Developing a CHORUS typology of the private sector

4th April 2022

CHORUS
RESEARCH ON URBAN HEALTH

Why is this topic important?

- In all CHORUS countries the non-government sector is an important often dominant player in the formal or informal delivery of medical services

- This dominance is often particularly important in urban areas

- A number of the CHORUS projects will explicitly engage with the non-government sector including in the co-creation and delivery of interventions

- Developing insights from this work for other contexts requires a conceptualisation of types of providers and methods of working with them.

Key questions

1. Understand who are the current non-government providers of services   - Main focus of this session

2. Investigate the strengths and weaknesses of non-government providers

3. Understand whether and how to engage with non-government providers

Strengths and weaknesses of the private sector (2)

- Non-government providers offer services that are closer, more friendly, and sometimes cheaper than in the public sector

- Private sector is **extremely diverse** ranging from informal drug stores to internationally accredited hospital chains – *very good and very bad*.

- **Public and private have different characteristics**: even the best public and private may be good for different things. Evidence base is a little weak but some studies suggest:
  - public is better for straightforward to diagnose essential services
  - private may have strength where diagnosis is complicated - requires time and expensive diagnostic equipment

- The **ownership/management model** may impact on the motivations of the private services affecting the type and quality of service. Ownership varies from:
  - Faith-based and charitably owned facilities
  - Self-employed/partnerships (often dual practice)
  - Health care organisations linked to large corporations
  - International chains/stock market listed

Morgan, Ensor and Waters, 2016

Engaging with the private sector (3)

There are two key economic issues with the private sector:

- High cost to patients (compared to 'free' public)
  - but government can subsidise services to enable patients to access services

- Private health sector **market failure** :
  1. Of information – with patients unable to assess good and poor quality services
  2. Of competition – so there is a tendency towards control of the market by a few, expensive providers

Engaging with the private sector (3)

To mitigate market failures and capture advantages – a range of options

- Prohibit – close down facilities, criminalise practitioners
- Crowd-out – improve public services so that the need for (some) private services are not needed.
- Provide information to population and patients to influence use of private services
- Regulate private provision
  - Licensing – focus on minimum standards
  - Accreditation – encourage higher standards
- Incentivise behaviours
  Encourage practitioners to refer more complex patients
- Purchase from the private sector
  - Contract with providers for patient services
  - Partner with private organisations to deliver public health functions
- Support (skills, systems, licensing) private providers to deliver specific, quality services

Montagu & Goodman, 2016

Back to the question of understanding who the private sector providers are

Towards a typology: the public-private mix

CHORUS
RESEARCH ON URBAN HEALTH

Provision

	Publicly owned service	Privately owned service
Public (government or donor spending)		
Private **(patient payments or private insurance)**		

Funding

National Health Accounts (NHA) typology

- Provides a starting point for a more detailed typology
- NHA framework based around 6 main categories of provider:
  1. Hospitals – general, mental health, specialised
  2. Residential long-term care facilities – e.g. long term nursing
  3. Providers of ambulatory care – medical, dental, specialist, ambulatory care centres
  4. Providers of ancillary care - laboratories, transportation/ambulance
  5. Retailers and providers of medical goods - incl. pharmacies
  6. Providers of preventive care – public health programmes

OECD, Eurostat and WHO, 2017

NHA framework weaknesses

- No clear split between ownership e.g. NGO, FBO, for-profit

- Traditional or non allopathic medicine – few references

- No distinction between formal and informal providers
  And so what is the definition of formal and informal, possibly:
  - **Formal**: workers that require formal qualification and registration to practice;
  facilities – licensed/registered facility (more than a business licence) required to employ registered practitioners
  - **Informal**: facilities and practitioners that do not have formal training and licence or are working outside their formal licence

Draft Typology – for discussion

Divided into:

- **Non Government Organisations (NGOS) including faith based** – providers that are independent of direct government influence but may receive some government funding. Often registered with a NGO agency/bureau. May charge but usually any surplus is invested in the organisation. Often receive substantial donations.

- **For-Profit/Self-Financing** - includes a variety of ownership forms including: individual & group partnerships, limited companies and publicly owned (stockmarket listed) companies. Usually required to register as a business and comply with standard accounting practice. May separately be required to be licensed as a healthcare organisation.

Draft Typology

1. Hospitals – general, mental health, specialised; add non-allopathic
2. Residential long-term care facilities
3. Providers of ambulatory care – medical, dental, specialist, ambulatory care centres; add CHWs, registered TCAM (trad., compl. & alternative), informal providers (both practitioners and facilities)
4. Providers of ancillary care - laboratories, transportation/ambulance
5. Retailers and providers of medical goods; add categories of pharmacy
6. Providers of preventive care – public health programmes

The following slides illustrate the emerging typology for Bangladesh

1. Hospitals (Bangladesh example)

Code	Description	Non-Government Organisations		For profit/Self-financing	
		Present	Example/evidence	Present	Example/evidence
HP.1	**Hospitals**				
HP. 1.1	General hospitals				
	of which:				
	General hospital (member of international chain)			☑	Apollo Hospital, Dhaka
	General hospital (national ownership/management	☑	DSK Hospital & Diagnostic Centre, Shamoly, Dhaka North	☑	United Hospital, Gulshan
	General Hospital (for worker Groups)			☑	BGMEA Hospital, Dhaka
	Medical Colleges/ Teaching Hospitals	☑	(?NGO) Ad-din womens medical college hospital, Dhaka	☑	MH Samorita Hospital and Medical College
	Maternity homes	☑	Rokey Nirapad Delivery, Dhaka	☑	Surovi Maternity and General Hosptial, Mirpur, Dhaka North
	Non-allopathic facilities				
	Unani/ayervedic hospitals	☑	Hamdard Unani Medical College & Hospital		
	Add categories if appropriate….				
HP. 1. 2	Mental health hospitals			☑	Hi Tech Modern Psychiatric Hospital Ltd, Dhaka
HP 1. 3	Specialised hospitals (other than mental health hospitals)	☑	Centre for the Rehabilitation of the Paralysed, Mirpur/Savar, Dhaka	☑	Vision Eye Hospital Private Limited
	Dental hospital	☑	University Dental College and Hospital, Dhaka	☑	Pioneer Dental College & Hospital
	Thalassemia & Cancer Hospital			☑	Bangladesh Thalassemia & Cancer Hospital, Banashree, Dhaka
	ENT			☑	ENT Care Center, Gulshan, Dhaka
	Diabetic			☑	Diabetic Association of Bangladesh, Dhaka

