

**Achieving the Twin Objectives  
of Equity and Quality:  
Contracting Health Services  
with the Private Sector**

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# Overview

1. Review of global experience of contracting
2. Two specific examples of contracting

# Methodology of Review

- Searched for examples of explicit contracts (not grants) with NSPs to deliver non-hospital services, e.g. PHC and nutrition
- Used personal networks, prior reviews, computerized literature searches
- Included examples had to have some coherent form of evaluation, at least before and after
- Interviewed or sent questionnaires to people with personal knowledge of examples

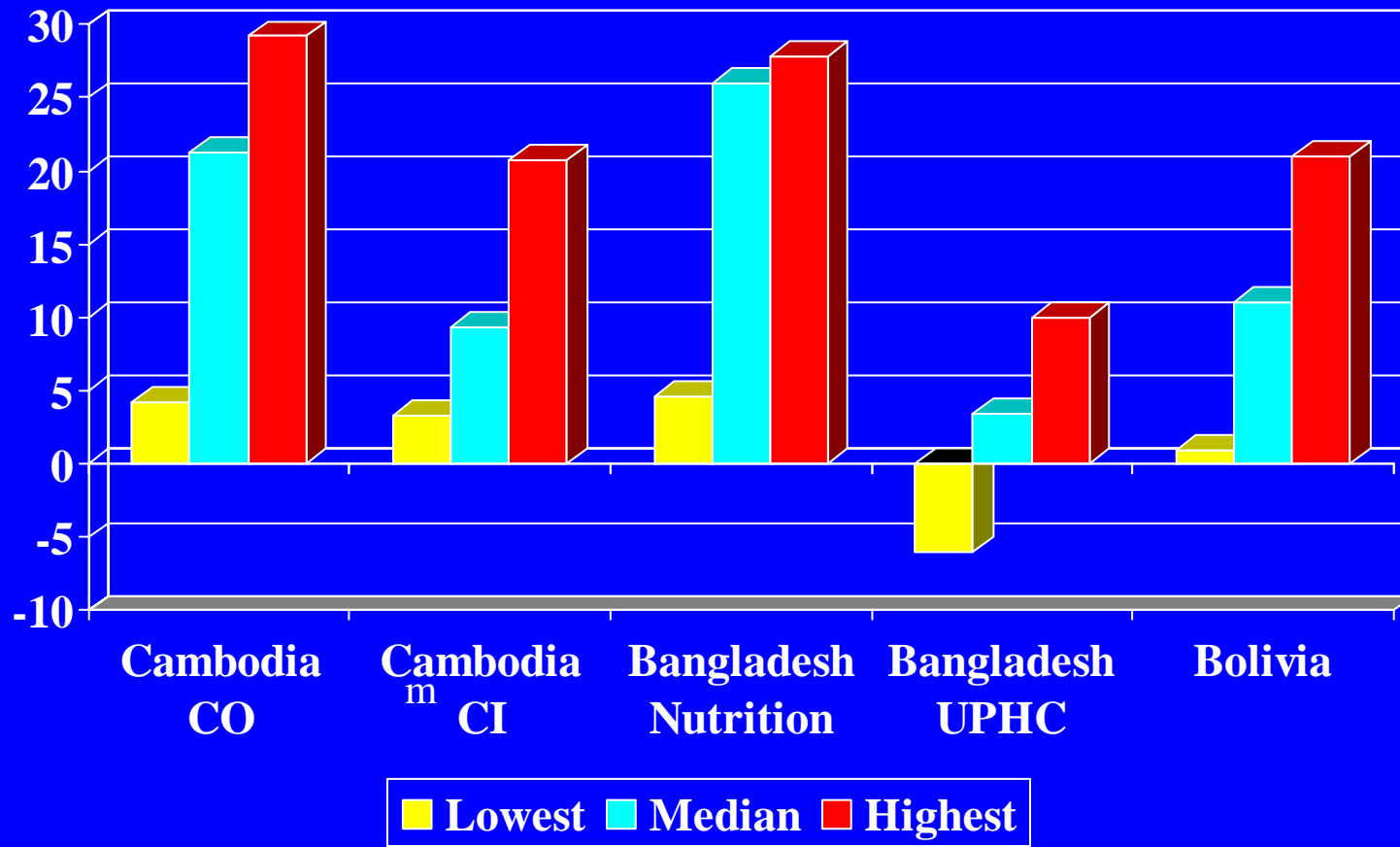
# Results of the Review

- 10 studies were found from a variety of countries and settings, all found positive results
- The most rigorously evaluated cases tended to display the largest effects
- In 6 studies where it was possible to compare, NSPs performed better than governments
- In 4 studies with controlled, before and after design, the median double difference ranged from 2 to 26 percentage points

# Double Difference – FIC Coverage in Cambodia

| Type    | Baseline<br>(a) | Follow-<br>Up (b) | (a) – (b) | Double<br>Diff. |
|---------|-----------------|-------------------|-----------|-----------------|
| CO      | 25.5%           | 65.8%             | 40.3 (c)  | 21.3<br>(c-e)   |
| CI      | 29.9%           | 54.4%             | 24.5 (d)  | 5.5<br>(d-e)    |
| Control | 34.0%           | 53.0%             | 19.0 (e)  |                 |

