68
Roll-up shutters	Lazaro Urbina & Sons	\$10,660.07	\$10,660.07	-
Building signage	Jeronimo Mangroo	\$3,317.00	\$3,317.00	-
	Total	\$800,933.99	\$853,435.67	\$52,501.68

II. Lot H- Renovation/Extension to San Pedro Polyclinic II

The Consultant certified practical completion of Lot H on January 18, 2005. The Practical Completion Certificate was signed off by all parties on March 3, 2005.

The official opening ceremony for Lot H was held on March 31, 2005 on the street in front of the San Pedro Polyclinic II.

The 6-month defects liability period for Lot H expired on July 17, 2005. The delay in the completion of the project which resulted from numerous missed deadlines in the delivery of the Generator unit was deemed by the Consultant to be beyond the control of the Contractor therefore liquidated damages were not levied against Usher Construction.

The 1-year warranty for the roll-up shutters installed at San Pedro Polyclinic II will expire on February 10, 2006. MOH has a 5-year warranty on the building sign lettering for Lot H.

Table 8, on the following page, shows the final account for Lot H.

Table 8 – Final Accounts – Lot H – San Pedro Polyclinic II

Component	Firm	Original Contract Sum	Total Final Investment (BZ\$)	Cost Overrun
Civil Works	Usher Construction	\$702,173.37	\$741,292.40	\$31,119.03
Roll-up shutters	Lazaro Urbina & Sons	\$16,811.39	\$16,811.39	-
Building signage	Jeronimo Mangroo	\$2,900.00	\$2,900.00	-
Total		\$721,884.76	\$761,003.79	\$31,119.03

On April 21, 2004, the MOH submitted a proposal to the CDB to finance the cost overruns of the three Belize District Polyclinics II. A part of the strategy was the reallocation of BZ\$185,000 allocated to eight of the health centers, namely: San Narciso, Seine Beight, Hopkins, Placencia, Barranco, San Pedro Colombia, Santa Teresa, and Hattievville; which had already been renovated/rehabilitated through the Social Investment Fund (SIF). CDB deferred the processing of the request until one of its representative could appraise the conditions of the facilities in-country. However, aware of the urgent need to commence construction CDB provided a no objection to the re-allocation of funds from contingencies, and the architectural and engineering consultancy services in the total amount sufficient to cover the cost overruns.

Subsequent to the assessment of the eight shelters listed above, CDB in their Aide Memoire dated June 28 – July 5, 2004 provided its no objection to the re-allocation of the funding for the six health centers inspected namely, Seine Bight, Placencia, Barranco, San Pedro Columbia, Santa Teresa and Hattievville.

Remaining Civil Works

The scope of works originally envisaged in the CDB Loan No. 14/SFR-OR-BZE in 2000 had to be revised for two reasons:

1. The deterioration of the healthcare facilities over the past four years; and

2. A revision in the scope of works to be delivered at each facility.

This revision in the original scope of works increased the civil works budget resulting in a shortfall of available financing. As a result, the Ministry embarked on an exploration of potential financing for some of the CDB funded infrastructural works.

Subsequent to the transfer of works to the Social Investment Fund (see 4.5.1.2 for an update on these works) only four CDB funded facilities remained to be implemented through the Health Sector Reform Project. However, due to further reformulation, the only new civil works project to be implemented by the PMU is the construction of an approximately 5,500 sq. ft. Polyclinic II in San Antonio, Toledo with a budget of BZ\$900,000.

Based on the budgetary and time constraints placed on the project, the Unit was tasked with the preparation of the Project Proposal Documents for San Antonio Polyclinic works. The status of such preparation is as outlined below.

Lot I - San Antonio Polyclinic II, Toledo

In the re-aligned HSRP Component II – Civil Works only the construction of an approximately 5,500 sq. ft. Polyclinic II in San Antonio, Toledo is scheduled to be implemented by the PMU, MOH within a BZ\$900,000.00 budget.

The Project Proposal Document for the San Antonio Polyclinic II were completed by the PMU.

Short-listing of Architectural & Engineering (A & E) consultants: Consultancy services will be funded by the GOB. See 4.6.1 for an update.

4.5.2 CDB INFRASTRUCTURAL WORKS TRANSFERRED TO THE SOCIAL INVESTMENT FUND

Civil works projects transferred to Social Investment Fund

The following update was provided by the Social Investment Fund (SIF) on March 30, 2006 on the status of the civil works projects under the HSRP which were transferred to be implemented and funded by SIF as well as health civil works projects proposed:

Facility	Status
Benque Viejo Polyclinic I & Residence	Funds unavailable Community Need Assessment (CNA) to be conducted
Sarteneja Polyclinic I & Residence	Proposal approved by the Board. Some funds located for repairs. Proposal forwarded to CDB

