



UNDERSTAND THE BROADER CONTEXT OF THE HEALTH MARKET

ACTIVITY GUIDE

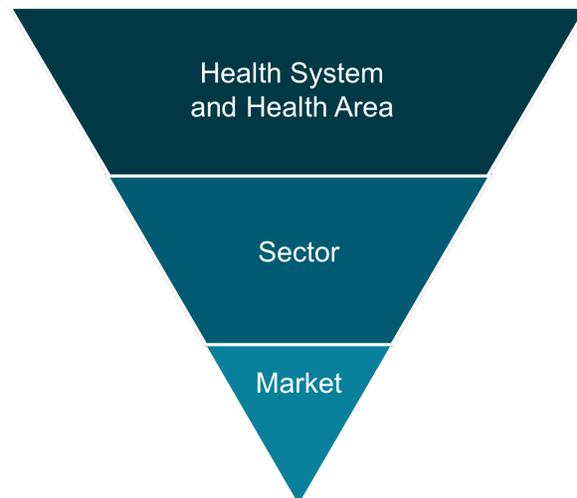
OVERVIEW

Before designing a program, we should take time to understand the broader context in which the program will operate. In this step, you will build an understanding of the key developments and trends affecting the health system and epidemiology, the approach that will be used (generally prevention, treatment or diagnosis), and the specific market that you will influence.

Generally, you want to start broad and work down the “**funnel of focus**”. This will enable you to establish the foundation for the rest of the analysis and better position your findings within the broader context.

A good analysis should utilize secondary data and analysis to summarize:

- Key trends and developments in the health system and epidemiology
- Key trends and developments in the sector or approach that you are considering (generally, prevention, treatment, and/or diagnosis)
- Key trends and developments in your market (e.g., HIV self-testing or modern contraception)



Where possible the analysis should describe major policy changes and some indicators on financing and efficiency metrics. Teams may decide to dive deeper into certain elements that are particularly interesting or impactful on your program.



WHEN TO CONDUCT THIS ACTIVITY

Updating epidemiology and health trends can be useful when:	Updating epidemiology and health trends might be less useful when:
<ul style="list-style-type: none"> Ideally this analysis should be reviewed at the start of any project where the Keystone framework is applied. It is particularly important when developing a new strategy or entering a new health market. 	<ul style="list-style-type: none"> Once this analysis has been completed, it doesn't necessarily need to be re-done every year. While it can be useful to quickly revisit the analysis during portfolio business planning or annual marketing planning, teams would not spend a lot of time on this activity.

TIME, RESOURCE AND STAFFING REQUIREMENTS

Who will participate in this activity?	<ul style="list-style-type: none"> Team Lead should solicit input from health area and country specialists Regional Advisors, Technical Advisors (depending on the use case, strategic prioritization and available resources)
What time and resources are required?	<ul style="list-style-type: none"> Once the data is gathered, this analysis should take the core team approximately half a day to extract the key headlines



INSTRUCTIONS

GOALS

The goals of this activity are to:

- Analyze key trends and developments in the health system and epidemiology, the approach that will be used (generally prevention, diagnosis and/or treatment), and the specific market in which you will operate.
- Produce a short summary that sets the context for the rest of the design process and links the program to broader policy objectives where relevant.

Examples

HIV Self Testing in Kenya

PSI-Kenya wanted to explore the potential of HIV self-testing. Before diving into the analysis of the self-testing market, the team set the stage by outlining the size and key drivers of the epidemic, trends in all HIV testing, and donor targets for the next year. The analysis quickly showed that adolescents and men were the key drivers of the epidemic and that both populations had low testing rates.

Additionally, the team found that identifying positive HIV cases was becoming much more expensive due to declining yield rates. With these two pieces of information in hand, the team was able to build a solid case that new strategies were needed to meet the needs of adolescents and men and that self-testing could potentially be a cost-effective approach. By doing this analysis of context up front, the team was able position its HIVST program around addressing gaps to help the government achieve its 90-90-90 targets.

