

Technical Cooperation (TC) Document

I. Basic Information for TC

▪ Country/Region:	REGIONAL
▪ TC Name:	Creating knowledge for the implementation of digital transformation in health and social protection
▪ TC Number:	RG-T4081
▪ Team Leader/Members:	Tejerina, Luis R. (SCL/SPH) Team Leader; Acevedo Calle, Daniela (LEG/SGO); Bagolle, Alexandre (SCL/SPH); Curran, Vanessa Alexandra (SCL/SPH); Kang, Donghyun (SCL/SPH); Mendoza Benavente, Horacio (LEG/SGO); Nelson, Jennifer A (SCL/SPH)
▪ Taxonomy:	Research and Dissemination
▪ Operation Supported by the TC:	
▪ Date of TC Abstract authorization:	16 Mar 2022
▪ Beneficiaries:	IDB's borrowing member countries
▪ Executing Agency and contact name:	Inter-American Development Bank
▪ Donors providing funding:	OC SDP Window 2 - Social Development(W2E)
▪ IDB Funding Requested:	US\$250,000.00
▪ Local counterpart funding, if any:	US\$0
▪ Disbursement period (which includes Execution period):	24 months
▪ Required start date:	August 2022
▪ Types of consultants:	Individuals
▪ Prepared by Unit:	SCL/SPH-Social Protection & Health
▪ Unit of Disbursement Responsibility:	SCL/SPH-Social Protection & Health
▪ TC included in Country Strategy (y/n):	No
▪ TC included in CPD (y/n):	No
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Social inclusion and equality; Productivity and innovation

II. Objectives and Justification of the TC

- 2.1 The objective of this non-reimbursable Technical Cooperation (TC) is to systematize experiences and develop tools to support the digital transformation in health and social protection in Latin America and the Caribbean (LAC).
- 2.2 Health and social protection systems in the LAC region need to improve their quality and efficiency with very limited budgets in the coming years. It is estimated that around 70% of deaths in the region are caused not by access to health but by quality of health services. Also, [a recent Inter-American Development Bank \(IDB\) study](#) found that if the region's efficiency in health was similar to that of the Organization for Economic Co-operation and Development (OECD) countries, the region would gain three years of life on average in life expectancy. And during the pandemic, countries in LAC have spent around [4.6% of the region's Gross Domestic Product](#) (GDP) to support their populations with economic support, ratcheting up the regional deficit to 6.9% of GDP.

- 2.3 Digital tools cannot solve all these problems, but they can contribute in important ways. Digital tools¹ have been proven to increase adherence to medical treatments, improve results of treatments of chronic conditions, and reduce medical errors and duplication of tests thanks to the information being interoperable. In addition, digital tools have proven to be valuable to improve social protection systems by identifying households in need during normal times and during emergencies, and by providing efficient payment mechanisms. The IDB has been developing in recent years several transformational tools to help in the correct implementation of digital transformation of health and social protection systems in the LAC region. An important result of this work is that currently ten countries have digital health roadmaps that have been developed with IDB technical support, and during the COVID-19 pandemic, seven countries used digital tools developed by the IDB to design social protection interventions to help households affected by the pandemic, for example: [Artificial Intelligence for Social Good](#). Furthermore, the fact that the IDB's Social Sector recently transformed the way it handles data, made it possible to build in record time a simulator of the effects of the increase in prices in Ukraine on poverty in the LAC region. Many of the lessons learned have been summarized in the recently published IDB flagship document on digital health [The Golden Opportunity of Digital Health for Latin-America and the Caribbean](#).
- 2.4 The Social Protection and Health Division (SCL/SPH) works in four main areas to harness digital tools to improve the efficiency, quality, and equity of the health sector: (i) support quality design, execution and evaluation of digital health transformation agendas and operations; (ii) increase human capital in LAC for digital transformation; (iii) build strategic partnerships within and outside of the IDB for digital transformation; and (iv) generate and disseminate knowledge for digital transformation of health services in LAC. In the social protection sector, SCL/SPH works to improve efficiency, quality and equity of social protection systems by improving four main areas of social protection programs: (i) mechanisms for the selection of eligible households (poor households in most cases); (ii) creation of social registries that contain quality information that is protected and at the same time interoperable; (iii) digital payment systems; and (iv) management and decision support systems. This work is aligned to the broader Social Sector Digital Agenda to improve the efficiency of the sector, improve the quality of social services, and reduce inequality through digital services, and is a critical area in the [Health Sector Framework Document](#) (GN-2735-12) and in the [Social Protection and Poverty Sector Framework Document](#) (GN-2784-12).
- 2.5 However, implementing digital transformation well means learning from execution and documenting how to do things right. Many of the digital tools developed by SCL/SPH are focused on an adequate diagnostic and roadmap for digital transformation in health and social protection. As the region grows in successful experiences both in digital health and social protection it is important to recover the lessons learned and transform them into knowledge to help in the execution of projects. Some of this work has already started in health by developing the case study series for successful experiences in digital transformation of health, for example, the cases of [Implementation of the National Electronic Health Record in Uruguay](#) and [Implementing an Electronic Health Record System in the State of Bahia - Partial Results](#); however, knowledge in specific areas is still needed in health. In social protection the IDB's work on digital

