

## TECHNICAL COOPERATION (TC) DOCUMENT

### I. Basic Project Data

▪ Country/Region:	Argentina/CSC - Southern Cone
▪ TC Name:	Strengthening of the National Agency for Disability (NAD)
▪ TC Number:	AR-T1216
▪ Team Leader/Members:	Ignez Tristao, Team Leader (SPH/CAR); Claudia Vasquez, (LMK/CAR); Andrea Monje (GDI/CAR); Pablo Ibarraran (SCL/SPH); Suzanne Duryea (SCL/SCL); Martha Guerra (SCL/SPH); Krysia Avila (LEG/SGO); Marilia de Souza Santos (FMP/CAR); Teodoro Noel (FMP/CAR); y Natalia Ruiz (CSC/CAR).
▪ Taxonomy:	Client Support
▪ Date of TC Abstract:	December 4, 2018
▪ Beneficiary:	National Agency for Disability (NAD)
▪ Executing Agency:	Inter-American Development Bank
▪ Donors providing funding:	Japan Special Fund (JSF)
▪ IDB funding requested:	US\$685,000
▪ Local counterpart funding:	US\$76,200
▪ Execution and Disbursement period:	30 months
* Required start date:	April 20 <sup>th</sup> , 2019
▪ Types of consultants:	Firms and individuals
▪ Prepared by Unit:	Social Protection and Health Division (SCL/SPH)
▪ Unit of Disbursement Responsibility:	Country Office Argentina (CSC/CAR)
▪ TC included in Country Strategy (y/n):	Yes
▪ TC included in CPD (y/n):	No
▪ Alignment to the Updated Institutional Strategy 2010-2020:	Social inclusion and equality; Diversity; institutional capacity and the rule of law

### II. Objective and Justification

- 2.1 In 2018, the National Institute of Statistics and Censuses (INDEC) conducted a study on the profile of people with disabilities in Argentina. Following the conceptual classification of World Health Organization (WHO),<sup>1</sup> the operative definition of disability referred to the self-perception of the population about their difficulty in seeing, hearing, holding and lifting objects with their hands, walking or climbing stairs, bathing, dressing or eating on their own, communicating, concentrating or controlling their behavior, and learning things. It also included people who indicated having a valid disability certificate. The results show that the prevalence of the population with difficulty in the country is 10.2%, which corresponds to an estimate of 3.57 million people. The prevalence differs strongly across age groups, ranging from 5% in children from 6 to 14 years old to 47% in people over 80 years old.<sup>2</sup> Additionally, it tends to be higher among women compared to men, particularly after the age of 80, when the difference in the prevalence rate exceeds 10 percentage points (50.4% versus 39.4%, respectively). On the other hand, the study found that the prevalence in difficulty is similar in the six regions of the country.
- 2.2 The most important criteria for the certification of disability in Argentina is the "Certificate of Disability Card" (CDC), a public document issued by an interdisciplinary evaluation

<sup>1</sup> International classification of functioning, disability and health: ICF. WHO, 2001.

<sup>2</sup> According to the study, 82% of the population with difficulty acquired it after birth, being the main cause a disease (45%), followed by accident (17%).

board that certifies, for each case, the existence of a disability and its nature.<sup>3</sup> The CDC is voluntary and free of charge. It is a non-transferable nationally recognized document that gives the population the possibility of accessing different social benefits guaranteed by law. These include, among other benefits, free transfers on public transport and 100% coverage of the health benefits required in relation to their disability, including medicines, equipment, treatments and rehabilitation, as established by the Law 24,901. The study by INDEC found that 33% of the population with difficulty in Argentina has a valid certificate, which is consistent with administrative data, which indicates that by 2018 there were an estimated 1.1 million valid CDC. The distribution of population with CDC, according to their health coverage, is: 53.5% covered by social security, 25.8% have public coverage exclusively, 9.5% are affiliated to PAMI –the health insurance for people over 65 years old– 6.7% is covered by the program Inclusive Health, and 4.5% have a prepaid health insurance. In the case of social security and prepaid insurances, people with disability, and their families, must pay up-front for some of the services and prepare all the paperwork to submit claims. The reimbursement is made within a period of 90 days, creating substantial financial burden within families, considering that on average, a person with disability uses health services more frequently, and may combine more than one therapy at the time.<sup>4</sup>

