Country Conversations

COUNTRY CONNECTOR
on Private Sector in Health

Engaging the Private Health Sector in Service Delivery

A case study series from…

Bangladesh, Indonesia, Nigeria, Somalia and Qatar

Engaging the private health sector in service provision in Bangladesh

SITUATION

Bangladesh has made notable progress in improving its health indicators over the past few decades. Despite this, Bangladesh's pluralistic health-care system faces significant challenges, including the high economic burden of health care on households, limited infrastructure and a shortage of health professionals. While public health-care facilities play a crucial role, the private sector accounts for 77% of total health expenditure in Bangladesh. For the past decade, a gradual increase in households' out-of-pocket expenditure means it now accounts for 74% of current health expenditure, while just 15% of the population receives care from public facilities. This indicates a substantial gap in the accessibility and utilization of public health services. One of the major obstacles in addressing these challenges is the lack of strategic engagement by the government in purchasing services from the private sector to meet the health-care demand gap. There is no specific regulation or policy that facilitates the Ministry of Health and Family Welfare (MOHFW) engagement with the private sector for health service provision. The lack of initiatives, combined with rigid public financial management rules and an outdated ordinance from 1982 that regulates medical practice and the functioning of private clinics and laboratories, prevents the health ministry from effectively purchasing services from private health-care providers.

Key strategy and tools for private sector engagement

In 2012, the Bangladesh National Healthcare Financing Strategy (HCFS) 2012–2032 proposed establishing an autonomous body to procure health services from private providers and serve as a regulatory authority for private hospitals and diagnostic facilities.

PROCESS

- Recognizing the development deficit to become a developed country by 2041, the Prime Minister encouraged PPP to engage the private sector. This resulted in establishment of the Public–Private Partnership Authority in 2010 under the Prime Minister's Office with a vision to develop sustainable public service infrastructure, and passage of the PPP Act of 2015.
- Aligning with the Public Procurement Act 2006 and the Public Procurement Rules 2008, Outsourcing Policy 2018 was initiated by the Ministry of Finance to procure human resources. However, it is limited to Bangladeshi nationals and concerns only at a few services as defined by the ministry: security guards, cleaners, data collectors, transportation service providers and plumbers. It has enabled the health ministry to outsource a few services through third-party private providers or individual contracts.
- During the pandemic, the government signed individual MoUs with many private health-care providers for Covid-19 testing and vaccination.

RESULTS

In the rural health sector, Community Clinics (CCs) exemplify the concept of PPPs in delivering primary health-care (PHC) services. CCs are built on land donated by community members and managed by the local community group, with construction costs, medicines, logistics and salaries funded by government revenues and development funds. These clinics played a crucial role in the Covid-19 vaccination campaign.

The mandate for providing PHC in urban areas falls under the Ministry of Local Government, Rural Development and Cooperatives (MoLGRD&C), which oversees the planning, implementation and management of urban PHC services. PPP plays a crucial role, with NGOs and private entities contracted to deliver the services.

Within the framework of the PPP Authority, the first successful PPP project for the health sector was establishing a hemodialysis centre at the National Institute for Kidney Diseases and Urology in November 2016. It is important to note that most health-related PPP projects under the PPP Authority primarily focus on infrastructure development, such as construction of hospitals, diagnostic centres and other health facilities crucial for expanding the capacity and improving the quality of the health-care system.

In addition to these, various line directorates and units under the MOHFW address critical staffing gaps through outsourcing arrangements, ensuring that essential operational needs such as cleaning, plumbing and transportation are met efficiently and effectively.

Learnings:

- ✓ Fragmentation of PHC service delivery for urban and rural areas itself a challenge for Bangladesh. The various rules, procurement acts and laws that focus on the private sector's engagement in building health infrastructure or procuring specific services have resulted in a lack of strategic purchasing initiatives in the health sector. One exception is the urban PHC project under the MoLGRD&C, which contracts NGOs to provide primary health services to the urban population.
- ✓ Private medical practices and health-care services are run under the Medical Practice and Private Clinics and Laboratories (Regulation) Ordinance, 1982. Private clinics cannot be established without a license, but the ordinance says little about regulation and supervision of private practices or their engagement with public health service delivery. The National Healthcare Financing Strategy 2012–2032 recommended a comprehensive private health act with a national body for the accreditation of private hospitals and diagnostic facilities, but the WHO Country Office review found no progress on this.
- ✓ Effective regulation and supervision of private sector health services is crucial for strategic purchasing and the success of public-private partnerships. This importance has been emphasized in the national Health, Population, and Nutrition Sector Programmes, highlighting the need for better oversight and engagement with private health-care providers to enhance service delivery and health outcomes.

