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

<table>
<thead>
<tr>
<th>Private Sector benefits of working with NGOs and/or Government</th>
<th>Government and/or NGO benefits for working with the Private Sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creditability</td>
<td>Access to staff/skills (e.g., management, Finance, leadership)</td>
</tr>
<tr>
<td>Expand Markets</td>
<td>Technology and Innovation</td>
</tr>
<tr>
<td>Access to new networks</td>
<td>System Change</td>
</tr>
<tr>
<td>Skills development for staff (e.g. NGO boards)</td>
<td></td>
</tr>
</tbody>
</table>
HOW?

Private Sector Objectives

Potential Partnership Opportunities

Development Objectives
Private Sector Engagement Options

Dialogue
- Relationship building
- Topic related

Support
- Grants, Products

Joint Programming
- Co-Creation
- Shared risk/reward
- Joint Decision Making

Strategic Partnership
- Joint Ventures
- Mission Level

Level of Engagement

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?

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

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

*Shared vision, risk and rewards*
# Potential Roles

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

*Scaling up ORS plus Zinc use for diarrhea management*

Joseph Addo-Yobo,
SHOPS Ghana
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**

- 59% from Private pharmacy/Medicine seller
- 22% from Private hospital/facility
- 11% from Public hospital/facility
- 8% from Other

Source: SHOPS 2011 Ghana household survey
## POLICY: *Inclusion of Zinc*

<table>
<thead>
<tr>
<th>2012 Policy Change (Government Action)</th>
<th>Benefits to Public Sector Facilities</th>
<th>Benefits to Private Retail outlets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zinc included on Essential Drug List</td>
<td>Allowed distribution of Zinc to public clinics</td>
<td>Allowed production and importation of Zinc</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Allowed private sector to buy Zinc</td>
</tr>
<tr>
<td>Zinc authorized as over the counter medicine (OTCM)</td>
<td>Allowed provision of Zinc at the lowest health facility</td>
<td>Allowed retail outlets to sell</td>
</tr>
<tr>
<td>Standard Treatment Guidelines Developed</td>
<td>Improved quality of services provided</td>
<td>Improved quality of services provided</td>
</tr>
</tbody>
</table>
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
  o JHU/CCP/Good Life campaign
  o Community mobilization
  o Outreach to primary health centers
  o Promotional materials disseminated

• Brand promotion by local manufacturers
RESULTS: 93 Million (est) Zinc Tablets

Distributed from 2012–2016 (private sources)

[Bar chart showing the number of dispersible zinc tablets distributed from 2012 to 2016]

- 2012: 16.5M
- 2013: 12.4M
- 2014: 18.2M
- 2015: 21.6M
- 2016: 23.9M
RESULTS: Improved Caregiver Behaviors

Caregiver Treatment Behaviors

- Zinc: 38% (2012) vs. 38% (2014)
- ORS Treatments for Diarrhea: 65% (2014)
- Antibiotic: 66% (2014)
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.
Q&A
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
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 importance 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.