HEALTH SYSTEMS INNOVATIONS TO SAVE LIVES

2011 ANNUAL REPORT

STRONGER HEALTH SYSTEMS. GREATER HEALTH IMPACT.

msh
Management Sciences *for* Health

Dear Friends:

This past year we celebrated MSH's 40th anniversary. As I reflected on our work, it gave me great joy to see that MSH's founding principle of supporting health leaders and their initiatives is still so deeply ingrained in what we do. MSH founder Dr. Ron O'Connor was inspired by the Tao of Leadership, written by Lao Tzu over 2,500 years ago, and its core message about partnership and empowerment.

MSH works shoulder to shoulder with people at all levels, from ministers of health to community leaders, to build local capacity. You will meet a few of these people—Eugénie, Martin, Okendembo, and Rosemary—in this annual report. Our primary role is as a catalyst and a mentor for others. Our goal is to contribute to lasting improvements in health systems that have an enduring impact on people's well-being long after we have moved to the next opportunity to help. In this way we regularly and proudly work ourselves out of a job.

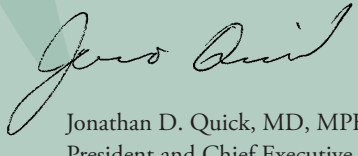
Today, economic uncertainty threatens global health funding while emerging economies are experiencing greater demand for health services. Public health needs are changing as well: chronic non-communicable diseases have become epidemics worldwide. The need for stronger health systems that achieve the greatest impact with available funds is greater than ever. While innovations in health technologies are vital, it is innovations in health systems that will benefit the millions of people who lack access to prevention and treatment that already exist. Health systems innovation aims to create new ways of achieving large-scale, widespread use of existing health interventions.

In 2011, MSH was named a Top 40 Development Innovator by DevEx, one of the largest networks of international development professionals. In this annual report, we show how MSH partners with people at all levels of the health system on innovative projects, from universal health coverage in Rwanda, to integrating cancer and HIV services in Uganda, to supporting a new class of health care provider in Tanzania.

In 2011, MSH committed to 21 new projects supported by the U.S. and European governments, foundations, international agencies, corporate partners, and private individuals. The diversity of MSH funders is expanding along with our geographic reach. The UK Department for International Development (DFID), USAID, the Bill & Melinda Gates and Rockefeller Foundations, and many others are committed to the health impact delivered by our strong partnerships and innovative programs.

We are grateful for the opportunity to work with health leaders throughout the world and contribute to their success. Those leaders, including health providers from hospitals to households, join with our staff, implementing partners, and funders to work toward a shared vision of universal health coverage—accessible, affordable, appropriate health services for all—through stronger health systems.

With warm regards,



Jonathan D. Quick, MD, MPH
President and Chief Executive Officer

COVER PHOTO: DOMINIC CHAVEZ

TAO OF LEADERSHIP

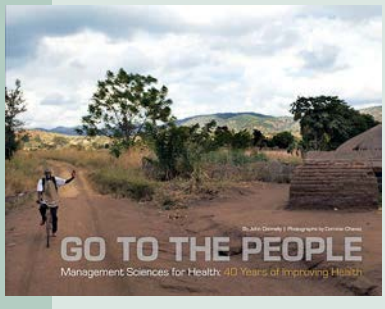
Go to the people
Live with them
Love them
Learn from them
Start with what they have
Build on what they know.

But of the best leaders
When their task is accomplished
The work is done
The people will all say
We have done it ourselves.

—*Lao Tzu*

In 2011, MSH staff and partners worldwide celebrated our 40th anniversary by recommitting to strengthening health systems and saving the lives of the poorest and most vulnerable people: that is what we have done for four decades; it's what we still do today.

Our partnerships with local people and institutions build capacity at all levels of the health system—from motivating individuals to seek care, to helping communities bring health services to the most hard-to-reach places, to supporting ministries of health in creating better health financing and governance strategies. MSH programs deliver sustainable results while empowering local leaders.



40TH ANNIVERSARY BOOK

To commemorate our 40th anniversary, MSH partnered with renowned journalist John Donnelly and photographer Dominic Chavez to publish *Go to the People*, a book chronicling our experience in strengthening health systems.

