



Summa and the INSS Investment Fund

Summary: Loans can support health care reform by strengthening and improving the private sector's delivery of reproductive health services under government contract.

Background

In 1993, the Nicaraguan Social Security Institute (INSS) introduced a new health care financing and service delivery model. Under this managed care model, the INSS collects contributions from employers and employees and then makes a monthly per capita payment to public- and private-sector firms to provide a basic, defined package of health services to Social Security beneficiaries and their eligible dependents. This new social insurance model is part of the country's transformation from a centrally planned to a market-oriented economy in an attempt to revitalize economic activity after a decade of deterioration due to civil conflict, hyperinflation, and a trade embargo.

With assistance from the World Bank and the Inter-American Development Bank, the INSS has embarked on a program of decentralizing and contracting out primary care services. The contracted providers, called Empresas Medicas Previsoriales (EMPs), are for-profit firms and some NGO and Ministry of Health facilities. In 2002, the INSS covered about 13 percent of the Nicaraguan population, or 680,000 people (approximately 214,000 enrollees and 466,000 dependents). The package of services includes a wide range of preventive and curative services, including family planning counseling and

temporary, long-term, and permanent methods of contraception. Maternal and child health (MCH) services and prenatal care are provided for covered individuals, their spouses, and children under six years of age. This package makes the EMP model ideal for private delivery of reproductive health and family planning services and for shifting users from public- to private-sector sources.

To accomplish the INSS objectives of improving MCH outcomes and the quality of reproductive health and family planning services, a collaborative program was established with the Commercial Market Strategies (CMS) project and the Summa Foundation. CMS and Summa are partnering with the two leading private-sector EMPs, Salud Integral and SuMedico, to provide technical assistance and financing to enable them to expand their service delivery capability, with an emphasis on improving and expanding reproductive health services.

Objective

The objective of this intervention is to improve and expand quality reproductive health services by strengthening the two largest private-sector providers contracted by the INSS.

Investment Fund Structure

Summa established a \$625,000 investment fund to finance the expansion of the EMPs' facilities and reproductive health services. The first loans went to Hospital Salud Integral and SuMedico, which used the funds to finance new equipment and upgrade and expand their facilities. Funds were also used to refinance existing loans, thus lowering interest costs and improving operational sustainability.

Baseline Survey Results

An external assessment was conducted to determine the technical assistance requirements of the two EMPs. The assessment examined current reproductive service delivery patterns, promotion, and utilization; client satisfaction; and unmet demand for services. The assessment included a baseline survey conducted at Hospital Salud Integral and SuMedico in which a questionnaire was administered to more than 1,000 women of childbearing age. The questionnaire focused on general health information related to prenatal, pregnancy, and postpartum care; knowledge and use of contraceptive methods; and perceptions and opinions of reproductive health and family planning service delivery.

The assessment determined that Salud Integral and SuMedico were delivering low levels of family planning services, even though family planning is included in the INSS package and beneficiaries are going to the EMPs for prenatal, maternity, and postpartum care. The respondents had a high rate of contraceptive use (between 55 and 62 percent) and more than half had been using contraceptives for more than one year. About two-thirds of users, however, were obtaining family planning services or products from sources other than their EMP, resulting in a misallocation of resources. Half were paying out-of-pocket at other private outlets — usually pharmacies for oral contraceptives — while half were receiving free care through the public sector. More than 60 percent of respondents were not aware of the family planning services included in the INSS package, although most said they would prefer to use their EMP to receive family planning services.

The assessment also determined that over one year, between 10 to 13 percent of women of reproductive age in the two EMPs were at risk of unintended pregnancy. As the EMPs are required to provide maternity care, it is much more cost effective for EMPs to promote family planning services than to provide maternity services for unintended pregnancies.

Neither EMP was staffed or set up to systematically promote or deliver family planning services despite the obvious public health, financial, and resource allocation benefits of doing so. The survey determined that family planning counseling is not provided to clients unless they seek such information or services from a physician, and that there are no promotional products or informational sources on family planning available at either EMP. An endline survey will be conducted to measure changes in perceived quality, awareness, and utilization of reproductive health and family planning services as the result of the intervention.

Technical Assistance

Based on the findings and recommendations of the assessment, a detailed technical assistance program was developed to assist both EMPs. The objective of the program is to expand the utilization and increase the quality of reproductive health services provided to the EMPs' clients. The technical assistance has two main components. First, EMP staff (physicians and nurses) are being trained in contraceptive technologies and family planning counseling techniques, with an emphasis on promoting informed choice regarding the selection and use of family planning methods. Second, an information, education, and communication (IEC) campaign will educate EMP clients about the availability and benefits of family planning. The IEC campaign includes videos, brochures, pamphlets, posters, and murals that provide information regarding the family planning services available through the EMPs and the INSS plan. The program also provides organizational and logistical support to facilitate the dissemination of information to clients and to improve the monitoring of family planning service utilization trends.

Outcomes

The INSS Investment Fund will increase the utilization of quality private health services while promoting reproductive health and family planning initiatives within Nicaragua's health system. The EMPs intend to increase the number of INSS beneficiaries and other patients served as a result of the Summa loans. The number of beneficiaries at SuMedico is projected to increase 53.8 percent by the end of the loan term, while Salud Integral is projected to see an increase of 32.7 percent over the same period. Both EMPs are expected to significantly expand MCH and reproductive health and family planning services.

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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