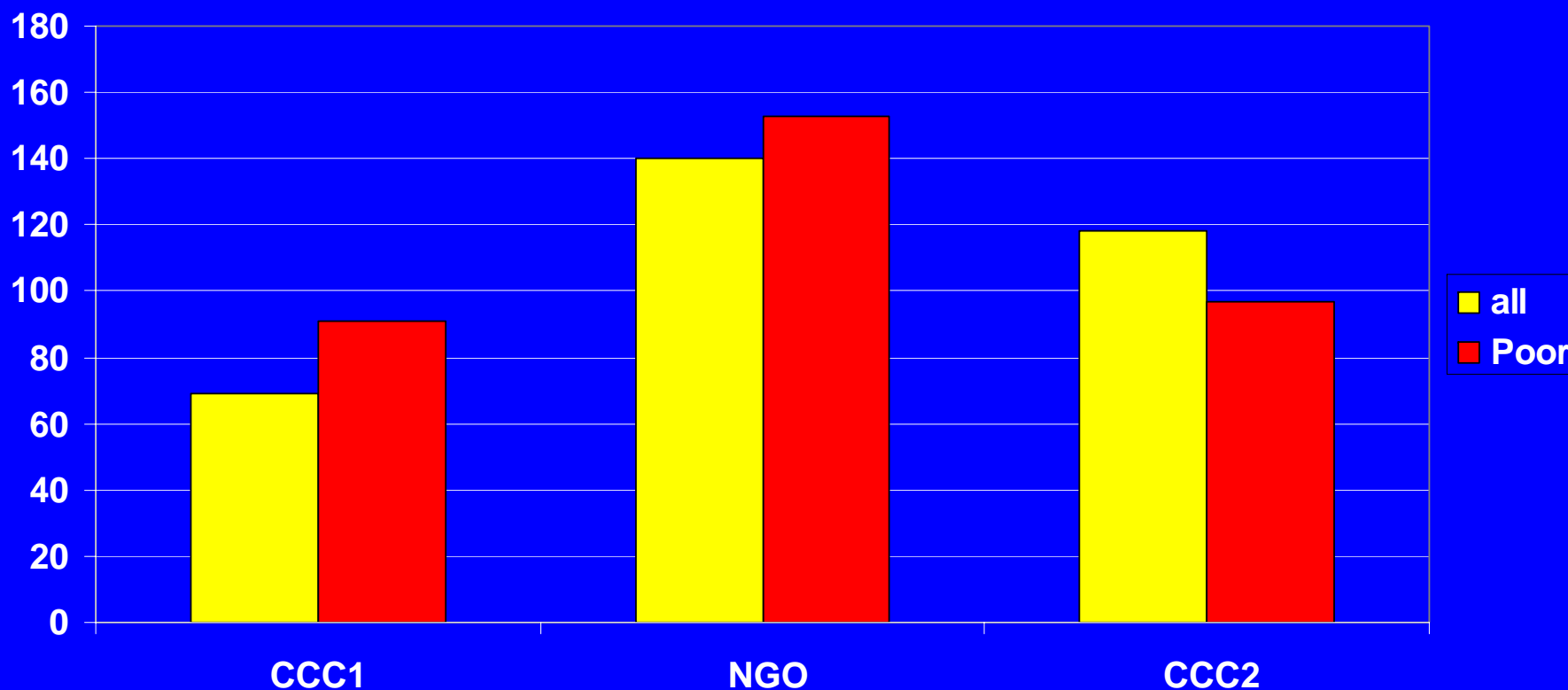
# Double Differences in Percentage Points