PHOTOS: DOMINIC CHAVEZ

Eugénie is a widow in Rwanda who farms to provide for her three children. In 2011, she had surgery to remove a tumor, a procedure that would have devastated her family economically if she did not have insurance. Rwanda's community-based health insurance program is the most successful of its kind in sub-Saharan Africa.

EUGÉNIE

USING HEALTH INSURANCE TO SAVE HER FAMILY

A Rwandan woman with her health insurance card.

With assistance from MSH, the government has achieved coverage for more than 90 percent of the population. Eugénie is an integral part of the insurance program and the health system as a whole—she is an individual who seeks care.

The health insurance program in Rwanda has engaged people throughout society in supporting the health system: national administrators develop protocol, train and monitor managers, and operate national information systems. Teams at district hospitals and local health centers manage reimbursements for the cost of care. Teams at all levels, including in communities, help mobilize health insurance members who, like Eugénie, are entitled to elect local program managers and define roles throughout the insurance program.

MSH has trained the Rwandan health workforce at all levels, developed a national database, and supported the insurance program in many other ways. In 2011, with support from USAID, MSH helped expand the national database to include socioeconomic information for nearly 96 percent of the population. The new data made it possible for Rwanda to institute a graduated contribution system: the poorest people now pay the least for care. In 2011, MSH also helped extend coverage to chronic diseases such as Eugénie's cancer. With support from the Rockefeller Foundation, MSH will also assist Rwanda in researching barriers to access for health insurance members, improving its financial planning, and documenting best practices.

MSH supports financing programs that help countries work toward universal health coverage, from performance-based financing that improves the quality of services, to financial modeling that estimates the cost of expanding services, to health insurance like Rwanda's that makes health care affordable for all and strengthens the health system.

Rwanda and other countries moving toward universal health coverage are setting a powerful example: innovations in financing can make health care more equitable for the world's poorest and most vulnerable people. Eugénie, who was classified by Rwanda as one of its most vulnerable citizens, credits her health insurance with saving her life and ensuring the welfare of her children.

PHOTO: CANDIDE TRAN NGOC

ROSEMARY

DISPENSING SERVICES & MEDICINES TO SAVE LIVES

Rosemary Katone was selling medicines illegally in western Uganda. She didn't intend to break the law, but the conditions in her community health shop were below standard. Then, in 2009, she participated in a certification program provided by the Ugandan government and MSH that taught her to accurately and safely dispense the medicines in her shop.

Word spread quickly in her community that her services had improved. A woman whose newborn daughter was suffering from diarrhea explains, "My friend had the same problem and told me to come here. I am confident [Rosemary] will give me what I need to save my baby."

MSH IS BUILDING A NEW CLASS OF PRIVATE-SECTOR HEALTH PROVIDERS WHO INVEST IN THEIR COMMUNITIES AND THE HEALTH SYSTEM.

With support from the Bill & Melinda Gates Foundation and others, MSH has developed an innovative program to accredit private community health shops and train shop owners and medicine dispensers in East Africa. Between 2003 and 2010, MSH helped implement the program, first in Tanzania and then in Uganda. A 2011 survey of Tanzania shops showed that the quality of dispensing services has continued to improve and the shops continue to be profitable. The survey also revealed that referrals to health centers for malaria were declining as more people access malaria treatment at the shops.

Rosemary takes a baby's temperature in her community health shop.

Community health shops are often people's first source outside the household for family planning commodities and medicines to prevent and treat common illnesses. The shop owners and dispensers live in the communities they serve and are economically empowered by their work. In some areas, up to 90 percent of licensed dispensers are women.

In 2011, MSH began a new program, funded by the Gates Foundation, to expand and improve the effectiveness and sustainability of the shops in Tanzania and Uganda and to roll out the initiative in Liberia. MSH and partners made a 2011 Clinton Global Initiative commitment to reach 70 million people in five African nations with accredited community health shops by 2015.

By building the capacity of community health shop owners and dispensers, MSH is building a new class of private-sector health providers who invest in their communities and the health system, strengthening their nations both socially and economically.

PHOTOS: COURTESY OF PRINCIPILE PICTURES

Martin Mutombo, a local teacher and community health worker in Democratic Republic of the Congo, often travels on rough roads to reach those without access to family planning services.

MARTIN

A COMMUNITY HEALTH WORKER PROVIDING COUNSEL & SUPPLIES

In 2011, MSH helped provide bicycles to health workers in Martin's province—dramatically increasing the number of visits they make. "The bikes give us a sense of pride and more recognition in the community," says Martin. Such recognition builds people's trust in the community health workers and in health care services overall.

