



# AFRICAN STRATEGIES FOR HEALTH



Photo by TODD SHAPERA

## RWANDA HEALTH PRIVATE SECTOR ENGAGEMENT ASSESSMENT

### Introduction and Overview

Known as “the land of a thousand hills,” Rwanda is a small but dynamic country, characterized by the rapid adoption of a forward looking vision and new approaches, which have led to remarkable progress across sectors since the 1994 genocide. As a result, the number of Rwandans living in poverty dropped from 56.7 percent in 2006 to 44.5 percent in 2011, and GDP

per capita almost doubled to US\$639 in 2013. Rwanda has made tremendous strides in improving the health and well-being of its citizens and has achieved or is close to achieving key Millennium Development Goals 4 (child health), 5 (maternal health), and 6 (disease control).

As Rwanda looks to sustain and build on its hard-earned gains in health, it faces a few vital constraints. Donor funding is declining and the Health Sector Strategic Plan III (HSSP III) is underfunded with a likely gap of \$372- \$697 million. Private sector investment, which could potentially help fill this gap, is only 1.7 percent. The Government of Rwanda (GOR)’s goal of increasing this investment to 5 percent (or approximately \$260 million/year) would cover almost 50 percent of annual total health

### ABOUT ASH

African Strategies for Health (ASH) is a five-year project funded by the U.S. Agency for International Development’s (USAID) Bureau for Africa and implemented by Management Sciences for Health. ASH works to improve the health status of populations across Africa through identifying and advocating for best practices, enhancing technical capacity, and engaging African regional institutions to address health issues in a sustainable manner. ASH provides information on trends and developments on the continent to USAID and other development partners to enhance decision-making regarding investments in health.

### Achievements in Five Years (2005–2010)

- Fertility declined from 6.1 to 4.6 children per woman
- Births in facilities increased from 28% to 69%
- Maternal mortality decreased from 610 to 390 (per 100,000 live births)
- Infant mortality rate decreased from 86 to 50 (per 1,000 live births)
- Child mortality rate decreased from 152 to 76 (per 1,000 live births)

Source: Demographic and Health Survey

## Key Issues for Sustainability

- HSSP III underfunded: Gap of \$372–\$697 Million
- Donor funding makes up over 60% of annual THE
- Declining donor trend (USG, GF)
- Declining Net overseas direct investment (ODA) per capita: \$113 (2011) to \$77 (2012) → 32% drop
- HSSP III goal: To increase PS investment from 1.7% to 5% → an estimated \$260 million/year → covering almost 50% of THE

expenditure (THE). The GOR, its development partners (DPs), and key stakeholders recognize the importance of increasing private sector engagement (PSE) as a means to accessible, equitable, efficient, and improved health services. In order to support the GOR to assess the landscape, identify potential opportunities and key obstacles, and develop a framework or roadmap toward increased and sustained PSE in health, USAID/Rwanda (USAID/R) commissioned ASH to carry out the Rwanda Health PSE Assessment. This brief is a summary of the assessment. See the full report [USAID/Rwanda Health Private Sector Engagement (PSE) Assessment] for details.

## Country Context

**Macroeconomic Situation and Investment Climate:** Rwanda's economy expanded at an impressive average rate of almost eight percent between 2010 and 2012. However, the projected higher growth rate assumed for the HSSP III will not be met, making a funding gap increasingly likely. The World Bank, Transparency International, and others have reported improved business climate indicators for Rwanda over the last five years, but FDI in Rwanda was only about 1.5 percent of GDP in 2013 (\$110 million). Investors cite a number of constraints, including high transport and energy costs, a small market, limited access to financing, inadequate infrastructure, and lack of a skilled workforce.

