



Summa and the Bushenyi Medical Centre

Summary: A loan to a preferred provider operating prepaid health plans can expand and improve health care services in rural Uganda.

Background

In many developing countries, lower-income groups' access to high-quality health care is limited by a number of factors, including the ability to pay for services. Many lower-income people do not have a predictable income stream and have limited savings. In many countries, patients typically pay private health providers out of their own pocket at the time of service. This can place a substantial financial burden on lower-income people who have no safety net in times of a health crisis. It also can deter them from seeking preventive health care. Health financing, such as health insurance or prepaid medical coverage, that makes health services available without requiring full payment at the point of service is a tool to expand access to quality health care. Health financing plans can make health expenditures predictable and more manageable for lower-income people. Unfortunately, health financing options are quite limited or nonexistent in Sub-Saharan Africa.

The Uganda Health Cooperative, based in Kampala, Uganda, recognizes the importance of health financing in achieving positive health outcomes and manages a number of prepaid plans. Bushenyi Medical Centre (BMC), a for-profit, commercial health care provider, is a

member of the Uganda Health Cooperative and operates some 15 prepaid health plans covering more than 10,000 people. BMC operates a main clinic and two satellite health units in Bushenyi, a rural district in southwestern Uganda. All of the BMC facilities offer inpatient and outpatient health care to both walk-in clients and members of the health plans.

BMC initiated its health financing activities with the School Health Made Easy Scheme (SHEMES). The SHEMES plan contracts with 12 schools to provide coverage to 9,000 students between the ages of 7 and 19 years. Enrollees pay a small annual fee, which is deducted from their school fees. There is also a small copayment at the point of service. The plan covers annual check-ups, routine visits to the schools by a medical team, and referrals to BMC facilities for most primary health care needs. During the school medical visits, the BMC team provides reproductive health information and education to the students and discusses the importance of abstinence and safe sex. The plan does not cover family planning services.

BMC has opened three additional, smaller health plans based in agricultural cooperatives. These plans provide coverage to agricultural workers and their families who previously did not have easy access to

health facilities. They cover most primary care services, including family planning.

One of the unexpected consequences of initiating the prepaid plans was that BMC's small health facilities quickly became overcrowded, especially during malaria outbreaks. Furthermore, patients began complaining about the limited range of services, and as a result, new schools were hesitant to join. In order to respond to these concerns and improve the quality and range of services, BMC applied to the Summa Foundation for a loan.

Objective

The objective of the Summa loan is to strengthen the ability of BMC to operate prepaid health plans that expand access to health care for lower-income people. The loan is improving and expanding primary and reproductive health care services for members of the prepaid plans, as well as for general patients at BMC.

Loan Structure

BMC is using the loan to expand inpatient services; add additional long-term family planning methods; and purchase laboratory and diagnostic equipment, drugs, and medical supplies.

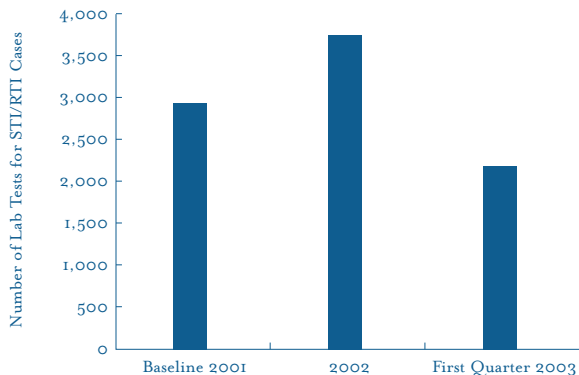
Technical Assistance

Summa worked with the director and staff of BMC to determine how much they could afford to borrow and to develop a project proposal to increase BMC's profitability and meet Summa's investment criteria. As a condition of the loan, BMC has agreed to send some of its staff for clinical and financial training. In addition, the Commercial Market Strategies project is providing technical assistance through the Uganda Health Cooperative to BMC to help strengthen its prepaid plans.

Outcomes

The Summa loan to BMC is directly impacting quality by increasing the number of services that are offered. Diagnostic services have increased significantly, based on the acquisition of an ultrasound machine and more sophisticated laboratory equipment. As a result of the new laboratory equipment, BMC has been able to increase significantly the number and quality of tests for detecting sexually transmitted infections (STIs) and reproductive tract infections (RTIs). Laboratory tests for STIs/RTIs increased from a baseline of 2,940 tests in 2001 to 3,742 tests in 2002, an increase of 27 percent. During the first quarter of 2003, BMC already had conducted 2,233 laboratory tests for STIs/RTIs and expects this number to continue to grow over the loan term (see Figure 1).

Figure 1. Growth in laboratory tests for STI/RTI cases over loan term



In addition to improving diagnostic capability, BMC is planning to add long-term clinical family planning methods, such as intrauterine device insertion, Norplant, and tubal ligation, to its service mix during the loan term. There has been a 67 percent increase in family planning clients since the loan was disbursed. The loan achieves a positive impact on quality by increasing the options offered to BMC's clients.

More Information

For more information or to download a copy of this *Investment Brief*, please visit the Summa Foundation website at www.summafund.com.



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The Summa Foundation, a not-for-profit investment fund, provides financing and technical assistance to the private and commercial health sectors in developing countries. Summa's goal is to stimulate and expand the role of the private sector in the delivery of affordable health services and products. Summa considers proposals for a broad range of health projects, but focuses primarily on maternal and child health, including reproductive health and family planning.



Summa currently operates under the United States Agency for International Development's Commercial Market Strategies (CMS) project. Implemented by Deloitte Touche Tohmatsu (Contract No. HRN-C-00-98-00039-00) and subcontractors (Abt Associates, Inc. and Population Services International), CMS works throughout the developing world to expand the role of the private sector in the delivery of quality reproductive health care.



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