With USAID support, MSH is engaged in innovative efforts such as the bicycle project to help health providers reach more people. This year in another province, MSH supported community health workers in organizing family planning events to reach hundreds. The health workers tailored messages for their audiences: for parents they focused on birth spacing; for adolescents on avoiding unwanted pregnancies that limit education for girls. MSH also led a training for community health workers from around the country to improve their communication skills. The participants will go on to provide the same training to others.

OKENDEMBO

A NURSE LEADING HIS TEAM TO IMPROVE HEALTH CENTER SERVICES

When community health workers such as Martin are more effective in their communities, they are able to encourage clients to use health facility services as well.

"Community health workers are leaders who convey key health messages and practices. They speak directly to their fellow community members, giving them information in a simple language that breaks down any cultural barriers or preconceptions that might inhibit someone seeking care."

DR. DIEUDONNÉ N'SEKELA MWANZA
PROVINCIAL MINISTER OF HEALTH
& HUMAN RIGHTS, KASAÏ ORIENTAL
PROVINCE, DRC

MSH works to strengthen that link between community health workers and health facilities, building trust in the health care system and encouraging patients to adopt health behaviors.

Head Nurse Okendembo Pierre Yoto has worked at a district health center for seven years and knows well the barriers that prevent people from seeking care in health facilities. In 2011, Okendembo and his team of nurses participated in MSH's leadership development program to create a plan that would increase the number of patients they serve. The team went on to effectively advocate for funding from local political leaders to rehabilitate the center and worked with community health workers to raise local awareness about facility improvements. By February 2011, five months after the initiative began, the center reported an increase of new patients per month from 81 to 235—a jump from 17 to 49 percent of their target. "All of us on the nursing team are very proud of our results," says Okendembo.

PHOTO: MSH STAFF

The connection between maternal survival and child survival is clear: children whose mothers die are more likely to die themselves. MSH has pioneered innovative solutions that link health interventions for mothers and children, including a groundbreaking new approach to treating HIV-positive mothers that protects them and their children beyond birth and breastfeeding.

B+ OPTION

SAVING CHILDREN BY SAVING MOTHERS

MALAWI'S B+ OPTION... COULD REDUCE RATES OF HIV TRANSMISSION TO RIVAL THOSE SEEN IN THE WORLD'S WEALTHIEST COUNTRIES AND SIGNIFICANTLY REDUCE OVERALL MATERNAL AND CHILD MORTALITY.

Malawi, like many countries, struggles to meet the World Health Organization (WHO) recommendations for preventing transmission of HIV from pregnant mothers to their babies. The WHO recommends that women with more advanced disease (measured by the presence of fewer CD4 cells) should be put on antiretroviral therapy for life, but women with less-advanced disease should be treated only during pregnancy and breastfeeding. For Malawi, it is difficult to measure CD4 levels in a timely way and administer different treatment regimens as those levels change.

Hoping for a solution, Malawi made a bold decision. It would offer lifelong treatment to all pregnant women with HIV, regardless of their CD4 levels. The ministry of health devised this "B+ Option" (building on the WHO's current "B Option") in close consultation with MSH's Basic Support for Institutionalizing Child Survival (BASICS) program, funded by USAID. They determined that this approach would be easier to administer and also address the long-term health of mothers—which directly affects the health of all children, newborn and older.

