

*PD ABI-066*

**TECHNICAL ASSISTANCE IN  
SUSTAINABILITY PROVIDED TO:  
PRO-PATER.**

**JUNE 13-19, 1993**

**Michael Hall**

**FAMILY PLANNING MANAGEMENT DEVELOPMENT**

**Project No.: 936-3055  
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### ANNEX 1. INTERNAL MARKETING

## I. EXECUTIVE SUMMARY

The technical assistance provided to Pro-Pater June 13-19, 1993 represents the third in a series of activities [the second with Pro-Pater] identified as part of the institutional collaborative agreement between Management Sciences for Health's Family Planning Management Development Project [FPMD] and the Association for Voluntary Surgical Contraception [AVSC]. The agreement represents an attempt to apply and coordinate FPMD management expertise with the ongoing service delivery activities of AVSC. Under the terms of the arrangement, FPMD is responsible for its personnel costs and AVSC provides travel and per diem and is responsible for obtaining concurrence from USAID.

Pro-Pater is a non-profit organization, located in Sao Paulo, Brazil that specializes in male reproductive health services. Established in 1981, it has received considerable financial and technical assistance from AVSC. But with the shift in AID priorities to the northeast of Brazil, and with AVSC's desire to avoid recurrent program costs, Pro-Pater has not received institutional funding for the last two years. During that period it has shut one of its two clinics, reduced staff and has largely survived on the income from vasectomies paid for on a sliding fee scale by fee-paying clients.

Recognizing the important work done by Pro-Pater and an opportunity to secure its long term future free of donor dependency, AVSC and AID Brasilia are supporting a year long effort to sell Pro-Pater services to the health care plans of private industry. That effort began with the support of a marketing consultant [Sept. - Dec. 1992] who survey the general interest of private industry in the Sao Paulo area. AVSC also requested the assistance of FPMD to review the results of that survey and to make general recommendations concerning the structure and management requirements of this "Industrial Initiative". An FPMD consultant spent two weeks at Pro-Pater from Oct 12-23, 1992 assessing the project and the recommendations included in his report contributed to the sub-agreement initiated between AVSC and Pro-Pater for the period Feb. 1, 1993 to Jan 31, 1994.

The initial assessment by FPMD determined that there was considerable interest on the part of private industry but that a large pool of eligible beneficiaries would have to be created given the specialized nature of Pro-Pater services. If such a pool were created, the key element for project success, and maximum income to Pro-Pater, would be internal marketing of Pro-Pater services within those companies that had certified Pro-Pater as a medical provider. FPMD also recommended that given the disperse elements of the project [external marketing, internal marketing, service development, management information systems upgrading, etc.], Pro-Pater needed to hire an experienced project manager who could coordinate and integrate these elements in a systematic fashion. FPMD felt that one of the first activities of the new project manager should be the development of a detailed implementation plan for the first year of the project and that

once a draft was prepared, it would return to review it, along with other project issues, during the first three months of the project.

During the six months between FPMD consultancies only one health maintenance organization [which negotiates lesser fees for its members but does not reimburse for actual services], representing 180,000 members, had signed a contract with Pro-Pater. During this second consultancy another traditional health maintenance organization and two private companies signed contracts bringing to 400,000 the number of beneficiaries able to use Pro-Pater services. None of these contracts include either vasectomy or infertility services.

Upon returning to Pro-Pater, FPMD found that no project manager had been hired but rather, based on the recommendations of a local consultant also paid for by the sub-agreement, two lesser technical positions had been created in the areas of computer systems and external marketing and a third marketing consultant had been retained. It was unclear who had overall, day-to-day knowledge and/or responsibility for the project. More importantly, it was unclear who had a comprehensive and integrated understanding of the various elements of the project and who was planning for their development and implementation. There was also no draft implementation plan for either the project as a whole or for any of its elements.

