Assessment of risks related to the use of resources allocated for the government AIDS programme

Summary on Audit Findings

The State Audit Office audited risks related to the utilization of funds allocated from the state budget to the national development plans for the prevention of HIV/AIDS and other sexually transmitted diseases, administrated by the Ministry of Social Affairs, Health Protection Inspectorate and Estonian AIDS Prevention Center.

The goal of the development plan and program ("National Development Program for the Prevention of HIV/AIDS and Other sexually Transmitted Diseases for 1997-2001", endorsed with the act of the Government of the Republic on 25.11.1997 and "The National Program for the Prevention of HIV/AIDS in 2002-2006", endorsed by the decree of the Government of the Republic on 16.01.2002), endorsed by the Government of the Republic, was to devise, coordinate and implement HIV/AIDS prevention policies, providing for the limitation of the transmission of the disease and helping to cut down the number of other sexually transmitted diseases.

Until 2002, the Managing Authority of the program was the Health Protection Inspectorate; from this year, the accountability for the administration of the program lies with the Health Education Center. Substantial preventative operations are implemented by one of the departments of the Health Protection Inspectorate – the Estonian AIDS Prevention Center.

HIV/AIDS treatment was given and monitored by Merimetsa Hospital of Tallinn (since 2002 the Infectious Diseases Center of the Central Hospital of Western Tallinn).

The program is funded from the state budget: in 2001, 7.85 million kroons were allocated from the main and supplementary budget, in 2002 the respective amount totaled to 8.85 million kroons.

Main Conclusions

Organization and Management

The Health Protection Inspectorate and the structural unit of thereof – the Estonian AIDS Prevention Center – acting as the project implementing authorities had to perform tasks which shouldn’t be the responsibility of the inspectorate while not being able to perform the task of supervision, being within the accountability of the inspectorate.

The responsibilities arising from control and supervision were given to the Health Education Center in 2002; unfortunately the institution had neither the knowledge nor the capacities for the planning and implementation of the prevention activities and related supervision at that moment. Such a management scheme resulted in risk of losing accountability and control.

Expenditures

Expenditures made during the implementation of the program were recorded as established with the respective provision and were in compliance with the budget. Nevertheless, in 2001 the parties to the program were not given explicit guidelines on how should the cost allocation and analysis be performed.

As the Health Education Center was appointed to act as the Managing Authority to the program in 2002, the program management costs went up considerably. To a certain extent, this was not justified as the project administration costs were not incurred by the Health Education Center but the institutions included in the scheme, implementing activities with permanent nature.

Planning of the Activities and Reporting

The draft annual action plan was developed by the Estonian AIDS Prevention Center; it was reviewed by the public health department and endorsed by the Minister. The action plan for 2001 was rather weak: instead of explicit guidelines and expected results the said plan listed technical activities, the performance indicators to be used for the evaluation of the performance were questionable, time schedule for the achievement of the objectives was missing altogether.

The reporting interval was rather frequent; nevertheless, the parties were not satisfied with the content

of the reports. The person devising the reports – the Estonian AIDS Prevention Center – had no idea whatsoever what information should the reports include while the ministry complained that there was no sufficient information about the efficiency and performance of the program.

Operations performed by the Estonian AIDS Prevention Center

The Estonian AIDS Prevention Center proceeded in accordance with the priorities established with the program and action plan devised for the specific year while focusing on the main risk groups – young people and drug addicts injecting into vein. The public has been informed actively of the threat of AIDS through different media channels.

In larger cities, the Estonian AIDS Prevention Center directed the work done by non-profit organizations of similar character, helping them to obtain money and assets outside the framework of the program. In addition, the staff of the Estonian AIDS Prevention Center belongs into the management bodies of several non-profit organizations or coordinate projects implemented by such organizations.

Procurement and Use of Medicines

The purchase of the medicines necessary for the treatment of the patients was organized by the Health Protection Inspectorate. The amount of medicines and the prices of thereof were in compliance with the data provided in the state procurement documentation.

No allocations were made for Merimetsa Hospital of Tallinn for the clinical investigation and treatment of the HIV-positive patients having no health insurance (large share of the HIV-positive patients have no health insurance). To date, the need for immunological analysis exceeds the capacities of the reference laboratory, to say nothing of the future when the number of the HIV-positive people can increase considerably.

The State Audit Office is not convinced that it is correct to use the funds of the program for the purchase of the medicines – the purchase of medicines shouldn't be dependent upon the allocations made for the program.

The reports submitted to the State Agency of Medicines were not accurate: the wholesalers of medicines had given erroneous amounts about the sales of certain medicines used to treat the virus.

Recommendations to the Minister of Social Affairs

- The project management scheme should be strengthened to give each party a clear picture of its responsibilities and accountability for t he implementation of the program.
- As the program costs are allocated it should be seen that all the program priorities have been included in the budget.
- Conditions should be established for contracting for the work done within the framework of the program, using the public procurement procedures.
- Requirements should be established for the improvement of the program action plans.
- Sound monitoring system should be implemented for the supervision of the epidemiological situation.
- Decisions should be taken in regard of the operations of the Estonian AIDS Prevention Center out of the structure of the Health Protection Inspectorate accompanied by the determination of the role of the center in the implementation of the preventative work.
- The capacity if the reference laboratory diagnosing HIV/AIDS should be exceeded in line with the required capacities.
- Additional alternatives for funding immunological investigation and treatment of HIV-positive patients with no health insurance should be found.
- The attention of the State Agency of Medicines should be pointed to the deficiencies found in the reporting on medicines.

The Accountability of the Minister of Social Affairs

The reply given by the Minister of Social Affair deals with all the conclusions and recommendations stated in the audit report and provides an action plan for the implementation of the recommendations given by the State Audit Office.

Similarly to the State Audit Office, the Ministry has noticed some problems with the program management. The program management is intended to be improved by making the work of the

monitoring commission established at the Ministry more efficient and developing the leading role of the Health Education Center to an improved level. It is intended to segregate toe Estonian AIDS Prevention Center from the structure of the Health Protection Inspectorate. From 2003, the program shall be implemented on project-basis where every project manager has explicitly specified responsibilities and clearly described tasks to be fulfilled. It is also planned to organize public procurement to implement the projects in cooperation with the local governments. The Managing Authority is asked to improve the quality of the action plans. The Ministry is making efforts to find some additional funding for the program and therefore supplement the implementation of the program activities.

Next year, it is intended to fund immunological investigations and analysis related to all the HIV-positive patients with no health insurance within the framework of the HIV/AIDS program. For that purpose the capacities of the reference laboratory at Merimetsa Hospital shall be increased to meet the demand; the provision of respective services is also started in Ida-Virumaa.

Conclusion of the State Audit Office

The State Audit Office is glad to admit that the Ministry of Social Affairs has thoroughly analyzed the omissions noted during the audit process while planning specific measures aimed at the improvement of the HIV/AIDS program management and the utilization of funds within the Ministry's administrative area. The Ministry of Social Affairs and the State Audit Office have no dissenting opinion concerning the recommendations and conclusions given in the report.

The State Audit Office hopes that the intended changes provide a fertile ground for fighting efficiently against the transmission of HIV/AIDS virus in the whole country.

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