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The Banking on Health Project and Private Health-Sector Businesses

The Banking on Health project expands access to financing for private health care businesses, improving their capacity to deliver high-quality reproductive health (RH) and family planning (FP) services. Private health care businesses in developing countries face many constraints to accessing financing. The private health sector often is fragmented, with small-scale providers operating in isolation and without access to the business and clinical inputs needed to develop their practices. Clinicians with limited business and financial-management experience and who have difficulty applying for financing run many of these businesses. Banking on Health addresses these constraints and expands access to financing by strengthening business-development services and improving market linkages for private providers.

Banking on Health works with health care businesses that offer RH, FP, and other health services and products, including service providers, distributors, pharmacists, and medical educators. We work with all sizes of private health care businesses from small-scale, micro providers (such as midwives and drug shops) to large health networks and hospital groups.



Giuseppe Prossal/Finans

Improving Business-Development Services and Market Linkages for Private Health Care Businesses

We build the capacity of local organizations, including provider associations and business-service providers, to offer training and other advisory services to private health providers on topics such as

- general business skills
- marketing

- business planning and feasibility studies
- financial management and accounting
- managing payment systems, including health insurance, contracting out, and fee-for-service arrangements
- accessing finance
- loan packaging and referrals to financial institutions
- integrating FP and RH services in a financially sustainable manner

Banking on Health also improves market linkages by hosting health-sector trade fairs that are one-stop marketplaces where private providers connect with financial institutions, pharmaceutical companies, equipment suppliers, training institutes, and representatives from the ministry of health and donor-funded projects. These one-day events are platforms

to discuss topical clinical and business issues and serve as forums for private health providers to network and talk with policy makers. Banking on Health also develops relationships between financial institutions, suppliers, and provider associations to improve access to inputs that providers need to grow their businesses.

Key Outcomes of Our Work with Private Health Providers

Banking on Health has developed the capacities of 14 local organizations in nine countries to offer business training and advisory services to private health care enterprises. The project has trained 2,524 private providers. Banking on Health also has organized 17 private health-sector trade fairs in four countries (Ethiopia, the Philippines, Uganda, and Zambia) with support from local professional associations, United

States Agency for International Development (USAID) project partners, and contributions from commercial exhibitors. A total of 3,355 health providers, representing midwives, nurses, medical doctors, pharmacists, drug shop owners, clinical officers, and laboratory technicians, and 214 exhibitors have participated at these events. Following Banking on Health's assistance, private health care businesses have received more than \$192 million in financing.

Examples of Programming with Private Health Providers

Zambia: In Zambia Banking on Health is growing a small private health sector by strengthening business-development services for providers, expanding access to financing, and improving market linkages. Banking on Health works with private nurses, midwives, clinical officers, physicians, and pharmacists. The project developed a series of business training courses for private providers and is working with provider associations to deliver them. The basic training course centers on a business simulation that covers many of the skills needed to manage a private medical practice. A financial-management course for graduates of the basic course emphasizes developing financial statements and business plans in order to access financing.

Banking on Health builds the capacity of provider associations to offer these courses in the future by conducting an ongoing training of trainers (ToT) from each association, certifying successful participants. As providers often need more than just training, Banking on Health also is building the capacity of five business-service providers in Zambia to provide individualized advisory services to health providers on topics such as accounting, financial-systems development, and completing a loan application. Banking on Health helps associations to negotiate group discounts with business-service providers and links providers to these firms through the training. Banking on Health also is developing linkages between financial institutions, business-service providers, and associations. Additionally the project strengthens market linkages by hosting private health-sector trade fairs.

Philippines: The private midwife sector in the Philippines is fragmented. Midwives have difficulty accessing the business-support services and

financing needed to transition from home-based care to accredited birthing homes. To address these constraints, Banking on Health developed three business training courses and a number of business-management tools to assist private practice midwives to establish and improve the delivery of sustainable reproductive and other health services in accredited clinics. Training tools include a daily accounting worksheet to record transactions and determine profitability as well as directories of business resources. Banking on Health used a ToT approach, building the capacity of local nongovernmental organizations to train midwives in their catchment areas. Banking on Health also piloted the concept of private midwife trade fairs in the Philippines, holding five of them that more than 1,200 midwives and 60 suppliers and financial institutions attended.

Georgia: The Georgian government is privatizing primary health care centers, important providers of RH and FP services. To support this transition and increase the chances of the health centers' sustainability, Banking on Health developed an entrepreneurship and business training course for primary care physicians operating rural ambulatory clinics. Banking on Health built the capacity of a Georgian training firm with national outreach to offer the course on an ongoing basis and provided input to the government of Georgia about registration requirements for these newly privatized facilities.

Peru: The Banking on Health project in Peru supported broader USAID programming to work with the private sector as part of an eventual graduation strategy. Banking on Health designed a program to expand access to financing as a way to strengthen the private sector and its ability to contribute to RH and FP outcomes. Banking on Health targeted midwives and obstetricians/gynecologists (OB/GYNs) as important private-sector sources of clinical FP services. The project built a local university's capacity to offer training that covered topics such as creating a business plan, marketing, analyzing financial data, and applying for a loan. It also worked with midwife and OB/GYN associations and a network of midwives to market the training to their members. Banking on Health invited financial institutions that it had trained in lending to health providers to attend a fair on the last day of the training so that providers could discuss business plans and make contacts with them.