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# Case Studies on Private Sector Engagement

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# Public- Private Dialogue



# Morocco

## CONTEXT

High OOP expenditure

Households cover **more than half** of total health expenditure out of pocket

### Top-down strategies

Previous HF strategies were top-down resulting in limited legitimacy and implementation

### Fragmented pooling

There is a need to link the benefits package to health financing capacity

## OBJECTIVE :

To craft a national health financing strategy in Morocco

## DURATION :

1 year (March 2019 to February 2020)



1

Gather evidence

3

Technical workshop

2

Inclusive policy dialogue/  
National conference

4

Consultation with  
decision-makers

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# Phase 0 – preparatory phase



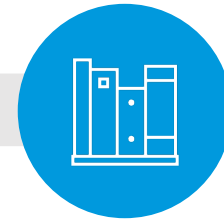
**Synthesize** existing evidence



**Develop a criteria** to select relevant participants



**Analyze stakeholders** in relation to health



**Prepare an evidence kit**

# Phase 1: The national conference on health financing

## 250 participants



**Plenary sessions and specialized parallel working groups** around the 3 functions of health financing



**Alliances were created** among national and international actors to support health financing



**Recommendations were produced and adopted** at the end of the conference

# Phase 2: Technical workshops

## Technical workshops

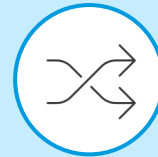


The first follow-up workshop involved **experts from national departments** concerned with health financing



The second workshop included **decision-makers** in the field of health financing

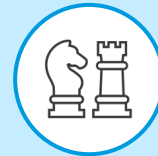
### The objectives of the workshops were to:



**Mobilize** all technical departments concerned with health financing strategy and **keep the momentum** of their involvement



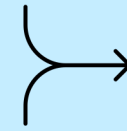
Translate the **recommendations** of the conference into **practical actions**



**Validate** strategic actions



# Outcomes



Convergence among all health actors to define a national shared vision on health financing



All actors officially adopted recommendations on health financing actions.



Actors took collective ownership of health financing actions.



**A Health Financing Strategy Document was the final output.**

# Success Factors



High **political commitment** to the process



**Evidence synthesis** which played a crucial role in facilitating the debate.



The **careful choice of facilitators** and themes for discussions



**Involvement of development partners**





# Public- Private Partnerships

# About Lesotho



- Low-income country
- Ranks 158<sup>th</sup> / 186 countries on the UN's Human Development Index \*
- $\frac{3}{4}$  of the population live in rural areas

# Context

## 100-year-old referral hospital Queen Elizabeth II

- Worn out facilities
- Poor quality
- High-cost referrals (20% of budget and rising)
- Accounts for 11% of Ministry of Health budget
- Difficult to attract and retain staff
- Limited management capacity
- Large capital expenditure to replace facility (\$150 M)



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# PPP Project

## 18-year partnership

with Netcare and Tsepong Consortium to build a 425-bed hospital, gateway clinic, and refurbish/build 3 urban filter clinics

### EXPECTATIONS:

- ✓ 25% more volume
- ✓ Government operating expenditures won't exceed current percent of government budget
- ✓ Patients will not pay more at point of service
- ✓ Local employment and empowerment

