

Namibia: Engaging the Private Sector to Achieve Priority Health Goals

Namibia faces a dual challenge: a serious HIV epidemic and the imminent withdrawal of donor funding. While the epidemic is stabilizing, adult prevalence is 13 percent and enrollment in antiretroviral therapy (ART) is increasing. Increased enrollment rates pose significant economic and social repercussions, including increases in absenteeism and medical benefits costs. Consequently, the government of Namibia has prioritized the financial sustainability of the national HIV/AIDS response. This impetus requires exploring strategies to decrease costs and improve efficiencies in delivering HIV/AIDS services by mobilizing all internal financing sources.

The vibrant private health sector in Namibia is poised to take on a greater role in ensuring the sustainable provision of essential health services, including HIV/AIDS services. Namibia has a substantial health insurance industry, covering 18 percent of the population, which is ideally positioned to expand access to HIV services among the formally employed. In 2010, SHOPS conducted a private health sector assessment to guide program implementation with the ultimate goal of leveraging these private sector resources to increase efficiencies and prospects for sustainability, improve access to care for underserved populations, and achieve national health goals. As a result of the findings of the private health sector assessment, USAID/Namibia initiated a field program to help strengthen the private health sector to respond to national HIV/AIDS goals. SHOPS program activities have produced the results below.

Results

- Identified the key players in the private sector
- Defined steps required to expand low-cost health insurance
- Designed activities to build the capacity of nongovernmental organizations to effectively engage with other sectors and diversify funding
- Advised on financing male circumcision as a preventative health insurance benefit
- Strengthened the role of the private health sector to provide male circumcision in partnership with the Male Circumcision Task Force of the Ministry of Health and Social Services (MoHSS) and the Namibian Association of Medical Aid Fund (NAMAF)



Jessica Scranton

The private health sector in Namibia includes over 550 consulting rooms, 72 percent of all doctors, and almost 90 percent of pharmacists.

Private Sector: Ready for A Greater Role

The vibrant private health sector in Namibia is poised to take on a greater role in ensuring the sustainable provision of essential health services, including HIV/AIDS services.

Taking Stock

Health care in Namibia is a complex mix of public and private elements, with the national HIV response primarily implemented by the MoHSS. While strong national leadership and commitment to responding to HIV/AIDS exists, challenges persist. Most notably, current programming is unsustainable due to a heavy reliance on donor funding to pay for anti-retroviral medications (ARVs) and to finance faith-based organizations and NGOs to deliver essential services. The recent influx of donor funding has prompted a dramatic increase in NGOs wholly dependent on foreign and domestic donations. Meanwhile, commercial sector contributions to health are currently negligible at less than 1 percent.

Despite the large number of nonprofits providing services, sustainability and efficiency are threatened by a crowded market providing duplicative services. The nonprofit sector includes 174 NGOs, 51 FBOs, and 191 community-based organizations delivering essential HIV/AIDS prevention, care, and treatment services. FBOs cover roughly 25 percent of the 80,000 patients on ART. Sustainability is also hindered by an under-utilization of Namibia's for-profit sector. This sector includes an estimated 3,256 registered private health care providers (including 558 doctors and 1,363 nurses) and key industries that offer health services to employees and surrounding communities. Many larger industries provide workplace prevention and education programs, voluntary counseling and testing services and ARVs funded by employers and medical schemes.

While various forms of health insurance are present in Namibia, the market is relatively small and has the potential to be more evolved and diversified. Financing for treatment in the private sector is usually covered by either traditional or low-cost medical schemes. By 2011, traditional schemes and the Public Service Employees Medical Aid Scheme, which supports public servants, covered 16 percent of Namibians. Low-cost schemes, some only covering HIV treatment, use a limited network of primary care providers paid on a capitation basis. Growth of low-cost schemes has been slow, adding just less than 1 percent of the population to private insurance. Although these schemes are well established, over 50 percent of the formally employed do not have health insurance; the estimates are higher in the informal sector.



Jessica Scranton

The SHOPS team in Namibia supports the goal of the government of Namibia to forge a financially sustainable national HIV/AIDS response. Working with the Ministry of Health and Social Services, private health providers and insurance companies, the team aims to increase efficiencies, improve access to care for underserved populations and achieve national health goals.