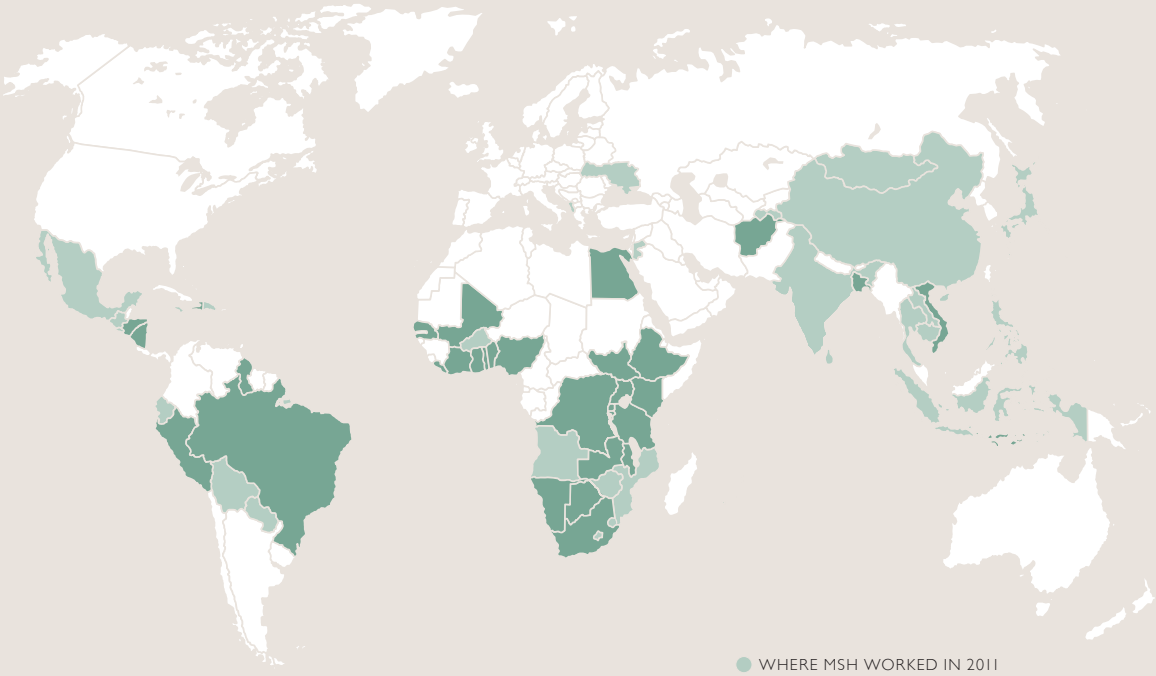
Malawi's B+ Option is an innovative model of truly integrated service for maternal health, child health, and HIV prevention. It could reduce rates of HIV transmission from mother to child to rival those seen in the world's wealthiest countries and significantly reduce overall maternal and child mortality. MSH provided technical assistance to develop the B+ approach and trained hundreds of health workers in the new regimens. We shared the B+ idea with the global health community in *The Lancet* in July 2011 and are currently working on a cost-benefit analysis, comparing the B+ Option to the traditional approach.

Now others are following Malawi's lead: As of April 2012, Uganda had announced its intention to adopt the B+ Option, UNICEF had undertaken a review of it, and several other countries have expressed interest in the approach. The analysis will also review challenges such as the potential side effects of full HIV therapy throughout pregnancy.

PHOTO: MSH STAFF

MSH'S GLOBAL REACH

MSH WORKS IN OVER 76 COUNTRIES AROUND THE WORLD, WITH 32 OFFICES.



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Benin
Bolivia
Botswana
Brazil
Burkina Faso
Burma
Burundi
Cambodia
Cameroon
China
Cote d'Ivoire
Democratic Republic of the Congo
Dominican Republic
Ecuador
Egypt
El Salvador
Ethiopia
Fiji
Gambia
Ghana
Guatemala
Guinea
Guinea-Bissau
Guyana
Haiti
Honduras
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MANAGEMENT SCIENCES FOR HEALTH

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Saving lives and improving the health of the world's poorest and most vulnerable people by closing the gap between knowledge and action in public health.

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SOURCES OF SUPPORT

YEAR ENDING JUNE 30, 2011

GOVERNMENTS

Centers for Disease Control and Prevention (CDC) (USA)

Department for International Development (DFID) (UK)

Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ) (Germany)

Organisation of Eastern Caribbean States (OECS)

Republic of South Africa Department of Health

Sida (Swedish International Development Cooperation Agency)

US Agency for International Development (USAID)

FOUNDATIONS

Bill & Melinda Gates Foundation

Ford Foundation

Foundation for Advanced Studies on International Development (FASID)

Foundation for Innovative New Diagnostics (FIND)

The James M. & Cathleen D. Stone Foundation at the Boston Foundation

The Rockefeller Foundation

The William and Flora Hewlett Foundation

INTERNATIONAL AGENCIES/BANKS

African Development Bank

The Global Fund to Fight AIDS, Tuberculosis and Malaria

Pan American Health Organization (PAHO)

UNFPA (United Nations Population Fund)

UNICEF

The World Bank

World Health Organization (WHO)

