



STRATEGIC PURCHASING FOR PRIMARY HEALTH CARE

ABOUT SP4PHC

The Strategic Purchasing for Primary Health Care (SP4PHC) project aims to improve how governments purchase primary health care (PHC) services, with a focus on family planning (FP) and maternal, newborn, and child health (MNCH). The project is implemented by ThinkWell in collaboration with government institutions and local research partners in five countries: Burkina Faso, Indonesia, Kenya, the Philippines, and Uganda. SP4PHC is supported by a grant from the Bill & Melinda Gates Foundation. The purchasing context in these countries is quite different; large national health insurance schemes cover most of the population in some countries, while ministries of health at the national and sub-national levels dominate the purchasing landscape in others. Across these different geographies, the project is working to strengthen schemes that are critical for improving the delivery of PHC and addressing the needs of the poor, while also improving alignment across different purchasing arrangements within the health system. Through its learning agenda, the project aims to generate and diffuse knowledge about strategic purchasing for PHC to influence policy and practice at the country, regional, and global levels.

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OUR APPROACH

- We implement strategies tailored to the country context.
- We have country-based teams in each of the five geographies, which are at the forefront of implementing country activities.
- We work with the public purchaser and other relevant government institutions in each of the countries to facilitate policy dialogue on strategic purchasing reforms.
- We use analytics to diagnose existing challenges, design potential solutions, and test the sustainability of those designs through pilot studies.

WHAT IS STRATEGIC PURCHASING?

As countries implement strategies to achieve universal health coverage, they are undertaking health financing reforms to mobilize more financing for health and ensure that available funds for health are used optimally and equitably. Strategic purchasing is linked to the second objective. Purchasing refers to how institutions controlling pooled funds – like ministries of health and health insurance agencies – allocate them to healthcare providers. Making purchasing strategic involves basing purchasing decisions on information about provider behavior and population health needs in order to improve health system performance in terms of equitable access, quality of care and financial protection.





SP4PHC is focused on improving purchasing through the national health insurance program in Indonesia, Jaminan Kesehatan Nasional (JKN), which covers over 80% of the population. Due to its escalating costs, there are growing concerns about the scheme's financial sustainability. Also, in contrast to Indonesia's positive trends in reducing neonatal, infant, and under-5 mortality, patterns around maternal health are less encouraging and FP progress has stagnated. SP4PHC's goal is to improve how JKN uses purchasing as a lever to increase access to and quality of FP and MNCH services through the full range of health providers, as well as to increase JKN spending on PHC. ThinkWell is collaborating with several government agencies on the following SP4PHC strategies:

STRENGTHENING THE PURCHASING OF MATERNAL AND NEWBORN HEALTH (MNH) SERVICES

One contributing factor to Indonesia's stubbornly high maternal mortality is that private midwives, a crucial source for delivering reproductive and MNH services, largely operate outside the country's national health insurance (JKN) system. One of the activities SP4PHC is undertaking under this strategy in collaboration with the Ministry of Health, Social Insurance Administering Body for Health (BPJS-K), and USAID Health Financing Activity is to design strategic health purchasing for MNH services to improve the quality of MNH services purchased and to influence ongoing JKN reform decisions.

STRENGTHENING HOW DISTRICT HEALTH OFFICES PURCHASE SERVICES FROM PRIMARY HEALTH CARE PROVIDERS

Indonesia currently has multiple, fragmented channels for funding health services. Demand-side financing like JKN and supply-side financing like national funding for operational costs of health providers are largely not aligned and lead to mixed purchasing signals being sent to these providers. SP4PHC is mapping the funds flowing to PHC providers, often through the districts, and analyzing public PHC facilities' capacity to respond to these signals. The SP4PHC team is also examining the JKN gate-keeping function from the PHC to hospital levels, and between public and private facilities.

IMPROVING HOW FAMILY PLANNING SERVICES ARE PURCHASED

SP4PHC is assessing the effect of JKN on FP service use and out-of-pocket (OOP) expenditure. SP4PHC collaborates with the Universitas Gadjah Mada (UGM) to map the public and private funding flows from the national level down to facilities and develop policy recommendations for government stakeholders on increasing access to and more efficient funding and coverage for family planning services.

ALIGNING PURCHASING IN THE TIME OF COVID-19

SP4PHC has been supporting the national government to understand its health financing response to COVID-19 and how it can improve immediately, and in future crises. This includes how the government used its JKN scheme in its response, how funding for routine essential services (family planning, MNCH, nutrition, and immunization) was impacted, and how a lack of public financial management capacity at District Health Offices affected their ability to utilize health funds effectively. SP4PHC collaborated with the Vice President's Office, the National Team for Acceleration of Poverty Reduction (TNP2K), and the Center for Health Economics Policy (CHEPS) at the University of Indonesia on a series of studies analyzing Indonesia's health finance response to COVID-19.

STRENGTHENING JKN AS THE MAIN PURCHASER

SP4PHC is supporting the MOH and BPJS-K to analyze the performance of its JKN scheme and how it can be improved to ensure more effective coverage and greater sustainability. To this end, SP4PHC has strategically facilitated the reform of the JKN benefits package, including cost-benefit analyses for potential inclusion or exclusion of services (e.g., MNCH screening and immunizations) and scoping around a possible redistribution of JKN members from public to private PHC facilities. The team has also conducted a series of analyses to better understand the effect of JKN on OOP payments across provider and service types, geographies, and socioeconomic status.

For more information, visit <https://thinkwell.global/projects/sp4phc/> or write to SP4PHC@thinkwell.global.

ThinkWell is a health systems development organization with experience designing, implementing, evaluating, and diffusing new solutions to persistent health system challenges. Using tailored strategies that meet context-specific needs, we have supported health financing and governance reforms in over 30 countries. www.ThinkWell.global