Engaging the private health sector in Primary care in Indonesia

SITUATION

Indonesia's diverse population and varied geographies pose significant challenges in ensuring all citizens receive optimal primary health care (PHC) services. To bridge this resource gap, engaging the private sector potentially offers a strategic solution. This collaboration can provide much needed additional and complementary resources and expertise.

Indonesia's decentralized governance system emphasizes the importance of mobilization and efficient use of the closest readily available local resources, with the aim to also foster collaboration among local stakeholders. Partnering with the private sector at the local level can support the fulfillment of services according to needs and address priority health issues at the grassroots level, so that communities are able to receive accessible and effective PHC services.

Key strategy and tools for private sector engagement

An assessment to identify existing initiatives that involve private sector engagement at PHC level, was conducted in selected provinces, namely DKI Jakarta and East Java. This aimed to evaluate the impact of private sector engagement in PHC, identifying enablers, barriers, existing gaps and potential areas for improvement. There were three major components assessed: model/type of engagement, type of partnership and mechanism, and characteristics of stakeholders and role-sharing. The assessment findings inform policy and programmatic recommendations for a more effective engagement with the private sector on PHC services.

PROCESS

- ✓ Regulations related to private sector engagement to optimize their role in PHC services are in place. Indonesia's National Mid-Term Development Plan (RPJMN 2005–2025) prioritizes strengthening PHC by fostering synergy between Puskesmas (primary health centres) and private providers. This strategy emphasizes supporting community-based facilities while ensuring the continued role of individual health-care providers.
- ✓ Furthermore, a decree published by the Ministry of Health Directorate General of Health Services provides several means for service integration in Puskesmas with other primary health-care facilities, which include referral pathways, health data sharing, joint training and capacity building, and monitoring and evaluation activities.

RESULTS

The private sector engagement initiatives identified in the two provinces focused on supporting PHC in the key areas of expanding service delivery and treatment, health promotion/screening, capacity building for health workers and utilization of health information systems.

As for the type of partnership and mechanism, several models were documented:

- ✓ **Public-private partnership:** this model is used for initiatives like public-private mix (PPM) for TB, where the engagement with private providers in TB prevention and treatment aims to increase the involvement of both public and private providers to enhance case findings and services for patients. The private sector as the initiator of this pilot programme contributes mostly by increasing the network of health providers, improving their capacity in screening suspected TB cases, as well as in health promotion and raising awareness about TB in the community.
- ✓ **Collaborative actions (role-sharing):** this mechanism is shown in the "Pratama Clinic Collaboration" implemented in Central Jakarta with the aim of meeting PHC service needs in urban villages without Puskesmas or any public health-care facilities. This initiative involves collaboration with a network of clinics registered in the national health insurance scheme, BPJS. Throughout this project, there has been increased voluntary redistribution of BPJS members from Puskesmas to collaborative clinics, reducing the burden on Puskesmas in providing services.

- **Cross-sector collaboration:** the SiCantik application in East Java exemplifies cross-sector collaboration involving various stakeholders at multiple levels in reducing child and infant mortality rates, i.e., from community to primary health care, referral providers, and policy-makers. Aimed at strengthening the referral system, this initiative shows engagement between development partners/nongovernment organizations (NGOs) in utilizing this IT tool for integrated data collection that is accessible to health workers and patients.

Aside from the initiatives above, private sector characteristics identified during the assessment were mostly from NGOs, universities and private providers (clinics, independent doctors/midwives practices). The private sector participates in planning, implementation and evaluation of health services, often providing resources and infrastructure to complement public services.

Learnings:

The assessment on private sector engagement at PHC level provided key insights that can inform future policy and programme development to foster deeper collaboration with the private sector.

- ✓ **Policy recommendation:** Detailed regulatory support and direction are needed to ensure the commitment of the parties involved for a sustained and continuous collaboration, especially regulation at the local level.
- ✓ **Coordination and reporting system:** Establish regular coordination and communication channels to identify obstacles and required solutions. The Ministry of Health/Provincial Health Office can also facilitate regular cross-learning activities to encourage collaboration.
- ✓ **Integrated reporting system:** Implement an integrated reporting system for synergy among all parties involved (public and private) to better inform policy-makers and programme development in addressing challenges; establish co-creation of indicators for routine monitoring and evaluation.
- ✓ **Clear role-sharing/mapping of stakeholders:** Regular updating and identification of private stakeholders is needed to mobilize resources and match the different types of intervention or integration activities. This must include clear information on the support needed in PHC and clear division of roles and responsibilities.
- ✓ **Leadership:** Ministry of Health/Provincial Health Office/District Health Office should take the lead in ensuring the sustainability of funding and logistics support, as well as regular capacity building to improve the quality and capabilities of the public and private sector actors involved..

