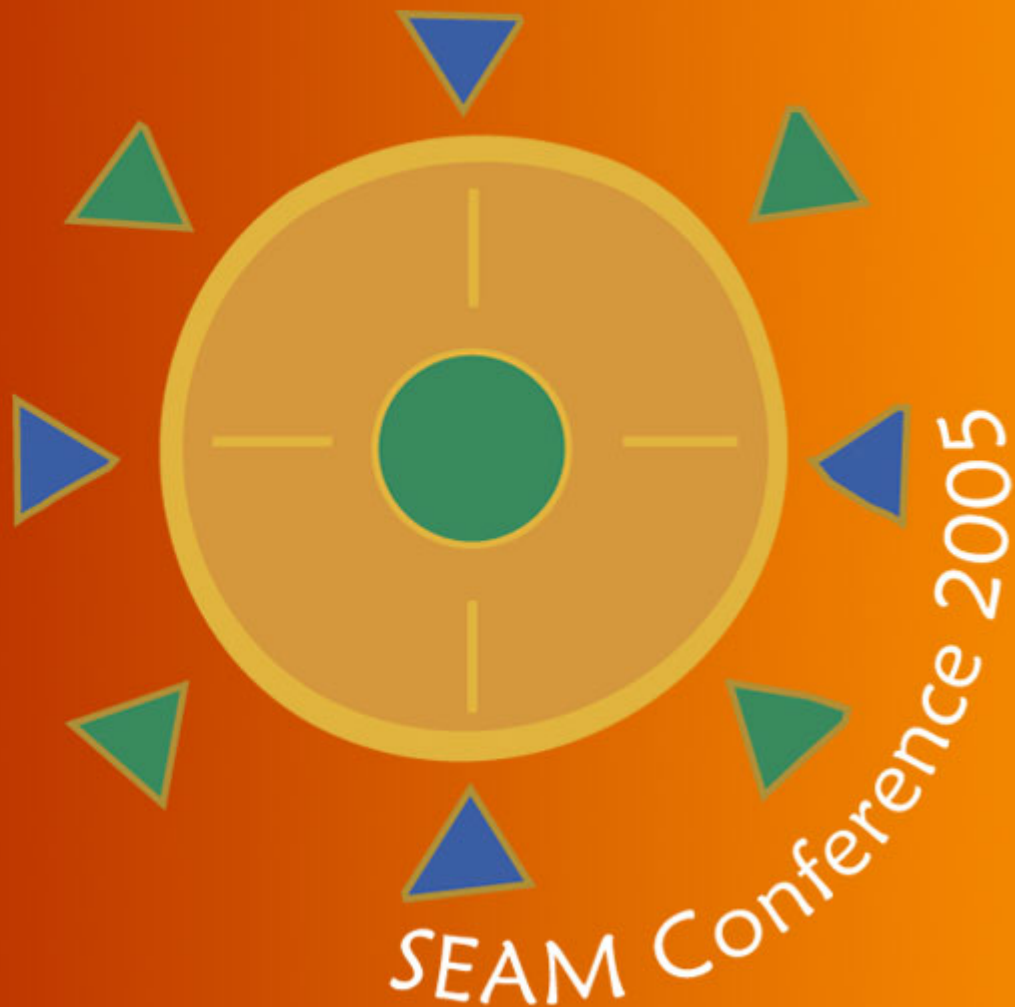




Accra, Ghana • June 20–22

# Targeting Improved Access

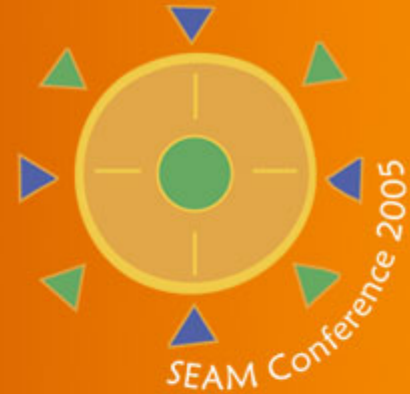


**MANAGEMENT SCIENCES** *for* **HEALTH**

*SEAM | Strategies for Enhancing Access to Medicines*

Funding for the SEAM Program is provided by the Bill & Melinda Gates Foundation.

