Strategic Purchasing for Primary Health Care
STRATEGIC PURCHASING FOR PRIMARY HEALTH CARE (SP4PHC)

Project overview

- An investment by the Bill & Melinda Gates Foundation (BMGF) implemented by ThinkWell with country learning partners
- Project duration from 2017 to 2022

Our Goal

- Leverage strategic purchasing to improve primary healthcare (PHC) delivery in 5 countries, with a focus on family planning (FP) and maternal, newborn, and child health (MNCH)
- Facilitate learning on strategic purchasing for PHC, FP, and MNCH – and the application of that learning to policy and practice – at the national and global levels

Countries:
- Burkina Faso
- Uganda
- Kenya
- Indonesia
- The Philippines
Key concepts
DEFINING PURCHASING

What is purchasing?
Purchasing refers to the allocation of pooled funds to providers of health services on behalf of a population [1].

What is strategic purchasing?
Purchasing is strategic if decisions about the allocation of funds is based on information about provider behavior and population health needs in order to maximize health system goals [2].

As countries develop and implement strategies to address these challenges and to achieve UHC, they are focusing on 3 inter-related objectives:

1. Mobilizing more resources for health
2. Reducing financial barriers to access and increasing financial protection
3. Using available funds optimally to achieve health system goals

Making purchasing more strategic is integral to the third objective of getting “more health for the money.” It can serve as a lever for:

- Improving service delivery in the public sector, then using public funds to purchase services from the private sector
- Increasing the share of spending for PHC/FP/MNCH
TYPES OF PURCHASING SCHEMES

Classifying purchasing schemes

**Two models** based on the institutional separation between the purchaser and the providers, and how payments are made [1]:

- **Integrated delivery**: where purchaser and provider belong to the same organization, and purchaser makes budgetary allocations to cover input costs of the providers
- **Contract-based**: purchaser is distinct from providers, and pays provider based on a contract

The range of purchasing approaches

**Traditional schemes**: public integrated delivery, private integrated delivery, government health insurance and private insurance

**Other purchasing approaches and financing methods**: performance-based financing, user fee reimbursement mechanisms, voucher programs, etc.

Purchasing approaches in SP4PHC countries

<table>
<thead>
<tr>
<th>Integrated delivery</th>
<th>Contract-based</th>
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<tbody>
<tr>
<td>• Public-sector integrated delivery (all 5 project countries)</td>
<td>• Government health insurance (PhilHealth in Philippines, JKN in Indonesia, NHIF in Kenya)</td>
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<td>• Private health-care management organizations (Philippines, Indonesia, Kenya)</td>
<td>• Private health insurance (all 5 project countries)</td>
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<td>• Vouchers (Uganda)</td>
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<td>• Performance-based financing for facilities (Uganda and Burkina Faso)</td>
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<td>• User fee removal (Kenya and Burkina Faso)</td>
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SP4PHC focuses on purchasing schemes that are universal or target the poor, and cover PHC services including FP and MNCH.

COHERENCE OF PURCHASING

The purchasing ecosystem

Most countries have multiple purchasers and purchasing schemes.
Even if there is one purchaser of choice or a particular scheme that is most relevant for PHC/FP/MNCH, taking a systems perspective to purchasing is important.

Multiple funding flows in Burkina Faso

- Given the mix of schemes, there are multiple resource flows to providers sending different signals for performance.
- Are these signals aligned? Are some signals getting lost in the noise?
- Are there way to make the flow of funds more efficient?
SP4PHC theory of change & theory of action
FRAMEWORK FOR DESCRIBING PURCHASING: Key Actors and Functions

Key Governance Functions:
- Establish clear frameworks for purchasers, and coherence across them
- Establish clear frameworks for providers, including rules around facility autonomy in the public sector
- Ensure adequate financing to meet service entitlements
- Ensure accountability of purchasers

Key Functions of the Purchaser Relative to Providers:
- Select and contract providers
- Develop formularies and treatment guidelines
- Develop and implement provider payment methods
- Monitor provider performance

Key Functions of the Purchaser in Relation to Citizens:
- Assess service needs and preferences
- Register clients and inform them about their entitlement
- Ensure population can access services
- Receive and respond to complaints
- Publicly report on use of funds, performance, etc.

Figueras, Robinson et al (2005); Resyst (2014)
SP4PHC’S THEORY OF ACTION

PROJECT INCEPTION
ThinkWell consulted key stakeholders in each country to design tailored strategies.

COUNTRY-BASED TECHNICAL ASSISTANCE
Local teams, including technical experts embedded within key government institutions where appropriate, work to catalyze strategic purchasing reforms.

POLICY DIALOGUE
Facilitate discussions between key stakeholders to identify current challenges, design potential solutions, and apply learnings to improve health policy and practice.

ANALYTICS AND LEARNING
Undertake implementation research in collaboration with local research partners, and co-create knowledge across project countries.

TESTING SOLUTIONS
Support government institutions to design, test and implement strategic purchasing reforms.
THEORY OF CHANGE

PROJECT INCEPTION

COUNTRY-BASED TECHNICAL ASSISTANCE

Strengthen capacity along all three axes

Government – purchasers

Purchasers – providers

Purchasers – citizens

Improved government stewardship of purchasers

Appropriate incentives for providers

Greater responsiveness to population needs

Equity in resource allocation

Efficiency

Transparency and accountability

Equitable access

Financial protection

Quality of care

POLICY DIALOGUE

ANALYTICS & LEARNING

TESTING SOLUTIONS

SP4PHC
Strategic Purchasing for Primary Health Care
Country programs
INDONESIA
We are supporting the implementing agency for the national health insurance scheme, Jaminan Kesehatan Nasional, improve how they engage with private providers, including private midwives, who deliver a large share of FP and MNCH services. We are also exploring policy changes that can shift the balance of spending towards PHC and incentivize improved quality of care.