Indicator	2011	2012	2013
GDP growth (annual %)	7.9	8.8	4.7
Tax revenue (% of GDP)	13.1	13.7	13.4
Net ODA received per capita (current US\$)	113	77	...
Foreign direct investment (FDI)	106.2	159.8	110.8
Time required to start a business (days)	7.0	8.0	7.0
Total tax rate (% of commercial profits)	35.2	35.0	33.5

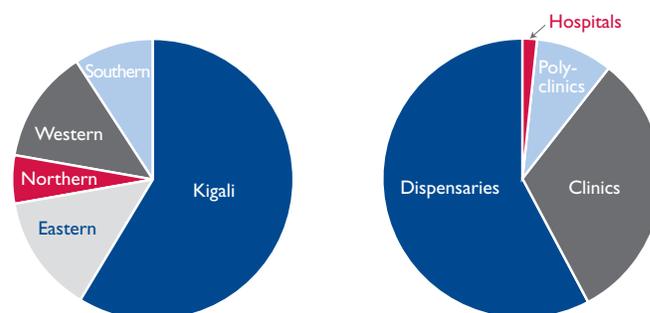
Source: World Development Indicators, The World Bank Group

**The GOR Health Goals and Structure:** The Ministry of Health (MOH)'s mission is to "provide leadership of the health sector to ensure universal access to affordable, promotive, preventive, curative, and rehabilitative health services of the highest attainable quality." Services are provided at different levels, through: community health workers, health posts (HP), health centers (HCs), district hospitals (DHs), and referral hospitals; and by different types of providers, including public entities, faith-based organizations (FBOs), for-profits, and nongovernmental organizations (NGOs). So far, the public sector has played a dominant role in health service provision at all levels.

**Health Financing and Expenditures:** Rwanda has made substantial progress towards universal health coverage, with approximately 93 percent of the population covered, primarily through community-based health insurance (CBHI) or other public providers. There are four main funding sources of Rwanda's health sector: 1) GOR revenues, including revenues from loans, grants, taxation, donations, and DPs; 2) Health insurance pooled funds from household expenditures; 3) Private and internationally generated funds from health facilities; and 4) Other donor funds. Donor contributions make up 61 percent of THE. Despite increases to the health allocation of the total GOR budget in recent years, 2013 saw a drop to only 9.5 percent of the budget due to a refocusing of resources.

**GOR and PSE:** MOH's HSSP III and the Health Financing Strategic Plan identify several areas of focus to increase resources. These include: creating an enabling environment for private sector investment in health, including medical tourism; promoting corporate social responsibility (CSR); engaging the private sector in construction of new health facilities and the creation of health posts; improving hospital financial performance and the management of existing programs; increasing capacity of community health worker cooperatives in financial management; and mobilizing greater district contributions in cash and in-kind.

**Rwandan Private Health Sector:** Despite the government's interest in PSE, the private health sector in Rwanda is relatively small and fragmented. It is comprised of private hospitals, polyclinics, clinics, dispensaries and HPs, faith-based hospitals and HCs, pharmacies, pharmaceutical wholesalers, private insurance companies, private professionals associations, private medical training institutions, and NGOs. There are 177 for-profit health facilities and 216 pharmacies and wholesalers, most of which are located in Kigali. The rest of the country is underserved by the private sector. The five private insurers cover about 10 percent of the population.



1. Geographic distribution of the private health sector

2. Private health sector by facility type

## Examples of Health PPPs/PSE

- MOH and IFH health posts
- MOH TB, malaria, HIV/AIDS, EPI programs, and private providers
- MOH and FBO hospitals/centers
- GOR's MPPD and private pharmacies for drug supplies
- Public insurance and selected private providers



**Existing Public-Private Partnerships (PPPs) and PSE:** While PSE and PPPs are limited in the health sector, there are several important examples. The GOR has a long history of successful PPPs with FBOs. FBO hospitals and HCs follow MOH policies and guidelines, and in return they receive most of the same support as public facilities. A more recent PPP is the One Family Health (IFH) social franchise model, which has created 92 private HPs operated by A2 nurses. While innovative, this model has experienced some difficulties due to inconsistent CBHI payments and incomplete fulfillment of the terms of the PPP in some districts (e.g. lack of or inadequate “ready” physical infrastructure). King Faisal Hospital, a referral hospital, is in the process of being privatized through a planned joint venture. In addition, select private facilities also participate in PPPs to promote public health, including services for tuberculosis (TB), HIV/AIDS, malaria, immunizations, and blood transfusions. Many private facilities also have contracts with public insurance, although few have contracts with CBHI. Many private pharmacies are also under contract with the Medical Procurement and Production Division (MPPD) of the Rwanda Biomedical Center (RBC) for select drugs and commodities.