- 2.3 More than twenty laws establish the rights for people with disability in Argentina, generating dispersion and overlapping of regulations related to the subject. Moreover, to help fulfill these mandates, multiple programs and services have been generated. In late 2017, a National Agency for Disability (NAD) was created with the aim of reducing this normative, programmatic and procedural dispersion. The NAD was designed as an autarchic entity with direct dependency of the General Secretariat of the Presidency of the Nation. With the aim of improving coordination of the different services provided by the State to persons with disabilities, the brand new agency centralizes the competences, resources and functions of four programs and institutions: (i) the National Advisory Commission for the Integration of Persons with Disabilities (CONADIS), which was created in 1987 in response to the demands of non-governmental organizations as the first initiative of the State in dealing with the issue of disability; (ii) the National Commission of Welfare Pensions, which is responsible for the assignment of non-contributory disability pensions (NCDP), a monthly payment aimed to cover basic needs, targeted to people who accredit work disability (a decrease in the working capacity of at least 76%), and that are in a situation of social vulnerability and do not receive a contributory pension; (iii) the National Rehabilitation Service; and (iv) the Federal Program “Inclusive Health”, that finances access to health services for NCDP beneficiaries without other medical coverage through transfers to sub-national jurisdictions and service providers. The NAD’s budget for 2018 was 120 billion ARS, approximately 2.9 billion US dollars, the fifth in importance within the executive branch. Around 80% of the budget corresponds to the payment of NCDP.
- 2.4 The institutional reform entails significant challenges, requiring: (i) merging the missions, competencies, functions and resources of the fused organizations; (ii) organizing and harmonizing the structure of the Agency, which itself is fragmented, with decentralized delegations in each of the Argentine provinces; (iii) strengthening strategic and operational planning capacity; (iv) developing processes and integrating computer systems; and (v) strengthening human resources, infrastructure and equipment. There are two specific challenges for the NAD: (i) the strengthening of the NCDP

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<sup>3</sup> There are 410 evaluation boards throughout the country with over 2,800 certified health professionals, including doctors, social workers and psychologists, that issue CDCs.

<sup>4</sup> Due to the higher vulnerability to health concerns of the people with disabilities, they are likely to require and use health services more often than people without disabilities. People with disabilities require the same general health services as people without disabilities and may also require different types of specialized care (e.g. rehabilitation and assistive devices) or adaptations in how services are offered (e.g. sign language communication). WHO and the World Bank, 2011, “World Report on Disability”, WHO.

processes to assign pensions; and (ii) the management of the program “Inclusive Health”. The number of beneficiaries of the NCDP has jumped from 170 thousand in 2006 to one million people in 2017, requiring a review of the efficiency and transparency of the benefit allocation process. Only 27% of the people who receive the NCDP has a CDC, since it is not required to access the benefit. Moreover, the coverage of NCDP is very heterogeneous between jurisdictions, going from 9% of the population in Santiago del Estero to 0.7% in the City of Buenos Aires. Regarding “Inclusive Health”, the main challenge is to quickly process and approve medical expenses claims for health services provided for NCDP beneficiaries without other medical coverage, in order to guarantee the continuity and quality of services provided.

- 2.5 The main objective of this Technical Cooperation (TC) is to strengthen the role of the NAD as the governing body of policies and programs, aimed at people with disabilities. The specific objectives of this TC are to: (i) improve the coordination and access to public services for people with disabilities and enhance transparency and efficiency in assigning NCDP; and (ii) support the implementation of institutional change and improve NAD’s information analysis capabilities.
- 2.6 **Strategic Alignment.** At an institutional level, the TC is consistent with the Update to the Institutional Strategy 2010-2020 (AB-3008) and aligns with the development challenges of social exclusion and inequality, and institutional capacity and the rule of law by: (i) ensuring that the underserved or excluded sectors, like people with disabilities, have access to equal opportunities; and (ii) supporting a government agency in strengthening its processes’ transparency and management tools to improve the provision of public services for people with disabilities. For the same reason, the TC also aligns with the cross-section of gender equality and diversity. Likewise, this TC is aligned with the cross-sectional area of gender and diversity of the IDB Group's Strategy with Argentina 2016-2019 (GN-2870-1) by including interventions that seek to reduce poverty and inequality, as well as supporting institutional improvements that encourage greater government management efficiency by simplifying and reordering the normative framework of the NAD, which will contribute to strengthen the accessibility of services for people with disability. Likewise, the operation will contribute to the Corporate Results Framework (CRF) 2016-2019 (GN-2727-6), through the increase of beneficiaries receiving health services, since according to the WHO, in all the countries the prevalence of disability is higher for women than for men, and women tend to dedicate more time to the caring of people with disability. Additionally, the operation is aligned with the IADB’s Health and Nutrition Sector Framework Document (GN-2735-7), through supporting lowering barriers to improve access to health services; and, with the IADB’s Social Protection and Poverty Sector Framework Document (GN-2784-7), through promoting access to care services to vulnerable populations in state of dependency to improve their autonomy and social inclusion.
- 2.7 Additionally, this TC is complemented and is coordinating with three other TCs focused on issues of disability in Argentina that are also financed by the Japan Special Fund Poverty Reduction Program (AR-T1201, AR-T1212, RG-3156). These TCs complement each other by seeking to generate capacity building, best practices, and recommendations to support Argentina's development and implementation of more inclusive programs, with a disability perspective.