# Results

Before



After



# Results

Before



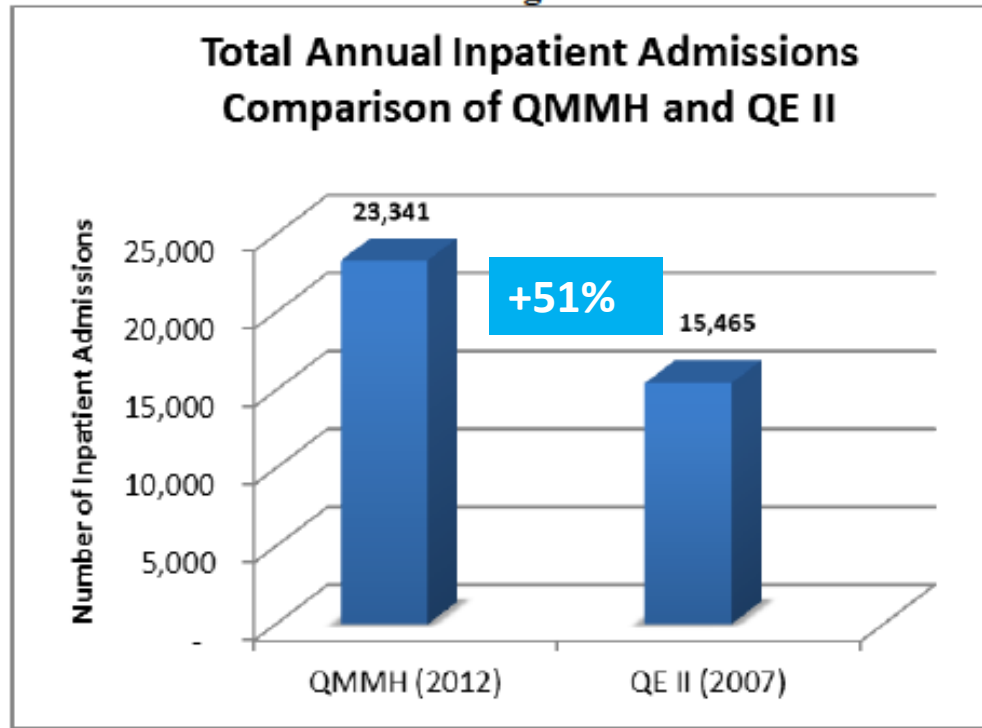
After



# Utilization

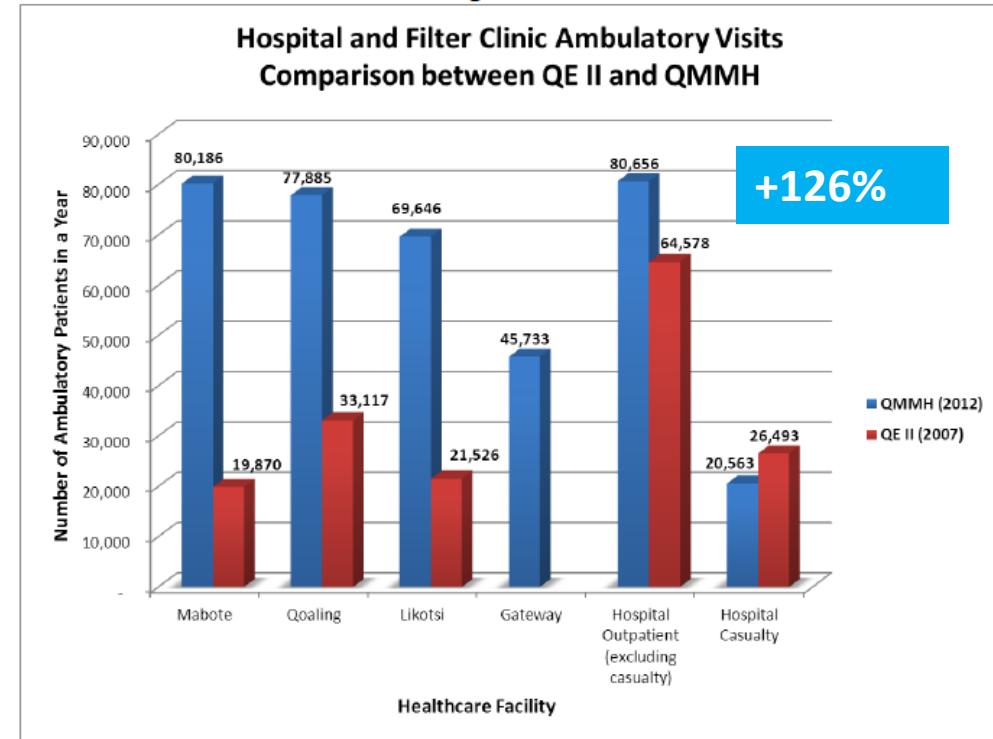
Note: Study was commissioned by the World bank

Figure 3.3:



Source: Endline Report, Boston University 2013

Figure 3.7:

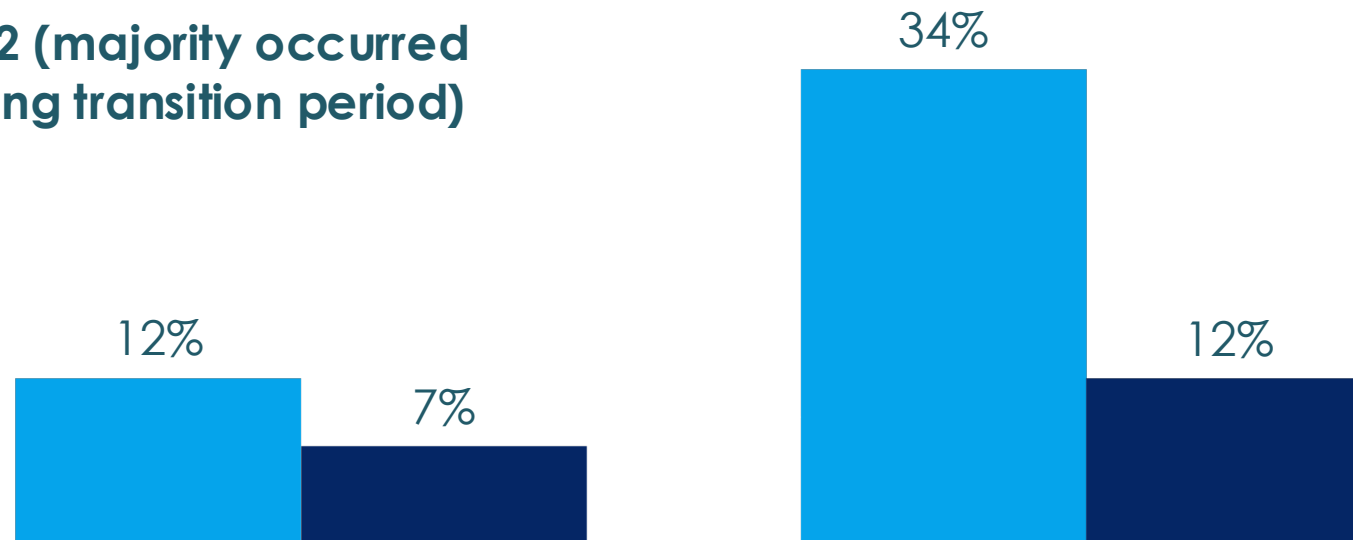


# Quality – Mortality Rates

Note: Study was commissioned by the World bank

■ 2009 (Baseline Study)

■ 2012 (majority occurred during transition period)





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## But that's not the full picture.....

“Payments to Netcare’s consortium have **increased almost 80%** since 2008, when consortium first contracted with the government to build and operate the hospital”

Ministry’s PPP unit head  
2015

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## A political mess?

“The cost of the new hospital is **depriving the entire health system.**  
**It’s a big political mess.”**

Queen Elizabeth’s superintendent  
2015

## The other side of the story

“ A **dangerous diversion** of scarce public funds **from primary health-care** services in **rural areas**, where **three-quarters of the population live**”.

Oxfam 2014



Absorbing **over half** of the **MOH budget** in 2013/14, up from **28 %** for the old public hospital in 2006/7.

# Lessons Learned



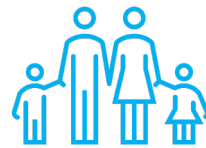
**Limited technical capacity**



**Projection ERROR**



**Hight Turnover**



**Limited attention to  
Primary Healthcare**

There is a need to **engage**  
**in broad primary health**  
**system strengthening**  
when delivering secondary  
and tertiary care

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*“The PPP is likely to become unaffordable for the MoH, and the quality-of-service provision may also be put at risk”*

Internal WB report

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# Key messages

- A successful Public-Private Dialogue process can resolve longstanding strategic issues.
- Public-Private Partnerships can lead to catastrophic results if not managed appropriately

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# Thank You!

## Case Studies on Private Sector Engagement

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