

F4. Budget analysis relevant for budget advocacy for UHC

Choosing what to monitor and analyse in a public health budget may become daunting and confusing, and those who begin may get lost. One recommendation from budget advocates around the world is to know what to look for before analysing a budget.

This toolkit suggests that stakeholders, particularly those for whom this type of work is new or relatively new, begin with simple questions that the budget may help resolve and then move to more elaborate or detailed budget analysis. Some ideas about where to begin a budget analysis relevant for measuring advancement towards UHC are given below.

Agreed budget spending benchmarks for UHC

One place to start might be commitments to spending benchmarks set to achieve UHC and/or international health. Some international benchmarks for public health spending that might be useful for UHC are:

- government to spend 5% of GDP on health and US\$ 86 per capita (75);
- maximum threshold for out-of-pocket spending, 20% of total health expenditure (76);
- governments to allocate 15% of their total budget to health (77); and
- (the most recent WHO-recommended target) an additional 1% of GDP or more for primary health care (78, 79).

An example of this kind of work is that of Save the Children (80).¹ In 2015, as the world began to transition from the Millennium Development Goals to the SDGs, which include a commitment to achieve UHC, Save the Children determined how much developing countries would have to spend by 2030 in order to advance towards UHC on the basis of an analysis on international estimates of public health spending for UHC. With basic calculations (Tool 6), UHC budget advocates could begin by asking the following questions about their country's public budget:

- What is the share of the health budget with respect to overall spending?
- What is per capita (per person) health spending? How close or far is it from the benchmark?
- What is the share of total revenues raised through taxes? (This can help understand whether the country is advancing towards the UHC-related goal of increasing public financing for health.)

¹ This reference is to be used only as an example of how to use benchmarks and not as actual current information. It is an example of the type of analysis, and the numbers may be outdated.

Monitoring budget allocations and revenue sources in relation to agreed international benchmarks can provide useful information about whether a government is moving towards UHC.

Analysing the revenue side of the budget to identify sources of public health financing

One means to achieve UHC is to ensure that health spending is primarily from public resources. To measure the extent to which a country is moving in this direction, the following analysis could be conducted.

1. What is the total amount of estimated revenue for the fiscal year?
2. What are the key sources of revenue from which the government will draw resources?
3. How much of these resources are internal (see revenue section above)?
4. How much of the total internal resources come from direct and indirect taxes?
5. How much is the public debt?
6. How much resources are derived from public resources?
7. How much revenue is derived from development assistance for health?
8. Which main international partners provide resources for health?
9. What are the proportions of domestic public resources for health and international resources for health?

The WHO health financing progress matrix

Another means of analysing the public budget in relation to UHC is to monitor revenue raising pooling, allocation and expenditure in the context of UHC..

Tool. [The WHO Health financing progress matrix](#) As already mentioned (see Module 2, section A, reference 47), the WHO health financing progress matrix, launched in 2020, allows comparison of country health financing systems with a set of evidence-based benchmarks, framed as 19 desirable attributes. Each attribute represents a critical element of a health financing system and indicates the direction in which institutions, policy and implementation should develop to make progress towards UHC. Complementing quantitative measures of UHC performance such as financial protection and the health expenditure estimates in the [Global Health Expenditure Database \(48\)](#), the health financing progress matrix allows assessment of shifts in policy development and implementation. Use of the matrix provides a common point of reference for multiple stakeholders, to focus scarce resources on priority actions and interventions and to track progress transparently over time.