## Assessment Approach

**Overall Goal:** The overall goal of this assessment was to formulate concepts and recommendations for increased and effective PSE in the Rwandan health sector to help sustain and expand on current achievements, especially at the primary- and secondary-care levels (from community- to district-level).

**The Conceptual Framework:** GOR leadership is the main driver of sustainability and long-term capacity to plan, implement, manage, and evaluate high-impact PSE activities. Defining and establishing the process of a country-led PSE approach must be both flexible and robust enough to capture all the emerging realities in the context of the country. In the case of Rwanda, at the heart of the challenge is fostering an enabling environment to encourage sociopolitical, commercial, policy, and organizational changes and readiness to support increased, broad-based, and sustained PSE under country-led principles. In developing an approach, the team looked at five strategic areas (SAs) that are necessary to create an overall environment for promoting and

sustaining effective PSE: 1) Leadership and Advocacy; 2) Policy and Planning; 3) Investment and Access to Finance; 4) Corporate Social Responsibility; and 5) Health Subsectors, comprised of Service Delivery, Health Financing, Human Resources for Health, Medical Products (including medicine), Equipment and Technology, Health Information Systems, Health Promotion and Prevention, and Learning and Knowledge Management.

**Key Results Areas:** The team used two results lenses to assess, analyze, and formulate all recommendations toward an increased, effective, and sustained PSE in the Rwandan health sector:

1. Enhancement, expansion, and improvement through efficiency gain
2. Domestic resource generation/financing and effective mobilization

**Methodology:** The team used a mixed methods approach, including document review, stakeholders' analysis, key informant interviews, focus group discussions, and field visits.

## Select Findings, Conclusions, and Recommendations

Selected key findings and recommendations (please see full assessment report for the detailed version) are presented on the following pages by strategic area. Each feeds into the following umbrella recommendation:

*Foster an enabling environment that promotes the growth of PSE in health over the longer term, while facilitating, developing, and implementing targeted “quick wins,” and broader PPPs that will help sustain and build on the current gains, especially at the primary and secondary levels of the health system.*

**Leadership and Advocacy:** Leadership is the most important element of an enabling environment that can ignite increased PSE and investment in health. Leadership, including political will and advocacy, is at the heart of a country-owned and -led process to improve the health system through effective and increased private sector participation.

## I. Leadership & Advocacy

Key Findings & Conclusions	Key Broad Recommendations
<ul style="list-style-type: none"> <li>■ There is strong leadership and political will at senior levels, which is a critical success factor for PSE.</li> <li>■ The level of understanding/support for PSE varies within the GOR.</li> <li>■ There is a lack of systems and knowledge about how to engage the private sector, especially to develop PPPs.</li> <li>■ There is a lack of effective coordination and clarity of roles and responsibilities between key stakeholders, such as the MOH, Rwanda Development Board (RDB), and RBC, that is limiting effective PSE.</li> <li>■ There is a lack of adequate capacity within the MOH, RDB, and RBC for effective PSE and PPP development.</li> <li>■ There is limited dialogue and no formal platforms and systems for public and private engagement.</li> </ul>	<ul style="list-style-type: none"> <li>■ Identify and support key health PSE leadership with critical “business” thinking at all levels. A Private Health Sector Coordination Committee (PHSCC) anchored at the highest levels of the MOH, RBC, and RDB supported by a Secretariat should drive PSE in Rwanda.</li> <li>■ Strengthen overall PPP and business development capacity at MOH and RBC.</li> <li>■ Intensify public expression of support and advocacy from senior GOR decision-makers for PSE and to increase resource allocation for heightened and sustainable PSE interventions.</li> </ul>

**Policy and Planning:** Effective policies and plans are critical for achieving increased PSE toward the attainment of broader health objectives. Effective leadership and advocacy have to be supported by an enabling policy and planning environment that clearly sets out strategic objectives, goals, and a results-oriented operational plan that is well defined and prioritized. Together, they formulate the legal and policy base and the critical underpinning toward successful implementation of increased PSE at all levels.

