



**USAID**  
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KENYANS AND AMERICANS  
IN PARTNERSHIP TO FIGHT HIV/AIDS



Strengthening Health Outcomes  
*through the Private Sector*



# Sustainable Strategies For Accessible, Quality Health Care

Public-Private Sector Engagement in Kenya

## SHOPS Program Highlights

[SHOPSproject.org](http://SHOPSproject.org)





**SHOPS Kenya**  
2012–2015



# Sustainable Strategies for Accessible, Quality Health Care

## Public-Private Sector Engagement in Kenya

In order to help increase the role of the private sector in health, especially within the context of the country's HIV response, the United States Agency for International Development (USAID) mission in Kenya engaged the Abt-led Strengthening Health Outcomes through the Private Sector (SHOPS) project to design and implement a program to establish sustainable strategies for accessible, quality health care.

Beginning in February 2012, SHOPS Kenya began leveraging and strengthening the capacity and financial resources of the private health sector to improve well-being for all Kenyans through the provision of quality HIV, family planning and reproductive health, and child health services.

“...to **strengthen** the policy environment, **increase access** to health services by **reducing** financial barriers, and strengthen providers' capacity to deliver quality services.”

The project addressed key challenges that limited the ability of the private health sector to fully contribute to a strong, sustainable health system in Kenya by bringing together stakeholders including policymakers, private health insurance companies, and private health care providers. With these partners, SHOPS worked to strengthen the policy environment, increase access to health services by reducing financial barriers, and strengthen providers' capacity.



# Highlights

SHOPS Kenya  
2012–2015



## Created Enabling Environment for Expanded Financing



Through its engagement with public, private, and international stakeholders, SHOPS Kenya helped facilitate the expansion of private sector financing opportunities which

would lead to an increase in the delivery of key health services. Private sector perspectives were introduced into Kenya's public health policy processes, and opportunities for private sector stakeholders to engage with the public sector policymakers were increased.

This was as a result of the establishment of a formal mechanism for public private dialogue known as the PPP-HK or the Public-Private Partnership Health Kenya. PPP-HK created a common vision of national health priorities and contributed to policies that promoted private health sector engagement.

This mechanism was endorsed by the Council of Governors, the National Government and the private sector which all committed to supporting PPP activities at county levels during a 2014 national workshop.

**The workshop secured commitment of leaders to building new, and enhancing existing, partnerships.**

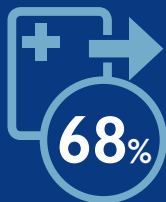




## Established Data-Driven Solutions

SHOPS Kenya generated information and evidence for decision making by collecting, analyzing and disseminating private sector costing data for the first time in Kenya's history.

time to process  
claims could be  
**REDUCED BY**



SHOPS Kenya partnered with two insurers, two providers, and Savannah Informatics Limited, a Kenyan technology firm, to pilot a new electronic data interchange (EDI) for savings and improved efficiencies. The pilot demonstrated that the EDI platform could share real time health service delivery information between stakeholders, and reduce

the time to process claims by 68% and outpatient claims processing costs were reduced by 37%.

Additionally, SHOPS Kenya identified unit costs of outpatient visits, inpatient bed days, and specific health services such as HIV counseling and testing, antiretroviral treatment, and maternity services at private facilities. Additionally quality of care at 80 private health sector sites was assessed to generate a comparison of cost and quality of care.


outpatient  
claims processing  
costs could be  
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## Controlled Costs Through the Insurance Industry

To increase access to health services and HIV care through the private sector, SHOPS Kenya tackled financial barriers by partnering with private sector insurance companies and agents. Activities included: advocating for innovative strategies to control costs through prospective payment mechanisms; increasing consumer demand for health insurance; assessing the feasibility of scaling up community based health insurance schemes and increasing the availability of affordable private health insurance products.

Specifically, through technical assistance from SHOPS Kenya, two private partners increased the reach of their micro insurance offerings that target informal sector workers. The total number of beneficiaries increased from 4,665 to 20,361 over a two year period.