Nigeria: Collaborating with the Private Sector Alliance to improve primary health care facility performance and meet set standards

SITUATION

The private sector contributes to Nigeria's health sector in various ways, including delivering maternal, newborn, and child health services to about 60% of the population and through health financing. The important role the private sector plays has been recognized by the Ministry of Health explicitly through several strategic policy texts. In fact, improving private sector engagement has been emphasized by the Minister of Health as a key area for improvement following the last election in 2023.

Key strategy and tools

The Ministry of Health is taking measures to more concretely embed private sector engagement into health sector activities. For instance, in finalizing the health sectoral strategic blueprint, a technical working group — comprised of ministry staff, partners, and donors — has convened and plans to formally engage private sector actors in this process at its next stakeholder meeting.

Additionally, the Ministry of Health liaises with the private sector across numerous vertical programme areas, such as for maternal and newborn health, and welcomes various opportunities for collaboration. The most recent example of this is through a collaboration with the Private Sector Health Alliance of Nigeria (PSHAN), which is comprised of several private sector entities.

PROCESS

- ✓ The PSHAN first initiated contact with the World Health Organization (WHO) in early 2024 to better understand the standards established for government-run primary health care facilities with the goal of supporting facilities to upgrade to established standards in an initiative entitled Adopt A Healthcare Facility Programme (ADHFP). In other words, seeking to determine where gaps exist — whether it be with respect to human resource constraints, infrastructure, government standards for green energy, or something else — and address these shortcomings.
- ✓ The PSHAN will work directly with the Ministry of Health and the WHO to systematically assess gaps in select facilities (e.g., what standards exist for water, sanitation, and hygiene and are there any shortcomings?) and develop a plan to address identified gaps.

RESULTS

- ✓ Cumulating from extensive discussions, a memorandum of understanding was signed on 17 July 2024.
- ✓ This memorandum will subsequently lead to immediate initiation of efforts and will form the basis for a larger contribution to ongoing government projects. Establishing a formalized partnership allows for advancing accountability, as the co-created workplan and a monitoring and evaluation framework can be better adhered to. For instance, roles and responsibilities will be delineated to ensure budgets are reviewed, processes undertaken are clearly documented and reported on, and resulting changes are appropriately monitored and evaluated.
- ✓ It is expected that these joint efforts will not only lead to enhanced stakeholder confidence but will work to strengthen the health system.

Learnings:

First, by working with the PSHAN, it is expected that a benchmark for private sector engagement in the ADHFP programme will be established and that this benchmark will demonstrate how subsequent actions can be improved across all stakeholders. For instance, as the WHO, we can ask how our existing standards can be modified to be more green-energy and waste-management compliant.

And **second**, there is a need to establish a **multisectoral coordination platform** that engages the private sector. By engaging the private sector early on, stakeholders can strategize together about opportunities and actions that can be taken.

Without such collaborative planning, the priorities of one sector may not resonate with another. As such, this may lead to certain foci that may not be evidence-informed or government priority. Or similarly, without engaging the private sector in guideline development, there will be limited buy-in for adherence. An example is the sub-optimal contribution of private sector health service providers to national health information systems. This is particularly crucial because the private sector delivers primary health care services to the majority of the population.

Private sector engagement for increased access to TB services in Somalia

SITUATION

The private sector is growing rapidly in Somalia and estimates show that it provides between 60% and 70% of all health services in the country.

Tuberculosis is one of the leading causes of morbidity and mortality in Somalia and is also one of the top 10 causes of death and disability, with an estimated incidence rate of 250 per 100 000 population, or 43 000 new cases annually. A total of just 17 504 people with all forms of TB were notified to the national TB programme in 2021, with TB treatment coverage of 41%.

Key strategy and tools for private sector engagement

The current Somali Health Sector Strategic Plan (HSSP) and the National Tuberculosis Strategic Plan encourage private sector engagement and strive to operationalize the Public–Private Partnership (PPP) framework.

To engage the private sector, the Ministry of Health has established effective coordination mechanisms between the public and private sectors, made regulatory reforms, entered strategic partnerships, integrated services, and undertaken capacity-building programmes.

