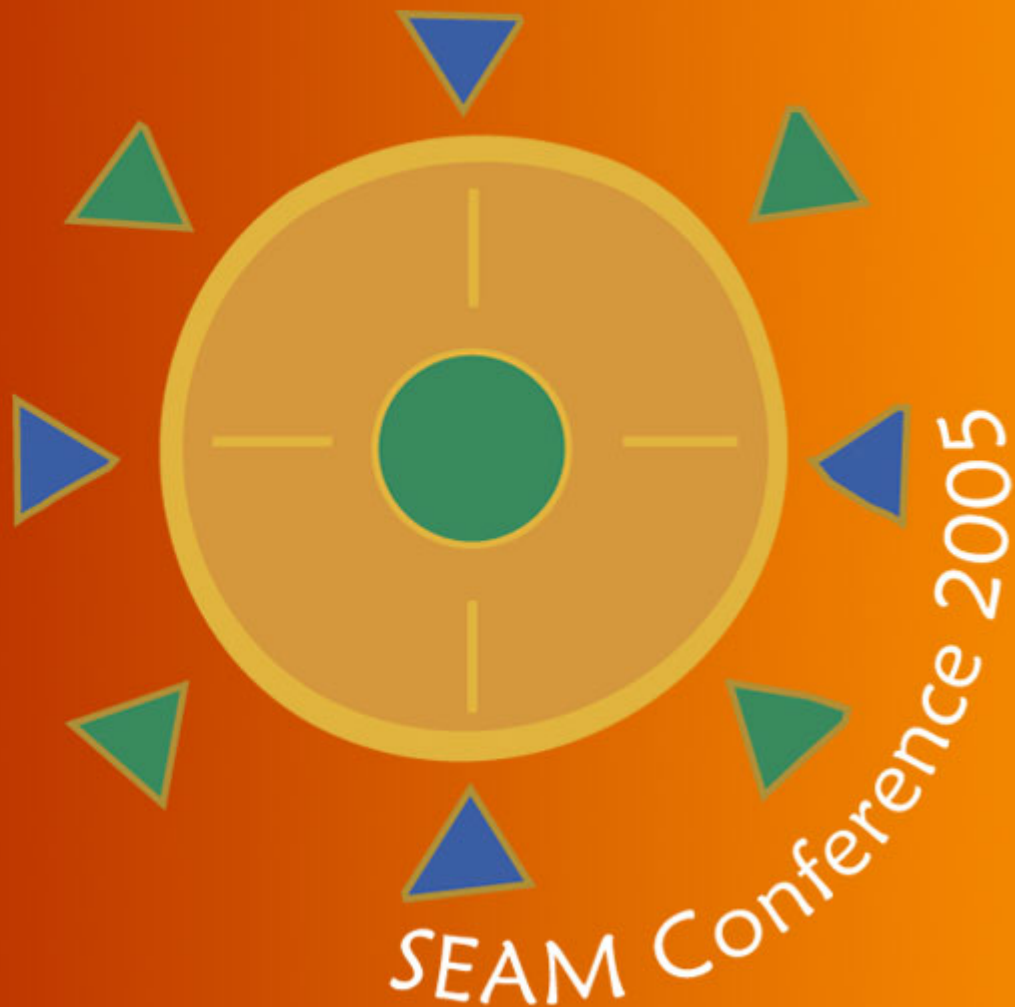




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# Targeting Improved Access

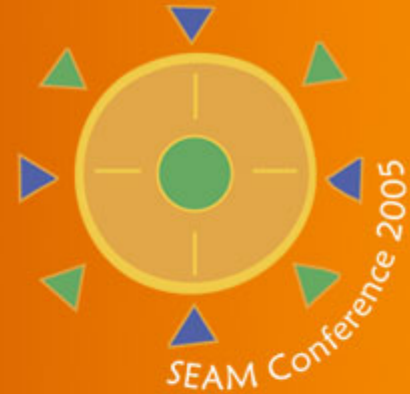


**MANAGEMENT SCIENCES** *for* **HEALTH**

*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

# Private sector impact in promoting public health goals and needs: The future of franchising.

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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*

# Public health scenario in Ghana

Population	20.9m
Population growth	2% p.a
Population <15yrs	46%
Life Expectancy at birth M/F	57/60
GDP per capita	\$400
Family size	4.5
Child mortality per 1000 M/F	92/99
Total health exp. % GDP	5.6
WHO report 2005	
# of doctors /per capita	1:14,000
# of nurses /per capita	1:2000
# of Pharmacies/per capita	1: 16,077
# of LCS /per capita	1: 2,322