Given its base of 400,000 eligible beneficiaries, it is recommended that Pro-Pater focus its efforts on an intensive internal marketing campaign directed at those individuals. Such a campaign should be labor intensive and rely on existing Pro-Pater staff who are presently under-utilized. In addition to capitalizing on an existing resource, it would make staff feel a part of and responsible for project success. If the campaign generates an increasing client load, a reward system should be developed for a staff that has had to bear the burden of Pro-Pater's reduced income. At this point it is difficult to see who would organize and oversee the internal marketing campaign given that there is no project manager.

## **II. BACKGROUND**

The week of technical assistance provided to Pro-Pater represents the third in a series of activities [the second with Pro-Pater] identified as part of the institutional collaborative agreement between Management Sciences for Health's Family Planning Management Development Project [FPMD] and the Association for Voluntary Surgical Contraception [AVSC]. The agreement represents an attempt to apply and coordinate FPMD management expertise with the ongoing service delivery activities of AVSC. Under the terms of the arrangement, FPMD is responsible for its personnel costs and AVSC provides travel and per diem and is responsible for obtaining concurrence from USAID.

Pro-Pater is a private, non-profit andrology [male services] clinic, located in Sao Paulo, Brazil, that was established in 1981 to provide medical and educational services in the areas of male contraception and sexuality and to undertake and promote biomedical and psychological research in male fertility, infertility and sexuality. In addition to vasectomy, it does diagnosis and treatment of hormonal problems of males of all ages and performs a number of surgical procedures related to testicular and scrotal malfunction and malformation. In the area of infertility, Pro-Pater treats sexual dysfunction, performs post-vasectomy recanalization and does in-vitro fertilization. Its well equipped laboratory includes one of the few computerized sperm motility analyzers in the country. Having performed over 40,000 vasectomies in its 12 year history, it has been a pioneer in dispelling the myth that Latin men will not accept a permanent form of contraception. Because of its high quality personnel and physical facility, it has also served as an important international training site for vasectomy, and most recently in the no-scalpel technique, for physicians from other country programs supported by AVSC.

Over the years Pro-Pater has received considerable financial and technical support from AVSC and to a lesser extent, from other AID-funded organizations. But with the shift in the AID country strategy to the Northeast States of Brazil, Pro-Pater has not received any recurrent AID funding for the last two years and its only outside support is a training grant in no-scalpel vasectomy with AVSC. During this period of reduced financial resources, Pro-Pater closed one of its two clinics, reduced staff and generally has relied on the income from vasectomies performed on a sliding fee scale for private patients at its one remaining clinic.

Given the uncertain nature of its long term future, and the redirection of AID priorities to the Northeast of Brazil, AVSC, with the support of AID Brasilia, was encouraged to assist Pro-Pater in developing a strategy and plan to market its services to private industry in Sao Paulo. To that end, AVSC supported the work of a local marketing consultant [Sept. - Dec 1993] who began to systematically survey and eventually approach private companies concerning the possibility of including Pro-Pater services in their health care package for employees, dependents and retirees. Initial contacts indicated a strong interest in andrology services as a nature complement to ob/gyn services; especially among those companies that directly certify eligible medical providers ["free

choice" companies]. Several of the larger health maintenance organizations [HMO] also expressed interest but the certification process appeared to be more difficult and lengthy.

While the market research was occurring, AVSC also requested the assistance of FPMD to review the overall viability of the plan and to make specific recommendations concerning the operation and management of this "Industrial Initiative Project" that would form the basis of a year's worth of AVSC assistance [1993 sub-agreement] to launch the initiative. As a result of that request, FPMD provided technical assistance to Pro-Pater Oct. 12-23, 1992 [see FPMD report: "Technical Assistance in Sustainability Provided to Pro-Pater"]. In reviewing all aspects of the proposed initiative, the FPMD consultant made the following observations/recommendations:

- Initial response by private industry was positive but given the specialized nature of Pro-Pater services, a large pool of beneficiaries would need to be created. It would therefore be necessary to continue the marketing efforts during the life of the project.
- Once companies approved Pro-Pater as a provider, internal marketing of its services within those companies would be the critical factor in generating significant numbers of new clients.
- The internal management systems of Pro-Pater would need to be upgraded to accommodate the varied financial and utilization information required by the companies that certified Pro-Pater as a health care provider.
- Given the importance of external and internal marketing, the need to upgrade internal management systems and the eventual provision of high quality services, it would be essential to identify and hire an experienced project manager who would plan for, integrate and monitor all these activities. Once that hiring took place, it was recommended that the project manager develop an overall integrated implementation plan and that the FPMD consultant return to review it and other issues related to project implementation.

