GFF Private Sector

GFF Country Workshop
Tanzania
September 17-22\textsuperscript{nd} 2018
GFF supports countries to get on a trajectory to reach the SDGs and UHC through three related approaches:

- Identifying priority investments to achieve RMNCAH outcomes
- Identifying priority health financing reforms
- Strengthening systems to track progress, learn, and course-correct
- Getting more results from existing resources and increasing financing from:
  - Domestic government resources
  - IDA/IBRD financing
  - Aligned external financing
  - Private sector resources
Early GFF country experiences with private sector

Challenges
- Private sector in health often heterogeneous and fragmented; difficult to engage effectively
- Lack of clarity on objectives for public-private dialogue (PPD)
- Lack of data/inadequate data on available on private sector
- Limited in country capacity to strategically select and effectively manage private sector engagement
- Private sector opportunities may require different timeline than rest of IC

What can GFF countries do?
- IC is a living document - private sector opportunities can be identified at any point in design or implementation of IC
- Use strategic frameworks and analysis to identify private sector opportunities linked to GFF IC, for innovation, expertise and resources
- Leverage GFF multi-stakeholder country platform or other technical groups for PPD around IC priorities
- Build government capacity for managing private sector (e.g., establish/strengthen PPP units, contract management expertise, etc.)
How can GFF countries engage private sector more strategically?

GFF Managing Markets for Health (MM4H) framework

**DIAGNOSE**
What are the national RMNCAH-N priorities?
What are the principal market system gaps?
What are the root causes of these gaps?

**ASSESS**
What are the key markets?
What is the private sector's contribution?
What obstacles does it face in enhancing that contribution?

**DESIGN**
In which markets should we intervene?
What "tools of government" should we include in the strategy for intervention?
What are the likely impacts?

**IMPLEMENT**
How can an inclusive and consultative process be established and institutionalised?
How can this be sustained throughout the intervention?

**MEASURE**
How will system performance be monitored and evaluated?
What criteria should be applied?
How will this be used to inform real-term adaptation of the interventions?
GFF MM4H FRAMEWORK: Which RMNCAH-N markets to choose?

Market force dominated areas can be easier to intervene in and create a shift, versus in more heavily regulated markets with strong government role…
Based on analytical work and policy priorities, governments can use various “tools” to structure interventions to influence private sector...
**GFF MM4H FRAMEWORK IN PRACTICE: Uganda**

**DIAGNOSE**
- No map of private sector resources
- Poor quality of care
- Lack of supervision and regulation
- Weak licensing structures
- Resource in private sector not mobilised
- Need demand creation in private sector

**ASSESS**
PSA confirmed challenges and highlighted pockets of inefficiency

- Explosion of private sector facilities
- Inefficient duplicity in licensing and renewal process (facility & HRH)
- Uncoordinated cumbersome supervision (facility & HRH)
- Need to understand private sector relevance, size and scope
- Need to consolidate data on private sector activities
  - Poorly tracked HRH
  - Poorly tracked QI mechanism
PSA highlighted several systemic gaps and challenges:
- Unavailability of data
- Poor and fragmented sector data
- Silos of information
- Systemic weaknesses exploited (internally and externally)
 Snapshot of Kampala Health Facilities:

- Kampala has 1554 facilities
  - 1367 PFP (94%)
  - 55 GOU
  - 26 PNFP

- 300% increase in PFP in last 10 years in Kampala

- 88% of the health facilities in Kampala have opened in the last 17 years

- In Kampala 73% registered while 81% licenses not valid
GFF MM4H FRAMEWORK IN PRACTICE: Uganda

DESIGN

Linked e-platforms for:
- HRH licensing platform
- Quality improvement (SQIS)

Ensure system access by GOU, Private Sector & Consumers

Co-funded by GFF partners including GFF trust fund, WB, USAID & MSD for mothers

Tools of government used: social regulation & public information

IMPLEMENT

To ensure inclusion:
Private sector inclusion:
1. Stakeholder consultation
2. Technical design
3. Benchmarking
4. Testing
5. Roll out

Address digital bugs and practical challenges of uptake as roll out

MEASURE

SQIS:
- # facilities enrolled on platform
- # facilities self assessed
- # health professionals licensed using platform
- Timely license renewal 100% within 60 days of expiry
- License issued within 72 hours
Results to date:

- UHF members (Social franchises - 600+ facilities, UPMA - 400+ facilities, & other stand alone facilities)
- WB and USAID Voucher plus facilities
- Peer to peer supervision with regulator
- 580 of 2300 HF have digitized assessments

Self Assessment Findings:

- Average score 73%
- 61% score less than 80% pass mark
- 63% of Kampala facilities score <80%
- 54% outside Kampala score <80%
- Weak areas:
  - HR management and development
  - Record keeping
  - Governance and leadership

- Good scores:
  - Laboratory
  - Infrastructure
  - Client relations
Private sector in the Basic Healthcare Provision Fund (BHCPF)

**Diagnose**
- High MMR, IMR, NMR, Low CPR, Stunting.
- Poor health outcomes from weak accountability and governance
- High OOP
- Lack of prioritization of health in budgets
- Political and health reforms and
- Inability to harness the Private Sector

