







#HealthForAll ichc2017.org

# Engaging the Private Sector to Advance Community Health



Joseph Addo-Yobo, SHOPS Ghana

Susan Rae Ross, USAID

#### Learning Objectives

- To better understand the benefits and challenges of engaging/partnering with the (for-profit) private sector
- ► To learn from the Ghana ORS/Zinc multi-stakeholder program
- ▶ To develop a private sector "pitch" for a maternal and child health program

## Questions

Define Private Sector Engagement (PSE)

Define Public-Private Partnership (PPP)

Define Multi-Stakeholder Partnership

# Definitions, Engagement, Private Sector



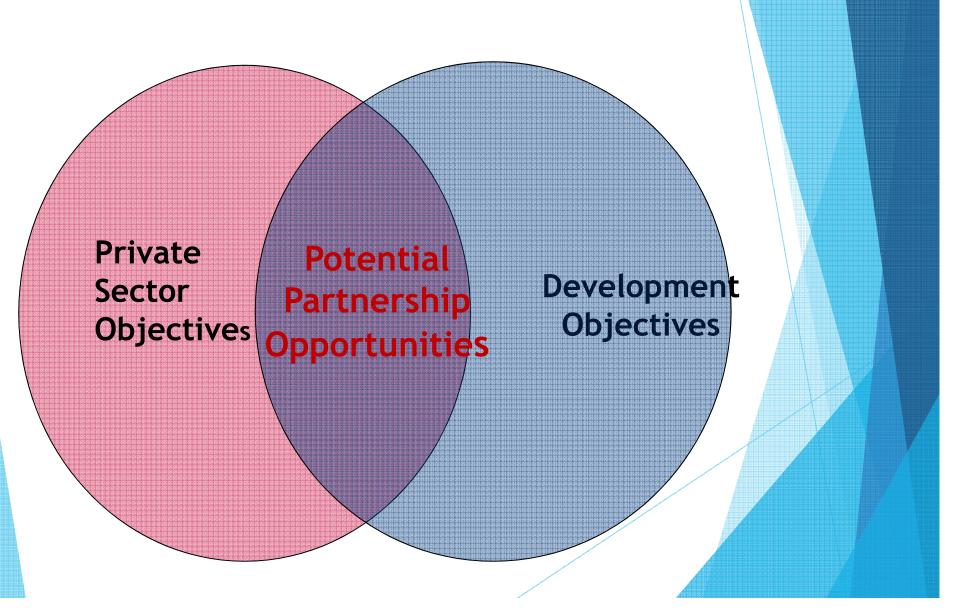
#### **Definitions**

- Private Sector Engagement: Ways to collaborate with the private sector
- Public-Private Partnership: Bilateral relationships with private and public entities with shared objectives, articulated roles and responsibilities, shared risks, joint decision-making and specified performance indicators
- Multi-Stakeholder Partnership: Relationships with many stakeholders including private and public sectors and others

# WHY? Engage the Private Sector

Private Sector benefits of working with NGOs and/or Government	Government and/or NGO benefits for working with the Private Sector
Creditability	Access to staff/skills (e.g., management, Finance, leadership)
Expand Markets	Technology and Innovation
Access to new networks	System Change
Skills development for staff (e.g. NGO boards)	





# Private Sector Engagement Options

Support Grants, Products Joint Programming-Co-Creation,

Co-Creation,
Shared risk/reward
Joint Decision Making

Strategic
Partnership
Joint
Ventures;
Mission Level

Dialogue

Relationship building Topic related

**Level of Potential Impact** 

# WHO?: Key Stakeholders

#### Public Sector

 Ministries of Health, Finance, Education, Regulatory Agencies (Pharmacy Council, FDA)

#### Private Sector

Non-Profits, For-Profits, Professional Associations

#### Civil Society

NGOs, FBOs, CBOs

#### Donors

Multi-lateral, Bilateral

#### Who is the Private Sector?

Category	Type of Private Entity
For Profit Health Providers	<ul> <li>For profit health clinics, hospitals, pharmacies, drug sellers</li> <li>Non profit clinics, hospitals</li> <li>For profit diagnostic centers and labs</li> </ul>
Health as Primary Business	<ul> <li>Pharmaceuticals</li> <li>Medical Device/Equipment/Laboratory</li> <li>Importers/Distributors</li> </ul>
Health Enablers	<ul> <li>Transportation/Warehousing</li> <li>Insurance companies</li> <li>Information and Technology</li> <li>Banks</li> </ul>
Workplace Health	<ul><li>Extractives</li><li>Garment Factory</li></ul>
Consumer Goods	<ul><li>Hygiene (Unilever)</li><li>Health care (J&amp;J)</li></ul>

#### **Motivations**

<b>Private Sector</b>	Government	Civil Society
Increase sales/markets	Increase coverage of population	Increase access to services
Recruit/retain qualified staff	Recruit/retain adequate numbers of qualified staff including health workers	Recruit/retain adequate numbers of qualified staff, including health workers
Marketing/ Branding	Demand generation- adoptions of health behaviors and use of services	
Social License to Operate	Government Ownership	Community/Local Ownership