### III. Description of Activities and Budget

- 3.1 **Component I: Improving access to public services for people with disabilities and the assignment of NCDP.** This component will finance products geared towards simplifying and reordering the normative framework of the NAD, which will contribute to strengthen the accessibility of services, and the transparency, effectiveness and efficiency of its processes. In particular, the component will finance consulting services

to develop the following products: (i) an institutional strengthening plan,<sup>5</sup> which includes an optimization of current NAD's processes<sup>6</sup> and activities of advocacy and to disseminate the role of the agency; (ii) a plan to develop and/or create interoperability capabilities to establish an information management system in granting of NCDP, as well as managing medical benefits;<sup>7</sup> and (iii) feasibility study for developing a prototype and pilot test of a digital platform for the claiming and approval of medical expenses for people with disabilities.

- 3.2 Component II: Support the implementation of institutional change and improve NAD's information analysis.** This component will finance consulting services to develop and implement strategic and communicational guidelines for organizational management change in the context of restructuring NAD's processes, that for instance, could include fusing functional areas of different organizations, and change criteria for the assignment of the NCDP. This includes the elaboration of communication material and means accessible to people with disability. Finally, this component will finance consulting services to generate institutional capacity to increase NAD's analytical capabilities to improve public policy towards people with disability.
- 3.3** The total cost of the TC is US\$761,200, consisting of US\$685,000 to be financed by the Japan Special Fund (JSF), and US\$76,200 to be financed by counterpart funding, which is the estimated monetary cost of staff time designated to serve as counterpart. The TC activities are congruent with the Operating Guidance for Application and Implementation of the JSF: (i) the TC supports the formulation and implementation activities of the NAD's strategy; (ii) the project is consistent with the development objectives of the Bank's Strategy with Argentina (see 2.6); (iii) the TC finances eligible expenditures such as consultants' salaries and fees; and (iv) the counterpart will contribute with 10% of the project cost as is indicated<sup>8</sup>.

**Table I. Indicative Budget (US\$)**

Activity / Component	Description	JSF Funding	Counterpart Funding	Total Funding
<b>Component 1</b>	<b>Improving access to public services for people with disabilities and the assignment of NCDP</b>	<b>570,000</b>	<b>0.00</b>	<b>570,000</b>
Consulting services	NAD's institutional strengthening plan, which includes processes optimization	270,000	0.00	270,000
Corporate procurement	Activities of advocacy and to disseminate the role of the NAD	30,000	0.00	30,000
Consulting services	Proposal to strengthen information management systems used in the granting of NCDP and provision of medical benefits.	70,000	0.00	70,000

<sup>5</sup> This includes the diagnostic of the current organization, its processes, as well as the information systems, human and logistical resources (including of the fused organizations), and proposed adjustments to the institutional structure, management model, human resources, and information systems. It also includes an implementation schedule and associated budget.

<sup>6</sup> For instance, it may include: (i) a compendium of current regulations, detailed analysis regarding their hierarchy, relevance and functionality, transparency and potential loopholes that could generate risk in the assignment of NCDP; (ii) a proposal to simplify current regulations, specifying suggested amendments; (iii) the evaluation of alternatives to define "people with disability", including at least, two alternatives used in the OECD countries; (iv) a detailed analysis of the use of the CDC, and possible improvements, including a proposal on how to incorporate the CDC as a criteria to be followed for granting NCDP; and (v) a proposal to improve the processes for assignment of the NCDP, and medical benefits from the program Inclusive Health, for greater transparency, user-friendliness and beneficiary satisfaction, which includes the analysis of the different workflows, and the identification of inefficiencies, unnecessary steps, and risks of information manipulation.

<sup>7</sup> This includes a detailed analysis of the software, hardware, user profiles, database, documentation (manuals, forms, and instructions), and procedures for the use and maintenance of the systems analyzed, and/or proposed.

<sup>8</sup> The counterpart contribution is less than 20% because the National Agency for Disability is newly created and it is still structuring its operational framework and human resources, which limits its ability to contribute with a higher percentage of counterpart funding.