GHS2003

# Public health challenges and needs

- ❖ poor financing mechanisms to uptake health services
- ❖ inadequate availability of quality essential drugs;and
- ❖ poor quality of service
- ❖ Inequitable access to affordable medicines
- ❖ Imperfect information flow between policy makers and implementers
- ❖ Brain Drain
- ❖ Low level of trust between public and private sector
- ❖ Inadequate resources
  - ❖ - finance
  - ❖ - facilities



## Promoting public health:the players

***Public Sector***

***Private for profit***

***Private not for profit***

# The Public sector

- ❖ Leaders delivering public health through policy formulations and regulation
- ❖ Own, manage and provide a large proportion of health care resources in many developing countries including Ghana

However .....

- ❖ Policy formulation does not take the inputs of other players
- ❖ Presently , with dwindling resources and management challenges.

# The private sector

- ❖ Willing and motivated
- ❖ Complement public facilities in rural settings
- ❖ First port of call for people in underserved area to access health care
- ❖ with abundant and under-utilised capacity.
- ❖ Less bureaucratic and lack of red ‘tape-ism’

But ..

- ❖ Lack of data on private sector activity
- ❖ *The perception of commercial and profit oriented motives has led to questions about the sincerity of the private sector in the provision of public health.*



# Private sector interventions and responses ..

Private sector interventions to improve access to healthcare have covered:

1. Demand side - include the use of consumer rights **advocacy** programmes, discount **vouchers** and **health insurance** schemes.
2. Supply side - **social marketing & behavioral change** programmes, and in recent times **franchising**.

# What is a Franchise ?

- ❖ a network of privately owned facilities,
- ❖ operating under a single brand,
- ❖ to replicate a uniform operating model,
- ❖ under supervision and monitoring,
- ❖ for a predictable high level of service

The word “franchise” literally means to be free. In this sense, franchising offers people the freedom to **own**, **manage** and **direct** their own business.

## The CAREshop franchise

- ❖ In 2002 GSMF Enterprises Limited (GSMFEL) in collaboration with MSH with funding from the Bill and Melinda Gates foundation and DFID began the implementation of an innovative essential medicines franchise program (called **CAREshop**) with existing Licensed Chemical sellers (LCS) to improve on access to essential medicines, particularly, to the rural population.

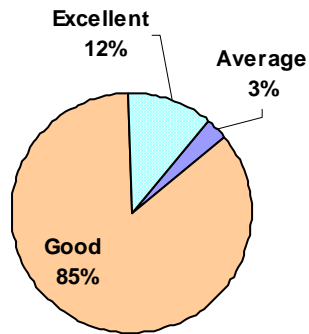
# Impact of the CAREshop franchise

End-line surveys 2004 indicate that the CAREshop franchise has resulted in a WIN-WIN-WIN situation;

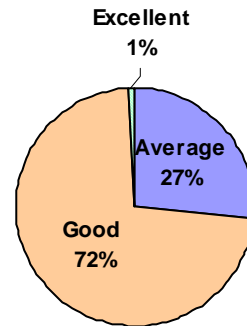
- ❖ GSMFEL (the franchiser)- have a larger presence;
- ❖ LCS (the franchisee)- own, operate and manage a more profitable business; and
- ❖ the larger society - having quality and affordable products and improvement in service domains (client satisfaction, product customer care, etc).

# Comparison of Client Ratings of "Physical Appearance or Outlook of Shops"

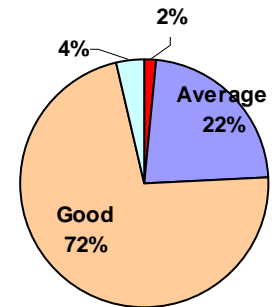
## Endline Survey for CAREShops and Chemical Sellers, November 2004



