

*GTZ-ILO-WHO Consortium on Social Health Protection
in Developing Countries*

Conference on
“Assuring Quality Health Care
through Social Health Protection:
The role of strategic purchasing and quality management”

Synthesis Report



31 October – 02 November 2007

Kigali, Rwanda

gtz



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Annex 1: List of Participants

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1. About this document

This document provides a summary of the presentations and discussions held at the Conference “Assuring Quality Health Care through Social Health Protection”, which took place at the Serena Hotel, Kigali, Rwanda on 31 October - 02 November 2007. The conference was jointly hosted by the Ministry of Health Rwanda and the GTZ-ILO-WHO¹ Consortium on Social Health Protection in Developing Countries.

The conference organising committee was comprised of the following members:

Organising committee of the GTZ-ILO-WHO Consortium:

Dr Guy Carrin (WHO)

Ms Franziska Fürst (GTZ)

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This document is not a formal publication of the host organizations, and as such any recommendations made in the text do not represent official views. The synthesis report aims to summarize and reflect the rich, dynamic and diverse debates at the conference, rather than being a comprehensive and scientific document. All presentations and abstracts can be found the conference website www.socialhealthprotection.org. This report was compiled and prepared by Franziska Fuerst (GTZ) and Inke Mathauer (WHO). Rapporteur of the Conference was Bocar Daff (MOH Senegal).

¹ GTZ - German Technical Cooperation
ILO - International Labour Organization
WHO - World Health Organization

2. Conference concept

The Kigali Conference was a follow-up to two previous events: the 2005 Berlin Conference of the GTZ-ILO-WHO Consortium on Social Health Protection in Developing Countries and the Manila Conference on Extending Social Health Insurance to Informal Economy Workers in 2006. These had focused on the issue of extending financial risk protection through resource generation and prepayment for health as well as risk pooling.

While resource collection, population coverage and pooling are critical issues in health financing and social health protection systems, the question of purchasing is of equally great importance for optimal resource use, as well as for delivering quality health care. Yet many countries struggle with the delivery of adequate quality health care, thus making it difficult to achieve significant improvements in health outcomes. Quality in health care is essential in order to make prepayment for health care acceptable to beneficiaries.

For that matter, the third conference of the GTZ-ILO-WHO Consortium was held on the following theme:

***"Assuring Quality Health Care through Social Health Protection:
The Role of Purchasing and Quality Management"***.

The **objective of the conference** was to inform the development of policies and strategies for achieving quality in health care within social health protection schemes by focusing on purchasing and the institutional links between quality management and social health protection schemes.

As a technical conference, the aim was to gather, share and systematise evidence and experiences of various approaches to purchasing and quality management and their impacts on quality health care by reviewing country cases, advisory approaches and tools. The focus was mainly on Africa, but country experiences from Asia were also included.

The conference consisted of five parts:

The opening session outlined the conference theme and set its political context.

This was followed by three thematic sessions dealing respectively with the three conceptual links between social health protection and quality in health care:

1. Social health protection and strong purchasers: Buying quality health care
2. Social health protection and demand side strengthening to increase quality in health care
3. The role of quality management in social health protection

A panel discussion with representatives from Consortium members and major funding partners was held in the concluding session.

The conference was based on plenary presentations and parallel sessions for more detailed country presentations and discussions. In addition, workshops were organized that focused on specific country questions and issues to be discussed in detail in small groups. The workshops served to provide peer advice and participant learning. About 150 participants predominantly from Africa attended, with about 25% of Rwandan participants, as well as some participants from Asia, Europe and the United States of America. The conference assembled a good mix of health financing experts and policy advisers at the managerial and technical level, from ministries of health and social security, social health insurances and private health insurances, community based health schemes, health management organizations, and other types of purchasers, quality management organizations as well as research institutes. Likewise, representatives from the host organizations, technical assistance programs, bilateral aid and international organizations participated.