Targeting  
Improved  
Access



Accra, Ghana • June 20–22

# The Licensed Chemical Sellers' Franchise Model: CAREshops in Ghana

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Funding for the SEAM Program is provided by the Bill & Melinda Gates Foundation.



MANAGEMENT SCIENCES *for* HEALTH

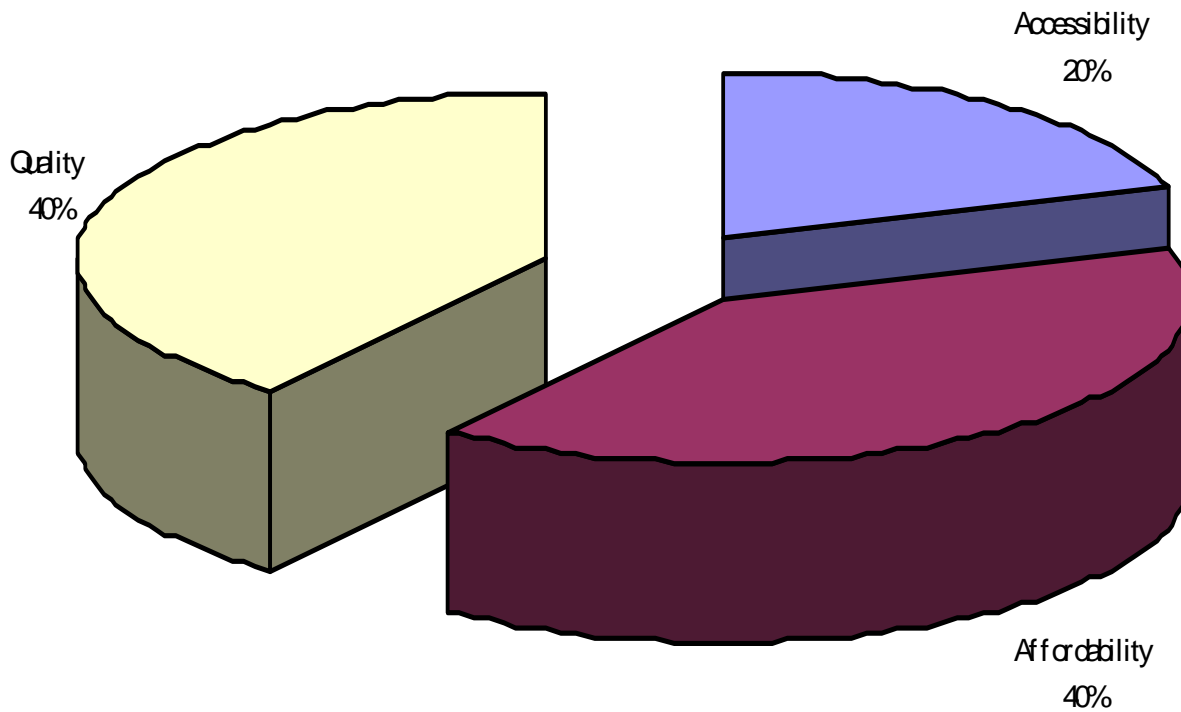
SEAM | *Strategies for Enhancing Access to Medicines*

# Background

In Ghana, the healthcare system is characterized by:

- ❖ comparatively high prices;
- ❖ inadequate availability of quality essential drugs;and
- ❖ poor quality of service.

## Ghana Drug Access Problem Ratio



MSH Survey, 2000



# Problems related to Pharmaceuticals

## ❖ Wholesale Pharmacies:

- main distributors are in Accra
- not able to reach more than 40% of the country with more than 60% of the essential drugs list.

## ❖ Retail Pharmacies:

- about 1,200 private pharmacies, located mainly in urban areas,

## ❖ Licensed Chemical Sellers (LCS)

- over 8,000 LCS operating mainly in rural and peri-urban areas.
- have to spend 30% of their time traveling long distances, to obtain medicines and other supplies, and
- visit multiple sources to obtain the range they require
- add significantly to their costs

# The CAREshop Solution

- ❖ In April 2002 **GSMF Enterprises Limited** (GSMFEL) in collaboration with **Management Sciences for Health** with funding from the **Bill and Melinda Gates foundation** and **DFID (GBLCF)** began the **implementation** of an **innovative franchise** program called CAREshop.
- ❖ Aim to improve on;
  - the level of pharmaceutical care and services; and
  - the availability of good quality medicines at affordable prices
- ❖ CAREshop franchise is harnessing the potential of existing LCS in underserved, rural and peri-urban communities.