 **number of beneficiaries INCREASED**  
**4,665**  **20,361**  
 over a two year period



**CIC health insurance policy coverage uptake INCREASED**  
 to cover **20,000** lives

**Additional successes include:** Cooperative Insurance Company (CIC) health insurance policy coverage uptake increased to cover over 20,000 lives; \$2.3 million USD in private financing was leveraged to support HIV and other health priorities; and SHOPS Kenya collected and analyzed data to identify knowledge gaps, attitudes, and perceptions of health insurance in Nairobi country.

The findings indicate that informal sector workers understand the value of health insurance and are interested in purchasing affordable, comprehensive products with flexible payment.

*“No one has ever come to tell us how health insurance works, and for this [campaign], we are grateful, and I shall put myself and our family number one by buying health insurance.”*

– Community health event attendee

### **SUCCESS STORY:**

Afya Bora: Helping People Living With HIV Access Care





## Afya Bora: Helping People Living With HIV Access Care

Philip's\* wife was diagnosed with HIV 15 years ago, and as a result of an unsafe delivery, their oldest child also contracted the virus. When his wife's health started deteriorating, the cost of treatment became overwhelming. Philip left his job at a bank in Nairobi to care for her, greatly reducing the family's income. After exhausting most of the family's savings, Philip needed an affordable alternative to pay for his wife's and child's health care.

"I had to take my wife to many different hospitals and the bills were getting higher each day," he recalls. "We had to sell some of our personal belongings and move to a smaller house in order to pay off the big medical bills."

While looking for health insurance to cover his wife's treatment, Philip discovered Afya Bora through his local bank. The low premium, the comprehensive coverage for all his family members, and the proximity of a participating hospital in Rongai, where he lives, were particularly important.

Since joining Afya Bora, Philip can afford specialized care for his wife and child, and his family has recovered financially. Philip maintains a positive outlook, regularly visiting the local clinic with his wife and child to manage their care, and sharing his story with the community as evidence that his personal commitment and health insurance provide his family a happy and healthy life. He admits that his family faces hurdles such as the stigma associated with his wife's and child's HIV-positive status, but having Afya Bora coverage has greatly helped.

**"I have told everyone in my family about Afya Bora, and they are all keen to join,"** he says.

**"They have seen through my experience that health care can be expensive, but with health insurance, it is a lot more manageable."**

\*Name changed to respect respondent's privacy





## Translating Lessons into Practice: The Manyatta Community Medical Clinic

Alex Ndonga found out about the SHOPS training through an advertisement. He runs a private clinic, the Manyatta Community Medical Clinic, near the town of Kondele in Kisumu County. During its two years of operation, the clinic faced a number of challenges that Alex was hoping to find solutions to through the training. “The training made me aware of some of the shortcomings of the clinic,” Alex noted. “We were struggling with basic things such as maintaining the cleanliness of the clinic and the compound, and medicines and supplies were not being stored properly. We did not keep records properly. Each person had their own system, and this meant that the whole thing was so badly disorganized, it felt as if we did not have a system at all.”

“One important thing that we did at the beginning of the training was to identify some of the problems that we thought our facilities

suffered from,” Alex recalled. “I realized that there were many other practitioners whose facilities had shortcomings similar to mine. Some things that I did not think were problems turned out to be quite problematic...”

Following the training, Alex sought to make a number of changes to address the myriad of challenges. He says: **“One thing I realized is that a lot of us suffer from the same limitation: lack of knowledge. The lessons were an eye-opener, and I have seen the benefits that have come from changing the way things are done at my clinic. Some needs still remain, however, such as a lack of proper medical equipment, but those I am sure I can tackle with in due course. With the knowledge from the training, and the material that is available online, I have been able to train others at my clinic on the best case practices, and they are very quick to catch up.”**



## Instituted Franchise Tools

The project furthermore built capacity of private providers to deliver high-quality, health services that would benefit people living with HIV and other target groups. In order to achieve this, SHOPS Kenya:



Provided technical assistance to Equity Bank's charitable arm – Equity Group Foundation – to lay the structure and foundation of a new social health franchise chain of clinics including a set of franchise tools to standardize the service offerings in the clinics;



Developed a business skills training curriculum for use with franchisees and a communications and marketing plan for the clinics; and



Implemented a Business for Health Curriculum in Nairobi and Nyanza for a total of 40 small private providers of family planning services. Through these trainings, the project aimed to improve the business operations at these facilities, allowing the providers to expand their provision of key family planning and other health services.