## 2. Policy & Planning

Key Findings & Conclusions	Key Broad Recommendations
<ul style="list-style-type: none"> <li>■ The overall tax and investment environment in Rwanda is favorable for private sector development (please see Annex B of the full assessment report for more discussion).</li> <li>■ A new PPP legal framework has been approved (not disseminated).</li> <li>■ The MOH, RBC, and RDB all have units or positions designed to engage the private health sector.</li> <li>■ Health-specific incentives in the tax and investment code are lacking.</li> <li>■ Implementation of PSE policies and plans is slow.</li> <li>■ PPP mechanisms and PSE/PPP planning process are not finalized.</li> <li>■ There are inadequate resources for effective PSE and PPP development.</li> <li>■ National- and district-level managers lack adequate skills and business know-how to implement PSE and PPPs.</li> <li>■ The private sector and other key stakeholders are not adequately engaged in policy development and planning.</li> <li>■ There is limited communication and confidence between the public and private sectors.</li> <li>■ Current GOR tariff structure and complex regulations (e.g. procurement, licensing, and customs) can impede PSE.</li> <li>■ The new electronic single window system may facilitate trade by speeding up and simplifying information flows.</li> <li>■ There are opportunities to increase revenue collections on the importation and registration of new pharmaceutical products.</li> <li>■ Most private sector associations have limited organizational capacity.</li> <li>■ Most hospitals lack autonomy, which creates accountability, management, and efficiency issues.</li> </ul>	<ul style="list-style-type: none"> <li>■ Prepare a detailed, evidence based and prioritized action plan for key PSE activities.</li> <li>■ Use the action plan to ensure efficient and equitable allocation of all types of resources for implementation at all levels.</li> <li>■ Strengthen national and district level PSE policy and planning capacity.</li> <li>■ Promote and increase meaningful participation of all stakeholders in formulation of PSE policies, strategies, and plans, and ensure ownership and alignment.</li> <li>■ Review current regulations and amend/introduce new ones in line with international practices to develop PPPs, generate revenue, and gain efficiency.</li> <li>■ Propose dialogue, and advocate for possible adaptation of law(s) that will give the hospitals management autonomy with appointed board of directors.</li> <li>■ Strengthen various private sector associations toward making themselves self-sustaining and more efficient to serve and represent their members.</li> </ul>

**Investment and Access to Finance:** Financing is an engine for growth for the private health sector. Without private investment and access to affordable commercial financing, private health care businesses are forced to rely on self-financing through their own savings and by borrowing from friends and family. This limits growth and makes it difficult for the private sector to make new investments and improvements. Expanded access to financing can lead to more reliable and better services, reduced stock-outs, expanded capacity, new services and products, and more modern facilities and equipment—all of which can lead to more viable businesses that strengthen the overall health system.

### 3. Investment & Access to Finance

Key Findings & Conclusions	Key Broad Recommendations
<ul style="list-style-type: none"> <li>■ There is currently some financing for the private health sector.</li> <li>■ Loan terms (collateral requirements, interest rates, borrower contributions) and lack of start-up capital restrict borrowing.</li> <li>■ There is low domestic and foreign investment in the health sector.</li> <li>■ The RDB has limited knowledge of the health sector and institutional capacity to increase investment in this sector.</li> <li>■ Limited business skills in the health sector prevent increased access to finance and investment.</li> </ul>	<ul style="list-style-type: none"> <li>■ Create/buy into health sector challenge funds.</li> <li>■ Structure Development Credit Authority (DCA), supported by technical assistance technical adviser (TA) to financial institutions, to increase lending to the private sector.</li> <li>■ Develop additional sources of financing through the GOR, other international financial institutions, and donors.</li> <li>■ Strengthen RDB's capacity to facilitate private health sector investment.</li> <li>■ Devise and support TA to assist private health care businesses to obtain financing.</li> </ul>