CHORUS
RESEARCH ON URBAN HEALTH

3. Providers of ambulatory health care

HP.3	Providers of ambulatory health care				
HP3.1	Medical practices				
HP3.1.1	Offices of general medical practitioners			☑	New Eskaton Road, Dhaka
HP3.1.2	Offices of mental medical specialists	☑	Monobikash Foundation, Dhaka (monobikash.com)		
HP3.1.3	Offices of medical specialists (other than mental medical specialists)				
	Online based Health Care Services			☑	Praava Health
	Providers of occupational health	☑	The MSF (Dhaka) model [8]		
HP3.2	Dental practice			☑	Sapporo Dental Care, Banani, Dhaka
HP3.3	Other health care practitioners				
Formal (registered)	Community Health Workers/Urban Health Attendants	☑	[6]	☑	[6]
	Unani & Ayurvedic practitioners			☑	Rabbani, Khalapar, Dhaka
	Herbalist			☑	Bangladesh Herbal Medical, Dhaka
	Other formal TCAM				
Informal	Village doctors (allopathic & non-allopathic)			☑	[6]
	Traditional healers (Kabiraj)			☑	[6], [7]
	Religious/spiritual healer				
	Bone setters				
	Traditional birth attendants			☑	[1]
	Homeopaths (unqualified)				
	Folk healers				
	Other non-Allopathic				
	Others ("circumcision practiioners, ear cleaners, tooth extractors" - [7])			☑	[7]
	Add categories if appropriate….				

3. (cont.) Ambulatory care centres

HP.3	Providers of ambulatory health care				
HP3.4	Ambulatory health care centres	☑	Surjer Hashi Clinic, Dhaka North	☑	Banani Clinic Ltd, Dhaka
HP3.4.1	Family planning centres	☑	Marie Stopes Clinic, Dhaka		
HP3.4.2	Ambulatory mental health and substance abuse centres	☑	Injection Druge Suer Centre, Rampura, Dhaka.		
HP3.4.3	Free-standing ambulatory surgery centres	☑	Impact Foundation	☑	Cosmetic Surgery Centre Ltd, Dhanmondi, Dhaka.
HP3.4.4	Dialysis care centres	☑	Gonoshasthaya Dialysis Center	☑	Kidney Dialysis Centre, Palton, Dhaka
HP3.4.9	All other ambulatory centres	☑	DOT's Centre (BRAC-HNPP), Uttara, Dhaka	☑	Farida Clinic & Infertility Centre Ltd, Dhaka
	Add categories if appropriate….				
HP3.5	Providers of home health care services	☑	Sajida Foundation, Gulshan, Dhaka North [2].	☑	Family Home Care, Uttara, Dhaka North.

5. Retailers and other providers of medical goods

Code	Description	Present in country with examples…..			
		Non-Government Organisations		For profit/Self-financing	
HP.5	**Retailers and other providers of medical goods**				
HP. 5.1	Pharmacies				
	Pharmacies (with pharmacist on site)			☑	Jon Kollyan Pharmacy, Dhaka South
	Pharmacies/drug stores (without pharmacist on site)			☑	[3], [4], [7]
	Add categories if appropriate….				
HP5.2	Retail sellers and other suppliers of durable medical goods and medical appliances				
HP5.9	All other miscellaneous sellers and other suppliers of pharmaceuticals and medical goods			☑	ANIFCO Healthcare

Question for breakouts (country groups) - 20 minutes

1. What other categories of providers (NGO or for profit) do we need to add to the typology in your context? (Edit or add to the padlet if possible)

2. Within the context of your own project which non government providers are you likely to engage with and how?

Team padlets:

Bangladesh: https://universityofleeds.padlet.org/pspooner1/f2cvgl565s2h9fyz
Ghana: https://universityofleeds.padlet.org/pspooner1/rz9xo3jl9twzzzu5
Nepal: https://universityofleeds.padlet.org/pspooner1/m717i1tfnbaqa0xe
Nigeria: https://universityofleeds.padlet.org/pspooner1/8u5sa72uioeuqnsv

References

- Morgan, R., T. Ensor and H. Waters (2016). "Performance of private sector health care: implications for universal health coverage." Lancet 388(10044): 606-612.

- Mackintosh, M., A. Channon, A. Karan, S. Selvaraj, E. Cavagnero and H. Zhao (2016). "What is the private sector? Understanding private provision in the health systems of low-income and middle-income countries." Lancet **388(10044): 596-605.**

- Montagu, D. and C. Goodman (2016). "Prohibit, constrain, encourage, or purchase: how should we engage with the private health-care sector?" Lancet **388(10044): 613-621.**

- OECD, Eurostat and World Health Organisation (2017). A System of Health Accounts 2011: Revised edition. Paris, OECD.

CHORUS is funded by UK aid from the British people, however, the views expressed do not necessarily reflect the UK government's official policies

OUR PARTNERS: