

Tsolmongerel Tsilaajav Health economist WHO-SEARO

Private sector participation in SEAR countries in response to COVID-19

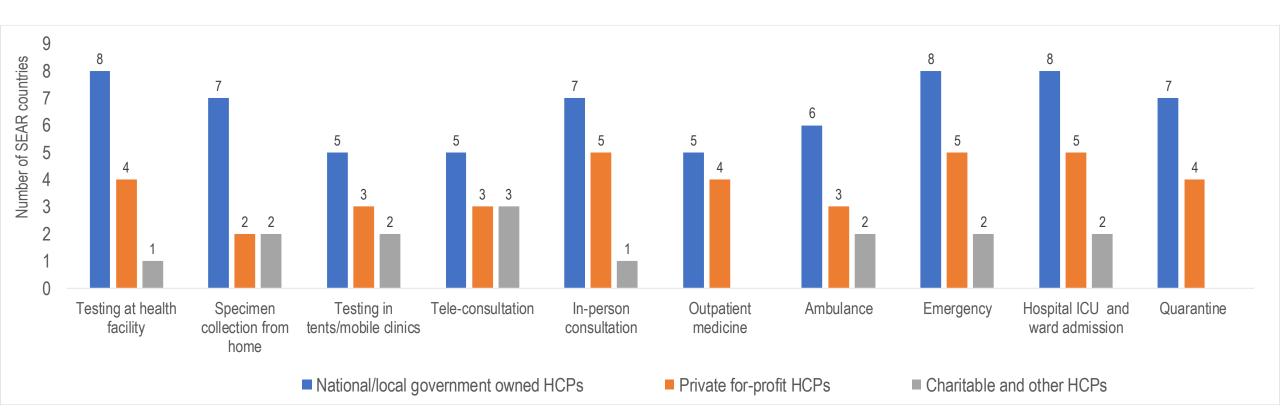
# COVID-19 mini rapid survey: service purchasing and private sector participation in SEAR countries

#### 10 questions and 8 responses

#### **Domains:**

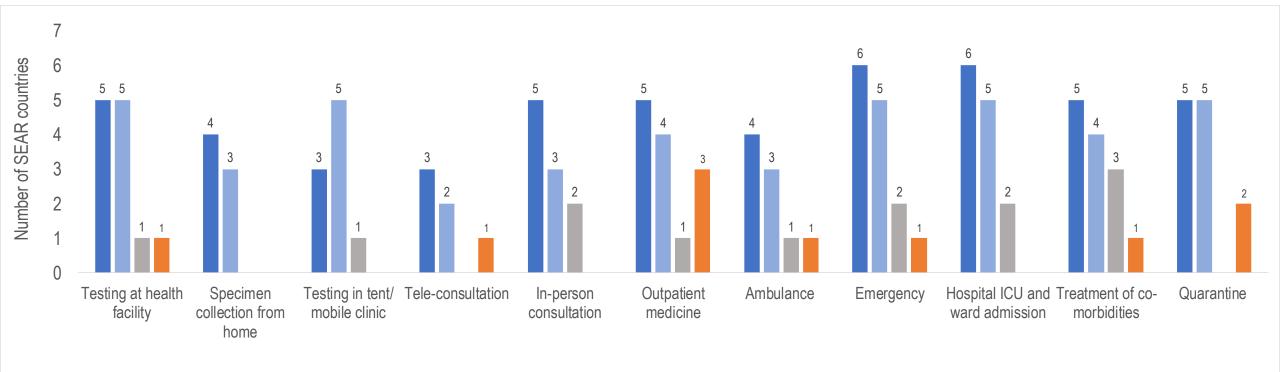
- Type of services and type of providers
- Payers
- Process for selection of private providers (if any)
- Legal framework, relationship between purchaser, MoH and contracted facilities
- Contractual agreements with private providers
- Payment methods and rates
- Quality standards, information collection and monitoring
- Main challenges and good practices in engaging with the private sector

#### Who are the COVID-19 service providers in SEAR?



In the 8 countries surveyed, private providers have already been contributing to all COVID-19 health services to a varying degree

## How are the COVID-19 services funded when provided by public and private providers?



Government regular budget for health

SHI/government sponsored health insurance

National Emergency Fund

Direct out of pocket payment for the whole or some of the costs of the services

They are largely funded by government budgets (both regular and for emergency purposes) and resources from public health insurance programmes

### What are the purchasing arrangements?

- In several countries, the Ministry of Health (MoH) is the purchaser of private health care services such as in Nepal, Bangladesh, Timor-Leste
- In others, public health insurance agencies are the main purchasers of COVID-19 services from both public and private providers e.g. Thailand, Indonesia and India
- For patients that are not enrolled in a health insurance scheme, the MoH purchases the required COVID-19 related health services
- Most countries resorted to more straightforward and faster processes to select health care providers
- Most governments in the region have applied existing legal frameworks to engage private providers in the COVID-19 response and only a few countries initiated emergency modalities.