# Licensed Chemical Sellers( LCS)

- ❖ Sole proprietors of Over the Counter (OTC) drug outlets, licensed by the Pharmacy Council (PC) of Ghana.
- ❖ Minimal technical knowledge required for license
- ❖ In 6 out of 10 cases they are first line providers of medicines and
- ❖ LCS, therefore provide a main mechanism for addressing medicines access gaps



ASBODOGLI  
**VICTORY CHEMICALS**  
BOX 1 KPONG, LORLORNYO.

Stop AIDS Love Life

**Long Term Family Planning Methods**

	<b>INJECTIBLES</b> Requires monthly or quarterly injection
	<b>IMPLANTS</b> Requires one time injection
	<b>GLS</b> The Long Shower is 10 yrs.
	<b>Menstrual Permanent</b>
	<b>Tubal Ligation Permanent</b>

Long Term Family Planning  
Long Term Peace of Mind

**Get Healthy, Stay Healthy  
with Increased Appetite**



Mepito Pop



# The CAREshop model

- ❖ Conversion franchise -adding a package of services
- ❖ Franchisor - GSMFEL.
- ❖ Franchisees - Licensed Chemical Sellers (LCS).

## Why this model?..

- ❖ There is ready supply of LCS with established businesses
- ❖ LCS willing and having underutilized capacity to form a pool of franchisees.
- ❖ Low level of technical knowledge and limited opportunities for professional training and continuing education among LCS.
- ❖ *The Conversion Franchise model* is relatively inexpensive to replicate and does not require much capital to implement.

# Branding



**C**ustomer focused

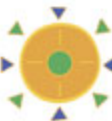
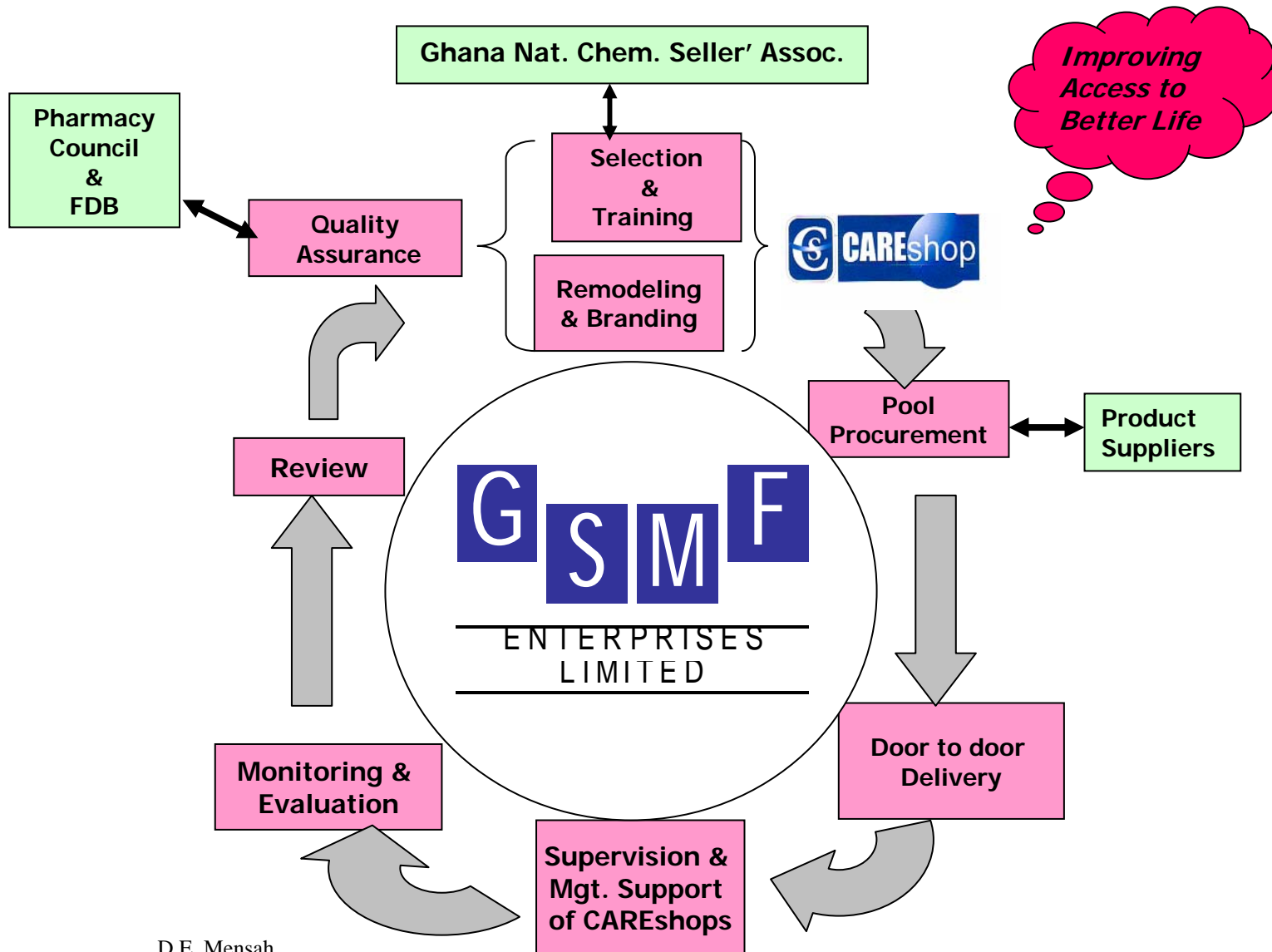
**A**ffordable