CAREShops

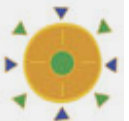


Chemical Sellers  
Volta/Eastern



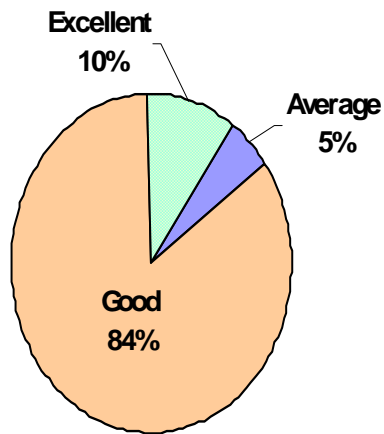
Chemical Sellers  
Western

MSH ENDLINE SURVEY, NOV 2004

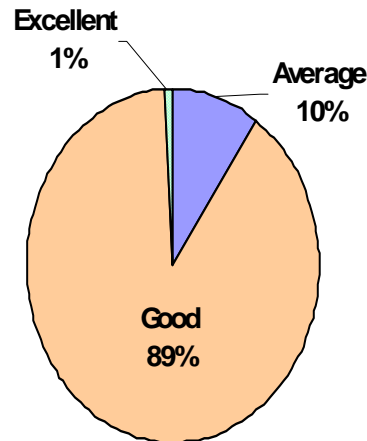


# Comparison of Client Ratings of “Overall Experience with This Visit to Shops” End line Survey for CAREShops and Chemical Sellers, November 2004

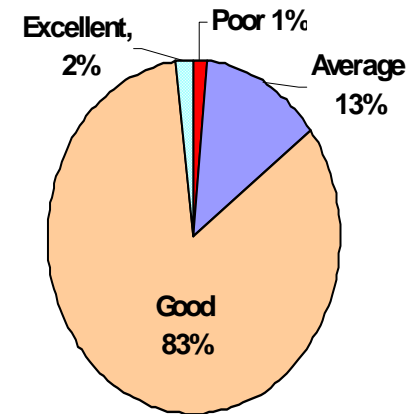
Comparison of Client Ratings of their Overall Experience with This Visit to Shops  
Endline Survey of CAREShops and Chemical Sellers, November 2004