Keys to Full Private Sector Engagement

- A formal platform for dialogue between the public and private sector
- Public sector mechanisms to routinely engage the private health sector
- A policy and regulatory regime supporting private sector engagement
- Coordinated and efficient NGOs and CBOs
- Strengthened private sector associations

Recommendations

The following are recommendations for fostering greater private sector engagement:

- Strengthen collaboration between leaders and champions from the public and private sectors. Facilitate constructive dialogue among key stakeholders about opportunities for greater cooperation.
- Support dialogue between the MoHSS and private health insurers to explore options for mandatory health insurance and the expansion of low-cost health insurance, including HIV/AIDS coverage, for the uninsured employed and their dependents.
- Build the capacity of private providers by making donor-supported training available to private practitioners and equip private nurses and lower-level health workers with strengthened clinical skills, access to finance, and business skills.
- Consolidate the number of nonprofits providing HIV/AIDS services through a certification and competitive grant process and support efforts to scale up promising cost-recovery schemes.
- Promote dialogue among key stakeholders to discuss feasible strategies to reduce the cost of ARVs in the public and private sectors and encourage private insurers to procure generic ARVs, as recommended by MoHSS guidelines.
- Work with private provider associations and medical aid funds to develop a short list of health indicators, establish an easy reporting system, and ensure that basic information gets to appropriate end users.



Jessica Scranton

The Mister Sister initiative is a PPP improving primary health care access via mobile clinics that visit remote and rural communities on a monthly basis in Otzondjupa. Supported by PharmAccess Foundation Namibia, SHOPS, and other partners, the clinics are maintained by public and private contributions under an operational partnership agreement between PharmAccess and the MoHSS.

From Assessment to Action

Building on the findings and recommendations developed during the assessment, the SHOPS team is working to facilitate the sustainable involvement of the private sector in the national HIV response in three areas.

Health financing: To expand low-cost health insurance in the formal workplace, SHOPS has facilitated the introduction of a minimum low-cost health care package. To reduce the cost of low-cost health insurance, SHOPS supports the analysis of potential savings through the provision of ARVs at government prices to increase the affordability of low-cost health insurance.

Reducing HIV transmission: SHOPS supports the national target to circumcise 80 percent of all males by 2015. While the private health sector could play a vital role in achieving this goal, it has been underutilized due to the high costs of the procedure being performed as a surgical treatment rather than a HIV preventative measure. SHOPS coordinated with the MC Task Force and NAMAF to define male circumcision as an explicit preventative medical scheme benefit. The proposed fee was approved by NAMAF in 2011 and was included in the 2012 NAMAF rates. Namibia is now the first country in the world to uniformly finance the provision of MC through the private health sector. The fee also significantly reduces the costs of MC in the private health sector by eliminating the use of general anesthesia and in-patient surgery.

Financing MC through Private Insurance

As part of the national HIV response, the MoHSS set a target of circumcising 80 percent of males by 2015. To help meet that goal, the Ministry looked to leverage the private sector. Namibia is now the first country in the world to uniformly finance the provision of male circumcision through the private health sector.

NGO Sustainability: SHOPS works to strengthen the ability of NGOs to develop and market their competencies in workplace HIV/AIDS programs and products to private corporations. This effort includes facilitating dialogue among key NGOs and other stakeholders to better understand the market, including the specific activities and income sources of NGOs focused on HIV/AIDS service provision. The goal of these discussions is to maximize efficiencies and avoid duplications in service delivery.

Within each of these activities, SHOPS continues to look for opportunities to create new or strengthen existing PPPs around HIV care and treatment.



Jessica Scranton

For more information, contact:

Dineo Dawn Pereko
SHOPS Country Representative
dineodawn_pereko@abtassoc.com

Shyami de Silva, Private Sector Advisor
USAID, Office of HIV/AIDS
sdesilva@usaid.gov

The Strengthening Health Outcomes through the Private Sector (SHOPS) project is a five-year cooperative agreement (No. GPO-A-00-09-00007-00) funded by the U.S. Agency for International Development (USAID). The project focuses on increasing availability, improving quality, and expanding coverage of essential health products and services in family planning and reproductive health, maternal and child health, HIV/AIDS, and other health areas through the private sector.

To access the capabilities of SHOPS, USAID missions and bureaus can buy into the leader agreement or issue their own associate awards.

SHOPS is led by Abt Associates Inc., in collaboration with Banyan Global, Jhpiego, Marie Stopes International, Monitor Group, and O'Hanlon Health Consulting.

The views expressed in this material do not necessarily reflect the views of USAID or the United States government.

For more information about the SHOPS project, visit: www.shopsproject.org



Abt Associates Inc.
4550 Montgomery Avenue, Suite 800 North
Bethesda, MD 20814 USA
Telephone: 301.347.5000 • Fax: 301.913.6019
www.abtassociates.com