

# Informal Provider Markets: Evidence from India, Nigeria and Bangladesh

Results for Development Institute

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RESULTS FOR  
DEVELOPMENT

# WHO ARE INFORMAL PROVIDERS?

IPs are independent and largely unregulated health care practitioners who represent a **vital source of care for many in lower- and middle-income countries.**

## Business Model

- Chiefly entrepreneurs
- Collect payment from patients, not institutions
- Payment is often undocumented and tendered in cash

## Training

- Possess little or no officially recognized training from formal bodies such as a government, NGO, or academic institution

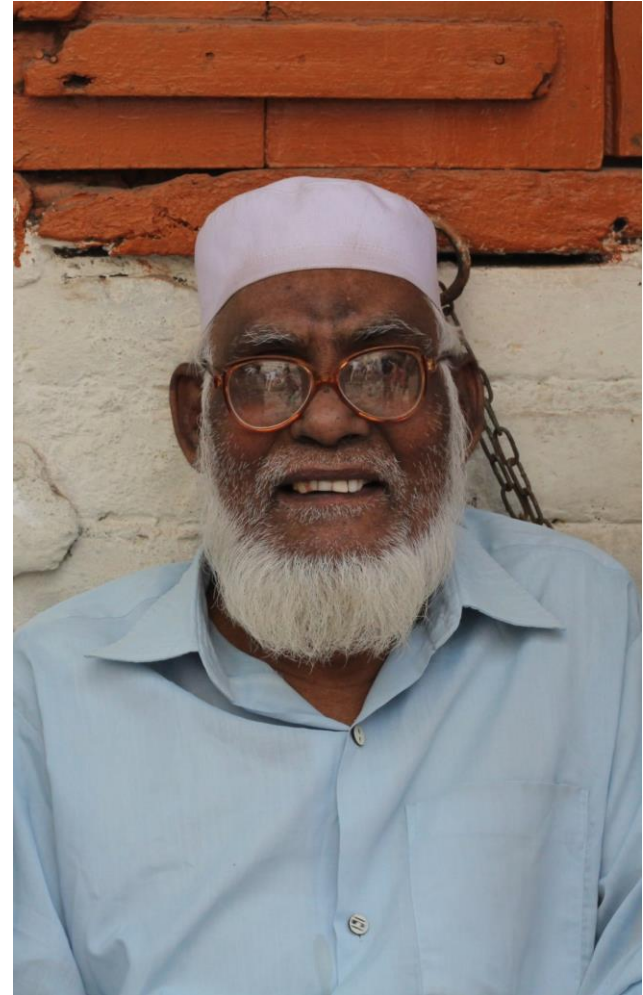
## Registration/Regulation

- Operate outside of effective regulation of government and independent regulatory organizations

# WHAT DO WE KNOW ABOUT INFORMAL PROVIDERS?

2011: CHMI, with the *Global Health Group at the University of California, San Francisco*, completed a literature review on IPs.

- **Size:** IPs make up a large portion of the health sector—from 51-55% in India to 96% in rural Chakaria, Bangladesh.
- **Scope:** IPs are used in day-to-day healthcare and function across the continuum of care.
- **Utilization:** Utilization varies (9% to 90%), based on location and service provided. The poor rely on IPs in great numbers.
- **Quality:** Information is limited; the quality of care delivered by IPs appears variable.



# STUDY: OVERVIEW

To further examine the dynamics of informal markets, CHMI commissioned a studies in **India, Nigeria, and Bangladesh.**

	Research Lead	Study Site	IP Studied
India	<p><b>Dr. Meenakshi Gautham</b></p> <p><i>London School of Hygiene and Tropical Medicine</i></p>	<ul style="list-style-type: none"> <li>• Guntur district, Andhra Pradesh</li> <li>• Tehri district, Uttarakhand</li> </ul>	Rural Medical Practitioners (RMPs)
Nigeria	<p><b>Professor Oladimeji Oladepo</b></p> <p><i>Faculty of Public Health-College of Medicine, University of Ibadan</i></p>	<ul style="list-style-type: none"> <li>• 10 Local Government Areas, Oyo State</li> <li>• 10 Local Government Areas, Nasarawa State</li> </ul>	Patent Medicine Vendors (PMVs)
Bangladesh	<p><b>Nabeel Ashraf Ali, Shams El Arifeen</b></p> <p><i>ICDDR,B; James P Grant School of Public Health-BRAC University</i></p>	<ul style="list-style-type: none"> <li>• Tangail district</li> <li>• Sunamgang district</li> <li>• Rangpur district</li> <li>• Cox Bazar</li> </ul>	Village Doctors/ Drug Sellers