### **III. SCOPE OF WORK**

#### **Specific Objectives**

1. To review and discuss the project manager's job description with both the project manager and Pro-Pater officials. Revise and finalize the job description.
2. To review and discuss the status of the "Industrial Initiative Program" with the project manager, the local marketing consultant and Pro-Pater officials. Assist Pro-Pater to identify any problems/issues that need to be addressed and provide any recommendations for making changes/adjustments in the strategy.

3. To work with the project manager to review and revise the workplan [the project manager should have a draft workplan ready to review with the consultant upon his arrival].
4. To present with the project manager the draft workplan to Pro-Pater officials and appropriate staff for discussion and final revision.
5. To determine dates and proposed scope of work for the next technical assistance visit by the consultant [Michael Hall]. This visit should be included in the activity plan developed as part of the workplan.
6. To review the status of the MIS consultancy. Discuss plans with staff and the local MIS consultant [who is also the marketing consultant]. Review consultant's proposal and timetable for implementing MIS activities. Make any recommendations for change/revision. Discuss plans/need for international MIS consultant [as described in document BRA-36-SV-1-A] and make recommendation to AVSC as to whether or not this consultancy should be conducted. If Pro-Pater officials and the consultant determine to go ahead with this consultancy, determine dates when consultancy should be conducted.

#### IV. FINDINGS

##### A. Project Management

1. No overall project manager was ever appointed but rather two functional positions were created; Plan Administrative Manager and Plan Technical Manager. Some aspects of project management and development are also done by the Executive Director and the Administrative Officer. This change occurred largely as a result of the recommendations of a local marketing/MIS consultant, Frank Stephen Davis, who was contracted by Pro-Pater in March 1993 to advise on marketing issues and to install a more appropriate computerized MIS system for client records [see AVSC report: "Pro-Pater Consulting/S.I.G. 03/93"]. Mr. Davis cites the excessive cost of such a position at the early stages of the project as the main reason for his recommendation. He also felt that "the managerial function, in the strict sense, would be divided between the Project Coordinator [Executive Director?] and the Board of Directors."
2. There is no implementation plan for the project or for any of its component activities [external marketing, internal marketing, services development, management information systems development, etc.]
3. Pro-Pater purchased a rectal transducer with project funds in order to expand its services offered to industry to include prostate examinations. While the purchase had

been approved by AVSC, there is no one on Pro-Pater's staff who knows how to use it nor is anyone presently being trained.

### B. Marketing to Industry

1. In the six months since the last FPMD consultancy one HMO contract had been signed [it had been scheduled to be signed shortly after the first visit]. This contract is with a somewhat unique organization called NipoMed. NipoMed represents 180,000 members and negotiates reduced fees with its certified providers but members are responsible for the full cost. During the second consultancy, Pro-Pater signed a second contract with Blue Life, a large HMO representing 800 companies and 190,000 individuals, and was about to sign with PRODESP [9,000 State data processors], CABESP [50,000 employees of the Bank of Sao Paulo] and SABESPREV [75,000 State water department employees]. With the exception of NipoMed [which doesn't reimburse for any medical service] none of the contracts will include either vasectomy or infertility services.

2. No one has been assigned complete or overall responsibility for continued marketing of Pro-Pater services to private industry and there is no plan that indicates a systematic and long term approach to this important activity.

3. Pro-Pater produced a high quality video designed to introduce its services to private industry. While the video should prove useful, materials money originally included the project budget was to be used to produce an all-purpose brochure for internal marketing to employees of companies who had approved Pro-Pater as a provider. It was to include all of Pro-Pater's services and indicate bus and subway routes to the clinic. Based on the recommendation of Mr. Davis, Pro-Pater used those funds for the video and are still without a generic brochure.

### C. Internal Marketing

1. There is no staff person who has the overall responsibility for developing and implementing internal marketing campaigns within those companies that have certified Pro-Pater as an approved provider.

2. There is no plan for designing or implementing internal marketing campaigns.

3. There are no written materials that describe all of Pro-Pater's services that could be made available to employees or company medical staff.

## D. Management Information Systems

1. As a result of Mr. Davis' consultancy, Pro-Pater does have a basic computerized client record system that can be disaggregated by both type of service and by parent company of client. Mr. Davis also thoroughly trained a staff member in its use.
2. While the system has been installed on several computers, they are not linked in a network and would need to be for optimal use of its capabilities.
3. The financial records of the organization have recently been switched to another accounting firm and therefore has not been set up with cost centers yet.

## **V. CONCLUSIONS AND RECOMMENDATIONS**

### A. Project Management

1. While it should be recognized that Pro-Pater has received conflicting advice in regards to hiring a project manager, FPMD continues to feel that it is the single most important factor, given industry interest, for project success. The lack of activity during the six month period between FPMD consultancies has been harmful to the project, especially since there will only be this one year of AID support, and in many ways it is due to the lack of a qualified program manager. No companies were signed up during that time even though there had been strong initial interest, no internal marketing strategies or campaigns were developed, no overall implementation plan for the project as a whole or any of its components was developed and no one was trained to use the rectal transducer. Responsibility for these and other important tasks were either unassigned or informally left to a number of existing staff persons with other responsibilities. The two positions suggested by Mr. Davis and accepted by Pro-Pater have overlapping duties with other important areas [managing clinical services] left out entirely. But even more importantly, there can only be one overall point of accountability and two lesser but equal positions can only serve to confuse and defuse the responsibility for project management.

While Pro-Pater is quite correct in stating that project funds designated for the project manager may not have been sufficient, the project would be better served by attempting to renegotiate the sub-agreement with AVSC or in contributing some of their own funds rather than simply not filling the position. Given the importance of this project for the future of Pro-Pater, and Pro-Pater's willingness to invest in a new clinic, it's difficult to understand why Pro-Pater would not invest some of its own funds in an expert project manager.

2. Pro-Pater must develop an implementation plan for the project as described in the consultancy Oct. 1992.

### B. External Marketing

1. There is now a pool of almost 400,000 employees, dependents and retirees whose health care coverage includes Pro-Pater as a certified provider. While external marketing should be a continuous activity of the project, priority needs to be given to getting those beneficiaries into the Pro-Pater clinic.

### C. Internal Marketing

1. Internal marketing should be a major focus of the project. It was suggested during this consultancy that the three month period of July - Sept. be designated as a campaign period when an intensive effort is made to market Pro-Pater services to contracted companies [see attachment 1 for steps to follow]. Targets for such an effort should include both the likely source of referrals [company doctors, nurses and social workers] and the employees themselves.

2. Given that the signed contracts do not include vasectomy or infertility services, it will be a challenge for Pro-Pater to attract clients for reimbursable services. Knowledge of the inherent "flexibility" of the billing structure will also be important. Many services that are not presently reimbursed [eg. infertility] are in fact simply billed as gynecological or urological exams by other certified providers in order to both provide and be reimbursed for the service. Equally important will be their ability to gain the trust and confidence of medical professionals and employees who would refer for or request these services even if they aren't reimbursed. If Pro-Pater establishes a strong reputation, there will be many such clients. Pro-Pater must also continue to educate the decision-makers at this industries about the importance and cost savings involved in including these services in their health care coverage.

3. It is difficult to see how these internal marketing effort can be successful without someone in charge of them who has developed a systematic plan of action. If this effort is not done extensively and well, the entire project will suffer.