NGOs/PARTNERS

ACDI/VOCA

AED (Academy for Educational Development)

American Refugee Committee

AMREF (African Medical and Research Foundation)

Association for Rural Development (ARD)

Christian Health Association of Nigeria (CHAN)

DAI

Deloitte

Elizabeth Glaser Pediatric AIDS Foundation (EGPAF)

EngenderHealth

FHI

Futures Group

HealthRight International

IMA World Health

IntraHealth International

International Rescue Committee (IRC)

IPPF (International Planned Parenthood Federation)

John Snow, Inc. (JSI)

Joint Oxfam Programme

KNCV Tuberculosis Foundation

National AIDS Commission (NAC), Malawi

Network for Good

Oxfam International

Pact

Partnership for Child Health Care, Inc.

Partnership for Supply Chain Management (PFSCM)

PATH

Pathfinder International

Reproductive and Child Health Alliance (RACHA)

TB Alliance

University Research Co., LLC (URC)

World Learning

UNIVERSITIES

Boston University School of Public Health

The George Washington University

Johns Hopkins Bloomberg School of Public Health Center for Communication Programs

Tufts University

University of North Carolina at Chapel Hill

University of Zimbabwe

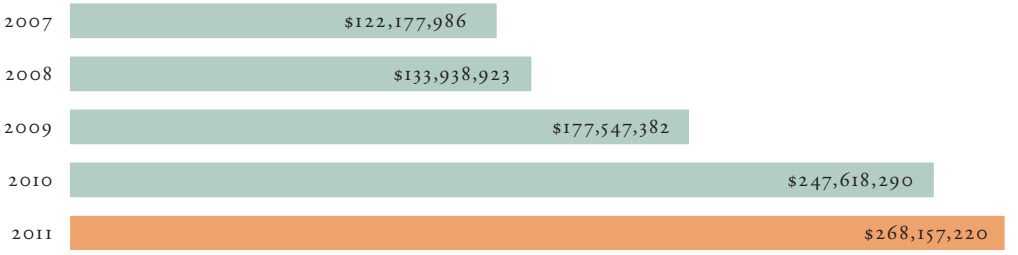
INDIVIDUALS

Peter & Marty Karoff

James B. & Barbara Gunderson Stowe

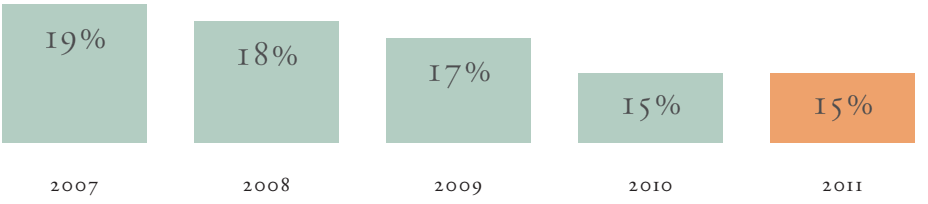
MSH IS GROWING...

CONTRACT, GRANT, AND PROGRAM REVENUE



WHILE ADMINISTRATIVE COSTS HAVE BEEN GOING DOWN.

MSH'S OPERATING COSTS AS A PERCENTAGE OF TOTAL REVENUE



STATEMENT OF REVENUES, PROGRAM EXPENSES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2011 *drawn from audited financial statements*

REVENUES

CONTRACT, GRANT, & PROGRAM REVENUE	$268,157,220
INVESTMENT INCOME & CONTRIBUTIONS	$12,523
ADDITIONAL SUPPORT REVENUE	$106,828
TOTAL	**$268,276,571**

EXPENSES

TOTAL	**$265,400,181**

CHANGES IN FUND BALANCE

BALANCE AT BEGINNING OF YEAR	$18,120,327
EXCESS OF PROJECT SUPPORT & REVENUE OVER EXPENSES	$2,876,390
BALANCE AT END OF YEAR	**$20,996,717**

COMPOSED OF:

CASH AND CASH EQUIVALENTS	$23,357,068
AMOUNTS DUE ON CONTRACTS	$17,673,261
OTHER CURRENT ASSETS	$4,437,282
PROPERTY & EQUIPMENT *net of depreciation*	$1,086,306
OTHER ASSETS	$142,107
CURRENT LIABILITIES	($25,699,307)
TOTAL UNRESTRICTED NET ASSETS	**$20,996,717**

At a clinic outside Kabul, Shirin, a child survival officer who received training from MSH, encourages mothers to feed their children nutritious foods.