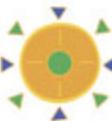
CAREShops



Chemical Sellers  
Eastern/Volta



Chemical Sellers  
Western



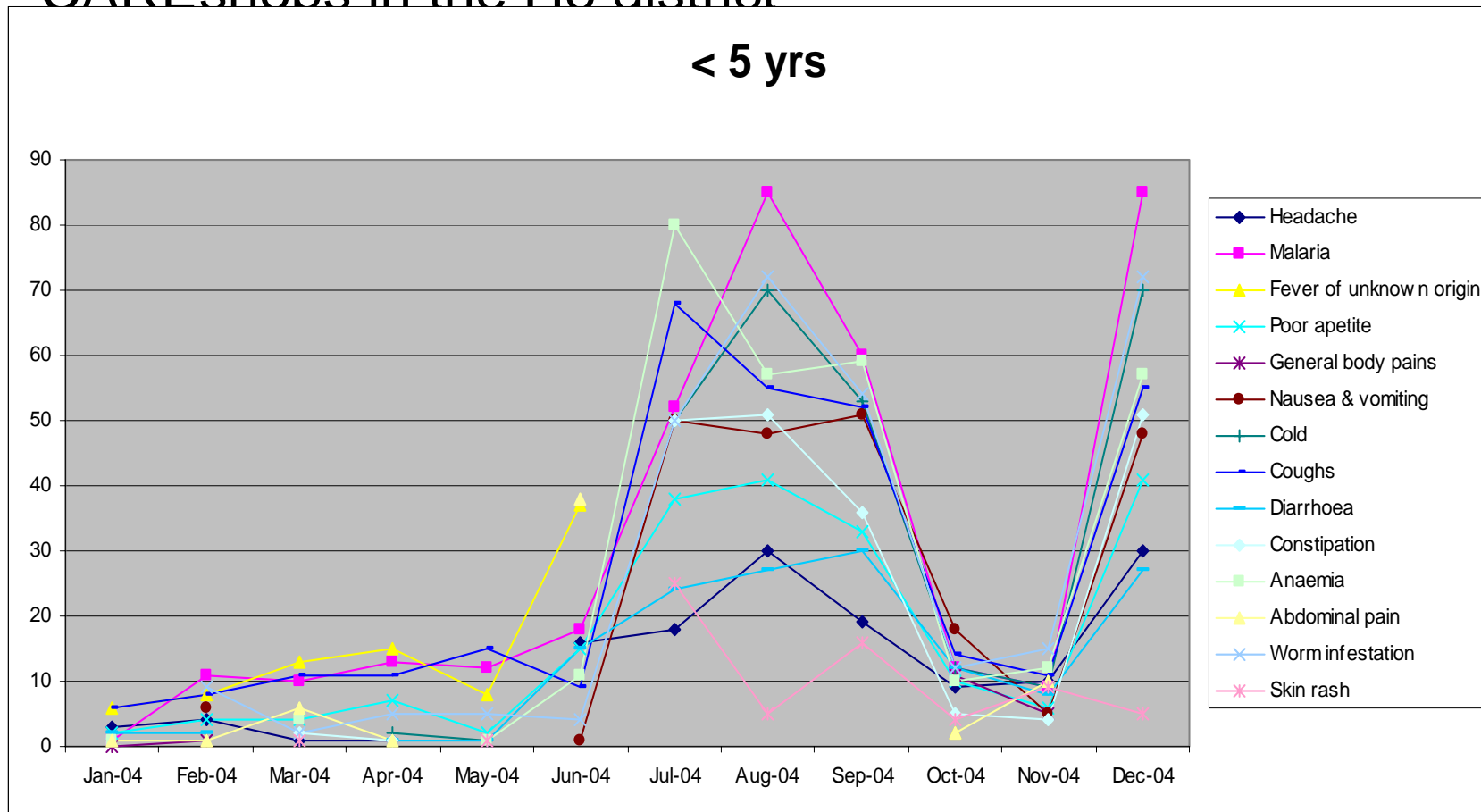
# Referral Practices

- ❖ 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.

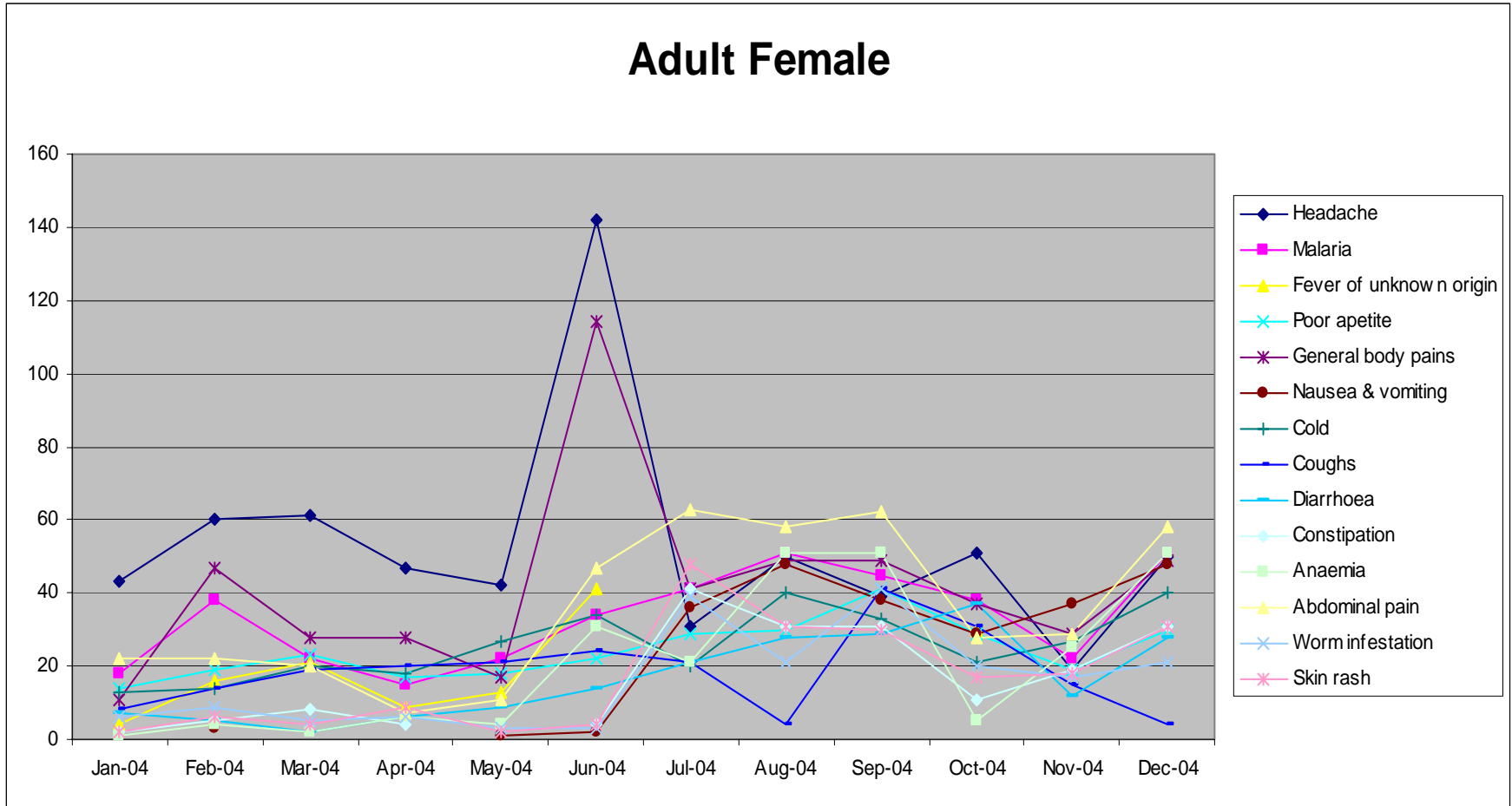
# Trend of reported symptoms for under 5's in CAREshops in the Ho district