**R**eliable

**E**fficient

**shop**

# The CAREshop franchise system



# Selection of LCS..

Goal:

**‘ to Select for success’**

**Criteria :**

## **Tool 1**

**Infrastructure, Human resource, commercial, communication & Regulation**

## **Tool 2**

**Inventory management, Expenditure/Sales, Documentation**

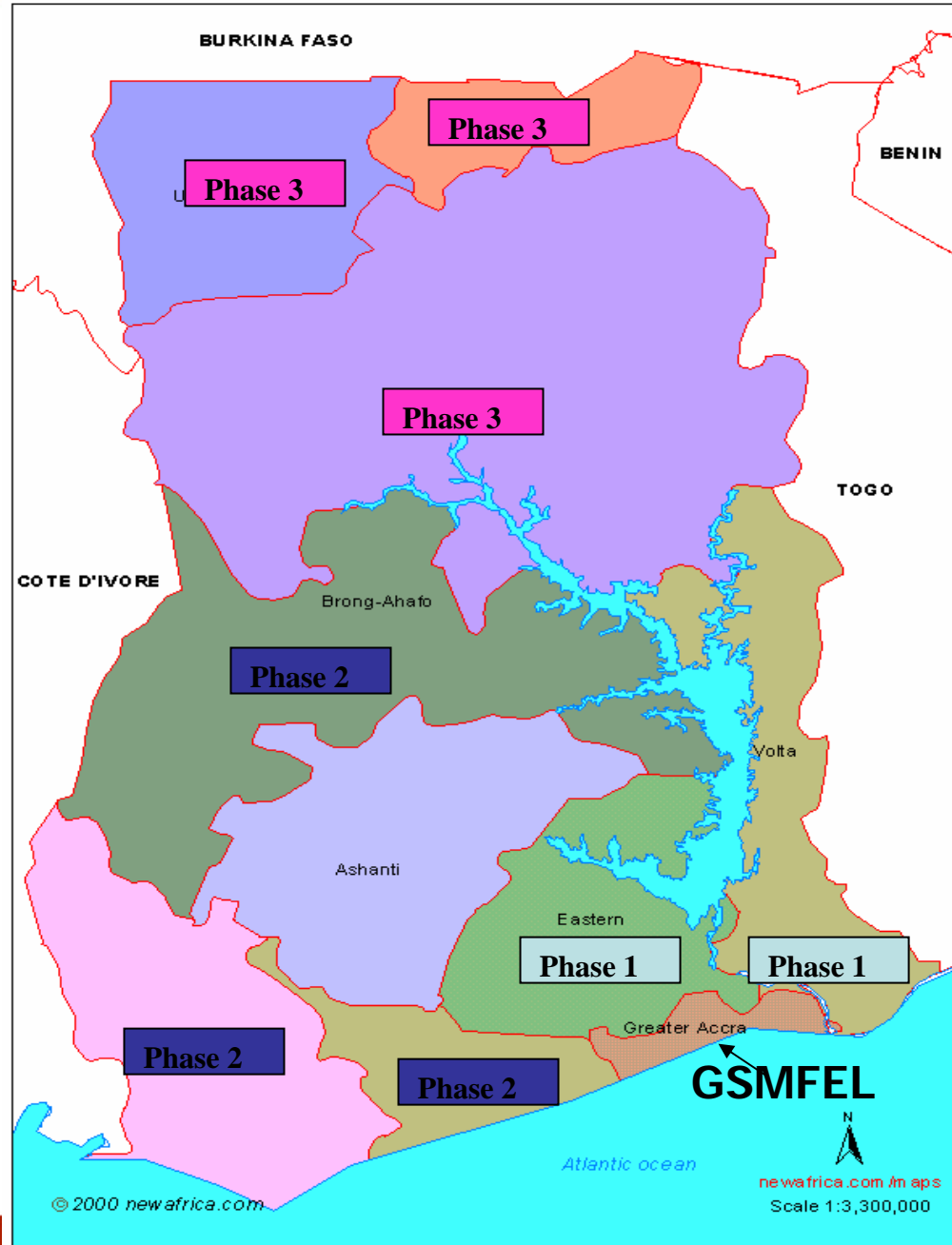