THE PHILIPPINES
We are supporting PhilHealth and the Department of Health to implement the UHC Law that offers an unprecedented opportunity to make the purchasing of PHC more strategic. We are also collaborating with PhilHealth and the Commission on Population and Development to encourage private providers to offer quality FP services.

UGANDA
We are supporting the Ministry of Health to develop and implement a more coherent approach to purchasing that draws from the experience of various MNCH voucher programs as well as the GFF-funded results-based financing initiative and leverages the full range of public and private health facilities from the national to municipal levels.

KENYA
We are strengthening how county governments, which are the main purchasers of PHC services, allocate resources to health facilities and manage their performance, especially in the context of the free maternity care program, the Universal Health Coverage pilot, and the Transforming Health Systems for Universal Care program supported by the Global Financing Facility.

BURKINA FASO
We are working with the Ministry of Health to enhance strategic purchasing of FP and MNCH services in the context of the ongoing user fee reimbursement program (gratuité) for pregnant women and children under 5 as well as the results-based financing initiative, and to support the eventual harmonization of these schemes under a newly formed public purchasing entity.
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Anne Musuva

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Angellah Nakyanzi

Pierre-Marie Metangmo

Pura Angela Co

Prastuti Soewondo
Monitoring, evaluation, and learning (MEL) activities
PROJECT MONITORING, EVALUATION, AND LEARNING ACTIVITIES

Monitoring country indicators

Curated learning agenda

Partnerships
COUNTRY FACT SHEETS

- **Standard health and financing indicators**
  - Track national indicators related to health spending, FP and MNCH

- **Purchasing landscape profiles**
  - Provide an overview of the country purchasing landscape

- **Health purchasing indicators**
  - Track performance of specific purchasers and purchasing schemes
KEY THEMES FOR THE LEARNING AGENDA

PRIORITIZING PHC
How can strategic purchasing be used to ensure prioritization of PHC?

PURCHASER PROVIDER ENGAGEMENT
How can purchasers improve the value proposition of strategic purchasing schemes for providers?

ACCESS AND EQUITY
How can strategic purchasing be used to increase access to key FP and MNCH interventions, especially among vulnerable population groups (e.g. adolescents, the poor etc.)?

QUALITY
What levers can strategic purchasing approaches use to promote quality of FP and MNCH interventions, and promote the quality assurance functions of the health system?

EFFICIENCY
How can purchasing improve efficiency in delivery of FP/MNCH/PHC services?
WORKING WITH PARTNERS AND OTHER INITIATIVES

**CONTRACT**
Sub-contract country-based learning institutions to undertake policy-oriented research and program analytics

**COLLABORATE**
Collaborate with partners and initiatives at both county and global levels to jointly implement learning activities and disseminate findings

**CONVENE**
Bring together stakeholders at the global and country levels and lead dialogue on key issues related to strategic purchasing for PHC/FP/MNCH

**ENGAGE**
Share information with global and country-based partners on an ad-hoc basis
Adapting to COVID 19
**OUR TEAMS ARE UNDERTAKING COVID-RELATED ACTIVITIES IN ALL 5 COUNTRIES**

**Burkina**
- **Policy support**: help MoH to use the gratuité mechanism to channel more funds to dedicated COVID public facilities
- **Learning**: document how COVID response impacts health financing arrangements in the country to inform post-COVID planning for epidemics

**Uganda**
- **Operations support**: support KCCA with COVID response in Kampala
- **Communications**: roll out training developed by MOH and CDC for private providers
- **Learning**: with local learning partner, document how the response impacts health financing arrangements

**Kenya**
- **Operations support**: support Council of Governors coordinate the COVID response, as well as county-level activities in Isiolo, Makueni and Kilifi counties
- **Learning**: with local learning partner, explore how financing structures should be enhanced to improve readiness for epidemics

**Indonesia**
- **Analytics**: conduct costing analyses for rapid expansion of COVID-19 services (with HFA project)
- **Policy Support**: rapidly assess impact of response on routine RMNCH services, budgeting practices, BPJS-K purchasing etc
- **Learning**: document how the response impacts health financing systems to inform how Indonesia responds to epidemics in the future

**Philippines**
- **Policy support**: assist PhilHealth roll out new benefit packages for COVID; synthesize evidence to inform DOH policies and plans for scaling up testing, estimating and sourcing PPE, scaling up telemedicine, etc.
- **Operations support**: support Region 6 provider network in response activities; support DOH develop and roll out a system for recruiting and allocating health volunteers

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WE HAVE BEEN WRITING ABOUT WHAT WE ARE LEARNING

Coherent health financing for the COVID-19 response: a perspective from the Philippines

In the Philippines, the COVID-19 response has called for rapid adaptation of purchasing arrangements. In early 2019, the Philippines passed a Universal Health Scheme, aiming to make health services more accessible and affordable for all citizens. However, the pandemic has put a strain on the healthcare system, requiring urgent and innovative financial solutions.

As a response to this challenge, the Philippine government has implemented several measures to ensure continuity of care. These include increased funding for health facilities, prioritization of essential medical supplies, and collaboration with international organizations to secure additional resources.

While these efforts have helped mitigate some of the financial pressures, there is still a need for sustained and adequate funding to support the health sector during the ongoing pandemic. Continued investments in healthcare will be crucial for the long-term recovery of the country.

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Non-member organisation
Thank you

https://thinkwell.global/projects/sp4phc/