

# Stakeholder Engagement

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## INTRODUCTION – THE STRATEGIC PURCHASING BRIEF SERIES

This is the seventh in a series of briefs examining practical considerations in the design and implementation of strategic purchasing demonstration projects involving private general practitioners (GPs) in Myanmar. These projects aim to start developing the important functions required for effective strategic purchasing and generate valuable lessons that will help shape Myanmar’s broader health financing arrangements. More specifically, the projects are introducing a blended payment system that combines capitation payments and performance-based incentives to reduce households’ out-of-pocket spending and incentivize providers to deliver an essential package of primary care services.

## CONTEXT

Provider payment mechanisms currently applied in Myanmar do not incentivize increased efficiency, improved quality of care or greater equity. The Ministry of Health and Sports (MoHS) transfers funds to public facilities through a rigid system of line-item budgets. Health services in the private sector, on the other hand, are charged directly to the patient through an unregulated fee-for-service system. With many people accessing most of their health care through the formal and informal private sector, out-of-pocket payments end up accounting for an extremely large share of total spending on health. These payments can cause a significant financial burden to poor and vulnerable populations and lead to a chronic under-use of basic health services.

In response to this challenge, and in support of the Government of Myanmar’s long-term universal health coverage (UHC) goal, Population Services International (PSI)/Myanmar has established two demonstration projects, one in Yangon Region and one in Chin State, to demonstrate the capacity of private GPs in its Sun



Quality Health (SQH) network to offer a basic package of primary care services to poor and vulnerable households. Design of the Yangon project started in 2016, while that of the Chin project was initiated in 2017. In these pilots, PSI is “simulating” the role of a purchaser but expects this role to be taken over at some point by a national purchaser, as outlined in the National Health Plan 2017-2021 (NHP). In the long run, the role of PSI is likely to evolve into that of an intermediary.<sup>1</sup> This intermediary role could include supporting the formation of networks of providers that are easier to integrate into health financing programs, and helping these providers meet minimum requirements through quality improvement and development of management capacity. Eventually, the package of services to be purchased from GPs, even if limited, will need to be streamlined with the basic Essential Package of Health Services (EPHS) that has been developed at the national level.

Under the two demonstration projects, over 4,500 low-income households from three townships<sup>2</sup> in Yangon Region and Chin State have been registered, screened and issued with health cards. The health cards entitle them to a defined benefit package provided by selected members of the SQH network. The projects specifically aim to demonstrate an increase in the range of services offered by private providers, a decrease in out-of-pocket payment by the registered households, and a decrease in the time to seek treatment from the onset of health symptoms.

## OBJECTIVE

This brief aims to convey the importance of stakeholder engagement in the development of strategic purchasing arrangements in Myanmar. It describes how key stakeholders were engaged to support the design and implementation of demonstration projects, how that engagement benefitted the broader policy shaping, what challenges were encountered and how those challenges were overcome.

## AS THE NUMBER OF ACTIVELY ENGAGED STAKEHOLDERS GROWS, SO DOES INTEREST...

### It all started with the implementation research

When PSI/Myanmar first started conceptualizing the Yangon strategic purchasing demonstration project, the organization took the conscious decision to be humble and acknowledge that it did not have all the answers. After all, it was venturing into uncharted territory, at least in the Myanmar context. It was therefore bound to make mistakes. Rather than making project-related strategic decisions behind closed doors (and being secretive about the rationale behind these decisions), and rather than attempting to sell a success story to secure donor funding, PSI/Myanmar decided to invite stakeholders to help shape, and where necessary redirect, the project and turn it into a joint learning experience. [Issue Brief #5](#) described how continuous learning and problem solving, i.e., implementation research, was built

#### Box 1 – Implementation research and the role of the Scale-Up Management Team – key points from Brief #5

Any initiative will face implementation challenges. It is important to identify and address them early on. In the Yangon strategic purchasing demonstration project, USAID’s Health Finance and Governance (HFG) project and PSI worked closely together to build implementation research into the initiative from the start in 2016. An important feature of implementation research is its participatory nature. Key stakeholders contribute to defining the questions that the implementation research will focus on in a given learning cycle, and the research methods that will be used to answer those questions. At the end of each cycle, the findings are shared with those stakeholders who together discuss whether and what corrective measures need to be taken to improve implementation. Key stakeholders involved in the Yangon project’s implementation research included: MoHS; the Yangon Regional Health Authorities; the GP Society (under the Myanmar Medical Association); PSI, as implementing agency carrying out the demonstration project; participating GPs; the 3MDG Fund, which provided a large share of the funding for the project; and HFG, which helped with the implementation research. Together, these stakeholders formed the Project Scale-Up Management Team.