**Corporate Social Responsibility:** Corporate social responsibility (CSR) can provide Rwanda with alternative sources of funding to help address the financing gap. CSR involves a for-profit company providing funding to support a social cause, including promoting public health goals, for no immediate financial profit. Promotion of CSR in the health sector is one of the goals of the HSSP III.

### 4. Corporate Social Responsibility

Key Findings & Conclusions	Key Broad Recommendations
<ul style="list-style-type: none"> <li>■ There are some examples of CSR (including PPPs) for the health sector in Rwanda, including GlaxoSmithKline's support for One Family Health and Bralirwa's funding for the local manufacturing of mosquito nets and workplace programming.</li> <li>■ Currently, most CSR funding is in the agricultural and information, communication, and technology (ICT) sectors by multinational companies mainly due to GOR-, DP-led investment promotion activities. There is low domestic and foreign investment in the health sector.</li> <li>■ There are some constraints to the development of CSR for health.</li> </ul>	<ul style="list-style-type: none"> <li>■ Strengthen CSR to support PSE, PPPs, and increased funding for the health sector.</li> <li>■ Identify priority areas for CSR activities in the health sector and formulate a strategy and advocacy plan.</li> </ul>

**5a. Health Subsector–Service Delivery:** Service delivery lies at the heart of any health care system. In Rwanda, the public sector plays the dominant role in health service delivery at all levels. Increasingly, the GOR is interested in the financial sustainability of the health system through new and improved income-generation activities and efficiency gains, and is actively exploring PPPs and PSE at all levels.

### 5a. Health Subsector–Service Delivery

Key Findings & Conclusions	Key Broad Recommendations
<ul style="list-style-type: none"> <li>■ The private health sector is interested in expanding and partnering with the public sector and some public facilities are actively exploring PPPs.</li> <li>■ The private service delivery sector is small and fragmented</li> <li>■ There is an opportunity to develop a sustainable private health post model and significant interest to increase PPPs and other income-generation strategies within facilities</li> <li>■ There is no clear process and legal framework, and limited capacity to develop and implement PPPs.</li> <li>■ “Business culture” and business skills are limited at the facility level</li> <li>■ There is an interest and opportunity to strengthen and promote specialized services and tertiary care in the private sector</li> </ul>	<ul style="list-style-type: none"> <li>■ Develop and implement an innovative public-private community partnership model for HPs under the management of private nurses.</li> <li>■ Create a risk pooling fund to ensure HPs are located throughout the country.</li> <li>■ Develop and institutionalize a business and financial management capacity-building program for district hospital managers.</li> <li>■ Develop and institutionalize a PSE, business, and management capacity-building program for central-level managers.</li> <li>■ Support and incentivize the establishment of private sector specialized/tertiary care.</li> </ul>

**5b. Health Subsector–Health Financing:** Over the past 10 years, Rwanda has made substantial progress towards universal coverage. It is estimated that approximately 93 percent of the population has access to health care through CBHI (72 percent); the Rwanda Social Security Board (RSSB) (10 percent), which covers civil servants; the Military Medical Insurance (MMI) (less than 2 percent); and private insurance companies (10 percent). In July 2015, CBHI is slated to merge with RSSB for management and financial efficiency.

