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# Strategies for Private Sector Engagement and PPPs in Health

## Private Health Sector Assessments (PHSA)

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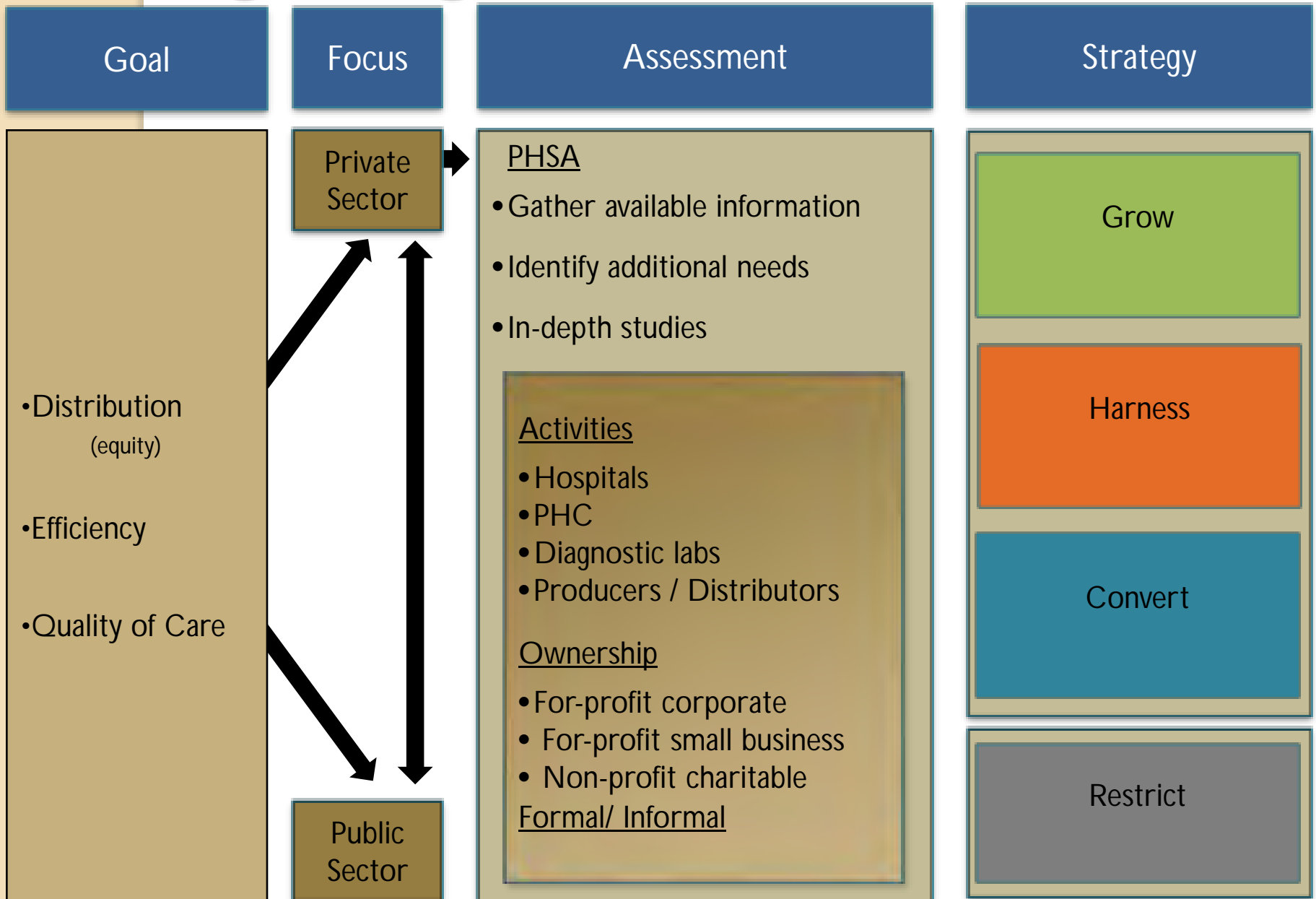
# Teaching points

- **PHSA is often critical to achieve private health sector policy improvements**
- **Success is policy change, not a report**
- **Policy options guide assessment content**
- **Key ingredients are altered to fit context**

# Session Outline

- **Thinking through a PHSA**
  - **What questions would you ask**
  - **How would you go about answering them**
- **What is a PHSA**
  - **Rationale and Objectives**
  - **Three Parts of a PHSA**
- **Application in India**
- **How PHSA links to policy dialogue, policy change & policy implementation**

# Harding-Montagu-Preker Framework: Overview



# Select a Health Sector Issue

1. **Child health outcomes in urban slums**
2. **Low access to health services in rural areas**
3. **High maternal mortality/morbidity in a socially excluded group**

# Questions for a PHSA

- What quantitative data would you need to discover if private sector is important or not?
- What quantitative data would you need to formulate a strategy to mobilize the private sector toward your goals
- What kind of qualitative data would you need?
- How would you collect this data? (data sources, techniques)

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# What is a PHSA?

- A tool organized to undertake a comprehensive **or** targeted analysis to inform policy change toward the private health sector where appropriate.
- Defines questions that need to be asked
- Includes a plan on how to collect, analyze and present information about the private health sector



# What should a PHSA do?

- Develop policy recommendations for enhancing the private sector's contribution to alleviating identified problems
- Enhance health policy decision-making
- Promote public – private dialogue
- Create forward momentum

# Conceptual Underpinnings

- The majority of health care goods and services can be effectively provided through the private sector (Private Goods)
- The public sector plays a key role in creating the right conditions for private sector delivery of health services (Market Failures)
- There are instruments available for the public sector to do this job....which ones to use?