<sup>1</sup> Results for Development Institute (2016). [Intermediaries: The Missing Link in Improving Mixed Market Health Systems?](#) Washington, DC: R4D.

<sup>2</sup> Townships in Myanmar are comparable to what many other countries call districts. On average, a Township has a population of around 150,000.

into the design and implementation of the project.<sup>3</sup> The Brief highlighted the important role of the Scale-Up Management Team in the successive learning cycles (see Box 1).

### It quickly moved beyond implementation research

While the Scale-Up Management Team was initially established to guide and oversee implementation research, it soon became clear that having this team meet on a regular basis was beneficial beyond the implementation research.

- *Increasing understanding of health financing*

Prior to 2016, health financing, including strategic purchasing, was a foreign and somewhat abstract concept for most stakeholders in Myanmar. Public sector health facilities have always been financed through a rigid line-item budget system. Private providers, on the other hand, have always charged patients directly for their services on a fee-for-service basis. For the vast majority of the population, risk pooling is non-existent. To some extent, members of the Scale-Up Management Team initially saw these existing arrangements as the only option on the table. Gradually, they were able to familiarize themselves with new health financing models and alternative provider payment mechanisms. Their increased understanding of health financing has enabled them to have better informed and more constructive discussions on health financing related topics, not only in the context of the demonstration project but also, more broadly, for the formulation of the country's health financing strategy.

- *Enhancing trust*

The meetings provide a forum for open and frank discussions among stakeholders who otherwise rarely interact (e.g., MoHS and the GP Society). These discussions help highlight differences in perspectives on and experiences with policy and implementation challenges in moving toward UHC. They also help improve mutual understanding, enhance trust and develop relationships that are vital to the successful roll-out of strategic purchasing arrangements.

- *Building a shared vision*

The regular meetings of the Scale-Up Management Team also stimulate reflection and discussion around the country's mixed health system. More particularly, these meetings contribute to shaping a shared vision around the respective role of government and non-state actors in the move toward UHC.

### New stakeholders were brought in

The Yangon demonstration project stimulated the development and informed the design of other strategic purchasing initiatives in other parts of the country. These initiatives brought new stakeholders on board. Some of these stakeholders also joined the Scale-Up Management Team.

- *PSI-implemented project in Chin State*

In 2017, PSI initiated the design of a second strategic purchasing demonstration project, this time in Chin State. While the project builds heavily on some of the lessons learned in Yangon, it also has a number of unique features that distinguish it from the Yangon project. The Yangon project is being implemented in two Townships located on the outskirts of the city, namely Shwepyithar and Darbein. Both Townships have large pockets of poor households. The project specifically targets those households, working with already established GP practices from the SQH network. In the demonstration project launched in Chin State, PSI aims to find out to what extent a regular revenue stream in the form of payments from a public purchaser (the role of which is being simulated by PSI)

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<sup>3</sup> Ergo, A., Crapper, D., Htat, H.W., Aung, P.M. (2018). Continuous learning and problem solving. *Myanmar Strategic Purchasing Brief Series 5*. Yangon: Population Services International.

can convince private GPs to set up practice in remote and relatively deprived areas not currently covered by government facilities, to deliver services included in the Basic EPHS to the entire population living in those areas. If this proves to be a feasible approach, it will provide MoHS with a faster and possibly more cost-effective alternative to expanding the government network of health facilities. All relevant stakeholders were actively involved in the co-creation of this second project. This included members of the Scale-Up Management Team, local health authorities, representatives from local private hospitals to which participating GPs can refer patients, representatives from the company Philips, which equips the GPs with mobile ultrasound devices, and members of the NGO Save the Children, which can contribute to community mobilization efforts. Implementation research was also incorporated into this second pilot.