# Partnerships Shared vision, risk and rewards

### **Potential Roles**

Area	Government	Private Sector	NGOs
Policy	Create enabling environment	Advocacy re: private sector issues	Advocacy re: community issues
Regulation	Oversight of medicines/services	Compliance to continue in business/Innovation	Accountability of services/providers
Financing	<ul><li>Insurance</li><li>Pay for Performance</li></ul>	<ul><li>Reinvestment capitol</li><li>Revenues/Taxes</li><li>Pays employee insurance</li></ul>	<ul><li>Out-Of Ppocket</li><li>Microinsurance</li></ul>
Services/ Supplies	<ul><li>Procurer of medicines.</li><li>Service provider</li></ul>	<ul><li>Pharm producers/ exports</li><li>Importation</li><li>Service Provision</li></ul>	<ul><li>Distribution (CCM)</li><li>Service Provision</li><li>Procurer of Supplies</li></ul>
Demand Generation	Inform public re: key health topics	Marketing/branding products/services	<ul><li>Community groups</li><li>Traditional leadership</li></ul>

#### **Key Principles of Partnership**

(Venkat Raman & Bjorkman, 2009)

#### Partnerships entail:

- Mutual Respect and Trust
- Commitment to overall shared objective(s)
- Relative equality between partners
- Autonomy for each partner- agree to disagree
- Shared decision-making and accountability
- Equitable Returns/outcomes
- Benefits to all Stakeholders

### **Potential Challenges**

- Mistrust/misunderstanding of partners
- Miscommunication
- Limited policy framework and capacity to guide private sector regulation and engagement
- Different timeframes and modus operandi
- Unpredictability of public sector payments
- Highly fragmented private sector







# The Ghana Experience:

Scaling up ORS plus Zinc use for diarrhea management

Joseph Addo-Yobo, SHOPS Ghana



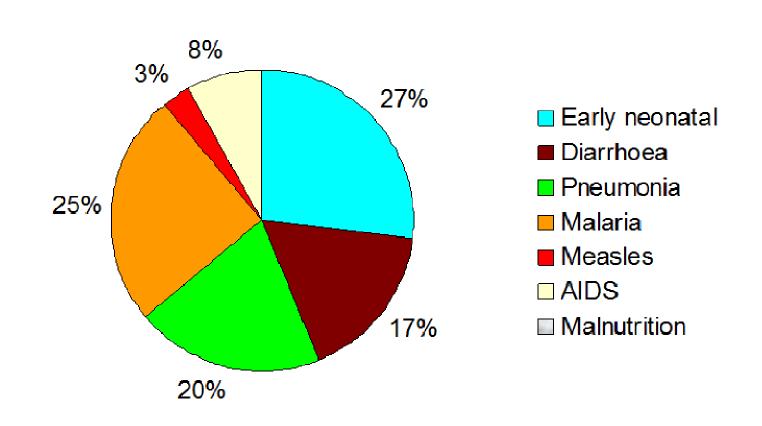


SHOPS is funded by the U.S. Agency for International Development. Abt Associates leads the project in collaboration with

Banyan Global
Jhpiego
Marie Stopes International
Monitor Group
O'Hanlon Health Consulting

## Causes of under-five mortality

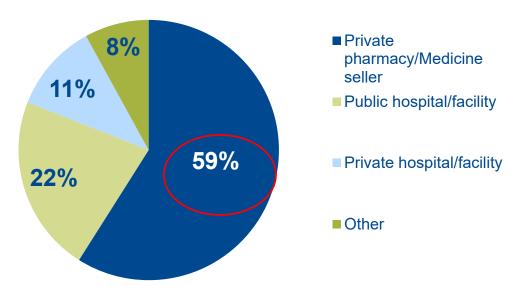
Source: Lancet Child Survival Series with adjustments for Ghana by authors



#### Source of Service

SHOPS flagship diarrhea program – began in 2011 to introduce ORS and zinc through private sector channels by focusing on private medicine sellers:

#### **Sources of Diarrhea Treatment**



Source: SHOPS 2011 Ghana household survey



## POLICY: Inclusion of Zinc

2012 Policy Change (Government Action)	Benefits to Public Sector Facilities	Benefits to Private Retail outlets
Zinc included on Essential Drug List	Allowed distribution of Zinc to public clinics	Allowed production and importation of Zinc  Allowed private sector to buy Zinc
Zinc authorized as over the counter medicine (OTCM)	Allowed provision of Zinc at the lowest health facility	Allowed retail outlets to sell
Standard Treatment Guidelines Developed	Improved quality of services provided	Improved quality of services provided

#### **SUPPLY:** Quality, Affordable, Local

- Prior to 2012 no zinc products were available in either public sector clinics or private retail outlets
- SHOPS had active partnerships with two local pharmaceutical manufacturers to improve local production of quality zinc tablets and strengthened their existing distribution systems
- SHOPS also worked to ensure that Affordable prices set to meet national health insurance scheme (NHIS) reimbursement rates

