

Strategic purchasing of health services – a collective learning exercise on how to assess a country's purchasing setup

Why assessing the purchasing function?

More and more low- and middle-income countries seek to shift to strategic purchasing, creating a demand for practical tools to assess a country's purchasing situation and identify options for further development. A Collectivity Group on Strategic Purchasing for UHC was initiated by the World Health Organisation, the Institute of Tropical Medicine Antwerp and the two Communities of Practice "Performance-Based Financing" and "Financial Access to Health Services". Over 80 participants signed up, showing the relevance of looking closely at purchasing arrangements. Based on the participants' feedback, four groups were set up. One of them was a sub-group that sought to develop a rapid assessment guide to be used at country level. This group started to work in October 2017 following the principle of the Collectivity platform to create an online space which allows experts, practitioners and policy makers from different countries to come together to share and generate knowledge.

The collective development of an assessment guide

A first zero draft was shared by WHO staff from the Department of Health Systems Governance and Financing, which drew on the purchasing related modules of WHO's OASIS approach (**O**rganizational **A**ssessment for Improving and **S**trengthening Health Financing). This draft was then further developed through several rounds of revisions as well as online discussions by the members of this Collectivity Group. Once an agreed draft version was available, four country teams, from Burkina Faso, Colombia, Karnataka/India and the Philippines, volunteered to pilot and apply the guide. The country findings were then shared in a series of online discussions. This aimed at identifying common key messages, learning opportunities and successful tools for addressing purchasing challenges across countries. The feedback on the actual application process also fed back into a final round of revision of the assessment guide. This whole process took about a year, as outlined below.



Country findings

The country findings were presented during an online webinar. Discussions among participants identified the following key issues:

- Gradual shift towards performance based financing but often limited to paying for outputs > **how to move from buying quantity to quality?**
- Still significant reliance on out-of-pocket spending > **how to regulate payment and prices to ensure institutional purchasers can act strategically despite cost-sharing arrangements?**
- Benefit packages tend to be driven by service availability, especially if no strong revision process exists > **how to link purchasing to overall service delivery reform?**
- Sectoral and geographical fragmentation of information management systems > **the need for data standardization across sectors and integration of information management systems**
- Fragmented financing schemes and multitude of actors recognized as a challenge by all countries > **how to create coordinating bodies with the right mandate and capacities to fulfill their role including**

- *Coordination between actors including from other sectors especially with funding agencies and regulators of public financial management, e.g. Ministry of Finance*
- *Harmonisation among purchasers to ensure that different funding flows send coherent incentives to providers*
- *Coordination of purchasing policies with regulatory bodies in the health sector (i.e. Ministry of Health) to ensure that regulation of and potential competition among public and private providers contributes to health system objectives (equity of access, quality of care)*

Lessons learned

1. Such an assessment is not so *rapid*, but the guide allows to collect a wealth of information

The country studies showed that the assessment of a country's purchasing setup using this guide was actually not so "rapid". Instead, it led to quite comprehensive assessment processes and allowed for the collection of a great number of details regarding purchasing arrangements at country level.

2. The country assessment raised awareness on strategic purchasing

At the same time, interviews with key stakeholders and presentations of results contributed to raising awareness on the importance of improving the purchasing function on the way towards UHC. Feedback from the country teams confirmed that the piloting of the guide brought together for the first time information on purchasing in a systematic way and was a first step to strengthen capacities at national level.

3. Many commonalities in purchasing arrangements exist across different countries providing the basis for cross country discussions and learning

The country case studies included Burkina Faso, Colombia, Karnataka/ India and the Philippines which have health systems with very different features, but all are characterized by strong political willingness to move towards more strategic purchasing.

Conclusions:

The collectivity group was very successful in co-producing an assessment guide, three country case studies and a synthesis report. The group collaboration also supported collective learning through the identification of key questions that need to be answered for the assessment, discussions on the case studies and, finally, triggered a dialogue at country level. Yet, this experience also revealed that the virtual group collaboration depends on committed facilitators to keep the dynamic and process going. This would not have been possible without the dedicated country study teams who led the process at country level. With the assessment guide and the synthesis report ready for dissemination, the question is how to continue and what could be future areas of focus for the group, ideally also by linking to other Collectivity workstreams.

The final guide is ready to use and is available [here](#).

The synthesis report of the four country case studies is available [here](#).

The country case studies are available on the project website under <https://www.thecollectivity.org/en/projects/37>

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