3. Conference discussions

3.1 Social health protection and strong purchasers: Buying quality health care

- Purchasing is a basic function within each health care system - the allocation of funds to providers. Strategic purchasing goes beyond simple reimbursements for products and services and aims at efficient resource allocation, cost-effective health care provision, quality of health care and responsiveness. Strategic purchasing involves a continuous search for the best ways to maximize health system performance by deciding what should be purchased, how, and from whom. However, evidence in achieving quality health care by strategic purchasing is still weak in developing countries.
- Provider payment mechanisms are an important element of strategic purchasing. Each payment method has different impact on efficiency, quality and access. Policy makers need to be aware of intended and non-intended impacts and define priorities in choosing the appropriate payment method in a given setting. In many instances, a combination of payment methods may be more appropriate than applying a single payment mechanism only. However, more complex payment methods require more financial and clinical information on staff characteristics, hospital costs, characteristics of services, population characteristics, diagnosis and treatment partners, case-mixes, performance levels. A more complex administration for provider remuneration systems implies the respective administrative capacities.
- There are various country experiences of quality based purchasing initiatives, with both public and private purchasers, both public and private providers, in both developed and developing countries. These initiatives focus on a variety of quality aspects, including structural, process and outcome dimensions. However, these initiatives are rather small-scale and limited to a specific geographic region or a selected number of providers. The critical question is thus how to upscale such experiences to a nation-wide basis.

- Quality-based purchasing or performance-for-payment mechanisms (P4P) may often be very effective. However, there are also often undesired effects, such as improvement in documentation without actual improvements in quality of care. Hence, careful evaluation is required to see whether improved quality indicators reflect a real improvement in quality for patients.



- Monitoring of quality-based purchasing is costly. The selection of specific quality indicators for which providers are remunerated when achieving good scores can be detrimental to other quality dimensions that are not related to provider remuneration. Hence, the careful selection of indicators to be linked to financing is of high importance.
- Challenges in quality-based purchasing and performance-for-payment programs include the administrative burden for providers and insurers given the detailed data collection, reporting and evaluation requirements. Also, financial incentives may be incoherent, thus leading ultimately to higher costs than expected. Moreover, quality-based purchasing is contingent upon the acceptance from providers as well as upon a sufficient number of providers to ensure competition.
- Any strategy to improve the quality of health care through changes in provider behaviour by means of financial incentives has to take into account the broader context in order to be effective. In some settings, strategies that increase direct payments to high quality providers might be more appropriate than those that promise a greater volume of patients through favourable ratings. For example, hospitals with chronic bed shortages might not welcome the prospect of an increase in patient volume as a result of quality performance indicators.



- Overall, strategic purchasing on its own may not be enough to ensure and assure quality. This may be particularly the case for micro insurance schemes, since the total amount of revenues collected is limited, given low contribution rates, modest benefit packages and above

all small coverage rates. The leverage of the purchaser towards providers is thus decisive.

In conclusion, quality-based purchasing mechanisms in social health protection schemes do not yet get the attention they deserve, neither in operational research nor in practice. There is hence a need to identify more such initiatives and to analyse them in detail, as well as to disseminate existing best practice experiences.

3.2. Social health protection and demand side strengthening for quality health care

- Country experiences with various innovative demand-side interventions relating to social health protection are available, such as subsidized insurance premiums, vouchers and cash transfers. These instruments target scarce resources at those who cannot pay. Their objective is to influence the consumer care-seeking behaviour by providing them purchasing power, which is expected to increase their service use. Again, as money follows patients, this creates incentives among providers to improve quality to attract more patients.
- Some country examples show that the insured get access to better quality health services, either because services have overall improved or because the insured as individuals are offered better quality services than the non-insured. Yet, these quality improvements are not necessarily only or not primarily demand-side triggered, but could also be supply-side driven by the insurer as a marketing strategy. In Tanzania for example, members receive preferential treatment to make community-based health insurance more attractive and thus to get more members to enrol. The question is whether it is a desirable outcome when non-insured members end up getting worse health services.

