

Hypothesis 3

The peri-urban PHCs in Mortalia are under-funded.



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Unpacking the Problem

Are the peri-urban PHCs in Mortalia under-funded?

If the peri-urban PHCs in Mortalia do not get enough money to begin with



then they will never be able to solve the health problems in their community, regardless of what else changes



Which calculations do I need to do?

1st calculation:

- What share of the Sunrise State Dept. of Health District Services Program budget do the peri-urban clinics get?
- Formula for calculating share of the budget:

$$\text{Share of the budget} = \frac{\text{Section of the budget}}{\text{Whole budget}} \times 100$$



Let's Try the Calculation

- Aljana's share of the overall District Services Program budget for 2008:
 $(D\ 331,017 / D\ 67,580,152) \times 100 = 0.49\%$
- Now it's your turn...



Which other calculations do I need to do?

2nd calculation:

- The formula for adjusting for inflation:

$$\frac{\text{Nominal value of prior year} \times \text{CPI of most recent year}}{\text{CPI of prior year}} = \text{Adjusted "real" value (in most recent year value)}$$



Let's Try the Calculation

- Aljana's 2008 allocation in 2011 terms:
 $(D\ 347,228 \times 118.5) / 105.7 = D\ 389,277$
- Now, you are on your own...



Which other calculations do I need to do?

3rd calculation:

- Are the allocations for peri-urban PHCs growing from year to year? How does the growth of their allocations compare to the growth in budgets of other PHCs in Mortalia?
- The formula to measure changes over time is:

$$\text{Growth in budget} = \frac{\text{Amount in most recent year} - \text{Amount in prior year}}{\text{Amount in prior year}} \times 100$$



Let's Try the Calculation

- The growth in Aljana PHC's budget from 2008 to 2009 =

$$(355,318 - 347,228) / 347,228 \times 100 = 2.3\%$$

(Note: this is growth in *nominal* terms.)

- Now you try...



Who is responsible?

- Sunrise State Department of Health – District Services Program

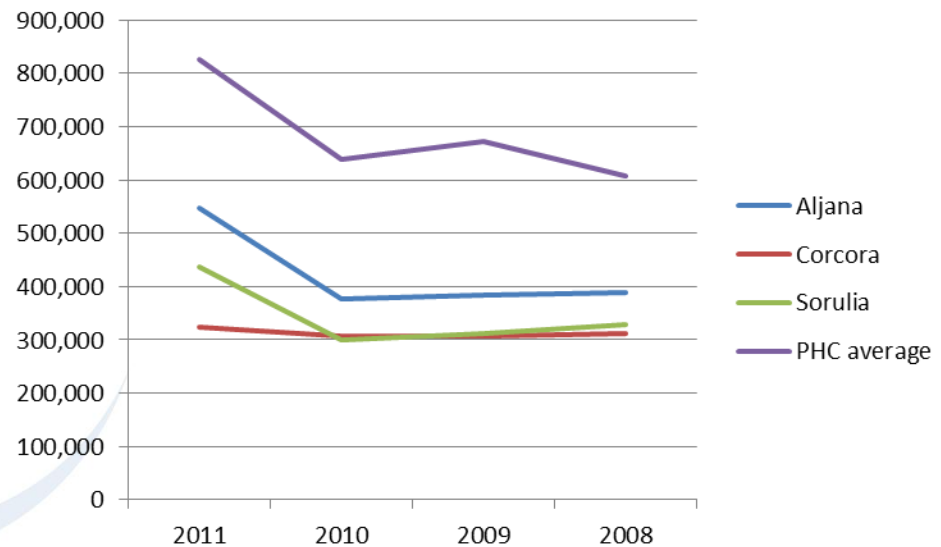
How to fix this?

- For the District Services Program to provide a fairer share to the peri-urban clinics, they would need either to grow their budget and move extra funds to peri-urban PHCs or move funds from other clinics over to the peri-urban PHCs.
- Taking funds from other PHCs could present a problem in human rights terms. Why?



How to Illustrate the Findings

- Percentage shares normally look good in a pie chart, but in this case...
- Growth over time looks good in a line chart.



On to the Next Hypothesis...

1. The Primary Health Clinics (PHCs) in peri-urban areas of Mortalia are wasting money.
2. The Primary Health Clinics (PHCs) in peri-urban areas of Mortalia are under-spending.
3. The peri-urban Primary Health Clinics in Mortalia are under-funded.
4. The funds the District Services Program is providing to the peri-urban PHCs fall short of the *per capita* primary health care spending standard set by the Polarus Ministry of Health.