



# 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.





Under Kenya's devolved system of government, counties are the main purchasers of PHC services. They control the bulk of government funds for PHC delivery through public facilities and determine whether facilities can retain and spend any funds they collect from user fees and reimbursements from the National Hospital Insurance Fund (NHIF), the country's social health insurance agency. Against this backdrop, ThinkWell and KEMRI Wellcome Trust have been working to improve county-level purchasing policies and practices, as well as supporting the Ministry of Health to guide health financing reforms for making progress towards the goal of universal health coverage.

## STRENGTHENING COUNTY PURCHASING IN 4 FOCUS COUNTIES

SP4PHC is supporting Isiolo, Kakamega, Kilifi, and Makueni counties to explore how their purchasing policies and practices create incentives and disincentives for public sector facilities to deliver priority PHC services. The team is collaborating with the county departments of health to grant health facilities greater financial autonomy and enable the facilities to participate in the Linda Mama free maternity program.

## LEVERAGING PURCHASING TO PROMOTE QUALITY

SP4PHC is supporting counties to explore approaches for using purchasing to improve the quality of FP and MNCH services. In Isiolo, Kakamega, Kilifi, and Makueni counties, the team is working with the county government, facility managers, and other key stakeholders to determine how to influence the quality of care through levers of purchasing such as contracting and provider payment. SP4PHC is also partnering with Jacaranda Health to explore how purchasing can be used to promote service delivery redesign to enhance the quality of maternal and newborn health services in Kakamega county.

## STRENGTHENING RESULTS-BASED FINANCING TO COUNTIES

Under the Transforming Health Systems for Universal Care project (THS-UCP) financed by the Global Financing Facility (GFF), the National Government is providing results-based financing to county governments to improve the delivery of reproductive, maternal, newborn, child, and adolescent health services. For two years, SP4PHC provided embedded technical support to the Council of Governors to track the overall performance of the THS-UCP and capture and share county best practices. SP4PHC continues to support Isiolo, Kakamega, Kilifi, and Makueni counties to better use THS-UCP funds, focused on designing and testing provider payment systems to improve the delivery of FP and MNCH services.

## INFLUENCING NATIONAL POLICY DIALOGUE

Through participation in Ministry of Health-led intergovernmental working groups on health financing as well as inter-county engagement fora, SP4PHC is using learnings from its work at the county-level to inform national dialogue on strategic purchasing and advocate for harmonization of purchasing schemes in the context of reforms to achieve universal health coverage.

For more information, visit <https://thinkwell.global/projects/sp4phc/> or write to [SP4PHC@thinkwell.global](mailto: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](http://www.ThinkWell.global)*