

Netherlands Platform for  
**Global Health Policy** and  
**Health Systems Research**

## **Beijing calling....**

Contribution of research to understanding the  
role of the private sector in health

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## **iHEA pre-congress symposium**

### **The role of the private sector in health**

**11 July 2009**

#### **Aim:**

Dialogue between researchers interested in the private sector, and between researchers and policymakers, with the aim of:

- Mapping out what is already known, and where research priorities lie based on policy needs; and
- Promoting greater research interest and knowledge generation in this area for the benefit of health systems development



## Sessions

- A: Understanding growing private participation in changing health systems
- B: Understanding the private sector role in service delivery
- C: Models of mixed systems
- D: Working with the private sector
- E: Policy



## Research input to sessions

29 abstracts

18 poster presentations

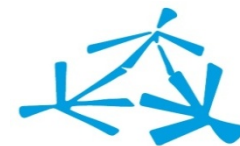
Abstract book and presentations are available at  
[www.ps4h.org/ihea](http://www.ps4h.org/ihea)

Promotion of synthesis reports / books from Results for Development Institute / Rockefeller Foundation:

- *Innovative pro-poor healthcare financing and delivery models*
- *Public stewardship of private providers in mixed health systems*

Upcoming book by April Harding et al.:

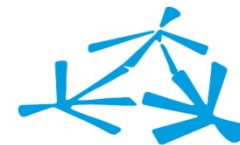
- *It takes two to tango*



## Session A: Understanding growing private participation in changing health systems

### *Some research findings*

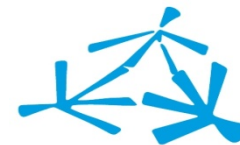
- Large and/or growing private sector (nr. of private sector providers, utilisation, OOP expenditure) in several countries.
- Private participation usually strong in the pharmaceutical and ambulatory health sector. In-patient sector more dominated by public sector. Some expansion in hospital sector, but usually in specialist hospitals, less in general hospitals.
- Role of private sector in healthcare delivery and financing in (post-) conflict settings or fragile states appears to be higher.
- Importance of trust to understand people's care seeking behaviour. Different for private and public providers.
- Private providers' technical quality problem.



## Session B: Understanding the private sector role in service delivery

### *Some research findings*

- Overall, there are very few studies on the role of the private sector in disease management. Some studies on STI management; HIV prevention and treatment; immunization programs & child health.
- New study conducted on the role of the private sector in HIV Prevention and Treatment: Utilization and Financing in 5 African countries shows some disturbing findings related to financing:
  - Donor funds appear to be displacing the private company investment in HIV/AIDS, accompanied by the displacement of government investments.
  - Less management of HIV/AIDS resources by private sector entities poses the challenge to integrated public/private response.
  - To sustain the HIV/AIDS services, need to foster continued and greater involvement of the private sector.



## Session C: Models of mixed systems

### *Some research findings*

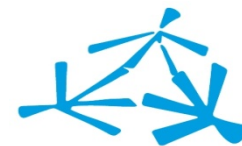
- Most health systems world-wide are now mixed systems in terms of delivery, financing and utilisation.
- Referral patterns are highly complex. Sometimes contrary to common belief, sense and/or national policy, referrals from the public sector to the private sector are often *higher* than vice versa.
- Growing private sector has important implications for human and financial resources and quality of public institutions, and thus for patients. Benefits are not equal.
- Private sector uses different business model than the public sector. This leads to various innovations. In some instances, these also have the potential to provide effective models to reach the poor.



## Session D: Working with the private sector

### *Some research findings*

- A voucher system introduced in Malawi aimed to increase the proportion of mothers and children sleeping under ITN has shown that coverage has increased significantly. The scheme has used commercial opportunities in the production and delivery chain. Despite some important limitations, the study concludes that vouchers are feasible for public health products at national scale in low-income countries.
- Study examining the extent to which national health policies/plans in 8 LMI countries cover private sector related items and data reveals wide variety. Particularly 'under-referenced' are self-medication & shops, as well as the focus on regulation & quality of providers.





## Food for thought..... (I)

- “Health systems in LMI countries are very pluralistic. Planners have to develop first a view on this reality and a vision on how to handle it.”
- “There is still a long way to go before health sector plans reflect the reality and significance of private health markets.”
- “Research is in its infancy and the opportunities are immense”.



## Food for thought..... (II)

- “Poor technical quality of private providers and failure to reach the very poor are the most important problems. The public sector should concentrate on improving its governance function.”

**? *Versus* ?**

- “Performance defines the space for others. The best way to control the private sector is to develop a strong public sector”.

**? *But also* ?**

- “What about private-private cooperation?!. There are plenty of successful local businessmen whom we should motivate to invest in the health sector”.



## Food for thought..... (III)

- “As long as the health financing and risk-pooling arrangements are based on social-insurance principles (ability-to-pay, solidarity of healthy and non-healthy) providers can be put under competitive pressure regardless of ownership and organization”.