**GHANA ADMINISTRATIVE MAP**

**GEOGRAPHIC EXPANSION**

Phase 1 –  
Lakes Regions  
(Volta and Eastern).

Phase 2 -  
Central,  
Western, and  
Brong- Ahafo  
regions

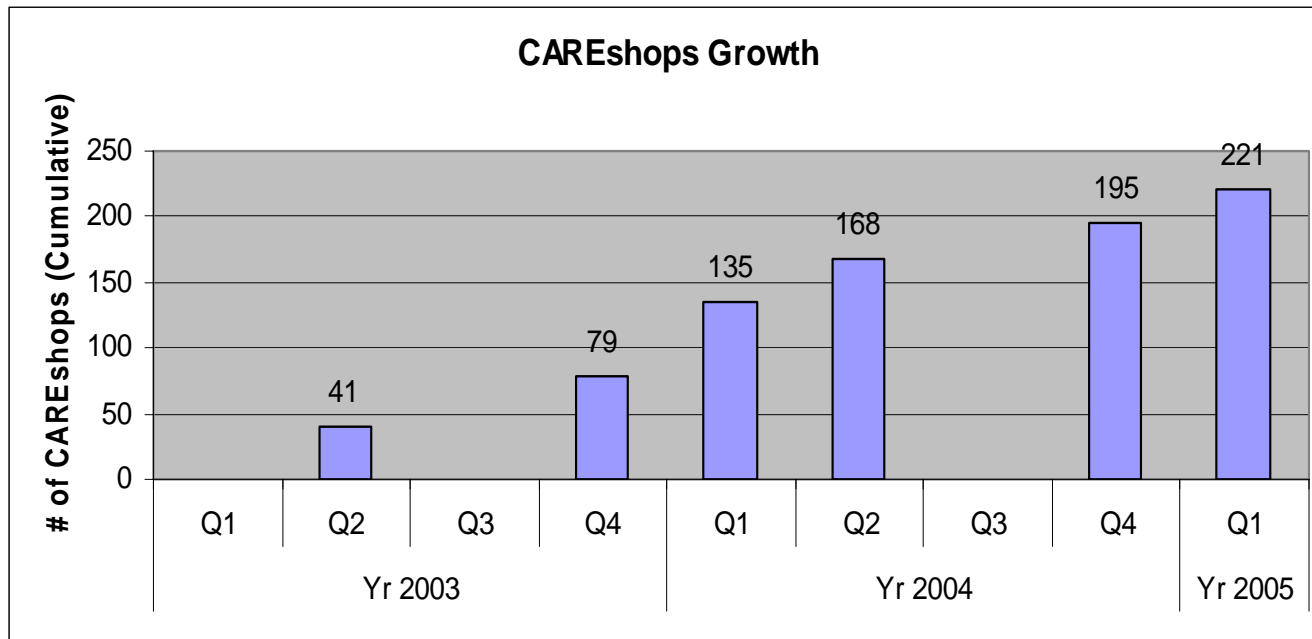
Phase 3 -  
North, Upper-  
East and  
Upper-West  
regions.