REBUILDING HEALTH SYSTEMS IN FRAGILE STATES

IN 2011, AS PART OF THE UNITED NATIONS *EVERY WOMAN, EVERY CHILD* CAMPAIGN, MSH COMMITTED $200 MILLION TO MEET THE HEALTH NEEDS OF WOMEN AND CHILDREN IN SEVERAL FRAGILE STATES AND TO EDUCATE THE GLOBAL HEALTH COMMUNITY ON THOSE NEEDS.

A fragile state can be in the midst of war or just emerging from conflict. Its institutions are often in ruin. MSH knows these places well.

Starting in Afghanistan in 1973, we have worked to rebuild health systems in fragile states by expanding access to high-impact health services: maternal and child health, family planning, water and sanitation, nutrition, HIV & AIDS, tuberculosis, and malaria. We work with governments to build their capacity to lead development initiatives, and, at the same time, we partner with NGOs, the private sector, and communities to support health service delivery.

In South Sudan, despite ongoing conflict, our work in the last three years has helped increase the number of health facilities and health workers, leading to a 65 percent increase in malaria prevention in pregnancy and a doubling in antenatal care for 1.3 million people.

In 2011, MSH co-sponsored the conference "Health in Post-Conflict and Fragile States: Challenges for the Next Decade" at the U.S. Institute of Peace. We are committed to working toward strong, stable, peaceful nations by building health systems around the world.

PHOTO: DOMINIC CHAVEZ

LEADING IN MEDICINES MANAGEMENT

Too many people still die from diseases for which treatment exists. In many parts of the world, medicines are often too expensive, highly variable in quality, and used incorrectly. MSH has long been a global leader in improving access to medicines, vaccines, and other health technologies. We are committed to the vision of essential medicines for all through universal health coverage.

In 2011, MSH published *MDS-3: Managing Access to Medicines and Health Technologies*, our third edition of the world's leading reference on managing essential medicines in developing countries. This edition of *MDS* (*Managing Drug Supply*) reflects political, scientific, and technological changes of the past 14 years.

MSH also served as organizing partner for the "Third International Conference for Improving Use of Medicines" (ICIUM 2011), which drew participants from nearly 80 countries. ICIUM 2011 participants developed consensus on the best techniques for improving medicines use around the world. MSH will continue putting these techniques into practice through a new, $198 million global program, USAID's Systems for Improved Access to Pharmaceuticals and Services (SIAPS) Program. SIAPS, which began in 2011, builds on our previous efforts to fulfill pharmaceutical management needs while strengthening overall health systems.

Mildred Akinyi of Uganda was treated for a precancerous condition through a MSH-sponsored screening of HIV-positive women for cervical cancer.

ADDRESSING THE EPIDEMIC OF CHRONIC NON-COMMUNICABLE DISEASES

Heart and lung disease, cancer, diabetes, and other chronic non-communicable diseases (chronic NCDs) have become epidemics in low- and middle-income countries as people live longer by surviving communicable diseases. Starting in 2011, MSH prioritized chronic NCDs as an action area. We believe health systems that are well coordinated and offer integrated services will have the greatest impact in expanding care for these diseases.

With support from USAID, MSH is working with countries to increase access to prevention, diagnosis, and treatment services for chronic NCDs by strengthening health systems.

- IN UGANDA, MSH is leveraging the existing infrastructure for HIV & AIDS to provide services for cervical and breast cancer to HIV-positive women. Since March 2011, the project has screened more than 845 women for cancer in 18 health centers.
- IN TANZANIA, MSH is integrating chronic NCD services with HIV & AIDS services by coordinating grants, training staff, and strengthening laboratory services. In 2011, one HIV & AIDS treatment center identified 15 percent of its 3,400 patients as having a chronic NCD.

We are also promoting health insurance plans—such as those in China, India, Mexico, and Rwanda—that include coverage for cancer treatment, and we are contributing to the development of international guidelines for cancer care. As a member of the Global Task Force on Expanded Access to Cancer Care and Control in Developing Countries, MSH contributed to two groundbreaking reports this year: *Closing the Cancer Divide* and *Cancer Medicines Prices in Low and Middle Income Countries.*

PHOTOS: MSH STAFF