### ◀ SUCCESS STORY:

Translating Lessons into Practice:  
The Manyatta Community Medical Clinic

## Improved Zinc/ORS Availability

SHOPS Kenya increased the availability of and demand for Zinc/ORS for treatment of children under five with diarrhea through the private sector. These efforts contributed to an increase in knowledge levels for treatment of diarrhea among pharmacy and chemists.

It also led to the distribution of over half a million co-packs of Zinc/ORS through the private sector and an increase in understanding of the treatment benefits. From 2013 – 2014, 4,562 providers at 40 continuing medical education workshops were trained and 7,207 fliers, posters, and trade balloons were distributed to reach approximately 8,000 people living in slums in Mombasa and Kisumu.

**INCREASED**   
**availability & demand**  
for Zinc/ORS for treatment of  
children under five with diarrhea

**SHOPS supported** **598,073**  
the sales and distribution of **zinc/ORS co-packs**

## Electronic Data Interchange (EDI)

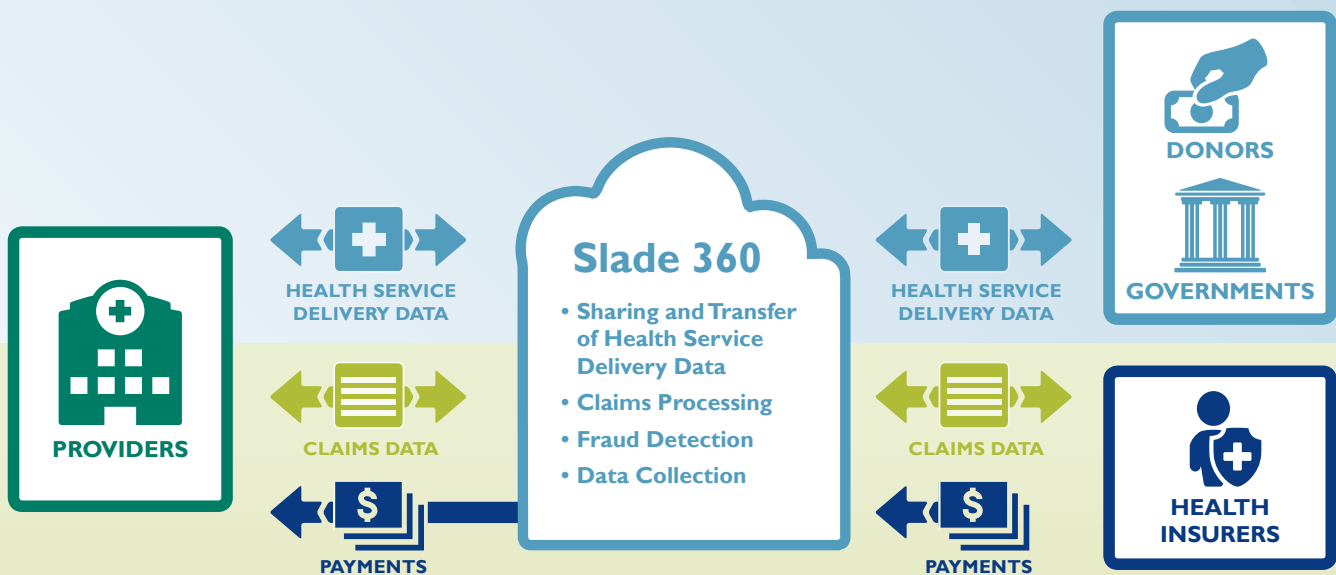
Of the approximately **1.4 million** people living with HIV in Kenya today, only **755,226 (53%)** are receiving lifesaving anti-retroviral therapy (ART). This is due in large part because the collection, transfer and utilization of patient data from providers to stakeholders have been grossly inefficient. The Ministry of Health and donors need this data from both private and public health sectors to track progress towards achieving epidemic control.