*Country
Experience*

The Community Health Fund in Tanzania

The Community Health Fund in Tanzania is a voluntary community based health insurance scheme whereby households make contributions to finance part of their health services. The government provides matching grants.

Results show that group enrolment has been efficient in terms of generating relatively large amounts of money with minimum collection and administration costs. Also, the size of the group directly impacts the defining elements of quality of health care. Deficits in technical quality in form of under-provision to those who cannot pay and over-provision to those who can pay are reduced through the availability of the Fund. Thus, the size of membership has created favourable conditions for responsiveness to patients and community views.

Source: Presentation of Shaaban A. Sheuya

- Sometimes it is difficult to distinguish the demand-side effects from supply-side/strategic purchasing effects with respect to improved quality of care. This is also because this question may not have been asked in an explicit way and there are hence little evaluations available so far.

The currently ongoing evaluation in Mali (see Box below) pursues this question: Initial study findings suggest that social capital in communities and in mutual health organizations plays an important role, however, it remains unanswered how social capital is developed - as a result of setting up the community-based health insurance scheme or because of other factors - and how social capital translates into improved quality. What is clear, though, is that the insured are more aware of quality health care provision and more vocal as to their needs than non-insured persons.

*Country
Experience*

Evaluating the impact of community-based health insurance on quality of care in Mali

The positive contribution of Community-Based Health Insurance (CBHI) to access to health care for household members has been widely documented in Africa, however enrolment is still low. Poor quality of care has been identified as a key determinant for low CBHI enrolment and as the main cause for low service utilisation. Still, evidence on the impact of CBHI on quality of care is scarce.

An ongoing study - commissioned by the "Union Technique de la Mutualité Malienne" and conducted by the "Antwerp Institute of Tropical Medicine" - aims at narrowing this knowledge gap. Preliminary findings suggest that CBHI is generally valued as a lever to improve access and frequently called upon to ventilate dissatisfaction with (especially interpersonal) service quality. Impact on provider-patient interaction seems to be more substantial in rural than in urban settings, whereas effects on technical quality appear rather limited. Ongoing analysis will provide further evidence.

Source: Presentation of Werner Soors and Oumar Ouattara

In conclusion, there is a need to develop a clearer conceptualization of how demand-side strengthening through social health protection can lead to improved quality. Specifically, the role of social capital needs to be further illuminated. More operational research and evaluations in this field should be conducted.



3.3. The role of quality management in social health protection

- Social health protection is dependent upon improving quality of health care in a sustainable way. Quality management tools, such as accreditation, norms and standards, quality improvement activities, self-evaluation, audit, ranking, as well as monitoring, are important means to achieve this. Yet, the success of quality management tools may be diminished by small-scale approaches, lack of funds, insufficient training, or inadequate incentives.
- Furthermore, the country examples showed that quality management linked to purchasing must be embedded in and supported by a set of other institutions and actors, such as the supervisory role of the ministry, and the decentralized local health authorities together with communities, and clear national regulations and guidance on quality management tools. Political commitment at the national level, managerial responsibility of facilities and degree of decentralization, as well as good governance and accountability are equally essential to support the process of improving quality of health services.

*Country
experience*

Philippines Health Insurance Cooperation (PhilHealth): Accreditation for Quality Assurance

The objective of PhilHealth's accreditation programmes is to ensure that professionals possess proper credentials to render quality health services, to promote uniform health care standards in the country and to enhance appropriateness of medical procedures and administration of medicines. PhilHealth accredits both health care professionals and different types and levels of health care providers. Accreditation criteria include, among others:

- Proof of an on-going quality assurance program for the facility and for its personnel;
- Presence of functioning and necessary equipment;
- Sufficient numbers of qualified staff;
- Presence of therapeutic and infection control committees, especially for tertiary care facilities.

The incentives set by the reimbursement mechanisms in place motivate providers and health professionals to apply for accreditation thereby ensuring compliance with the quality standards of PhilHealth. In the medium-term, PhilHealth aims to strengthen process and outcome indicators, to better train surveyors and to find appropriate sanctions for non-compliance.