## 5b. Health Subsector—Health Financing

Key Findings & Conclusions	Key Broad Recommendations
<ul style="list-style-type: none"> <li>■ Rwanda has made substantial progress towards universal coverage, overcoming financial barriers and improving equity. The private service delivery sector is small and fragmented</li> <li>■ The integration of CBHI under the RSSB poses an opportunity for improved operational, financial, and management efficiencies.</li> <li>■ A high dependency on donor funding, which is declining, and the low purchasing power of the population is creating stress.</li> <li>■ The current GOR tariff is low, deterring private sector investment.</li> <li>■ A costing exercise has been completed to revise the GOR tariff structure, which is now awaiting approval.</li> <li>■ CBHI claim processing and payment inefficiencies and delays negatively impact private HPs.</li> <li>■ Opportunities exist to better integrate private insurance into the health financing system.</li> <li>■ Most community health worker (CHW) cooperatives operate income-generation activities (although low-profit), and income generation at the DH level is limited. There is interest in expanding income generation and improving efficiencies, but DH managers lack the skills and mindset.</li> </ul>	<ul style="list-style-type: none"> <li>■ Establish an integrated health insurance system and review the functioning of the system for its impact on quality of services, payments and equity, and sustainability. Create a risk pooling fund to ensure HPs are located throughout the country.</li> <li>■ Strengthen RSSB structural and institutional processes to successfully integrate CBHI.</li> <li>■ Strengthen income generation of CHW cooperatives and evaluate loss of PBF.</li> <li>■ Establish a national association of HPs and support income generation.</li> <li>■ Roll out strategies for income generation, PPPs, and efficiency gain at the district hospitals.</li> <li>■ Explore partnerships with private health insurance industry to increase coverage and higher contribution (currently one percent) from their earned premium to the CBHI.</li> </ul>

**5c. Health Subsector—Human Resources for Health (HRH):** Rwanda's health sector suffers from shortages of health professionals of all levels and specialties, as well as an inequitable geographic distribution of staff. Some of the most striking gaps of qualified health care workers include specialist physicians, midwives, highly skilled nurses, laboratory technicians, and biomedical engineers.

## 5c. Health Subsector—HRH

Key Findings & Conclusions	Key Broad Recommendations
<ul style="list-style-type: none"> <li>■ The lack of skilled health care workers is a constraint to PSE, to the development of specialized private health services, and to the privatization of medical equipment maintenance.</li> <li>■ The GOR is aware of the HRH problem and has a long-term vision and plan in place for developing a skilled workforce.</li> <li>■ Retention is a major issue, particularly in rural areas.</li> </ul>	<ul style="list-style-type: none"> <li>■ Continue to promote and support the development of specialized health workers (specialized physicians, midwives, biomedical technicians, and engineers)</li> <li>■ Increase resources and access to health promotion and prevention (HPP) relevant training for the private sector</li> </ul>

**5d. Health Subsector—Medical Products (including medicine), Equipment and Technology:** Access to affordable drugs, other health products, and up-to-date and well-maintained medical equipment is critical to the effective functioning of any health system. Improving supply, procurement, distribution, and maintenance (in the case of medical equipment) can help gain efficiencies within a health system and is an area that suitably lends itself to PPPs.

## 5d. Health Subsector—Medical Products

Key Findings & Conclusions	Key Broad Recommendations
<ul style="list-style-type: none"> <li>■ There is an active private pharmaceutical sector and a relatively active private pharmacy sector.</li> <li>■ There are plans to strengthen biomedical engineering skills, and the GOR is creating a Center of Excellence for biomedical engineering that will serve as an East African regional resource.</li> <li>■ There is insufficient funding and planning for medical equipment maintenance and management, and a culture of replacement rather than repair due to donor dependency.</li> <li>■ There is a lack of skilled biomedical engineers and technicians.</li> <li>■ There are complex procurement and customs requirements for medical equipment and spare parts.</li> <li>■ There is almost no local medical product/equipment manufacturing.</li> </ul>	<ul style="list-style-type: none"> <li>■ Devise and implement a parallel and phased approach on equipment management and maintenance (see full report for details).</li> <li>■ Explore and support production and expansion of select medical products.</li> <li>■ Explore potential for increased privatization of drug procurement and distribution, and improve current planning.</li> </ul>

**5e. Health Subsector–Health Information System (HIS):** HIS is the principal entry point to provide information and knowledge that can be used in planning and decision-making to improve health outcomes. Technology can be harnessed to create efficiencies and reduce costs. Given the role of the private sector in ICT, there are significant opportunities for PPPs/PSE in this area.