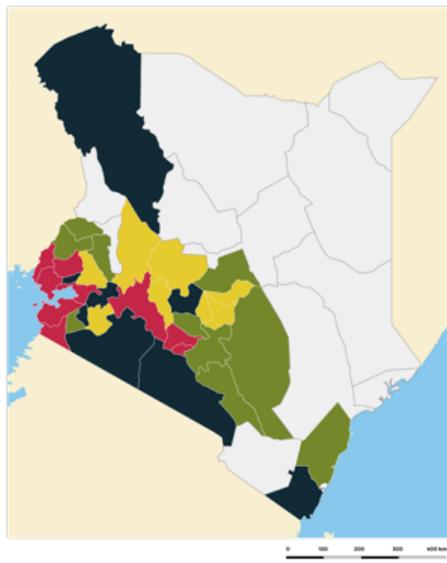


A summary of the broader context of HIV Self-Testing in Kenya

<p>HEALTH SYSTEM AND EPIDEMIOLOGY</p>	<ul style="list-style-type: none"> • Per capita health expenditure is \$66 with \$22 from gov't, \$17 from donors, and \$19 from out of pocket expenditure. • Donors contribute 69% of the response to HIV/AIDS and their investments are declining. • 1.5M people living with HIV and 77,000 new infections each year. 51% of new HIV infections amongst youth age 15-24. • Ninety six percent of PLHIV are in 34 of the 47 counties, with the five highest burden counties (Nairobi, Homa Bay, Kisumu, Siaya and Migori) accounting for 45% of all PLHIV. • Test and start guidelines rolled out July 15, 2016. Optimization of same day ART initiation ongoing.
<p>APPROACH: HIV TESTING</p>	<ul style="list-style-type: none"> • Kenya is lagging on meeting the first 90-90-90 target due to men (only 67% living with HIV diagnosed) and young people (only 52% living with HIV diagnosed). • The number of people tested increased from 6.6M in 2012 to 12.1M tested in 2016. • Yield rates declined from 5.6% in 2012 to 1.9% in 2016. As a result, the cost per person identified has increased 300% (from \$300 to \$900).
<p>MARKET: HIV SELF-TESTING</p>	<ul style="list-style-type: none"> • HIV Self-testing guidelines released in June 2017. • Be Self Sure pharmacy pilot launched in 2017 and distributed 200 kits in pharmacies. • GOK plans to distribute 500,000 HIVST to target populations through select health facilities. • PEPFAR planning HIVST as a critical intervention to reaching new testers. • 1 HIVST kit prequalified and four additional tests have ERP-D.

A deeper dive on key elements identified in the analysis

HIV epidemic in Kenya



Indicator	COP16		COP17	
	2015 projection (2014 estimate)	2016 projection (2015 estimate)	2015 projection (2014 estimate)	2016 projection (2015 estimate)
Total PLHIV	1,366,923	1,517,705		
▶ Child PLHIV	159,731	98,169		
▶ Adult PLHIV	1,207,668	1,419,536		
New Infections	69,745	77,648*		
▶ Adult	42,326	71,034		
Need for PMTCT	74,764	79,477		

Number of PLHIV by SNU



51% of all new HIV infections occurred in 18-24 year olds

Source: COP 2017 Approval Meeting Outbrief, April 21, 2017. Available from: <https://www.pepfar.gov/documents/organization/271984.pdf>

Yield rates are declining

More tests are needed to identify the same number of positive cases.

HIV TESTS AND YIELD, KENYA 2012-2016

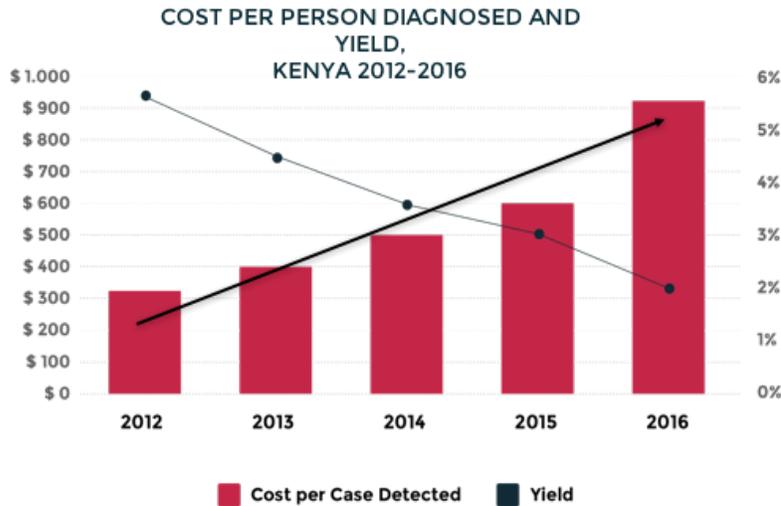


- ▶ From 2014 to 2015, programs identified roughly 235,000 positive cases each year
- ▶ During this time the number of HIV tests conducted nearly doubled – from 6.5 million in 2014 to 12.4 million in 2016



Declining yield rates increase costs

The cost per HIV case detected is increasing.