# STUDY: KEY FINDINGS

## Summary of provider characteristics:

	Gender	Age	Education
AP	<ul style="list-style-type: none"><li>• 98% male</li><li>• 2% female</li></ul>	<ul style="list-style-type: none"><li>• Mean: 42</li></ul>	<ul style="list-style-type: none"><li>• 41% completed upper secondary</li><li>• 10% graduated college</li></ul>
Uttarakhand	<ul style="list-style-type: none"><li>• 97% male</li><li>• 3% female</li></ul>	<ul style="list-style-type: none"><li>• Mean: 39</li></ul>	<ul style="list-style-type: none"><li>• 95% completed upper secondary</li><li>• 43% graduated college</li></ul>
Nigeria	<ul style="list-style-type: none"><li>• 59% male</li><li>• 41% female</li></ul>	<ul style="list-style-type: none"><li>• Mean: 34</li></ul>	<ul style="list-style-type: none"><li>• 62.2% completed upper secondary</li><li>• 23% completed some college</li></ul>
Bangladesh	<ul style="list-style-type: none"><li>• 98% male</li><li>• 2% female</li></ul>	<ul style="list-style-type: none"><li>• Mean: 42</li></ul>	<ul style="list-style-type: none"><li>• 33.1% completed upper secondary</li><li>• 18.8 completed some college</li></ul>

# STUDY: KEY FINDINGS

## IPs and their communities:

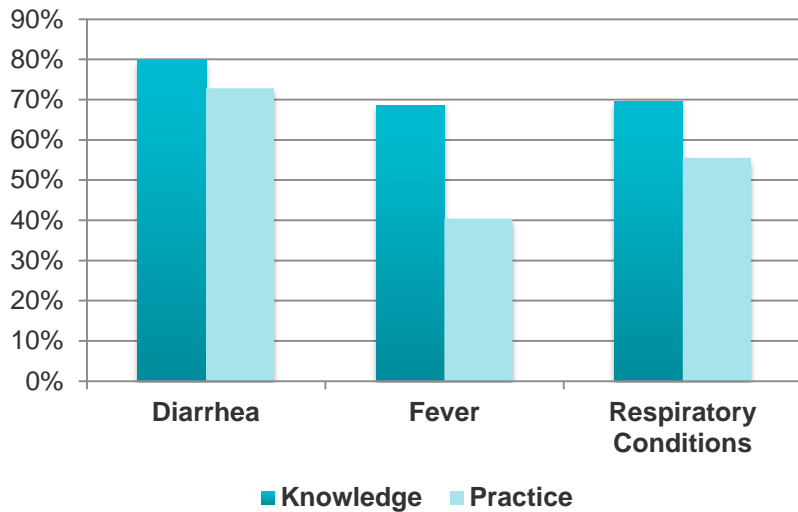
- **AP** and **Uttarakhand**: over half born in the same block where they practice – the majority practiced in their current location for over a decade
- **Nigeria**: IPs worked in present location for 9 years, on average
- **Bangladesh**: 88% opened business in their current location because it was close to where they lived
- In all four sites, patients mentioned IP accessibility and approachability as key reasons for seeking their care

## Training received by IPs:

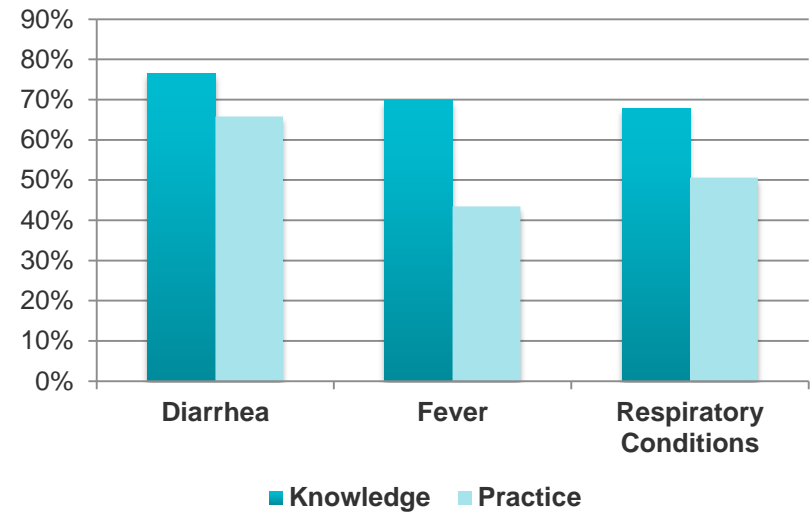
- **Uttarakhand**: 93% held a diploma/certificate related to health sciences
- **AP**: 36% held a diploma or a certificate (“Community Paramedic Training Program”)
- **Nigeria**: 86% had previous training on diseases such as malaria and diarrhea, use of pharmaceutical products, role of NAFDAC
- **Bangladesh**: 71% claimed some professional training
- Apprenticeships with qualified doctors common in **AP** (91%), **Uttarakhand** (40%), less so in **Bangladesh** (17%)