# Bangladesh Urban PHC Project - Plan

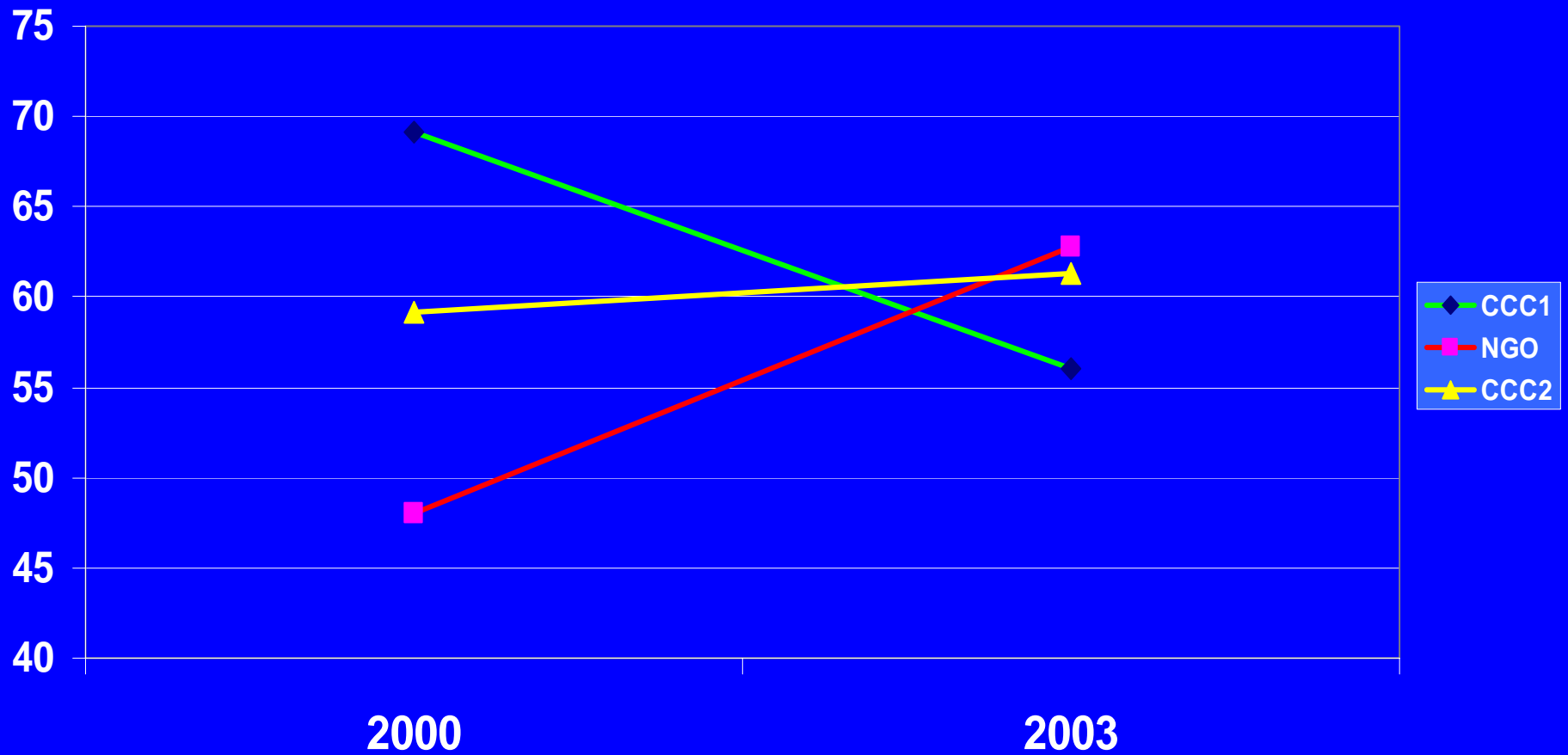
- Contract with NGOs to deliver PHC services to geographically defined areas
- Parts of 4 large cities divided into PAAs
- 5-7 health centers constructed per PAA
- Two PAAs given to CCC (i.e. local government) to run itself, while another PAA in Chittagong managed by an NGO
- Baseline and mid-term household and health facility surveys carried out