	– pending CDB’s approval.
Progresso Health Centre & Residence	Proposal approved by the Board. Some funds located for repairs. Proposal forwarded to CDB – pending CDB’s approval.
Guinea Grass Health Centre & Residence	Repairs to the health centre completed by MOH.
San Felipe Health Centre & Residence	Proposal approved by the Board. Some funds located for repairs. Proposal forwarded to CDB – pending CDB’s approval.
San Jose/San Pablo Health Centre & Residence	Funds unavailable
Caledonia Health Centre & Residence	Community Needs Assessment conducted. Appraisal report pending. If funds available, report will be forwarded to CDB for approval.
Libertad Health Centre	Funds unavailable
San Juan Health Centre & Residence	C.N.A. conducted. Appraisal completed. Report being prepared for local approval.
Gales Point Health Centre	Appraisal conducted. Board not in favour of works since the centre is not staffed.
Crique Sarco Health Centre & Residence	Funds unavailable
Crooked Tree Health Centre & Residence	Funds unavailable
Maskall Health Centre & Residence	Proposal approved by the Board. Some funds located for repairs. Proposal forwarded to CDB – pending CDB’s approval.
Burrell Boom Health Centre	C.N.A. conducted. Appraisal currently being conducted.
Concepcion Health Post	Proposal approved by the Board. Some funds located for repairs. Proposal forwarded to CDB – pending CDB’s approval.
Facility	Status
Dangriga Polyclinic I	Funds unavailable
Valley of Peace Health Centre & Residence	Funds unavailable
Ladyville Polyclinic I & Residence	Funds unavailable

Caye Caulker Health Centre & Residence	Funds unavailable
Double Head Cabbage Health Centre & Residence	Funds unavailable

GOB FUNDED COMPONENTS

4.6 COMPONENT 2 – SERVICES RATIONALIZATION AND IMPROVEMENT

4.6.1 INFRASTRUCTURAL WORKS

The Government of Belize will fund the services of architectural and engineering consultants for the CDB funded works.

Consultancy Firms for the Belize District

As a result of GOB's intentions to expand the NHI to the Belize District by January 2004, the PMU decided to commence its selection of consultants to provide consultancy services in terms of Lots F, G, and H as outlined in Table 5, on page 40 of this report.

The consultancy was procured through local competitive bidding. In August of 2003, a short-list of six local firms were invited to submit technical and financial proposals in response to a detailed terms of reference prepared by the PMU. Subsequent to evaluation by the selection committee, the firm of Gutierrez & Associates Architects was awarded contract on September 11, 2003 to undertake the design and supervision services.

The construction documents were completed by the Consultants in mid-November 2003 and submitted to the CDB for its no-objection rating. The recommendations made by the CDB were incorporated into the documents and a short-list of local and regional firms was sent to the Bank for no objection to solicit tenders from.

The Consultants are currently overseeing the defects liability period for the three projects: Lots F, G, and H.

Consultancy Firm for San Antonio Polyclinic II

Short-listing of Architectural & Engineering (A & E) consultants: Letters were sent to six (6) local reputable A & E firms on Tuesday, April 12, 2005 inviting the submission of an

Expression of Interest (EOI) for A & E services for the construction of the San Antonio Polyclinic II. The deadline for submission of the EOIs was April 20, 2005. Five (5) A & E firms submitted EOIs by the stipulated deadline.

The EOI evaluation was conducted on April 21, 2005. All five (5) A & E firms were selected as part of the short-list of consultants who will be requested to submit Technical and Financial proposals. Notification letters were sent to the five (5) A & E firms on April 21, 2005.

Letters of invitation referenced 6425/PMU/28/06(38) and dated February 3, 2006 were sent to the five short-listed firms to submit Technical and Financial Proposals. The deadline for submission of bids was set for March 6, 2006. However, the Unit provided a one-day extension to March 7, 2006 due a national holiday being celebrated on March 6.

At the deadline for submission of proposals, three firms submitted documents as follows: Gutierrez & Associate Architects, DIEMA: Architecture and Engineering Consultants and Architecture and Project Management.

An evaluation criteria and committee was established. The proposal was opened by the Unit on March 14, 2006. The documents were copied and forwarded to each evaluator with a deadline of March 25, 2006 for submission of Individual Evaluation Report. The Overall Evaluation Report was prepared; however, the Committee needs to meet to discuss the outcome prior to submission to the CDB for approval. Meeting is set for the week of April 3, 2006.

Land Acquisition: Based on a report received from the Ministry of Works on alternative site for the San Antonio Polyclinic II, the MOH wrote to the Ministry of Natural Resource on October 31, 2005 requesting their approval for the allocation of five acres of land from a total of 35.7 acres that was leased to Mr. Guillermo Bul (now deceased). However, on November 24, 2005, the Ministry of Natural Resources (MONR) indicated that the Government would need to acquire or purchase the land from the family since they paid full purchase price for it.

Due to the purpose for which the MOH needed the land, the owners made an agreement with GOB to provide them with the land in exchange for property of the same value. Consequently, the MONR granted permission on February 3, 2006 to the MOH to conduct survey on the five acres of land needed for the construction of the San Antonio Polyclinic II.

The Unit employed the services of a Surveyor, Mr. Lloyd Tingling, at a cost of BZ\$1,500.00. The document was finalized by the Surveyor and approved by the MONR. The MONR has written to the MOH on March 30, 2006 declaring 5.036 acres of land in the San Antonio Village, Toledo District reserved for the construction of the San Antonio Polyclinic II.