#### **SUPPLY:** Frontline Private Providers

Ghana identifies OTCMS as key frontline providers

SHOPS partnered with the OTCMS regulatory agency (Pharmacy Council) to:

- deliver training of OTCMS
- conduct supportive supervision
- build the capacity of Pharmacy Council inspectors



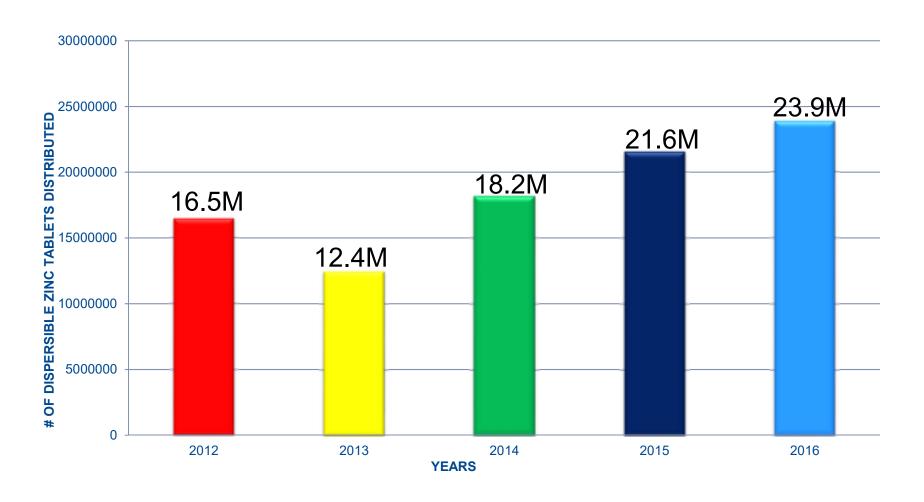
#### **DEMAND:** Among Caregivers

- Generic media campaign
  - JHU/CCP/Good Life campaign
  - Community mobilization
  - Outreach to primary health centers
  - Promotional materials disseminated
- Brand promotion by local manufacturers



## RESULTS: 93 Million (est) Zinc Tablets

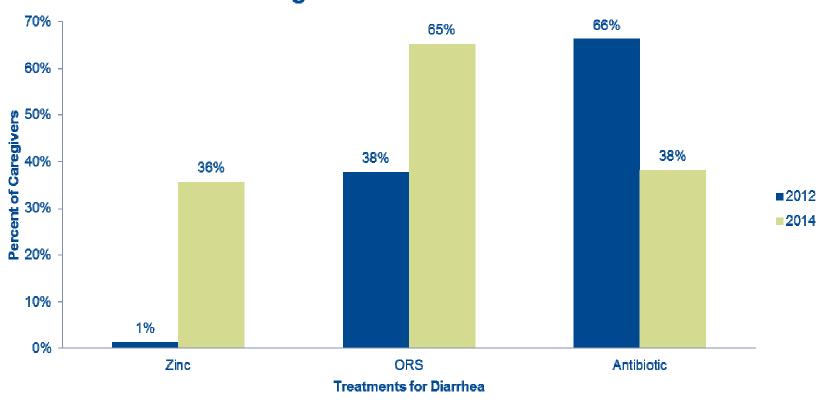
Distributed from 2012–2016 (private sources)





# RESULTS: Improved Caregiver Behaviors

#### **Caregiver Treatment Behaviors**





#### **Benefits of the Partnership**

- Increased use of appropriate treatment for acute diarrhea in children resulting in approximately 10,000 lives saved over a period of 5 years
- Increased profitability of local manufacturers
- Increased export earning as products are exported to countries within the sub-region
- ➤ Competition and the partnership have kept prices low approximately \$ 0.20 0.25 per treatment



# Lion's Den Group Exercise

#### Lion's Den Instruction

(15 minutes)

- READ the case study
- Select someone to write the group's pitch
- Select someone to give the group pitch
- Select ONE of the following business sectors:
  - ► Pharmaceutical;
  - Extractive;
  - Information/technology/ mobile operator

#### Lion's Den Instruction (cont'd)

(15 minutes)

- Develop a 2 minute script outlining:
  - the problem you are trying to solve
  - what value you are asking the private sector partner to bring to the problem
  - how addressing this problem will help the business achieve their goals.

# Summary

#### Successful Engagement

- Requires an open mind/willingness to listen
- You will NOT agree on everything--that is ok
- Private sector likes to be involved in defining the problem and creating the solution
- Private sector, particularly local businesses understand the important of having a health community and population.

#### Successful Partnerships

- Require changes in mindset among corporations, nonprofits and government managers
- Must have a common language and shared mutual beneficial value
- Need clearly defined outcomes and well articulated partnership strategy including indicators to monitor progress
- Require structures and systems to support the partnership.