# Changes in Performance Index (based on 5 HH survey indicators) from 2000 to 2003 in Chittagong

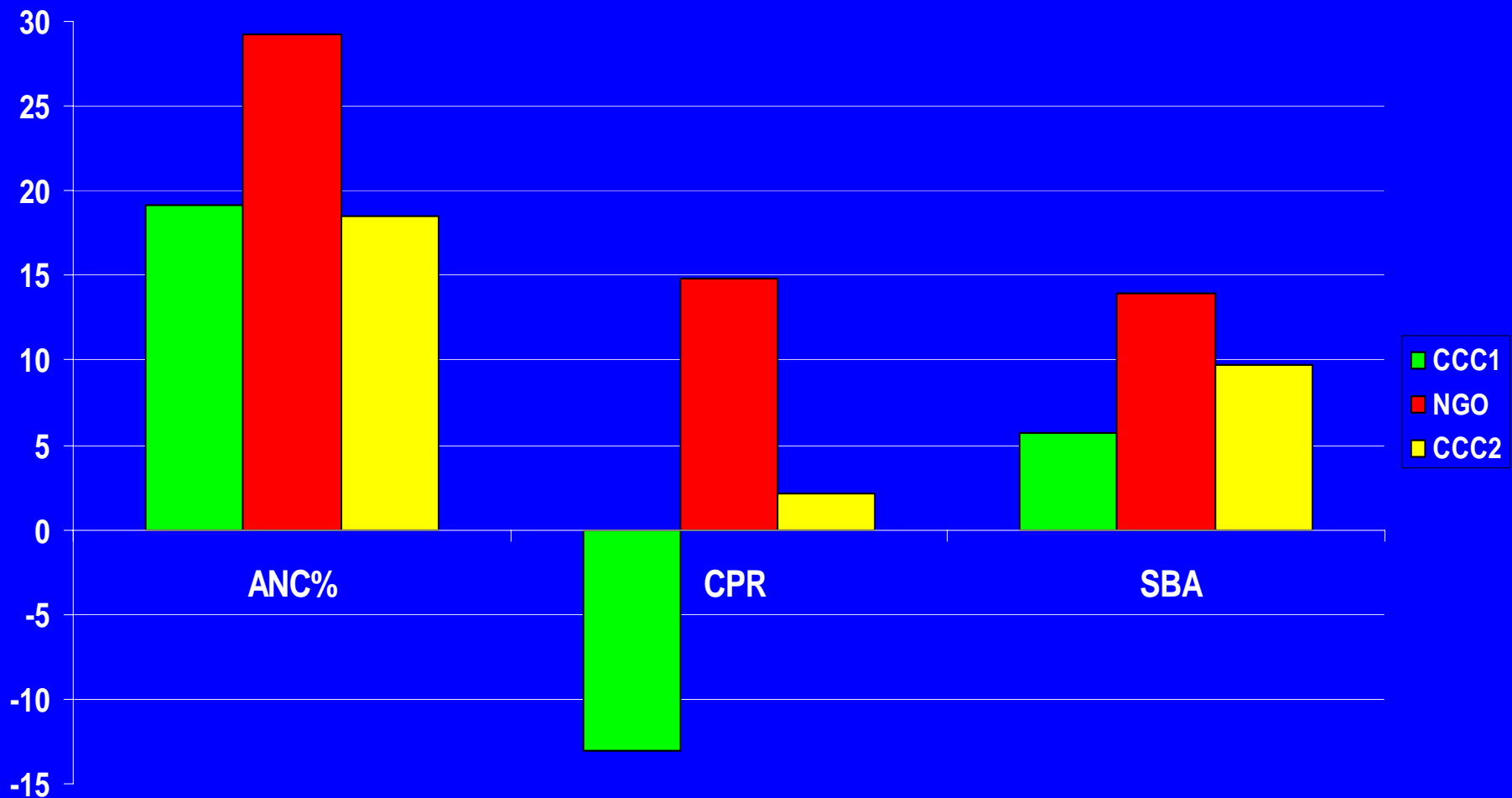




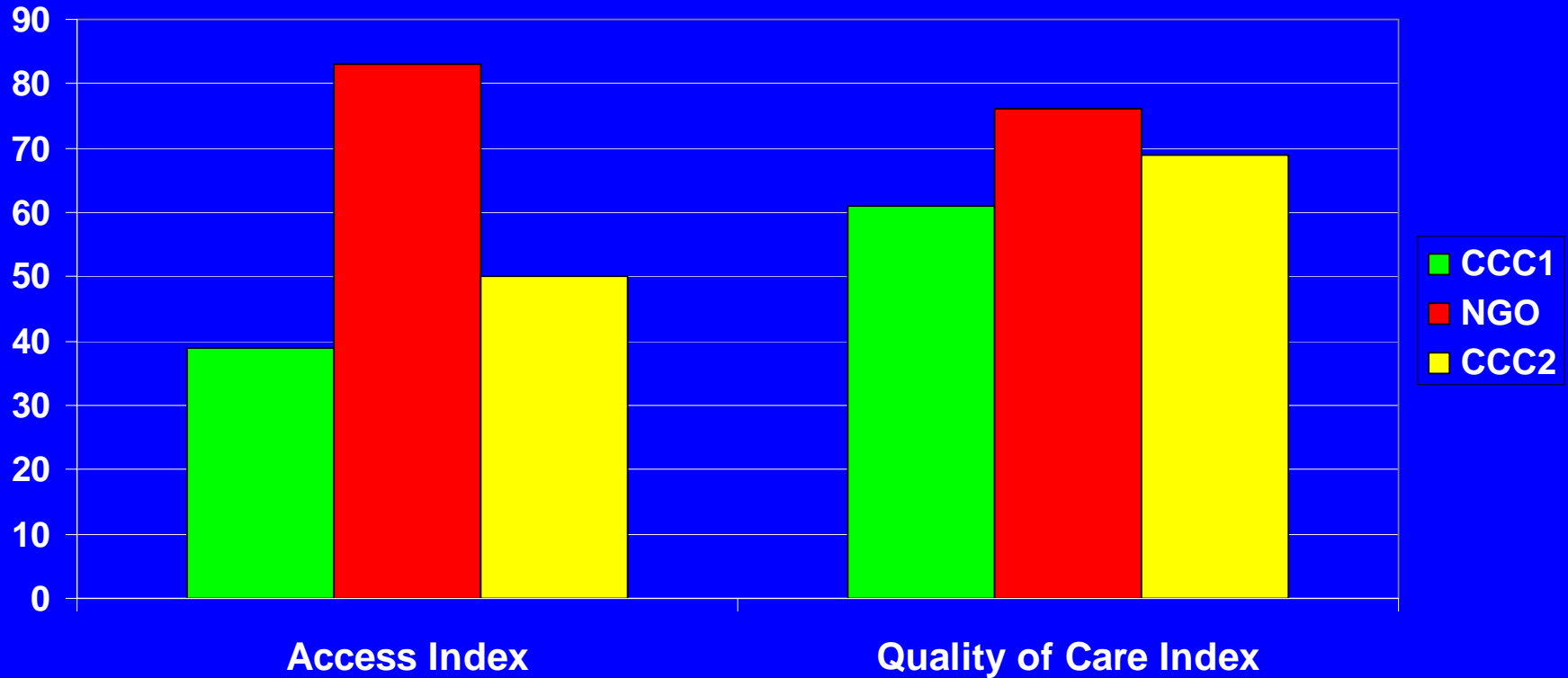
# CPR (Modern Methods) in Different Parts of Chittagong