The two prominent private sector engagement strategies are:

- to increase access to services typically offered in public facilities by engaging private providers and
- the implementation of a pilot social franchise network of private sector clinics to deliver a standardized package of high-quality health services in line with the country's primary health care framework, the Essential Package of Health Services.

Using first the approach, the Ministry of Health works with the private sector to integrate TB services under the National Tuberculosis Programme.

PROCESS

- ✓ The Federal Government of Somalia has taken the lead in initiating public–private dialogue, conducted private sector engagement assessments, established a dedicated public–private partnership department within the Ministry of Health and established a technical working group for public–private dialogue to coordinate stakeholder discussions and private engagement initiatives.
- ✓ Through the national TB programme, the Ministry of Health engages the private sector in improving detection and treatment of TB cases. In this process, the ministry collaborates with prominent private hospitals with large population coverage to provide free TB services (prevention, testing and treatment).
- ✓ In this context, the ministry's role is limited to providing diagnostic kits, TB supplies, training of personnel and supportive supervision on a regular basis. TB services are now being provided by seven private hospitals. They offer a range of diagnostic methods, including GeneXpert rapid testing, as well as registration and presumptive TB registration. The staff in the TB units are paid by the private sector. However, the government assumes a supervisory role and offers support for the procurement of goods such as registration cards, guidelines, documents, diagnostic machines, reagents, lab consumables, medications and training.

RESULTS

- ✓ Private sector engagement in TB service delivery has contributed to increased community awareness and outreach to unidentified TB patients in the community who are vulnerable to TB exposure and not voluntarily willing to seek medical treatment or diagnosis. Over the past few years, Somalia has made significant progress in diagnosing and treating TB cases, as well as significant reductions in mismanagement and improvements in preventive methods.
- ✓ The integration efforts of the public and private sectors in TB service delivery have..

Reduced **TB deaths by 39.5%**

TB incidence by 30.7%

since 2015 and ensure that **under 20% of** affected families face catastrophic costs, the goal of the National Strategic Plan for TB 2024–2026.

Learnings:

Trust-building and joint efforts to developing clear policy frameworks, effective PPPs, capacity enhancing, sustainable financial mechanisms, technology adoption, robust monitoring, improved community engagement, and flexibility are all critical components of a successful private sector engagement strategy. This insight can guide future efforts to strengthen health systems, improve health outcomes, and ensure sustainable development in Somalia.

Additional Resources:

1. Somalia's National Strategic Plan for Tuberculosis Control, 2024–2026
2. Guidelines for Drug-Resistant Tuberculosis (DR-TB) Treatment and Patient Care were published by the Minister of Health & Human Services of the Federal Government of Somalia in December 2023

Generating evidence to inform public–private partnership in Somalia

SITUATION

Somalia has some of the highest infant, child, and maternal mortality rates in the world. Yet essential service use is low due to the distance to health facilities, transportation costs, insufficient staff and poorly equipped facilities. More than 65% of the Somaliland population turn to private health facilities to meet their health-care needs. However, due to very limited regulation and oversight of private facilities, the type, quality and volume of health services provided by the sector are largely unknown to the Ministry of Health Development (MOHD).

Key strategy and tools for private sector engagement

Somaliland's Health Sector Strategic Plan Phase II (HSSP II) included the operationalization of Public–Private Partnership (PPP) framework and given the limited visibility of the contribution of the private sector, the MOHD sought to better understand the landscape and generate evidence to maximize private sector engagement toward universal health coverage.

With funding from the United Kingdom and the support of Population Services International (PSI), a protocol was developed to pilot a social franchise network of private sector clinics to implement and deliver a standardized package of quality health services.

The model was designed to provide a mechanism through which private sector service quality could be monitored and improved while at the same time helping the providers increase the quality and range of services offered towards a comprehensive health care package, and assess if health services provided in the private sector are affordable, accessible and complement (rather than compete with) the public sector by:

- ✓ increasing overall utilization of health services;
- ✓ contributing to increasing overall quality of health services;
- ✓ reducing the burden on the public sector of those willing and able to pay;
- ✓ providing a platform for cross-referral between the private and public sector; and
- ✓ providing access to private sector health utilization data.

