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Evaluation of the Health Canada Innovation Fund

Presented to

Health Canada
Departmental Audit and Evaluation Committee

November 1, 2005

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**Evaluation of the Health Canada Innovation Fund
Management Action Plan
(as of September 14, 2005)**

Recommendation	Current Actions	Completion Date	Responsibility	Progress (as of September 14, 2005)
<p>Continue the Health Canada Innovation Fund subject to:</p> <ul style="list-style-type: none"> • implementation of these recommendations • evaluation after two years 	<p>Team Meetings Evaluation/Assessment Framework Workshop Evaluation Plan</p>	<p>March 31st 2007</p>	<p>HIF Evaluation Team Members Ad-hoc Member (B. Buxton) DPMED RDGs</p> <p>Please note: DPMED is nearing the end of their involvement with final deliverable being the draft Logic Model (Montréal, August 25)</p>	<p>Ongoing</p> <ul style="list-style-type: none"> • Recommended to RDGs a 2005-06 HIF to develop a business case for the fund. This would include a catalogue of projects, best practices, recommendations (i.e., funding mechanisms).
<p>Develop a Proposal Package (French/English) that includes:</p> <ul style="list-style-type: none"> • an application template • information about HIF 	<ul style="list-style-type: none"> ✓ Templates currently drafted and being piloted by Alberta/NWT Region ✓ Templates currently being reviewed by HIF Evaluation Team Members <input type="checkbox"/> Templates receive final changes <input type="checkbox"/> Recommendation prepared for RDGs 	<p>September 27th</p>	<p>K. Grubert(lead) B.Buxton (Senior QA Officer, AB/NWT Region) K. Hunter HIF Evaluation Team Members</p>	<ul style="list-style-type: none"> • Draft Proposal Templates completed and are currently being reviewed by HIF Evaluation Team. • Proposal Templates located on Regional Planners Workbook • Final changes and recommendation to RDGs will be made on September 27th.
<p>Develop HIF Logic Model (French/English)</p> <ul style="list-style-type: none"> • HIF logic model • definitions and information about expected outcomes, outputs, activities, inputs and performance indicators as appropriate. 	<ul style="list-style-type: none"> ✓ Workshop in Montreal week of August 23rd <input type="checkbox"/> DPMED preparing draft logic model based on input generated in Montréal for week of Sept 19th 	<p>Final Logic Model by September 30th.</p>	<p>Regional coordination of Logistics HIF Evaluation Team Members B. Buxton</p>	<ul style="list-style-type: none"> • Logic model workshop held • Logic Model framework being drafted • To be reviewed for changes and next steps on September 27th • Logic Model to be applied to 2005-2006 HIF proposals

<p>Develop an Assessment Framework (French/English) to:</p> <ul style="list-style-type: none"> • assess the extent to which projects contribute to Fund objectives • inform knowledge development with widely held principles of population health, capacity-, partnership-building, etc. • ensure consistent and comparable collection of information about project learning. 	<p>⌘ Deliberation on Assessment Framework did not occur in Montréal. This will be considered at HIF Eval Team meeting on September 27th.</p> <p>»» Refer to Draft (work-in-progress) Assessment Framework on Regional Planners Workbook (new)</p>	<p>Final Products by September 30th.</p>	<p>K. Hunter (Lead) Regional coordination of Logistics HIF Evaluation Team Members B. Buxton</p>	<ul style="list-style-type: none"> • September 27th HIF Evaluation conference call
<p>Develop and implement a process (French/English) that allows sufficient time for review and approval to ensure that projects are funded and able to deliver their outcomes within the fiscal year</p>	<p>✓ Develop a HIF planning lifecycle (see GANTT chart prototype by K Hunter on Visio)</p>	<p>Final Product by June 30th.</p>	<p>K Hunter (Lead) HIF Evaluation Team Members B. Buxton</p>	<p>✓ LifeCycle Chart mailed to all HIF Working Groups in June for Feedback by HIF Working Members later in the Summer.</p> <p><input type="checkbox"/> Final recommendations to RDGs made on September 27th.</p>
<p>Develop an approval process that stratifies and assesses projects based on risk for the purpose of reducing the number of approvals needed and making the process more efficient.</p>	<p>✓ (Tentative) Hold Workshop in Montreal week of August 23rd</p> <p>⌘ RDGs are currently following up on the approval process. HIF Proposal Template offers one option to consider in the approval process. That option would have the RDGs approve all project ≤ \$10,000.</p> <p>»» Other approval factors to consider include:</p> <ul style="list-style-type: none"> -the # of collaborators (internal/external) -collaborator influence/position relative to the HIF project -the degree to which the HIF could impact policy priorities -the overall dollar value of project. 	<p>Final Products by September 30th</p>	<p>RDGs HIF Evaluation Team Members DPED B. Buxton</p>	<p><input type="checkbox"/> Review of assessment framework and templates currently being used.</p> <p><input type="checkbox"/> Action Plan develop at September 27th meeting.</p>
<p>Explore and identify alternative funding mechanisms</p>	<p>HIF Evaluation Team considered TBS Collaborative Arrangements at Montreal meeting</p>		<p>HIF Evaluation Team B. Buxton RDGs</p>	<p>Research options, consult and develop recommendations for HIF Business Case</p>