# Follow-up – baseline in Chittagong (percentage points)



# Quality of Care and Access Indices in Chittagong



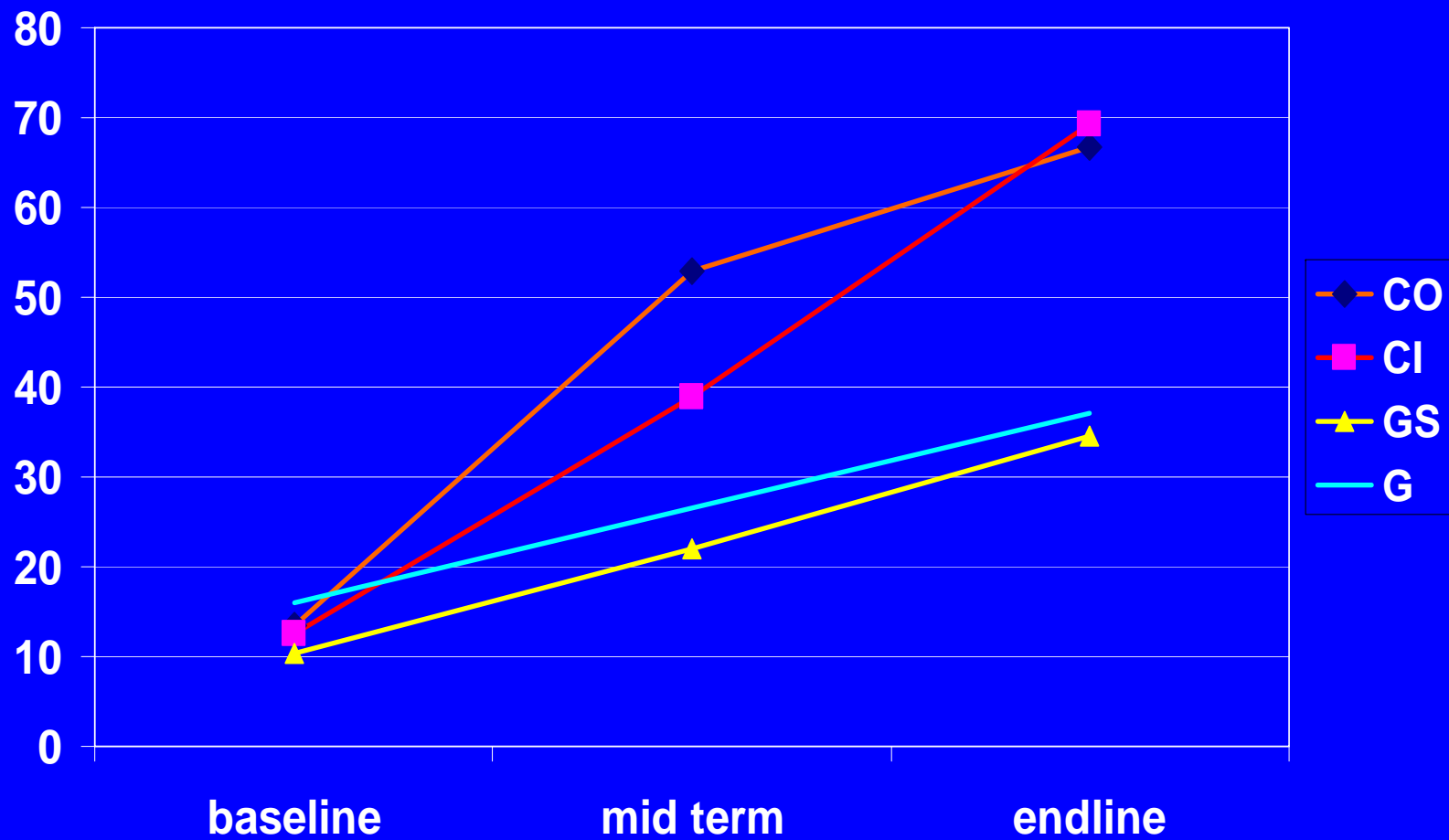
# Cambodia - Different Approaches to Contracting

- Contracting Out (CO): Service delivery contract. NGO can hire & fire, transfer staff, set wages, procure drugs etc., organize & staff facilities
- Contracting In (CI): NGO manages district within MOH, cannot hire & fire, can request transfer, obtain drugs from MOH, \$0.25 per capita budget supplement