¹ A digital tool can be based on knowledge such as a maturity model, a checklist, or guidelines for example on how to do a diagnostic. It can also be software to help with different tasks. In this TC the concept of digital tool refers only to the former.

transformation has just started and the lessons learned from the region still need to be systematized and transformed into toolkits to be helpful for other countries. The countries included in this TC were chosen because they have started digital transformation processes in both digital health and social protection². This TC's products will help improve their implementation by sharing best practices from the region. All countries in the region that are embarking on digital transformation projects in health and social protection are expected to benefit from this TC.

- 2.6 **Bank's support to the health sector and lessons learned.** The Bank has become in recent years a strategic partner in digital transformation in both health and social protection. This was done mainly through two regional TCs: Fostering Transformation Through Technological Innovation (RG-T3153) and Creating Tools for Strengthening Planning and Implementation of Health Information Systems in the Region (RG-T3566). The first one helped develop the strategic direction ([Approach to Digital Transformation: Guidelines and Recommendations](#)) to be taken in digital health along with key tools such as the [National Electronic Health Record Maturity Model Toolkit](#); and the second one helped develop and implement a set of tools and learning materials that have been used in many countries ever since. For example, in the areas of cybersecurity ([Cybersecurity Self-Assessment Tool](#)) and Electronic Health Record (EHR) systems ([Electronic Health Record System \(EHR-S\) Scorecard Toolkit](#)). In the social protection sector, Supporting Social Protection Responses to the COVID-19 Emergency (RG-T3703) helped especially during the pandemic on the development of tools to help governments in decision-making for the design of social policies to help households cope with the economic effects of the pandemic. That experience is currently being leveraged into a broader strategy to design shock responsive social protection systems in the region. The TC will fill voids that have been identified in previous work, for example, while the previous TCs put more effort in strategic direction and diagnostics, this TC will focus more on execution of digital transformation projects.
- 2.7 **Strategic Alignment.** The TC is aligned with the Second Update to the Institutional Strategy (AB-3190-2) and is strategically aligned with the challenges of development: (i) Social Inclusion and Equality by supporting the health and social protection sectors to adopt and deploy digital health services using best practices; and (ii) Productivity and Innovation by fostering the spread of digital technologies in the public and private sectors. This TC is aligned to the IDB's Vision 2025 (GN-3025-5) by supporting countries to successfully adopt and use digital technology to drive long-term dividends for economies in terms of growth, innovation, and social inclusion. It also helps to address key knowledge gaps identified in the Health Sector Framework Document (GN-2735-12) related to (i) digital health (specifically generating evidence for effective implementation strategies) and (ii) human resources for health (specifically evaluating the cost-effectiveness of different approaches to training); and in the Social Protection and Poverty Sector Framework Document (GN-2784-12) by fostering efficiency through use of digital tools for identification, enrollment, payment, monitoring, and recertification of beneficiaries. The CT is aligned to the Corporate Results Framework (CRF) 2020-2023 (GN- 2727- 12) by creating tools to benefit Government agencies

² For example, countries that have experiences to share in digital health are Colombia, Uruguay, Brasil, Argentina, Jamaica, The Bahamas, Paraguay, El Salvador, and Costa Rica; and in digital social protection: Costa Rica, Dominican Republic, Chile, Colombia, Paraguay, Barbados, and Honduras. Other countries may be included as they gain experiences that may be shared with the rest of the region.

with projects that strengthen digital technology and managerial capacity to improve public service delivery. Finally, this TC aligns with the OC-SDP Window 2 - Social Development (W2E) Fund with the priority area of Inclusive Social Development by promoting policies and their implementation to make quality health, education, and employment services accessible to all segments of the population and strengthen service delivery and management. The TC is aligned with the Sustainable Development Goals: 1 (No Poverty), 2 (Zero Hunger), and 3 (Good Health and Well-being) by promoting efficiency in policies to reduce poverty and hunger, and to promote health and wellbeing.