### 5e. Health Subsector–HIS

Key Findings & Conclusions	Key Broad Recommendations
<ul style="list-style-type: none"> <li>■ The GOR has made significant strides in e-health but there are more opportunities to increase efficiencies through increased use of technology and PSE.</li> <li>■ There is increased use of DHIS2 with a high reporting rate.</li> <li>■ There are limited existing initiatives of private sector engagement in health information and mobile technology (e.g. RapidSMS).</li> <li>■ There are weak basic computer and IT skills at various levels.</li> <li>■ There is inefficient institutional capacity and systems, and high cost of basic IT and help desk operation.</li> <li>■ The high cost of Internet, including high set-up and operational costs for infrastructure, unstable electricity, and lack of resources, makes operations quite costly.</li> </ul>	<ul style="list-style-type: none"> <li>■ Increase efficiencies through expanded use of e-health Explore outsourcing of basic IT support, help desk functions, etc.</li> <li>■ Increase PSE in building various interfaces to support interoperability between systems.</li> <li>■ Develop software and mobile phone interface for CBHI claims management and electronic drug procurement at health post level.</li> <li>■ Use mobile money for HP and CHW payments.</li> </ul>

**5f. Health Subsector–Health Promotion and Prevention (HPP):** Health promotion and disease prevention is being addressed at all levels of the Rwandan health system. Rwanda has made remarkable progress in improving health outcomes through effective HPP in areas such as malaria, TB, and HIV/AIDS. CHWs have been an important component of this success at the community level.

### 5f. Health Subsector–HPP

Key Findings & Conclusions	Key Broad Recommendations
<ul style="list-style-type: none"> <li>■ Outreach and demand-creation activities can improve the viability of small-scale private providers.</li> <li>■ PPPs related to HPP are working well, but there is significant room to improve and expand.</li> <li>■ There is an increased number of registered CHWs with high commitment to HPP work.</li> <li>■ There has been limited corporate engagement related HPP/CSR</li> <li>■ New training programs are being developed for community health technicians on noncommunicable diseases in collaboration with the Workforce Development Authority.</li> <li>■ There are inadequate resources and access to HPP trainings.</li> </ul>	<ul style="list-style-type: none"> <li>■ Increase PSE activities with targeted HPP strategies to help strengthen private sector contribution to health outcomes; activities including but not limited to:               <ul style="list-style-type: none"> <li>▲ Increase PSE in building various interfaces to support interoperability between systems.</li> <li>▲ Develop software and mobile phone interface for CBHI claims management and electronic drug procurement at health post level.</li> <li>▲ Use mobile money for HP and CHW payments.</li> </ul> </li> </ul>

**5g. Health Subsector–Learning and Knowledge Management (LKM):** LKM is at the heart of evidence-based planning, policy formulation, and decision-making. The whole culture of information generation, knowledge capturing, learning, and use is critical to improving efficiencies and health outcomes.

### 5g. Health Subsector–LKM

Key Findings & Conclusions	Key Broad Recommendations
<ul style="list-style-type: none"> <li>■ There are a number of existing PPPs geared towards training facilitation, education, and knowledge transfer.</li> <li>■ There is limited knowledge within the GOR about health PPPs/PSE, no central database on the private sector, and no evidence base.</li> <li>■ There is low clinical and operational research capacity (public and private), and inadequate PS involvement.</li> </ul>	<ul style="list-style-type: none"> <li>■ Test different PPP models, disseminate findings and scale up successful models</li> <li>■ Strengthen operational and clinical research</li> <li>■ Develop and disseminate knowledge, information, and evidence to facilitate PSE and income generation</li> </ul>