► The number of people tested to find one case of HIV increased from 17.9 in 2012 to 51.5 in 2016, nearly tripling the average cost per case detected



FAMILY PLANNING IN INDIA

Application in the Field: India Market Trends Analysis

PSI India focused their health trends analysis on Govt, the pharmaceutical sector, and FP market to structure analysis of insights important to their market.





HYPERTENSION TREATMENT IN VIETNAM

The PSI team in Vietnam wanted to explore the market for hypertension treatment products. With a growing pharmaceutical market, ageing population, and increasing expenditure on health; the team was able to show that the hypertension market could be a major growth opportunity. Moreover, the near poor are often excluded from social insurance programs and could, therefore, represent a unique opportunity for the private sector.

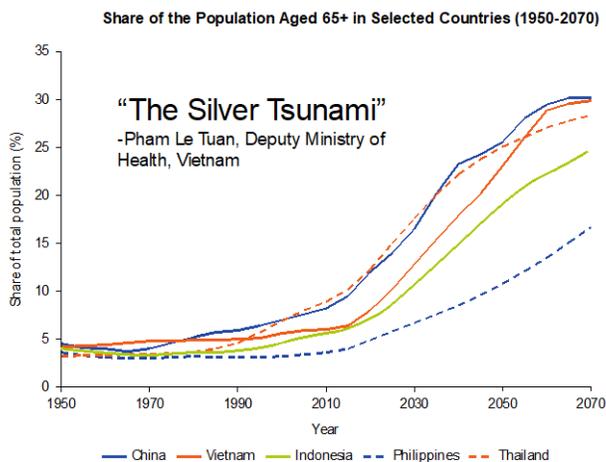
The Vietnamese market in context

- **A Large and Fast Growing Population:** 91 million people growing at 1.05% per year. 4th largest population in ASEAN and 14th largest in the world.¹
- **Total Healthcare Spending Growing:** US\$ 13 billion healthcare expenditure growing at 13.4% per year. Expected to reach US\$ 24 billion by 2020.¹
- **Pharmaceutical Market Growing Rapidly:** US\$ 3.4 billion growing at 6%. Products from more than 240 pharmaceutical manufacturers on the market.²
- **An ageing population:** Currently approximately 7% of the population is over 65 and this will double by 2030.³

Sources:
1. Business Monitor International
2. IMS Health
3. World Bank



An ageing population

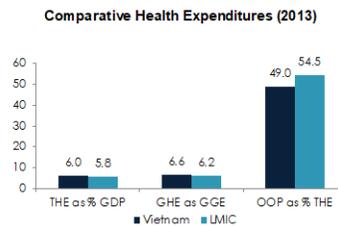
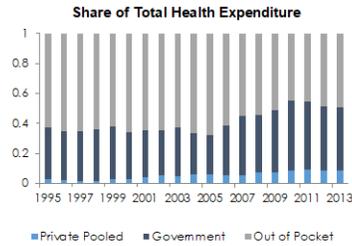


Source: Moving toward Universal Coverage of Social Health Insurance in Vietnam, The World Bank, 2014. Based on data produced by the United Nations Department of Economic and Social Affairs, Population Division



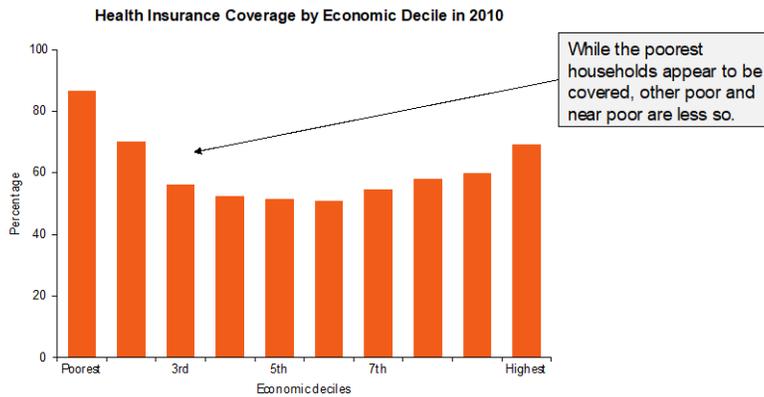
Health Expenditure

Key Indicators	
Population (2015, est.)	94.3 million
Per capita GDP (2014, current USD)	\$2,051
Income classification	Lower-middle
Health Financing (2013)	
THE per capita (USD)	\$111
THE as % of GDP	6.6%
GHE as % of THE	41.9%
GHE as % of GGE	6.6%
OOP as % of THE	49%
DAH as % of THE	4.4%
Pooled private as % of THE	9%



Source: Vietnam Health Financing Profile, USAID Health Policy Project, May 2016

Insurance



Source: Estimates based on data from the Vietnam Living Standards Measurement Survey, 2010.
 Note: Economic deciles are based on household consumption per capita. The poor and near-poor are defined as the bottom three economic deciles of the population.