# Conceptual Underpinnings

- Institutional health economics
- Which engagement strategies work are determined by **measurability & contestability of service/ product.**
- Contestability: ease of entry & exit
- Measurability: how hard or easy to measure the service or product

**Q#1: Assess C & M of drug sale and inpatient hospital care**

**Q#2: Why is contestability different by country?**

# Sequencing the PHSA

- Part I – Broad overview with the objective of identifying areas/concerns
- Part II – stakeholder consultations
- Part III – Targeted Studies

# Part I of a PHSA

**Assemble general, easily available data:**

- Organization, Financing, Management (including private provision)**
- Basic Country Information (economics and socio-economic)**
- General environment for the private sector**

# Part I of a PHSA

## Structure of Health Markets

- Who are the providers?
- What is their commercial orientation?
- Who are their clients?
- What services do they provide?
- What is their organizational form?
- Role of public provision in health markets

# Part I of a PHSA

## Environment for the private sector:

- Government Expenditures as a percent of GDP
- Ownership of economic assets
- Private participation in Infrastructure & Soc. Services
- Judicial/Legal system (Backlogs, delays)
- Security of private property
- Corruption
- Development of the financial system
- Trade barriers, tax rates, exchange rates
- Competition regulation (effectiveness)
- Laws and regulations for NGOs (incentives, transparency)

# Data for a PHSA

## — Secondary Sources:

- Literature reviews,
- Household surveys (LSMS, DHS),
- Health facility surveys
- National Health Accounts

## — Primary (qualitative and quantitative)

- Focus groups, informant interviews,
- Provider, facility, consumer surveys





# **PHSA Part II: Stakeholder Consultations**

- Broad and ongoing stakeholder consultations and participation is essential**
- The PHSA provides a good opportunity to start a dialogue**
- Engaging stakeholders will not be easy (continuity and feedback)**

# **PHSA Part III: Focused Studies**

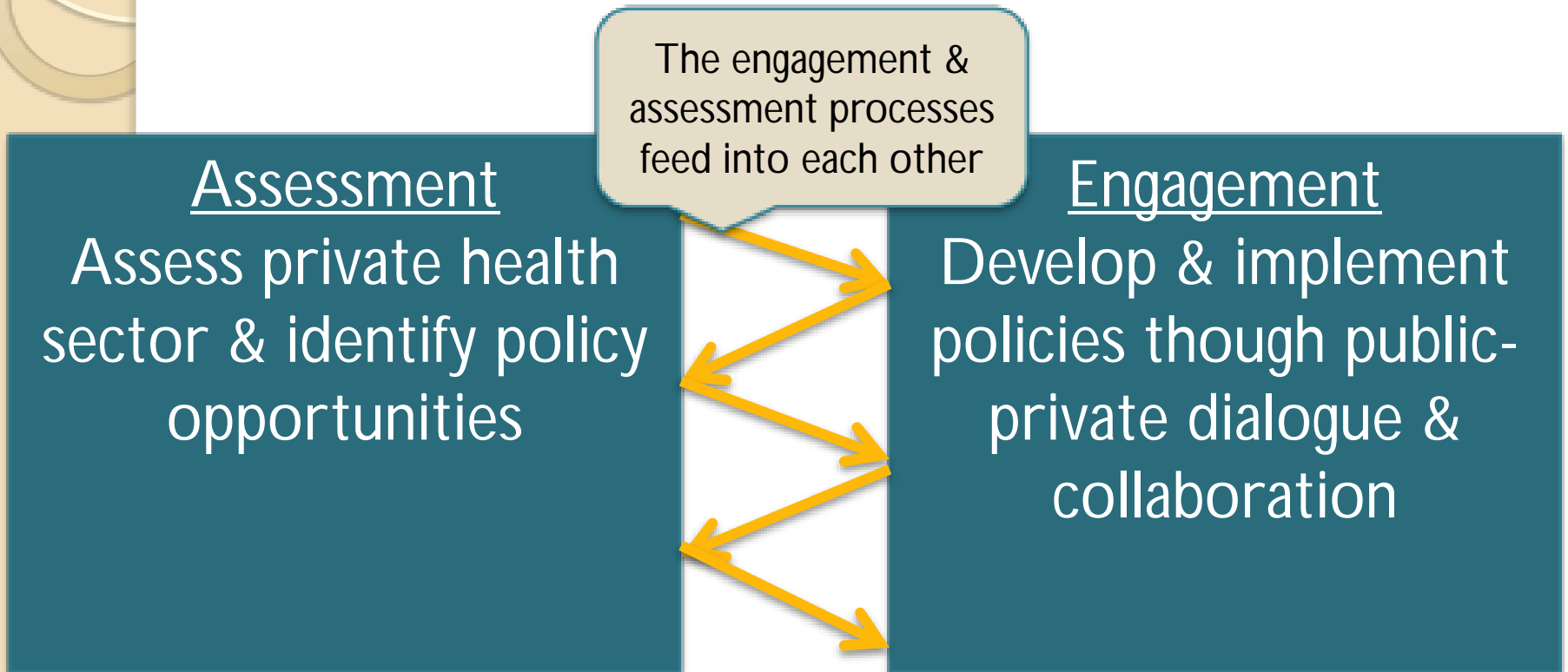
- Which segment of the private sector**
- Type of services**
- Area and population**
- Types of strategies that have worked**
- Identify multi-pronged approaches that target policy-makers, providers and consumers**

# Session Outline

## Application

Let's discuss your experiences (and questions)

# How PHSA links to the Engagement (or public private dialogue) process



Grow
Harness
Convert
Restrict

# Three pillars of enhancing private sector stewardship