#### Which payment methods are being used for the private sector?

| Countries  | Testing at<br>health facility |         | Testing in tents<br>or mobile<br>clinics |           | Tele-<br>consultation |     | In-person<br>consultation |         | Ambulance |          | Emergency unit<br>care |     | Hospital ICU and ward admission |          | Treatment of<br>co-morbidities |     | Quarantine |     |     |
|--|-------------------------------|---------|--|-----------|-----------------------|-----|---------------------------|---------|-----------|----------|------------------------|-----|---------------------------------|----------|--------------------------------|-----|------------|-----|-----|
|  | МоН                           | SHI     | МоН                                      | SHI       | МоН                   | SHI | МоН                       | SHI     | МоН       | SHI      | MoH                    | SHI | МоН                             | SHI      | МоН                            | SHI | МоН        | NEF | SHI |
| Nepal  | FFS                           |         | FFS                                      |           | FFS                   |     | FFS                       |         | FFS       |          | CB                     |     | СВ                              |          | CB                             |     | Р          | Р   |     |
| Bangladesh   | LIB                           |         | LIB                                      |           | LIB                   |     |                           |         | LIB       |          | LIB                    |     | LIB                             |          | LIB                            |     | LIB        |     |     |
| Timor-Leste  | LIB                           |         |  |           |                       |     | LIB                       |         | LIB       |          | LIB                    |     | LIB                             |          | LIB                            |     |            | СВ  |     |
| Thailand   |                               | FFS     |  | FFS       |                       |     |                           | FFS     |           | FFS      |                        | FFS |                                 | Р        |                                | CB  |            |     |     |
| Indonesia  |                               | FFS     |  | FFS       |                       | FFS |                           | FFS     |           | FFS      |                        | FFS |                                 | FFS      |                                | FFS |            | FFS |     |
| India  | FFS                           | FFS     | FFS                                      | FFS       |                       |     |                           | FFS     |           | FFS      | Р                      | Р   | Р                               | Р        | Р                              | Р   |            |     |     |
|  |                               |         |  |           |                       |     |                           |         |           |          |                        |     |                                 |          |                                |     |            |     |     |
| MoH- Ministry of He  | alth for G                    | iovernm | ent regul                                | lar budge | et for hea            | lth |                           |         | FFS-Fee   | forserv  | ices                   |     | P-Perdie                        | m paymer | nt                             |     |            |     |     |
| NEF-National Emerg   | ency Fun                      | ds      |  |           |                       |     |                           |         | LIB-Line  | item buo | dgets                  |     |                                 |          |                                |     |            |     |     |
| SHI- Social health insurance and other government sponsore |                               |         |  | nsored s  | chemes                |     |                           | CB-Case | based pa  | ayment   |                        |     |                                 |          |                                |     |            |     |     |

- Fee for services appears to be the most commonly used payment method, especially for testing, consultations and ambulance services
- Formal price negotiations to set payment rates, either on a bilateral basis or through group negotiations between purchaser and providers were observed across several countries
- There were some instances of reluctance to provide ICU services for COVID-19 patients at the current payment rates.

#### What kind of monitoring mechanisms are used?

| Countries  | Monitoring bodies   |
|------------|---|
| Nepal      | All three tiers of government – Federal (Ministry of Health and Population),<br>Health Division of Provincial Ministry of Social Development and Health Sections<br>of Local government(Municipalities) |
| Bangladesh | Health facilities' own internal bodies  |
| Thailand   | Ministry of Public Health Departments (Department of Disease Control,<br>Department of Medical Science, Department of Health Service Support),<br>National Health Security Office                       |
| Indonesia  | President's office (special COVID-19 task force) – for both public and private sector   |
| India      | National and State level Health Agencies and Health Missions  |

- Guidelines require a specific set of data on COVID-19 cases to be reported by health care providers
- Reporting is mandatory for all types of providers in all countries in the region
- In most countries, not only the purchaser but also regulatory agencies such as Disease Control Departments are closely involved in COVID-19 care delivery monitoring.

#### Recommendations

- Map out gaps in the public sector and capacities in the private sector
- Use largely public financing and avoid direct out of pocket payments
- Establish strategic purchasing relationships and clarify which agency/ies will perform the purchasing functions
- Select providers based on a minimum set of criteria for the provision of COVID-19 related services
- Explore whether existing contractual arrangements with the private sector are adequate to scale up and, if not, identify necessary adjustments
- PPMs and rates will depend on the existing payment and claims management system and incentive system towards private providers
- PFM rules should allow for a prompt flow of funds to providers
- Reporting and monitoring mechanisms need to be in place:
  - To ensure quality, compliance with treatment protocols, patient referral rules, etc.

## Questions to the audience to be answered through the Webex chat-box

- Has COVID-19 led to an increased involvement of private providers of health services to respond to the crisis in your country?
- How is your government, contracting private health facilities for COVID-19? If so, are there any new practices/approaches in how these facilities are contracted?
- How is your government monitoring the quality of private health facilities when they provide COVID-19 services?