In response, SHOPS Kenya explored the use of an electronic data interchange (EDI) to automate the transfer of billing information from providers to insurers to reduce the cost of insurance for Kenyans and organize data to assist with controlling the epidemic. This technology streamlines the reporting of HIV services, decreases the cost of insurance by improving administration, and improves the procurement and management of commodities.

An EDI pilot program – that showed very promising results – was implemented with a hospital and an insurance company.

- Before the EDI, insurers required on average **28 days after a patient visit** to receive claims from the health care provider.
- After the EDI intervention, the average number of days required to transmit claims reduced to just nine days. This represents an improvement of **68 percent**.

This demonstrates that using EDI has great potential to strengthen private health sector services, generate vital health data, and efficiently improve population health.





## Health Insurance Demand (HID)

The private sector currently provides close to **25 percent** of all ART services in Kenya (NASCOOP 2014). Because of this substantial role, increasing access to the private sector should be a priority and can be accomplished by establishing sustainable health insurance programs – programs that are known and understood by Kenyans.

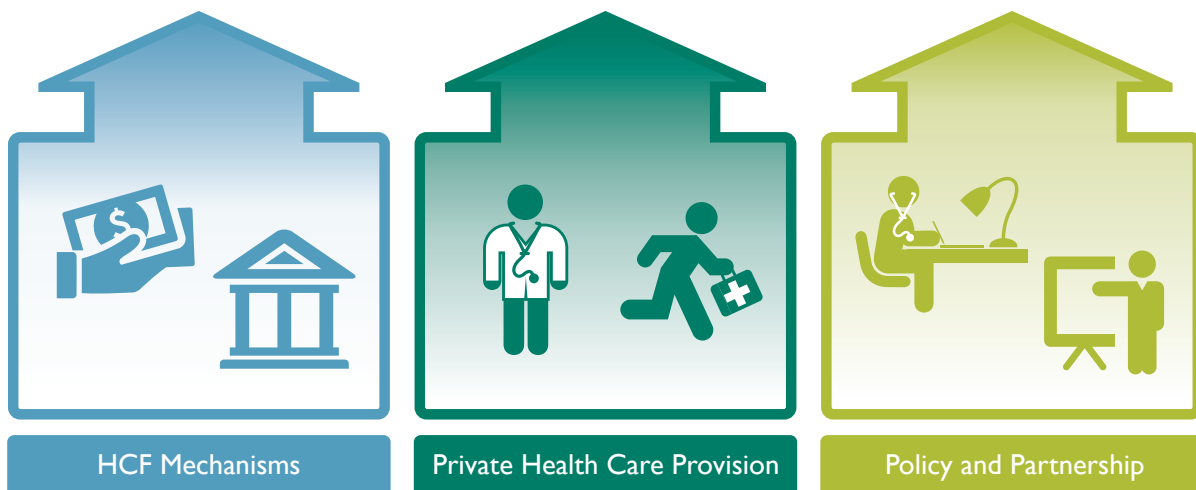
SHOPS Kenya therefore launched a mass media education campaign to educate consumers about insurance. One component of the campaign was a television spot featuring a Kenyan family saying: **“My family is safe because we have health insurance that covers us all year round. That’s being responsible. We are number 1.”** It was followed by a call to action: **“Get health insurance so as to be responsible.”**

Publicizing these messages showed great promise in terms of getting people interested in insurance:

- Among individuals who were exposed to the campaign, **77 percent** agreed or strongly agreed that they were more likely to buy health insurance as a result of the campaign.
- Furthermore, **70 percent** of people exposed to the campaign believed people would likely go buy health insurance because of the campaign.

Providing health insurance products that meet the needs of HIV-infected populations can reduce the need for publicly funded or subsidized care while giving them choice of provider and decongesting public health facilities. However, to do so requires communications campaigns such as this to address knowledge gap and the campaign needs to be supported by the industry/supply side who must ensure the availability and accessibility of affordable insurance products.

### STRATEGIC OBJECTIVE: Increase Role of The Private Health Sector





**SHOPSproject.org**  
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