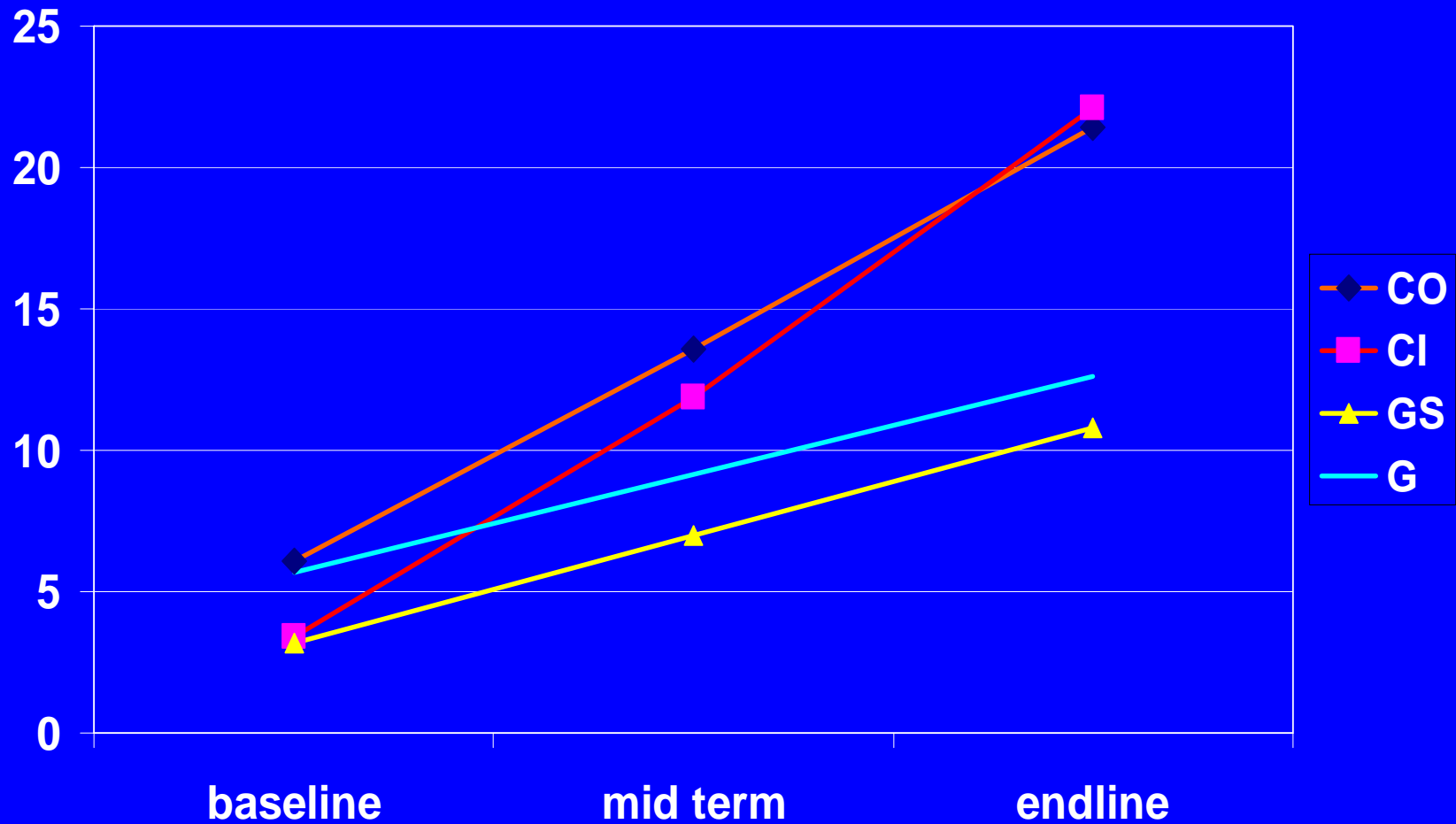
# Cambodia - Different Approaches to Contracting

- Government with Support (GS): Services run by DHMT, \$0.25 per capita budget supplement, TA & DHMT training provided
- Government without Support (G): Those districts not successfully contracted, received no TA, training, or budget supplement