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EVALUATION OF THE HEALTH CANADA INNOVATION FUND

June 2005



Prepared by:

Departmental Performance Measurement and Evaluation Directorate
Chief Financial Officer Branch

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INTRODUCTION

This evaluation fulfills a commitment in the Terms of Reference of the Health Canada Innovation Fund (HIF) to evaluate its performance against its objectives at the end of a two-year pilot. The findings and recommendations of the evaluation will be presented to the Associate Deputy Minister to describe the early results of the HIF and to inform decisions on its continuation.

EVALUATION OBJECTIVES

The purpose of the evaluation is to determine the extent to which the Fund has achieved its objectives; assess the Fund's management processes and accountability mechanisms and present learnings for future decision-making.

EVALUATION QUESTIONS

The evaluation was national in scope and focussed on addressing two key issues:

- 1) **design and implementation**, including questions about how the design and management of the Fund could be improved;
- 2) **early results**, including questions on how the Fund's objectives have been interpreted and the extent to which outcomes have been articulated and achieved.

METHODOLOGY

The following lines of evidence were used for this study:

1. Literature/Document Review

The purpose of this component was to:

- review the theory and practices in partnership and capacity-building, two key Fund objectives
- find best practices, and compare these with the Health Canada model
- review and analyse selected documents related to the implementation of the projects.

2. Interviews

A total of 17 interviews and one focus group were conducted with Regional Directors General (RDGs), external project staff, Health Canada project and policy staff and an administrator from the Health Products and Food Branch Strategic Investment Fund.

BACKGROUND

Approved in 2002, HIF is a two-year pilot to provide RDGs with \$1.2 million in flexible, discretionary funds to respond to opportunities to advance regional/departmental priorities. Its objectives are:

1. exploring different approaches that advance positive health outcomes;
2. fostering new collaborations and partnerships across programs, departments, orders of government, regions, and with partners and stakeholders; and
3. enhancing regional capacities to more effectively respond to local conditions and priorities.

FINDINGS

Benefits of the Fund

Most interviewees agreed that the two most important benefits of the HIF are:

- year-round accessibility to funds that are not already allocated to national programs prior to arriving in regions; and
- high level objectives focussed on population health to support a variety of approaches to research, and partnership- and capacity-building.

Interpretation of Fund objectives

From the interviews and literature/document review, it appears that the population health/determinants of health “approach” is often used with the intent of advancing health outcomes, the focus of the first objective (13 out of 32 projects have a population health focus). Interviewees discussed how project activities could potentially contribute to strengthened policy and better informed interventions.