- ✓ **Mapping of all private facilities** in Sahil region and 57 selected facilities in Maroodijeex region was conducted to determine the services offered, number of patients served, infrastructure, staffing, operating hours, and other indicators to determine eligibility for the franchise model. A baseline quality assurance assessment was then conducted, with 17 facilities selected and recruited into the franchise based on minimum scores of at least 60%.
- ✓ In order to integrate private sector facilities into the broader health system and ensure harmonization for standardized service delivery, MOHD tools and guidelines developed for the public sector **essential package of health services** were applied. The providers were trained on Integrated Management of Childhood Illnesses (IMCI) and maternal nutrition, and PSI conducted business skills training on record-keeping, financial accounting and inventory management.
- ✓ Following **baseline quality and management assessment and gap analysis,** customized quality improvement plans were developed for each facility and followed-up during joint supportive supervision visits conducted by district/regional health authorities. Coaching and mentoring was provided, and the MOHD's health management information system (HMIS) tools and registers were adopted to provide private sector data to the ministry, toward establishment of a referral system. Review meetings were also held with private facilities to encourage data sharing and foster conversation on how to improve services.

RESULTS

- ✓ **Input assessments:** Scores at baseline across all 17 facilities were quite low, with an average score of 65% in Maroodijeex and 58% in Sahil. Most providers struggled with adherence to clinical guidelines and protocols, infection prevention and control, record-keeping, and equipment and supplies. After 18 months of visits, the average quality score in Maroodijeex increased to 85%, and to 74% in Sahil.
- ✓ **Competency assessment:** overall, there was significant increase of adherence to clinical guidelines from the providers in Maroodijeex from 30% to 67%, and in Sahil from 70% to 80%.
- ✓ **Service provision:** over a nine-month period the 17 facilities provided outpatient services to 17 519 clients (10 180 in Maroodijeex and 7339 in Sahil).
- ✓ **Professional registration**: after the intervention, 7 of the 17 providers received a valid annual practicing license from the National Health Professional Council

Learnings:

Working with the private sector to improve quality is feasible: This programme demonstrated that it is possible to improve the quality of selected services as evident in the improvement of quality of care scores. Key actions included training, regular supportive supervision, measuring performance and sharing feedback to providers, willingness of providers to uptake new behaviours (including investing own resources) and better understanding of quality.

The private sector is willing to share data: the facilities provided monthly reports to the HMIS. The results gave the MOHD an indication of the private facilities' contribution to health-care coverage and utilization.

An enabling environment is needed to incentivize adherence to quality standards: the private sector in Somaliland remains unregulated. For private providers to prioritize quality of care going forward, the government will have to define quality standards and put mechanisms in place to enforce and monitor them.

Value proposition should be enhanced: the franchisees benefitted from quality improvement (training, supervision and registration) and business improvement (training and improving business processes). These interventions can be further enhanced by including access to credit facilities, enrolment into a National Health Insurance Scheme (when one becomes available) and better access to quality-assured medicines at lower cost.

Facility providers are willing to invest in quality improvements for their facilities: many providers invested their own resources to improve the quality of services or the efficiency of their clinics. For example, in Maroodijeex the facilities pooled their resources to purchase waste segregation and handwashing facilities. Others expanded to include delivery and inpatient services along with all the necessary equipment and supplies needed to support such services.

Although implementing quality improvement initiatives in an unregulated, fast-evolving and growing private sector is challenging, this model has proven that with limited support, private sector providers can be integrated into the broader health systems and provide quality services. Going forward, a social franchise model could be expanded across Somaliland and rest of Somalia, building on the lessons already learnt from the holistic approach of this pilot.

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COUNTRY CONNECTOR
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Leveraging the private health sector in service delivery in Qatar

SITUATION

- Minimal collaboration between private sector providers.
- Lack of awareness of public-private partnerships (PPP) among stakeholders.
- Lack of business case justification in project management.
- Risks and responsibilities falling entirely on the private sector without a corresponding financial upside.

PROCESS

- The National Health Strategy (NHS 2018–2022) aims to increase the market share of the private sector in the health care industry by 25%
- In 2018, the Ministry of Public Health specified 10 large projects to be implemented by the private sector through tendering processes. These processes will be supported, monitored and overseen by the Ministerial Group which is responsible for PPP and Local Business Development (LBD) policies.

RESULTS

- ✓ From 2016 to 2018 increased demand led to the opening of several new general and specialized hospitals in Qatar. Two facilities, each with a capacity of 118 beds, were built, one at Ras Laffan in the north, the second at Mesaieed in the south of Qatar. The facilities serve as general community hospitals offering emergency, inpatient, outpatient, surgical and diagnostic services, and have the potential to integrate primary care and occupational health clinics.
- ✓ The newly built hospitals may operate as PPPs in the future.

In 2020, His Highness Sheikh Tamim bin Hamad Al Thani, the Emir of Qatar, issued Law No. (12) for 2020 organizing the partnership between the public and private sectors. The new PPP Emiri Law increases investor competition and enhances its role in economic development.

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