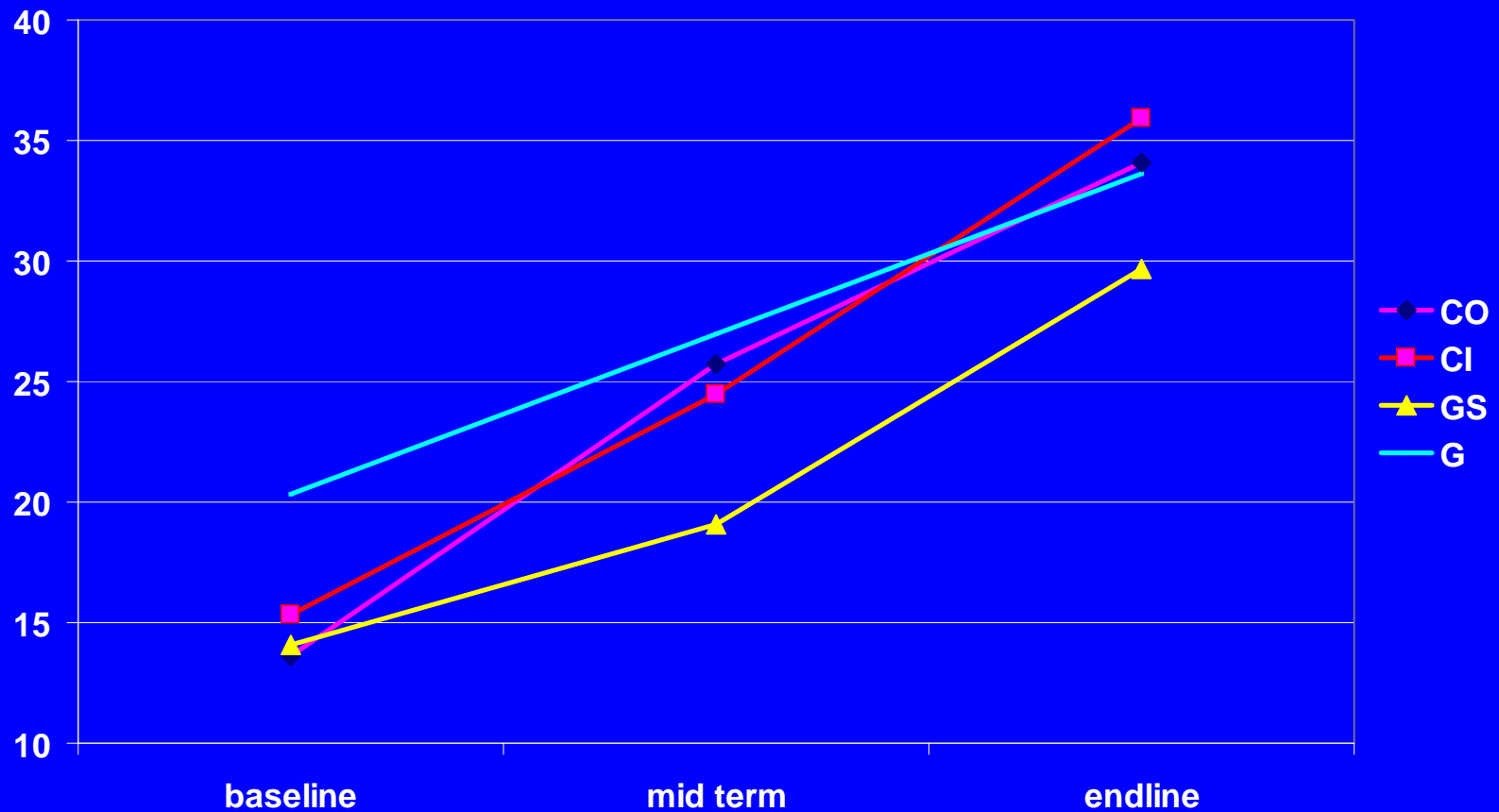
# % of Pregnant Women Receiving Antenatal Care



