Theme: Building Long-Term Health Financing Options

Organization
Population Services Pilipinas, Incorporated (PSPI)

Country
Philippines

Title
Increasing Uptake of the Intrauterine Device through Health Financing

Title
Francisco, F., PSPI

Abstract

Background/Statement of Need

To increase access to family planning services, Population Services Pilipinas, Incorporated (PSPI) established a social franchise of private midwives under the brand BlueStar Pilipinas. According to the 2011 Family Health Survey (FHS), the contraceptive prevalence rate (CPR) in the Philippines was 48.9%. The prevalence rate for modern methods was 36.9%, far from the Government of the Philippines’ MDG 5 target of 80% for modern methods. The CPR for IUDs was pegged at 3.1%. The 2011 FHS noted that the prevalence rate of modern methods had generally increased. These data underscore an opportunity for improving access to long-term methods among women, specifically IUDs, in underserved communities.

Methods/Description of Intervention

BlueStar Pilipinas built midwives’ clinical competencies, honed entrepreneurial skills, branded facilities, and provided equipment and supplies. Subsequently, BlueStar midwives were supported in obtaining Maternity Care Package (MCP) provider accreditation with the Philippine Health Insurance Corporation (PhilHealth). This accreditation enables midwives to provide insured women with prenatal, postnatal, normal spontaneous delivery, and family planning services. In return, midwives are reimbursed for each MCP that they provide. In January 2014, PhilHealth started reimbursing IUDs provided in birthing homes as compensable benefits separate from the MCP. This move presents significant potential on increasing uptake of the IUDs as insured women would be able to avail themselves of the method without cost. This will also motivate midwives to promote IUDs as a cost-effective long-term family planning method and will contribute to the sustainability of their operations.

Findings

BlueStar Pilipinas member-midwives who are accredited by PhilHealth are providing IUDs to insured women and have begun submitting claims for IUD reimbursements. Since the PhilHealth IUD benefit reimbursement policy and system are new, accredited midwives and PhilHealth are still in the process of adjustment.
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Lessons Learned and Next Steps

By June 2014, PSPI will conduct a review of the IUD service performance and experiences of its PhilHealth-accredited members to determine the impact of the IUD benefit reimbursement scheme. The findings of this review will naturally form part of the presentation of this abstract.
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**Organization**
PSI Madagascar

**Country**
Madagascar

**Title**
Ensuring Financial Sustainability of Social Franchises through Capacity Building in Business Management and Access to Finance

**Author**
Rahajarison, A., PSI Madagascar
Norolalao, P., PSI Madagascar
Harizo, K., PSI Madagascar

**Abstract**

*Background/Statement of Need*

Delivering high quality health services can be challenging for private practices. Doctors lack specific training in business, making it difficult to manage the daily activities of their practice. Concurrently, investing in medical equipment to extend or improve health services is expensive and accessing credit from financial institutions in Madagascar is not easy.

*Methods/Description of the Intervention*

In 2013, Banyan Global conducted a needs assessment survey of providers of Top Réseau (TR), a network of private providers implemented by Population Service International Madagascar (PSI Madagascar). Results illustrated the lack of marketing and accounting skills of these providers, lack of customer capacity to pay, and lack of appropriate financing to support the clinic’s growth. Our objective was to help the providers operate as a “business,” a social enterprise that can earn a profit while serving the health needs of poor households. Our activities focused on: (1) support for health care providers to improve their skills in "business management" and bankability through training and mentoring; and (2) partnership with financial institutions to expand access to credit through the private health sector.

*Findings*

To date, 51 providers were trained in access to finance and 131 in basic accounting. Partnerships have been established with two financial institutions: Première Agence de Microfinance (PAMF) and Accès Banque Madagascar (ABM). Three providers have obtained a loan from PAMF for the total amount of $14,500 USD for facility expansion and equipment purchase.
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*Lessons Learned and Next Steps*

Sequencing of technical assistance: providers need basic information on their financial situation before they can plan their clinic’s growth. Thus, it is important to provide basic accounting training before working with providers on access to finance.

Putting knowledge to practice: Health providers have limited free time. In response, we developed simple accounting tools and excel spreadsheets to facilitate implementation.

Coaching is important: Most providers started their business by using their own savings and have no experience with formal financial institutions. Providers are also risk averse and hesitant to take on debt, so individual coaching is needed to help providers develop their business strategy and concretize their plan for improving and growing their clinic.
Selected Abstracts

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Organization
LifeNet International

Country
Burundi

Title
Sustainability alongside Quality: A Case Study of LifeNet Burundi Health Center conversion franchise

Authors
Henrysson, E., LifeNet International

Abstract

Background/Statement of Need

LifeNet International operates a conversion franchise with a growing network of 45 health centers in Burundi. LifeNet’s objective is to build a brand of quality through monthly on-site medical and management training, access to quality pharmaceuticals, and equipment loans. The health centers face a significant challenge in providing quality care while remaining financially sustainable, due in part to participation in Ministry of Health programs such as performance-based funding which is often severely delayed or only paid in part. Over a recent three-month period, 15 of LN network partners were breaking even, but were owed an average of $4714 from the Ministry of Health, representing two months of operation. In order to maintain and improve quality, network clinics need additional revenue to invest in infrastructure, equipment and human resources.

