Deep Dive: An Exploration for Innovation

Improving Quality in the Private Sector

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Case Study: Introducing Social Franchising in Myanmar

Contributed by PSI

Name of Project

Sun Quality Franchise

Country

Myanmar

Years of activities

2001 – present

PSI Myanmar, using a grant from the Packard Foundation, laid the foundation to launch the Sun Quality franchise network in 2001. The Sun Quality franchise now has over 450 providers in 90 townships participating in the franchise and adhering to quality standards. In 2004, Sun Quality clinics had over 385,000 reproductive health consultations.

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Background

PSI Myanmar was exploring ways to adapt the social franchising strategy to Myanmar as a way of building a sustainable strategy for delivering quality reproductive health services. In 2001, with a grant from the Packard Foundation, PSI was able to lay the groundwork to launch the Sun Quality network. Besides providing funding for the feasibility study, the Packard grant funded the significant up front costs of developing and adapting training modules, conducting a training needs assessment and recruiting the first group of private sector providers.

How was the Intervention launched?

As noted above, much of the groundwork was funded through the Packard Foundation. PSI also used its own funds to procure initial stocks of pills and injectables. The program started with 73 private sector doctors working in urban and peri-urban settings with approximately 680,000 women of reproductive age in their catchment areas. Since launching the program, SQH franchise has expanded to add more clinics and providers in more states. Product diversification has helped increase interest in the franchise and the size of the franchise has helped make new product launches easier. By April 2003, the franchise had 254 clinics and had provided 63,142 couple years of protection from non-barrier methods. A follow on grant from DFID has helped maintain the growth of the network.

What steps were used in the intervention?

Initially, a national feasibility study was conducted to look at the prospects for social franchising in general. Now that the franchise is established, the process for expansion has become more formalized. Potential expansion areas go through a mapping process in which target townships are selected, approvals from local health authorities is maintained, a list of registered clinics is drawn up and each site is visited by a franchise officer. A clinic audit is then conducted in which an assessment of the clinic's quality is made, including a pre-membership attitudinal test for the clinician. The purpose of the attitudinal test is to assess the clinician's commitment to learning, quality improvement and to the social objectives of the franchise.

On the basis of this assessment, providers are invited to a briefing session where the franchise concept is explained more fully, a baseline knowledge test is given and the terms of the franchise agreement are explained in depth. Providers who decide to adhere to the franchise then submit application forms, which are given out at this briefing. Providers who then apply then participate in an initial training workshop. If the results of the workshop are satisfactory, the provider and SQH enter into the franchise agreement.

In terms of ongoing activities, SQH staff conduct monthly monitoring visits and data from sales and counseling reports is collected and input in the SQH

management information system. Mystery client surveys are conducted four times per clinic per year and a random sample of clinics are also assessed via client intercept surveys. Periodically refresher workshops are conducted for new topics and especially when new products are introduced.

How did you measure progress?

A combination of metrics is used to track results, quality and cost-efficiency. Through the MIS system, the number of clients counseled and the number of products sold to clients is tracked monthly. The results of the mystery client surveys and site visits are used to track quality improvements or declines. Cost-efficiency of the franchise system, not individual clinics, is tracked through a system of cost allocation. The focus of cost efficiency is a reduction of the cost per clinic, cost per consultation and cost per couple year of protection. Given the objective of reaching lower income groups, increasing cost recovery is not a priority at this time.

What are the main achievements to date?

- Over 450 providers in 90 townships are participating in the franchise and adhering to quality norms. 385,000 reproductive health consultations in 2004.
- The franchise has diversified beyond reproductive health to include products and training for malaria, tuberculosis and maternal and child health. This has contributed to improving cost efficiency.
- A 2004 survey showed that 68% of Sun Quality clients are in the lowest three socio-economic groups (C, D and E).
- Improved cost-efficiency: Decline in cost per consultation of $8.40 in 2002 to $1.5 in 2004, decline in cost per couple year of protection of $41.4 to $7.80 in the same time period.
- Over 155,000 non-condom couple years of protection in 2004 alone.

What were the main challenges?

Social franchising, when done properly, requires a long-term commitment and steady attention. Maintaining this commitment in an environment with inconsistent donor funding, limited focus on reproductive health and for consumers with low ability to pay has been difficult.

Enforcing pricing rules in order to achieve and maintain access for the poor with private sector providers has been a challenge. While drop outs have been few, it seems that adherence to imposed pricing structure may have been a factor. This also figures to be a challenge in taking the franchise to more rural areas.

What are the main lessons learned to date?

Much of the success seems to have come from the physicians' desire to do good. Clearly, the financial benefits are not sufficient explanation for the high level of commitment and engagement, which the franchise has found from its participating providers. Effective partnerships with Ministry officials, respected training institutes and provider associations have also been critical to developing the credibility of the franchise and in driving its growth. There is a strong cultural component to this success that may affect the replicability of this model.

Contact Information

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