# STUDY: KEY FINDINGS

## Quality of care delivered by IPs:



**AP**



**Uttarakhand**

# STUDY: KEY FINDINGS

## Referrals to the formal health sector:

- **AP:** vast majority refer patients to qualified private doctors; 41% receive commissions for referrals, 7% receive gifts
- **Uttarakhand:** 96% had limited to no interaction with qualified doctors
- **Nigeria:** IPs attempt to treat patients themselves, but refer to hospitals when their condition does not improve after two to three days
- **Bangladesh:** referrals are rare, but when IPs do refer, patients are sent to government clinics; 18% receive commission for referrals

## Relationship with medical representatives (MR):

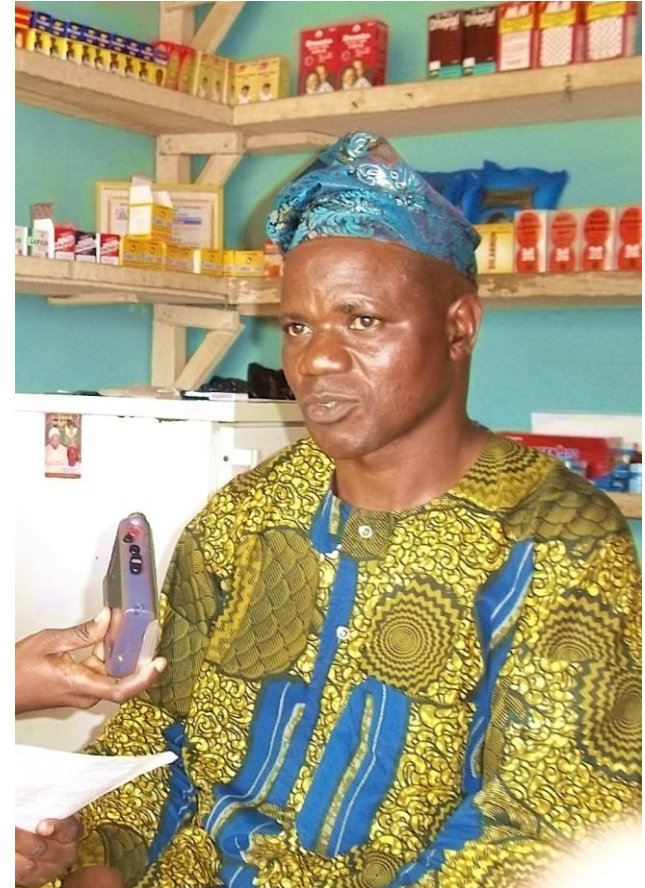
- **AP:** proportion of IPs who relied on MRs for either new knowledge or pharmaceutical products negligible, 0.5% and 1%
- **Uttarakhand:** 17% named MRs as a chief source of new knowledge on drugs and procedures, 43% purchased drugs from MRs
- **Bangladesh:** 72% reported that MRs visit their stores. Of these, 90% receive literature on drug efficacy from the MRs, 78% received free drug samples



# STUDY: KEY FINDINGS

## Organization of IPs:

- **AP:** 76% belonged to local RMP Association. The local associations are integrated into a state-level federation
- **Uttarakhand:** 18% were members of an association, often local professional groups such as associations of pharmacists or electro-homeopaths
- **Nigeria:** 96% claimed to be registered with the PMV Association, only half produced evidence of registration
- **Bangladesh:** 36% reported involvement in a committee of village doctors, 5% were members of local drugs and medicine organization



# CONCLUDING THOUGHTS



- IPs can play a role in **addressing high priority health system concerns** (e.g., shortage of human resources for health, inaccessibility of key health interventions)
- IPs are **able to learn** additional standardized treatment guidelines that could potentially minimize harmful or wasteful practices and encourage the delivery of priority interventions
- Unless market incentives shift, merely **training** informal providers **is unlikely to significantly influence** their behavior
- **Potential to formalize** some informal practitioners by providing more training, oversight, and legitimacy

Thank you.

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