Methods/Description of the Intervention

Building on a successful training model that has seen a 94% average increase in quality on the LifeNet assessment tool over a two-year period, LifeNet designed an intervention focused on increasing the revenue of network health centers through the addition of services or diagnostic capabilities. In 2014, LifeNet will distribute carefully selected medical equipment across the network through loans. This includes, among others, dental hand tools paired with training to add simple dentistry services, and hematology analyzers also paired with training to increase the variety of diagnostic tests.

Findings

In 2013 during a pilot loan for a hematology analyzer, the clinic was able to increase its revenue by 1.5% in the first four months, despite an interrupted supply of reactives. LifeNet conducted training on its use and accurate interpretation of results. However, feedback from the clinic suggests that reinforcement training is necessary.
**Selected Abstracts**

*Theme: Building Long-Term Health Financing Options*

*Lessons Learned and Next Steps*

Each piece of equipment must be accompanied both by training and reinforcement of training, and by a regular supply of consumables. In 2014, LifeNet will systematically integrate equipment training in the medical curriculum and will strengthen relationships with local suppliers to ensure an uninterrupted source of consumables. LifeNet will also assess the impact of the program on health center sustainability as well as quality of care.
Theme: Building Long-Term Health Financing Options

Organization
The HealthStore Foundation

Country
Kenya

Title
Roadmap to More Predictable Long-Term Financing and Impact

Author
Starbird, G., The HealthStore Foundation® / CFW clinics

Abstract

Background/Statement of Need
Starting in 2012, we set the CFW network in Kenya on a trajectory to achieve greater sustainability and social impact while securing long-term financing to fuel growth and change. Our multifaceted approach suggests a roadmap for social franchises seeking to propel themselves ahead of the curve and to stay relevant in a morphing funding environment, including the use of both non-profit and for-profit vehicles.

Methods/Description of the Intervention

- Clarifying strategic goals
- Focusing intently on unit economics including new management dashboards
- Recruiting new leadership capable of driving multi-unit retail success
- Developing and implementing novel voice of customer techniques
- Testing patient-level incentive schemes
- Using mobile technologies to re-organize supply chain and field functions
- Opening company-owned units as laboratories to test new ideas
- Beginning to develop an innovative in-clinic technology platform
- Identifying and quantifying subsidy flows
- Restructuring in-country franchisor
- Beginning to seek 3rd party payment contracts

Findings

Our suite of changes represents a comprehensive overhaul to a long-standing franchise network in Kenya. Results to date are extremely positive. Below are what our initiatives achieved from 2012 to 2013:

- Increased sales to franchisees by 56% and sales by franchisees by 37%
- Reduced franchisor costs by 18%
- Led to over 500,000 people served in a single year
- Provided new insights into CFW patient income and preferences
Selected Abstracts

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- Led to new tablet technology providing market-leading scope of functionality to tiny-footprint clinics
- Provided crucial operational data as we continue to refine diagnostic services, menu mix, design of new units, etc.

*Lessons Learned and Next Steps*

In 2014 we are continuing this market-driven re-shaping of the CFW offering in Kenya and are currently executing a legal restructuring to encode sustainability and impact into the CFW operational platform, positioning the network for sustainable growth and social impact. We believe this represents the future of using franchising to improve access to high-quality medicine, basic healthcare, and prevention services in the developing world.
Theme: Building Long-Term Health Financing Options

Organization
Living Goods

Country
USA

Title
Proven Reduction in Child Mortality Achieved through an Innovative and Cost-effective CHW Franchisee Model

Author
Christiansen, M., Living Goods
(Affiliated organizations: BRAC; JPAL; IIES, Stockholm University; CIFF)

Abstract

Background/Statement of Need

Community Health Worker (CHW) networks have become an increasingly important approach to addressing maternal, newborn and child health, however very limited evidence exists on the effectiveness of these cadres. In addition, the majority of CHW networks face serious challenges. CHWs are often volunteers, leading to high attrition rates, low motivation and effectiveness. Others are salaried workers, making them expensive and difficult to maintain at scale particularly in the context of highly limited public health budgets.

Methods/Description of the Intervention

Living Goods (LG) and BRAC have built an 'Avon-like' network of CHWs who go door-to-door teaching families how to improve their health and wealth, supporting pregnant women, and distributing life-changing products like basic treatments for malaria, diarrhea, respiratory infection, fortified foods and clean delivery kits. LG and BRAC CHWs are compensated through earning a margin on the sale of products along with targeted performance incentives; this keeps them motivated, proactive and engaged. LG and BRAC retain a wholesale margin on the products, covering the costs of running the network.

Findings

A JPAL-led cluster-randomized control trial evaluation in Uganda found a 25% reduction in under-5 child mortality in areas where LG and BRAC CHWs operate compared to control areas. Findings suggest the program affects mortality through multiple channels, including improved access to and quality of treatments, services, and education across maternal, newborn and child health. LG and BRAC deliver these impacts for between $1-$2 per capita making it a highly cost-effective investment in child survival.
Lessons Learned and Next Steps

Living Goods and BRAC have demonstrated that a network of franchised CHWs earning a margin through the sale of products and services can achieve significant impact at a very low cost. The study results indicate that franchise models of community health service delivery can in fact result in a sustainable reduction in under-five child mortality. Sustainable, evidence-based models like this one should be considered as organizations and countries scale up community health delivery. With the aim of broadening impact, Living Goods recently launched an advisory team dedicated to supporting other organizations to adapt and scale their own franchised CHW networks in new markets.