All 32 projects are funded to establish/strengthen partnerships in support of the second objective of HIF. There are at least two reasons for this. First, as has been suggested in such publications as the *2001 Report of the Auditor General of Canada*¹ and confirmed by the literature/document review, partnerships provide the Department with the opportunity to affect, indirectly at least, many more determinants of health than those that fall directly within its mandate. The second reason is decentralization of provincial health services management has meant establishing multi-sectoral relationships with organizations such as regional health authorities in addition to Federal/Provincial/Territorial governments. The projects funded under this objective represent a

¹ Auditor General of Canada, *2001 Report of the Auditor General of Canada* (Ottawa: Minister of Public Works and Government Services Canada, 2001), Ch. 9, p. 7.

spectrum of relationship types from simple networks to begin/improve relationships to collaborations managed to achieve a common, well defined outcome such as identification of best practices to transfer research findings to policy.

Achievement of the third objective has emphasized the organizational capacity of Health Canada, communities or other orders of government. Four approaches to capacity building found in the literature are represented by the projects:

- top-down organizational approach, e.g., builds the knowledge and skills of Health Canada staff resulting in better informed health policy or design of interventions;
- bottom-up organizational approach, e.g., focuses on training members of both Health Canada and other organizations to provide them with skills and knowledge that is not only beneficial to the individuals concerned but, more importantly, to the organization and the wider community;
- partnerships approach, e.g., intended to strengthen relationships between organizations through a two-way flow of knowledge and other resources;
- community organizing approach, e.g., aims to transform individuals from passive recipients of services to active participants in a process by drawing individual community members into organizations to improve the health of the community.

Early Results

Most HIF project proposals included examples of expected outcomes such as: “enhanced partnerships”, “working relationships established” and “knowledge increased”. Many interviewees were also able to describe the results of completed projects and articulate how Fund objectives are being advanced. However, evidence of results was often anecdotal or output-based. Interviewees suggested that this is because the Fund is still new and few resources are directed at project evaluation and data collection.

Design and Implementation

Although a consistent process exists to select, review and approve projects, the information contained in project proposals and files could be more consistent and complete. For example, an important criterion for projects to receive HIF funds is that they are not eligible for funding from other departmental programs. Generally, there was insufficient detail in project proposals to allow an informed assessment of how projects satisfied this particular eligibility criterion.

Other useful information that would help to assess projects include:

- Complete financial details of projects, including resources to be contributed by partners.
- A full description of how projects will support regional priorities and meet fund objectives, including, where applicable:

- how the determinants of health are addressed;
 - how the focus is placed on the health of populations;
 - how collaboration across levels and sectors will occur;
 - which group(s) will be the target(s) of capacity building activities.
- A description of the short-term results that will be achieved by projects and how these will be measured (in a way that is commensurate with the scale of the project).
 - Evidence that discussion with Branches and other regions has taken place, where appropriate.

The review and approval process, with up to four separate levels of approval by senior managers, was reported to be cumbersome and time consuming, given the relatively low risk of projects. In addition, year-round accessibility of funds has meant several review and approval cycles. Sometimes insufficient lead times have been allowed, contributing to cancellation of projects, which, in turn, has led to loss of credibility with partners and lapsed funds.

Available funding mechanisms for HIF include contracts and memoranda of understanding (MOU). These mechanisms have restrictions which, at times, have contributed to more complex arrangements to fund projects. For example, if the Department wants to participate in a partnership with multiple partners including other orders of government and community associations, it is sometimes necessary to funnel Health Canada's money to the community partner through another order of government, using an MOU. This is because, depending on the nature of the activity being funded by an MOU, community associations are not eligible to participate. They are not eligible to participate because they are not subject to Government Contracts Regulations or Treasury Board Contracting Policy and therefore cannot be held accountable for failure to meet the terms of the MOU. In some instances, the necessary financial arrangements may be met through an approved grant or contribution program only². The HIF does not currently have grant and contribution authority.

CONCLUSIONS AND RECOMMENDATIONS

Continuation of the Health Canada Innovation Fund

The Health Canada Innovation Fund, although small, has been accessed frequently (32 projects funded during the two-year pilot; most regions having funded at least 4 projects) for the funding of diverse projects with a strong focus on population health/determinants of health. The Fund was seen as contributing to greater regional control over resources and providing RDGs with the flexibility to respond to regional opportunities to advance departmental/regional priorities.