## Key Strategic Priorities and Immediate Next Steps

The key strategic priority should be to create an improved enabling environment for effectively promoting, supporting, and sustaining PSE in the health sector for sustainability. Recommendations in the assessment report are categorized by results area: priority (high, medium, low); impact horizon (short- and long-term); and aligned with the five HSSP III priority areas. While many of these will take time to bear fruit, a number require rapid action and investment to achieve quick results to prepare the ground for longer-term successes. Immediate focus should be on the following:

- **Continue to build on current momentum and interest generated by the assessment process**, and keep the dialogue, planning, and activities going, especially at the intra-GOR and DPs level.
- **Set up the PHSCC and secretariat with an official mandate and high-level representation to generate political support**, set direction, provide strategic oversight for a visible and sustainable national health PSE effort, and to bring people to consensus and build common understanding between all key stakeholders, especially relevant public and private actors.
- **Hire a short-term (three to six months) TA (PPP) with strategic, coordination, and organizational skills in an expedited manner** to support/guide the setup and implementation of the PHSCC and secretariat, leveraging existing or new GOR resources, or by soliciting TA from DP(s).
- **Create a platform and facilitate an environment for regular public-private dialogue** to build trust and close the current knowledge and information gap regarding health sector businesses.
- **Through dialogue, consensus, and in a fully inclusive manner, use the assessment report and recommendations** to prepare an approach/strategy accompanied by a prioritized and phased action plan with clear time-line, responsibilities, and resource allocation for all PSE activities.
- **Strengthen overall PPP and business development capacity at MOH and RBC** by starting the process of appointing: i) a health PSE (including PPP) expert at the MOH's PPP desk, who can help support the ministry's PSE and PPP agenda and actively participate as a member of the PHSCC secretariat; and ii) a long-term/permanent GOR Business Specialist (PPP) with high-end business development and analytical skills at the RBC's Business Development Unit.
- **Conduct rapid training needs assessments and develop and institutionalize a business and financial management capacity-building program** for DH managers and administrators and a PSE, business, and management capacity-building program for central-level (MOH, RBC, and RDB) managers.

- **Begin conducting feasibility studies to select, plan, and implement new strategies for income generation** and efficiency gain (private wing, private consultation scheme, outsourcing, etc.) at select DHs and CHW cooperatives.
- **Evaluate, finalize, and implement** the proposed HP model with a focus on sustainability.
- **Evaluate and explore the recommended activities** and initiate work to improve access to finance.
- **Conduct a desk review to identify best practices and successful models** of health PSE in East Africa. Use this review to develop an evidence base to steer learning, guide the proposed learning trip(s) for the PHSCC secretariat task team, and aid the development of Rwanda-specific PSE solutions.
- **Finalize and approve the PPP legal framework** and new GOR tariff structure; define and adopt a legal framework for DH income-generation activities; and explore, define, and advocate for health-specific tax and investment incentives.

## Conclusion

The assessment conducted a broad landscape analysis covering a wide spectrum of strategic areas and their components (11 in total) and laid out detailed recommendations with a set of parameters, which once vetted by the GOR and its partners, can be used as the framework or roadmap for PSE activities for years to come. All recommendations are aligned with the HSSP III priorities and aim to better engage and leverage the private health sector.

This is indeed both a challenging and opportune time for the Rwandan health sector. If the current health gains are to be sustained in light of declining external financing and donor support, the private sector must play a critical role in helping to bridge the financing gap. Rwanda's bold and visionary national leadership recognizes the importance of the private sector and has initiated efforts to support it. However, a great deal of work remains to increase private sector participation to reach the five-percent goal set by HSSP III.

The private sector has a key role to play in both gaining efficiency and generating new resources in the health sector, ultimately contributing to positive public health outcomes. Rwanda has some unique and significant challenges to that end, especially for the expansion of the for-profit health sector. As such, heightened leadership and efforts need to be made by the GOR with help from all stakeholders, particularly DPs, to effectively create an overall improved enabling environment, including a rigorous communication, information, and knowledge agenda. A vibrant and expanded private sector will help not only to reduce demand on the public sector, but more importantly to help sustain and accelerate the gains achieved by the GOR. ■

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