# % of Deliveries Taking Place in Health Facility

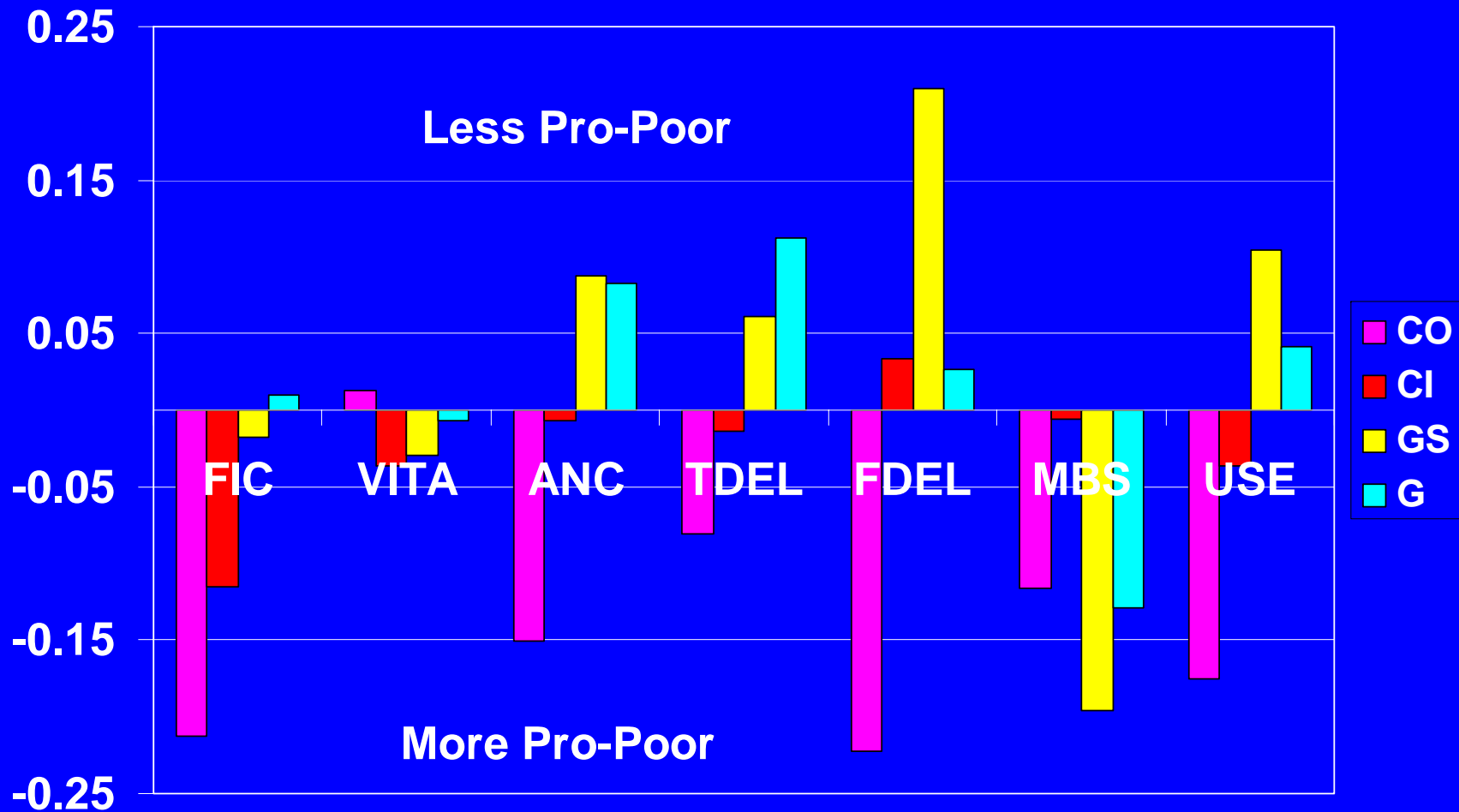


# CPR – Modern Methods

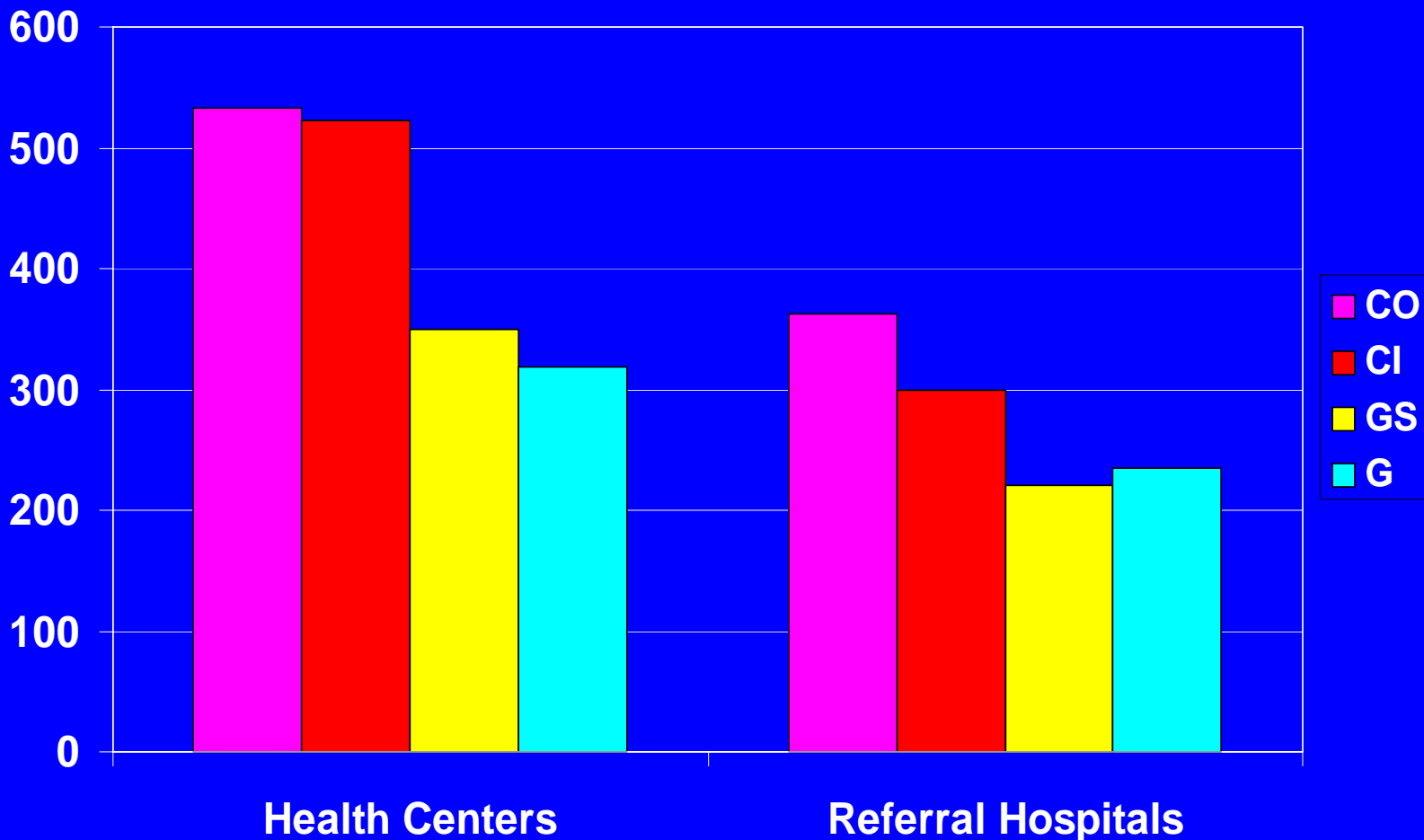




# Change in Concentration Index Endline - Baseline



# Change in QOC Index Endline (2003) – Baseline (1997)



# Take Home Messages

- **It's worth trying to contract!!** Not just a far fetched idea. May make a real difference in achieving MDGs
- **Equity and Quality** can be improved by contracting
- **Evaluate** – debate on contracting should be decided by evidence not eminence
  - Evidence is good but not great. Better than other interventions though
- **Practical Issues will determine Success!!** – need to pay attention to contract design & management