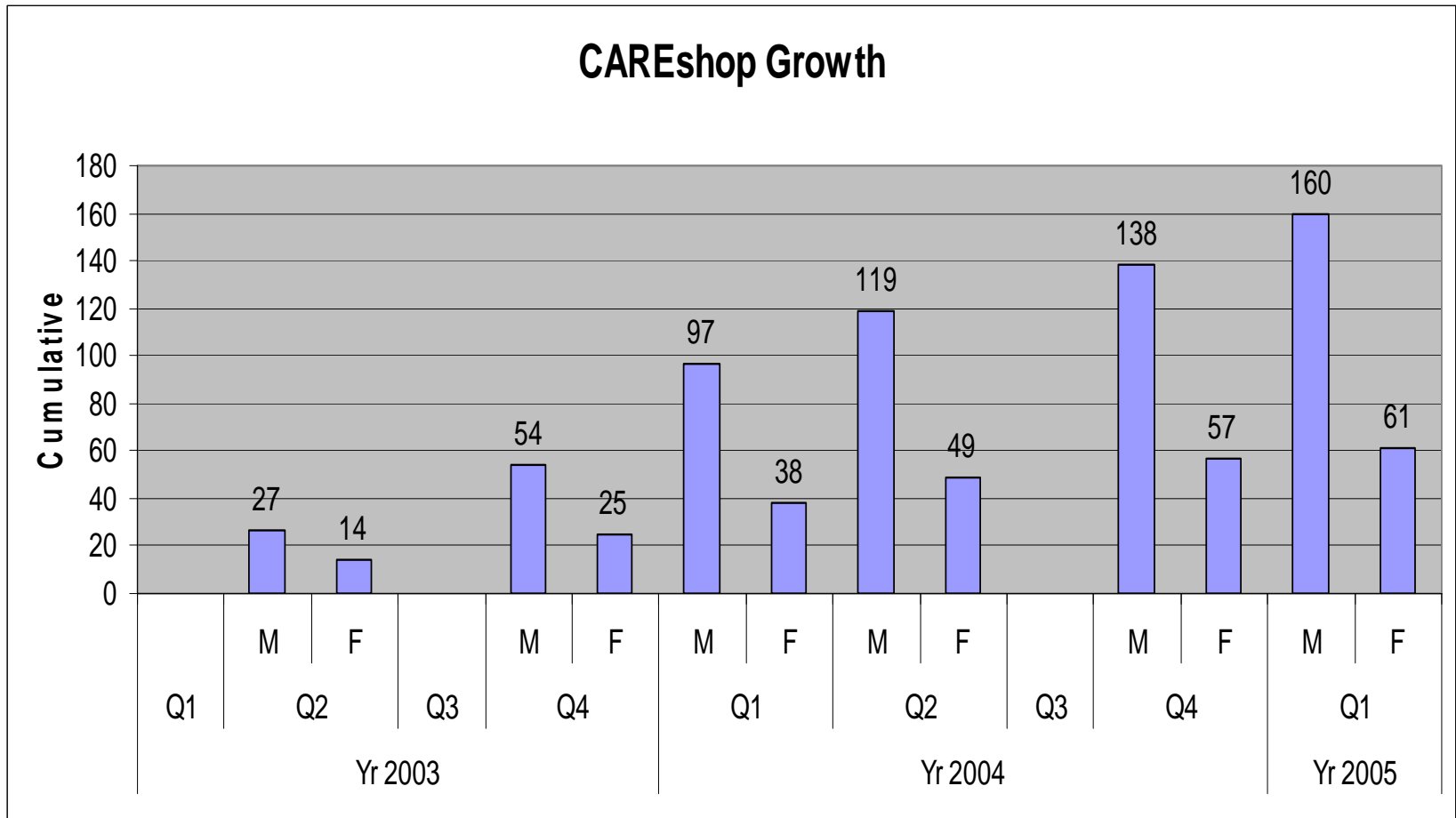
# The CAREshop franchise: Achievements

- ❖ It has been implemented successfully in 20 different districts in three regions of Ghana.
- ❖ Excellent training program instituted
- ❖ Upgraded LCS facilities
- ❖ Centralised procurement to obtain quantity discounts
- ❖ Door to door delivery system of medicines
- ❖ Monthly monitoring and supervision system in place
- ❖ Data capture and referral systems established

# Growth of the CAREshops



# Growth of CAREshops by gender



# Impact of the CAREshop Training

Our five modular training program is providing the franchised LCS with:

- Appropriate Management and Entrepreneurial Skills
- Skills in Drugs management and its Rational Use
- Skills in managing simple ailments of common occurrences in their communities

## Upgraded Facilities

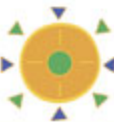
- ❖ The physical appearance and cleanliness of the franchised LCS shops have improved
- ❖ The CAREshop brand colours (blue and white) have improved visibility of the shops and this has led to:
  - their recording increases in sales;
  - jobs creation and poverty reduction.

BEFORE BRANDING

**MARY ADOM CHEMICAL STORE**  
(ST. MARY) (LINCENCED CHE. SELLER) P.O. BOX 777  
#0.



## AFTER BRANDING



## Referral Practices

- ❖ CAREshops manager have been trained to refer if the client presents with needs that are beyond the scope of their capacity.
- ❖ Referral sheets are provided to CAREshops, and are reviewed and collected during supervisory visits.

# Data collection

- ❖ There is clearly a lack of good data available from the private sector on medicines consumption, treatment outcomes and costs of interventions.
- ❖ The CAREshops collect data on complaints and drug consumption in their communities by using a unique and easy to complete:
  - Combined Patient - Cash Record Register.





# Use of Data collected

The data is used in:

- Assisting with management decisions
- providing an insight to future areas of LCS training needs
- Assisting with Policy Formulation on drug consumption
- and other public health issues by the MOH