Source: GSMFEL Daily Activity Records

# Trend of reported symptoms for Adult females in CAREshops in the Ho district

## Adult Female



Source: GSMFEL Daily Activity Records

# Use of Data collected

The data is used in:

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

# Impact ...

The expansion of the network is stimulating growth and development:

- Increases in sales have been recorded by some CAREshop managers,
- jobs creation and poverty reduction

# CAREshop impact – Ripple Effects

## ❖ Industry

- efficient sales and credit management
- price

## ❖ LCS

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

## ❖ Pharmacy

- Request to join the franchise

# Challenges ....

- ❖ Managing, Supervising and sustaining logistically the rapidly growing network
- ❖ Training- high cost
- ❖ Financing- high cost of capital, Interest Rates in Ghana :25-30%
- ❖ Absence of royalties and joining fees
- ❖ Level of acceptable controls
- ❖ Changing behavior of suppliers

# Challenges ...

Currently, a few CAREshops are undergoing computerization. The challenge, however, is

- ❖ lack of ICT knowledge by CAREshop managers to utilize this resource correctly and effectively;
- ❖ lack of appropriate computer software for data collection at the CAREshops,
- ❖ lack of electronic linkage to other shops and the head office and
- ❖ the lack of the appropriate IT infrastructure to manage all the data when it comes in.

# Recommendations...

private franchise for public health can successfully address many of these issues :

- ❖ High prices
- ❖ Pushing products instead of serving the public
- ❖ Inappropriate dispensing
- ❖ Sale of non essential products
- ❖ Unethical practices
- ❖ Inadequate control or monitoring
- ❖ Little respect for regulations: untrained sellers.

# Recommendations...

- ❖ Franchising other health care service
  - maternity homes
  - pharmacies
  - Clinic health centers

Will help create the desired environment and the attendant personal benefits to "keep" professionals in the country's to assist in its development thus reducing the massive **brain drain**,

- ❖ more favorable financing conditions from financial institutions to reflect the inherent social goals of such interventions

# Recommendations...

In replicating this model there is the need:

- ❖ to study all aspects of franchising with respect to its establishment and regulation;
- ❖ for stakeholder and public education;
- ❖ for proper legal framework development for mutual respect for franchiser and franchisee,
- ❖ respect of agreements signed for mutual and productive growth of the partnership.

## The future of franchising

What other innovative approaches can we adopt?

The CAREshop franchise is waiting, willing and begging to be used;

The infrastructure and well trained franchisees with under utilized capacity exist for other interventions:

- ❖ Water purification to reduce incidence of Diarrhoea and Guinea worm infestations
- ❖ Dots therapy observation visits to assist with the management of TB,

## The future of franchising

What other innovative approaches can we adopt?

- ❖ Immunization programs,
- ❖ Post market surveillance for medicines,
- ❖ Accreditation under National Health Insurance Schemes (NHIS) to provide services,
  - Collection of contribution/premiums for NHIS

# Conclusion

The future of franchising is as bright as the sun but it is worthy to note that the growth and expansion of franchising in the health sector will not occur overnight. It will take:

- ❖ careful planning;
- ❖ prudent management of resources; and
- ❖ a tremendous effort.

*THANK YOU*