**Assess**
- PS provide 60% of healthcare services (Dutta et al., 2009)
- Poor Government coordination with the PS
- Extensive private provision and utilization *
- Widely varied stakeholders including quality
### ASSESS: Obstacles to PS contribution to service delivery in Nigeria

<table>
<thead>
<tr>
<th>CONSTRAINTS</th>
<th>EXAMPLE</th>
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<tbody>
<tr>
<td>Weak risk pooling mechanisms</td>
<td><em>High out of pocket payments</em></td>
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<tr>
<td>Constraining regulations</td>
<td><em>Weak enforcement of regulation results in a dearth of information about the scale and scope of privately provided care</em>&lt;br&gt;<em>FISCAL POLICY: High tariffs on medical equipment hinder much needed expansion and improvement of the services provided by the private sector;</em>&lt;br&gt;<em>HRH: Restrictions on the recognition of credentials acquired abroad;</em></td>
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<tr>
<td>Lack of enforced and enforceable quality standards</td>
<td><em>Regulation of the service providers by the various State Ministries of Health (SMOHs) varies as there is no national standard to benchmark them</em></td>
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<tr>
<td>Lack of access to capital</td>
<td><em>Demand side: governance structures and management skills</em>&lt;br&gt;<em>Supply side: High costs of borrowing, short tenor of loans and high currency risk.</em></td>
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<td>Health worker supply for critical functions</td>
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Private sector in the Basic Healthcare Provision Fund (BHCPF)

Design
- National Health Act
- BHCPF; Private Sector engaged to provide primary care through the NHIS gateway
- Focused on the rural poor, women and children and health systems strengthening
- Costing of public vs. private facilities - reimbursement?
- Patients can choose which facilities to register with.

Implement
- Fee-for-Service payment mechanism which pays accredited public and private providers on a monthly basis, based on the quantity of pre-defined benefit package

Measure
- Accreditation of facilities
- Ex-post verification of the facilities
- Payment tracking (fee for service by public/private)
- Time taken for claim reimbursement

Tools of government involved:
A. Financing Tools - Contracts with private facilities
B. Regulatory Policy Tools - Social regulation: facilities have to be accredited, public Information
GFF partnership resources to support countries on private sector

- GFF secretariat technical specialists and consultants
- Private sector expertise in range of areas through GFF global thematic partnerships e.g., UPS Foundation, Merck for Mothers on private sector supply chain expertise
- Global Financing Facility private sector webpage:
  - GFF Managing Markets for Health online toolkit
  - GFF-USAID Uganda Private Sector Assessment (RMNCAH excerpt)
- World Bank Health in Africa specialists
- IFC specialists (health investments, PPPs)
- USAID SHOPS Plus
- Gavi and Global Fund private sector supply chain initiatives
Discussion

• Questions?
• Experiences: challenges, solutions…
Group Work

To what extent is the private sector able to contribute to improving RMNCAH-N and/or strengthening health system in your country (whether currently involved or has potential to contribute)? Scale of 1-7

- How would you assess whether to move forward on partnering with private sector?

- Are there any challenges in engaging with private sector in the country platform? What are some ways this can be improved?
### Types of private sector analysis

#### If Health System Area(s) Identified

**Health Market Analysis**
- Deep dive analysis of specific health system area linked to RMNCAH-N priority
- Analyses interaction between supply, demand, policy context in specific health system area
- Can be done as part of overall Investment Case analytical work

**Private Sector Assessment**
- MoH open to partnering with PS but not identified opportunities
- Conduct Private Sector Assessment
- Landscape overall health sector
- Systematic review of policy environment, regulatory regimes
- Analysis of supply/demand in several health system areas
- Recommendation of private sector opportunities

#### If Health System Area(s) Not Identified

**Market Scoping**
- MoH open to partnering, not identified opportunities, limited time and resources
- Conduct market scoping as part of IC analysis; uses existing data (e.g. MOH stats, DHS, NHA):
  - Health financing analysis
  - Demand and supply analysis of DHS in RMCAH focus areas
  - Summary of PS policies

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### Analysis can be financed by GFF Investment Case, partners (USAID/World Bank/IFC, etc.)
Private sector in GFF country platforms

- Platform for dialogue and shared objectives between pvt. sector, government and development partners
- Private health sector often organized around common area of interest
- Federations may not include broader range of actors e.g., financial institutions, logistics companies etc.
- Who can represent private sector in GFF country platform?
  - Private health sector federations
    - Ideally inclusive of both for profit and not-for-profit actors across health system areas
    - If multiple health associations exist (e.g., FBO, private for profit, etc.), choose common representative for the constituency to inform/get feedback from various groups throughout process
    - If country focus on specific health systems area at start of Inv. Case, can represent on platform e.g., supply chain-logistics providers
  - Private sector alliances of companies across sectors (not health specific)
Private sector working group in country platform

- Important to engage broad set of private sector actors for Investment Case process
- One private sector representative on overall country platform; leads smaller “private sector working group” created to outline PS contribution to Inv. Case priorities
  - PS representative is accountable to PS constituency; two way information flow between constituency and country platform
  - Working group will focus on defining role of private sector in achieving Inv. Case results (capacity, expertise, innovation, resources, etc.)
  - Helps draw in wider range of private sector expertise (beyond service provision), particularly in countries where private sector not well organized
- Broad consultations with private sector can be held from time to time at specific points in Inv. Case process
GFF Partners
Learn More

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