III. Description of activities/components and budget

- 3.1 The TC has two components: (i) learning about best practices for digital social protection in the region; and (ii) resources for digital transformation in health.³
- 3.2 **Component 1: Learning about best practices for digital social protection in the region (US\$125,000).** Through this component, three new tools for improving digital transformation in social protection will be designed and implemented in countries in the region to generate actionable proposals for social protection systems⁴ (related to the legal and institutional structure, interoperability⁵ and the best use of geospatial information for keeping an updated system); and two case studies of best practices in the implementation of digital tools for social protection (tentatively Colombia and Dominican Republic since they have a long tradition on innovation in social registries). Also, a regional workshop of social registries will be organized to share the best experiences from the region.
- 3.3 **Component 2: Resources for digital transformation in health (US\$125,000).** This component will focus on digital health and will develop two learning materials and two case studies of best practices in digital health. The learning materials will focus on procurement and contracting of digital tools and good practices for the execution of digital components; and the case studies will follow the structure of the case study series of the IDB and document good experiences in the region from which other countries can learn (tentatively El Salvador and Jamaica because of their recent experience in the implementation of EHR systems).
- 3.4 **Results.** The main results of this TC include: (i) implementation of the social protection tools in at least two countries; (ii) dissemination of case studies through social networks achieving at least 1,000 downloads each in the first year of publication; and (iii) use of learning materials in at least four countries. These results contribute to improving quality in the implementation of digital transformation in health and social protection in the region.
- 3.5 **Total costs.** The total cost of this TC is US\$250,000, funded by the OC-SDP Window 2 - Social Development (W2E) fund. These resources will finance individual consultancy services for 24 months.

³ None of the components include the development of digital solutions as defined in paragraph 1.3 of Annex II of OP-619-4.

⁴ Tools are expected to be used by all countries in the region that are embarking into digital transformation processes for social protection in the region.

⁵ Interoperability in this case refers to the ability to share meaningful information between different Ministries and social programs. It is related to the TC "Improve Regional Interoperability in Health" (RG-T4125) which will promote interoperability of information in one sector (health), and this TC will promote interoperability between different sectors and programs.

Indicative Budget (US\$)

Activity/Component	Description	IDB/OC-SDP Window 2 - Social Development (W2E) Fund
Component 1. Learning about best practices for digital social protection in the region.	This component will fund five individual consultancies to design and implement three tools and develop two case studies.	125,000
Component 2. Resources for digital transformation in health.	This component will fund the development of two tools and two case studies in digital health.	125,000
TOTAL		250,000

- 3.6 **Monitoring.** Monitoring of the progress and quality of the activities financed by this TC will be carried out directly by the IDB, through the Social Protection and Health Division (SCL/SPH). The TC team leader will be responsible for supervising and monitoring the appropriate execution of the project, with support from the operations analyst based in each country office. The Bank's institutional systems will be used to support this process.

IV. Executing agency and execution structure

- 4.1 The Bank will be executing this TC given the high level of complexity and technical expertise required to prepare the terms of reference of the studies and assessments involved, as well as to supervise their implementation. SCL/SPH has the capacity and technical expertise required to carry out these processes.
- 4.2 The activities to be executed under this TC have been included in the Procurement Plan and will be executed in accordance with the procurement methods established by the Bank, namely: (i) hiring of individual consultants, as established in AM-650 standards; (ii) contracting of consulting firms for services of an intellectual nature in accordance with the Policy for the Selection and Contracting of Companies for Operational Work executed by the Bank (document GN-2765-4) and its associated operating guidelines (OP-1155-4); and (iii) contracting of logistics services and other services other than consulting, in accordance with policy GN-2303-28.
- 4.3 All knowledge products derived from this TC will be the Bank's intellectual property and will be published through the Bank's web page and other means accounted for in the indicative budget such as the webpage for digital material of the Social Sector ([Social Digital](#)).
- 4.4 All the products financed by this TC will include toolkits, guides and manuals that will be usable and replicable, with adaptations to the local context, in all the countries in the region. If activities in one of the participating countries are required, the team will obtain the country's no objection before the start of the activities.⁶

⁶ Before any intervention in a country, the team will coordinate with the corresponding country office and obtain the non-objection letter.

V. Major issues

- 5.1 There are no major risks for the implementation of this TC. One medium level risk is that the countries lack ownership of the products and tools developed. To attend this risk, SCL/SPH will implement consultations with countries in the region to guarantee that there is strong demand. This will be done for example in the Regional Policy Dialogue on Health.

VI. Exceptions to Bank policy

- 6.1 There are no exceptions to the Bank policy.

VII. Environmental and Social Strategy

- 7.1 This TC does not intend to finance pre-feasibility or feasibility studies for specific investment projects or environmental and social studies associated with them; therefore, the requirements of the Bank's Environmental and Social Policy Framework (ESPF) do not apply to this TC.

Required Annexes:

[Results Matrix - RG-T4081](#)

[Terms of Reference - RG-T4081](#)

[Procurement Plan - RG-T4081](#)