Activity / Component	Description	JSF Funding	Counterpart Funding	Total Funding
Consulting services	Feasibility study for developing a prototype and pilot test of a digital platform for the claiming and approval of medical expenses for people with disabilities.	200,000	0.00	200,000
<b>Component 2</b>	<b>Support the implementation of institutional change and improve NAD's information analysis</b>	<b>115,000</b>	<b>76,200</b>	<b>191,200</b>
Consulting services	Strategic and communication guidelines for the management of organizational change.	55,000	0.00	<b>55,000</b>
Individual consultants	Capacity building to increase NAD's analysis capabilities.	60,000	76,200	<b>136,200</b>
	<b>Total</b>	<b>685,000</b>	<b>76,200</b>	<b>761,200</b>

- 3.4 The TC will be supervised by the Social Protection and Health Division (SCL/SPH). The unit responsible for disbursements (UDR) will be in the Country Office of the Bank in Argentina (CAR).

#### IV. Executing Agency and Execution Structure

- 4.1 At the Republic of Argentina's request (Annex I), the executing agency for this TC will be the Bank, through SCL/SPH Division. Given that the NAD was recently created and does not have experience in executing projects with Multilateral Organizations, the Bank will support the beneficiary to meet the project's objectives. The activities financed by the TC are consistent with the Bank's Country Strategy with Argentina (GN-2870-1), and the country programming (see 2.6), therefore complying with the requirements of the Bank's Policy on Technical Cooperation (GN-2470-2), in its section 4.5.
- 4.2 The activities to be executed are included in the Acquisition Plan (Annex III) and will be contracted in accordance with Bank policies as follows: (a) AM-650 for Individual consultants; (b) GN-2765-1 and Guidelines OP-1155-4 for Consulting Firms for services of an intellectual nature and; (c) GN-2303-20 for logistics and other related services.

#### V Project Risks and Issues

- 5.1 Two development risks that could hinder the implementation of the operation were identified: (i) possible reluctance for change by the staff pertaining to the organizations integrated into the NAD; and (ii) modifications in NAD's priorities derived from change in government during 2019. To mitigate the first risk, the project will promote the participation of staff in the development of activities and will finance technical assistance to strengthen the change management process, including the design and implementation of a communication strategy. To mitigate the second risk, the project team will hold meetings with the formally established authorities of NAD to present the progress to date and explain the benefits of strengthening coordination of public services for people with disabilities, and of improving the efficiency of processes for assignment of the NCDP.
- 5.2. **Sustainability.** The interventions are sustainable over time given that they are geared towards simplifying and reordering the normative framework, strengthening management systems, and supporting the development of institutional analytical capabilities of the NAD. All these changes will contribute to improvements in accessibility of services, transparency, effectiveness and efficiency of NAD's processes that will outlive the time of executing of the TC.

## **VI. Exceptions to Bank policy**

6.1 The operation does not contain exceptions to Bank policy.

## **VII. Environmental and Social Strategy**

7.1 In accordance with the Environment and Safeguards Compliance Policy (GN2208), this project has been classified as category "C", since there are no negative social or environmental effects expected from the project. However, it is expected to produce positive social benefits given that the project will strengthen the State's capacity to coordinate public services for people with disabilities, and to assign NCDP (see [SPF](#) and [SSF](#) filters).

### **Required Annexes:**

- [Letter of Request](#)
- [Results Matrix](#)
- [Terms of Reference](#)
- [Procurement Plan](#)

**STRENGTHENING OF THE NATIONAL AGENCY FOR DISABILITY (NAD)**

**AR-T1216**

**CERTIFICATION**

I hereby certify that this operation was approved for financing under the **Japan Special Fund (JSF)**, through a communication dated December 4, 2018 and signed by Michiko Tamashiro (ORP/GCM) Also, I certify that resources from said fund are available for up to **US\$685,000** in order to finance the activities described and budgeted in this document. This certification reserves resource for the referenced project for a period of four (4) calendar months counted from the date of eligibility from the funding source. If the project is not approved by the IDB within that period, the reserve of resources will be cancelled, except in the case a new certification is granted. The commitment and disbursement of these resources shall be made only by the Bank in US dollars. The same currency shall be used to stipulate the remuneration and payments to consultants, except in the case of local consultants working in their own borrowing member country who shall have their remuneration defined and paid in the currency of such country. No resources of the Fund shall be made available to cover amounts greater than the amount certified herein above for the implementation of this operation. Amounts greater than the certified amount may arise from commitments on contracts denominated in a currency other than the Fund currency, resulting in currency exchange rate differences, representing a risk that will not be absorbed by the Fund.

Certified by:	<u>Original firmado</u>	<u>3/29/19</u>
	Sonia M. Rivera	Date
	Chief	
	Grants and Co-Financing Management Unit	
	ORP/GCM	

Approved by:	<u>Original firmado</u>	<u>4/1/19</u>
	Ferdinando Regalia	Date
	Division Chief	
	Social Protection and Health Division	
	SCL/SPH	