## Impact of the CAREshop franchise

The CAREshop franchise has resulted in a WIN-WIN-WIN situation;

- ❖ GSMFEL (the franchiser)- have a larger presence;
- ❖ LCS (the franchisee)- own, operate and manage a more profitable business; and
- ❖ the larger society - having quality and affordable products with improvement in service domains (client satisfaction, product customer care, etc).



# CAREshop impact – Ripple Effects

## ❖ Industry

- enjoying efficiency in sales and credit management
- more amenable to pricing policies that favors the end user
- Plagiarizing of the CAREshop training materials and concepts

## ❖ LCS

- CAREshops are setting up a prototype that others want to emulate
- Chemical Sellers in Eastern/Volta have started to paint their shops blue and white
- Chemical Sellers are friends of CAREshop owners, and information & materials are shared
- improved cleanliness at chemical sellers' shops

## ❖ Pharmacy

- Request to join the franchise

# Challenges ....

- ❖ Managing, Supervising and sustaining logistically the rapidly growing network
- ❖ Training- high cost
- ❖ Financing- high cost of capital (Current Interest Rates in Ghana :25-30%)
- ❖ Absence of royalties and joining fees
- ❖ Level of acceptable controls- pricing
- ❖ Meeting the total request of shops
- ❖ Changing behavior of suppliers- low discounts

# What next?

- ❖ Leveraging the resource/capacity we have built in the CAREshop managers at the community level
- ❖ Demand generation – working with women who visit shops
- ❖ Franchise of other service delivery types eg. Midwiferies.
- ❖ With the computerization of some of the CAREshops, we want to explore their use as data collection points for several public health interventions

# Conclusion

The CAREshop franchise is not only improving access to Medicines,  
but ....  
also improving the efficiency and competitiveness of local private sector resources on the domestic market,  
while at the same time delivering positive social returns.  
*THANK YOU*

## Acknowledgements

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