² http://www.tbs-sct.gc.ca/cmp/FAQ/faq_e.asp#Memoranda%20of%20Understanding

The objectives of the Fund were seen as appropriate, however since the HIF was approved there have been some structural changes in the Department, including the creation of the Public Health Agency of Canada, which have significant implications for regional operations. In addition, visioning exercises currently underway in the Department may result in new directions for Fund objectives or eligibility criteria.

The evidence of outcome achievement is weak. The evaluation found that evidence of results could be strengthened by:

- HIF logic model and key indicators to demonstrate what success in project activities, outputs and outcomes look like;
- more precise descriptions of project outcomes and their causal link to Fund objectives;
- active and appropriate data collection and evaluation commensurate with project scope;
- a framework to determine the extent to which HIF outcomes are being achieved by incorporating performance measurement and evaluation information, and criteria that reflects both departmental/regional priorities and population health theory and practice; and,
- a HIF reporting strategy to provide updates to the Associate Deputy Minister on the status of projects (number of projects funded; the phase the projects are in, names of partners involved, etc.) and the extent to which projects have contributed to the Fund's objectives.

These tools will allow RDGs to:

- roll up results to allow comparisons, reporting, and knowledge transfer between and within regions; and
- better coordinate activities or outcomes of the Fund with other regional or national activities.

Recommendation 1

Continue the Health Canada Innovation Fund subject to implementation of the following recommendations and an evaluation after two years.

Improving Design, Implementation and Results

Project Selection

At the national level, the Health Canada Innovation Fund lacks a detailed analytical framework for describing and assessing projects that incorporates the Fund's objectives and elements important to them such as the determinants of health, capacity-building and partnership development. An analytical framework can be used to assess whether projects are advancing the Fund's objectives in accordance with current theory and to support regions in gathering information about the expected results of projects in a consistent manner.

Developing a detailed framework for project assessment will benefit project staff by providing more complete information about the Fund's objectives, potential expected outcomes, and potential performance indicators to assist in preparing proposals. It will allow those who review Fund proposals to have clear and consistent information with which to compare the relative merit of projects.

Similarly, as the knowledge base provided by the projects builds, it will become useful to assess the extent to which each project contributes to the Fund's objectives and to determine the feasibility of putting project learnings into practice. Consistent and comparable information about projects and their results will make project comparisons, roll ups, and implementation of acquired knowledge easier.

Recommendation 2

Develop a proposal package and project review/assessment framework that includes:

In the proposal package:

- information about HIF (objectives, eligibility criteria, etc.);
- a generic HIF logic model, including a description and definition of key areas of results achievement and potential key performance indicators for the fund; and,
- an application template for collection of information to be assessed in the review process.

Information to be fully detailed in project proposals and used for formal project assessment could include:

- verification that projects meet all eligibility requirements
- complete financial details of projects, including resources to be contributed by partners;
- a full description of how projects will support regional priorities and meet fund objectives, including, where applicable:
 - how the determinants of health are addressed;
 - how the focus is placed on the health of populations;
 - how collaboration across levels and sectors will occur;
 - which group(s) will be the target(s) of capacity building activities;
- a description of the short-term results that will be achieved by projects and how these will be measured (in a way that will be commensurate with the scale of the project); and,
- evidence that discussion with Branches and other regions has taken place where appropriate.

Project Review and Approval

Given the low dollar amounts involved and the nature of project activities, the review and approval process for the Fund was described as burdensome by those familiar with it. There are opportunities to streamline the review and approval process through improved planning that will contribute to greater efficiency in administering projects and in the use of staff time.

Recommendation 3

Develop and implement a process that allows sufficient time for review and approval, to ensure that approval processes are completed and projects are funded before the end of the fiscal year.

Recommendation 4

Develop and implement an approval process that stratifies and assesses projects based on risk, with the aim of reducing the number of approvals needed by senior managers.

Funding Mechanisms

Funding mechanisms currently available for HIF have restrictions which, at times, have contributed to more complex arrangements to fund projects.

Recommendation 5

Explore the possibility of alternative funding mechanisms that could simplify the funding of HIF projects.