### D. Management Information Systems

1. The computerized client record system appears to be adequate to respond to both the internal and external needs of the project.

2. The computer system needs to link the computers in the clinic with those in administration to form a network. This would require minimal expenditures for both equipment and technical assistance.

3. Billing companies will initially be done manually which should be adequate for the time being. If the project begins to generate significant numbers of new clients, this may become a problem in need of further attention.

4. It will be important to ensure that the new accounting firm contract to do Pro-Pater financial work implements the cost center approach suggested in the first consultancy. Cost-per-unit of service will be very important to periodically review; especially in light of the negotiated prices in each contract.

## Persons Contacted

### Pro-Pater

|                            |                             |
|----------------------------|-----------------------------|
| Dr. Marcos Paulo De Castro | Executive Director          |
| Mrs. Bernadete De Castro   | Administrative Officer      |
| Ms. Renata De Castro       | Plan Administrative Manager |
| Ms. Rosele Paschoalick     | Plan Technical Manager      |
| Mr. Luiz Antonio Viegas    | Marketing Consultant        |
| Dr. Beno Lucki             | Laboratory Physician        |
| Dr. Arnaldo Kormes         | Physician                   |
| Dr. Jose Geraldo           | Physician                   |

Blue Life HMO begin with step I.  
Private Companies begin with step II.

Activities

**I. To learn about the basic administrative functioning of Blue Life.**

1. To understand the reporting requirements of Blue Life.
  - a. How to bill for services provided to Blue Life members.
  - b. What to bill for in order to maximize income potential for Pro-Pater.
2. To know how Blue Life informs its members of [new] approved medical providers and the services they offer [directory of providers, newsletter, etc.].
  - a. Develop information on Pro-Pater that ensures maximum coverage in these sources of information e.g. articles, listings in more than one place in the directory of providers [urology, gynecology, etc.], etc.
  - b. Explore possibility of developing a Pro-Pater newsletter [quarterly] and sending it to Blue Life members.
3. To prepare a marketing campaign that markets Pro-Pater services directly to the companies, and their employees, that are members of Blue Life.
  - a. Obtain a list of all member companies.
  - b. Prioritize list in order to make personal contacts and to start a direct marketing campaign. Priority criteria could include [a] size of company [b] number of male employees [iii] familiarity with Dr. De Castro and/or Pro-Pater.

**II. To market Pro-Pater services to the professional staff of Blue Life member companies [doctors, nurses, social workers, etc.] who are likely to refer employees to a medical provider.**

1. Find out key professional staff at company; names, titles, level of familiarity with Pro-Pater.
2. Develop brochure to inform them of Pro-Pater services emphasizing those covered by health care package.

3. Arrange a meeting with key personnel:
  - a. Make presentation.
  - b. Show video.
  - c. Distribute brochures.
4. Invite key personnel to visit Pro-Pater clinic.
5. Send them quarterly newsletter.
6. Solicit suggestions from them as to how directly approach employees:
  - a. Give talks.
  - b. Show films.
  - c. Send them newsletter.
  - d. Do an annual, in-company health campaign [prostate checks, sexual dysfunction, etc.].

**III. To market Pro-Pater services directly to the employees of private companies that have approved Pro-Pater as a provider.**

1. If possible, use survey/questionnaire to ask employees what are their greatest health care needs and concerns, Focus groups could also be used.
2. Distribute brochure to employees describing Pro-Pater services. It should include a map and bus and subway schedules to the clinic.
3. Schedule [quarterly] talks, films etc. to be given to employees on subjects identified in step III. 1.
4. Have an annual campaign [prostate cancer, sexual dysfunction, etc.] that brings Pro-Pater medical staff into the company.

**IV. To maintain interest and confidence in Pro-Pater as a respected medical provider.**

1. Regular telephone contact with both accounting and medical professionals at participating companies to ensure that they are satisfied customers.
2. Pro-Pater newsletter [quarterly].
3. Annual brochure distribution.
4. Annual health campaign.
5. Regular talks to company professionals.