Source: Presentation of Shirley Domingo

- Performance-based contracts with a link to quality management programs are another important way to enhance quality in health care. Yet, there are various challenges to successful contracting, such as the lack of contract specificity, unclear provisions in the case of non-performance, and inadequate or absent norms and standards to compare with. Developing contracts can be equally difficult, as all parties involved need to reveal their interests during the pre-contracting stage. Finally, contracts need to be followed up and reviewed in order to adjust or adapt where necessary. Otherwise, inappropriate incentives and lack of commitment may threaten the quality management strategies and negatively affect relations between purchasers, health facilities, households and the communities.

- The experiences from Kenya and Tanzania reveal that once quality improvement activities are linked with provider remuneration, providers show greater interest in quality improvement activities. It suggests that linking quality improvements with provider remuneration can trigger provider behaviour changes. Higher remuneration rates present a key motivator for improving quality. However, in addition, higher rates may also contribute to developing a genuine awareness and interest, which could not be sufficiently enhanced by means of more conventional measures such as training and support supervision.
- Effective monitoring and strong management based on an appropriate and effective IT-system proves critical in order to ensure real time processing of claims and accountability at provider level.



In conclusion, as initiatives of linking quality management tools with remuneration systems become institutionalized, provider and purchaser evaluation systems become equally important to be able to measure effects and impacts. Promising country experiences exist and their success factors should be assessed in more detail to see how and under which conditions they can be replicated.

3. Conclusions

The discussions revealed that the establishment of social health protection mechanisms is not sufficient to provide access to *quality* health care. In other words, social health protection mechanisms do not automatically turn health services into quality health services. The promotion of strategies to achieve quality in health care within social health protection schemes remains a challenging task ahead.

Even though we have to recognize that social health protection mechanisms are not inherently more effective in assuring quality in health care, the political and social dynamics behind the establishment of social health protection mechanisms could provide an extra impetus to quality-based purchasing and quality management as well as contribute to strengthening client power such that quality in health care does improve.

Recommendations:

Social health protection and strong purchasers: Buying quality health care

- ➔ **Need to focus more on quality:** In recent years, lots of attention has been paid to advocating and setting up social health protection mechanisms: the same attention now needs to be placed on promoting quality in health care through social health protection. This is because quality is essential to make prepayment for health care attractive and acceptable to beneficiaries.
- ➔ **Need for more evidence on the effects of quality-based purchasing:** More evidence is needed of the impact of quality-based purchasing on quality health care in low-income countries. In particular, the effects of provider payment mechanisms not only on efficiency and cost-containment, but also on quality must be assessed.

Social health protection and demand-side strengthening to increase quality in health care

- ➔ **Strengthening people's purchasing power:** Poor people who are not covered by any social protection mechanism have limited purchasing power, which compromises their bargaining power for quality health services. Demand-side interventions (e.g. vouchers, subsidized insurance premiums) can have positive effects on various

dimensions of quality health care. They should therefore receive greater attention and be upscaled. The actual process of how demand-side interventions affect quality, in contrast and in addition to purchasing leverage effects, need to be further assessed.

- ➔ **Exploring the role of social capital:** Client empowerment and social capital may contribute to strengthening people's demand for better quality care, but these possible explanatory factors need to be critically examined. There are possibly other determinants. Ways of fostering and strengthening such interventions should be found.

The role of quality management in social health protection

- ➔ **Strengthening accreditation and quality management systems:** Accreditation and quality management constitute important tools to improve quality in health care. They need to be upscaled and further linked and institutionalized into social health protection mechanisms.
- ➔ **Identifying the right quality improvement indicators:** Various country examples show that once quality management measures are linked to financial incentives, providers show an interest in improving their services. Sufficient attention needs to be placed on identifying and establishing those indicators that effectively trigger real quality improvements.

List of Participants