- *Strategic purchasing pilot launched by the Social Security Board*

As the administrator of a social health insurance system targeting the formal sector, the Social Security Board (SSB), which is housed under the Ministry of Labour, Immigration and Population (MoLIP), plays an important role in Myanmar's present health financing system. SSB currently provides health care benefits to its 1.2 million contributing members, which represent roughly 2 percent of the Myanmar population or 14 percent of those in the wage-earning sector (MOLIP 2017). Members can seek care at one of the facilities owned and operated by SSB (three hospitals and close to 100 health clinics). In 2018, somewhat inspired by the PSI demonstration projects, SSB started designing, with support from the International Labour Organization (ILO), a strategic purchasing pilot involving contracts with private health facilities for the provision of both outpatient and inpatient care. Shortly before preparing the pilot, SSB joined the Scale-Up Management Team.

- *Strategic purchasing demonstration project implemented by Community Partners International in Kayin State*

Ethnic Health Organizations (EHOs) have long been the main provider of essential health services for populations living in conflict-affected areas that are not covered by MoHS facilities. Service provision by EHOs relies heavily on external funding. Over time, this external funding is bound to shrink as Myanmar graduates from the assistance provided by global health programmes such as Gavi and the Global Fund. Unless EHOs are able to identify alternative financing sources and reduce their reliance on external funding, their financial sustainability will be at risk. The NHP recognizes the importance of engaging EHOs to achieve the goal of extending the Basic EPHS to the entire population of the country. In the longer term, this engagement may take the form of contractual arrangements signed between EHOs and a national (or sub-national) purchasing entity. This entity will use strategic purchasing to pay for EHOs' provision of the Basic EPHS to their catchment populations. For EHOs, these payments from a purchasing entity could become the alternative financing source they need. To start preparing EHOs for this new model and to show what that model might look like, Community Partners International (CPI), an NGO with a long track record of working with EHOs, partnered with the Karen Ethnic Health Organization Consortium (KEHOC) to launch a strategic purchasing demonstration project. CPI and KEHOC formed a Steering Committee that acts as the purchaser, using funding from the 3MDG and the Swiss Development Cooperation (SDC). This Steering Committee purchases a package of health services (modelled off the government's Basic EPHS but

adjusted for local capabilities) from four participating EHI health clinics. Prior to the launch of this new demonstration project, CPI was invited to join the Scale-Up Management Team. In the spirit of sharing lessons learned, CPI also decided to publish regular [learning briefs](#).

## KEEP ON LEARNING, KEEP ON SHARING AND STAY ON TARGET

Stakeholder engagement through the implementation of strategic purchasing in Myanmar has been extremely beneficial so far. It has helped increase understanding of and stimulated constructive dialogue around health financing, and it has facilitated cross-fertilization. As the Scale-Up Management Team gradually grew to also include stakeholders not directly involved in the initial Yangon demonstration project, MoHS started assuming a growing leadership role. While the first few meetings of the team were organized and hosted by PSI in Yangon, they are now held in Nay Pyi Taw, convened and chaired by MoHS. In 2019, the Scale-Up Management Team decided to establish the [Action for UHC Myanmar](#) Facebook page to share global best practice and in-country learnings relating to health financing and UHC with the wider public. The page already counts over 8,000 followers. Today, many members of the Scale-Up Management Team are also actively involved in work around the formulation of Myanmar's health financing reforms and the development of a conducive legal framework.

Moving forward, it will be important to have an evolving learning agenda that anticipates the policymakers' needs for evidence and feeds into policy discussions, and to continue sharing new insights and lessons widely as they emerge from the field. It will also be important to keep in mind that some of the skills and functions that are being developed or strengthened through the different demonstration projects are critical in their own right and deserve attention irrespective of the pace of the country's health financing reforms, and even in the absence of a national purchasing entity.

### **Myanmar Strategic Purchasing Brief Series:**

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