Source: Moving toward Universal Coverage of Social Health Insurance in Vietnam, The World Bank, 2014. Based on data produced by the United Nations Department of Economic and Social Affairs, Population Division

COLLECTING DATA FOR UPDATING THE HEALTH MARKET CONTEXT

The team lead should connect with relevant core team members and engage with Technical and Regional advisors (particularly the Evidence team) to support in gathering the data. For the most part, this analysis should leverage secondary data sources and pull out key headlines and supporting information.

GUIDING QUESTIONS

Use the following broad questions as a starting point to guide your examination of trends impacting epidemiology, both within your specific health area and larger macro trends.

NOTE:

These questions are intended as starting points for desk research and prompts for discussion. It is not always necessary to answer every question.

- What is the per capita expenditure? How does this compare with other countries in the region and is it changing? How have Out of Pocket expenses changed? How has Sara's income changed?
- How far away is the country from meeting relevant sustainable development goals or other global targets such as the UNAIDS 90-90-90 targets or the FP2020 targets?
- Who is financing the response for your health area and what are their priorities? What are the major trends in national and third-party insurance? What is the country's commitment to, and progress on, UHC?
- Where does your health area fall within the country's burden of disease?
- What is driving your epidemic/health need?
- What are the major priorities in the national health plan?
- What efficiency metrics (e.g. cost per HIV-positive case identified, cost per CYP) are used for your health area? How are these changing?
- What major policy or regulatory changes have there been that could impact the approach or market?

If you are using the Keystone design framework to develop a business strategy for a social enterprise or enterprise portfolio in a country or set of countries, at this stage it is also helpful to conduct an assessment of some key macro-economic trends. This provides context of the potential market size and the ease of 'doing business' in a particular country. Key indicators and guiding questions would include:

- GDP per capita and consumption rates – trends over time and forecasted economic growth over 5-10 year time horizon.
- Population growth – projections amongst key target groups.



- Levels of urbanization
- Growth of key industries – e.g. pharmaceuticals, consumer goods
- Political stability and governance structure
- Infrastructure limitations and investments
- Regulation and ease of doing business indicators.

Through this macro-economic analysis, you are looking to evaluate:

- Is there a large enough consumer base who could afford to pay for products or services?
- Is there potential for significant growth of the market over 5-10 years?
- How easy will it be to set up and run an enterprise portfolio in this country?
- What is the level of competition in the market and are we able to compete?

Creating a robust, concise analysis of these key indicators will allow for appropriate discussions with stakeholders at the Decide phase (along with the other analysis through the Diagnose phase) around where investment would be most appropriate.



DATA SOURCES

Here are a few suggested data sources to support your research and market analysis:

- World Development Indicators: Note that these can be accessed with a number of different interfaces including [Google's Public Data Explorer](#)
- [GapMinder](#)
- [Health Policy Project: Country Health Financing Profiles](#)
- Recent updates of National Health Strategy
- [Global Burden of Disease: IHME](#)
- PEPFAR Country Operating Plans
- [Demographic and Health Surveys](#)
- [AIDS indicator Surveys \(AIS\)](#)
- [UNAIDS AIDS Info compilation](#)
- DHS: Statcompiler
- [UN/UNICEF: MICS](#)
- Malaria Indicator Surveys ([MIS](#))
- [UN Population Division](#)
- [WHO: Steps Survey \(NCDs and their risk factors\)](#)
- [FP2020 Studies](#)
- Integrated Biological & Behavioral Surveys (IBBS – population and country specific)
- TRaC studies and other behavior specific information
- [RH Interchange Data](#) (contraceptive commodity procurement by country, includes volumes, value, donors)

CONCLUSION



Be sure to catalog your sources and summarize your key findings in the **Keystone Project Presentation template** and **Keystone Project Summary document**. Then return to the **Keystone Manual** and continue with the next step.