

STRATEGIC PURCHASING FOR UHC: UNLOCKING THE POTENTIAL

**Global Meeting 25-27 April 2016
WHO HQ, Geneva**

With the financial support from



**World Health
Organization**

**Government of Japan
European Union-Luxembourg-WHO UHC Partnership
UK Department for International Development (DFID)**

Welcome to the WHO !



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STRATEGIC PURCHASING FOR UHC: UNLOCKING THE POTENTIAL

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Purchasing concerns

- Benefit package design: Which services will be purchased?
- Resource allocation criteria and provider payment methods: how are providers paid and at what rates?
- Selection of providers: from which types/levels of providers?

There is a continuum from

Passive



Strategic

Price and quality taker

Price and quality maker

What is **strategic** purchasing?

- «Active, evidence-based engagement in defining the service-mix and volume, selecting the provider-mix, and deciding how to purchase»
 - through payment methods and payment rates that create incentives for providers to
 - manage their expenditures,
 - make efficient use of their resources
 - focus on quantity or quality performance metrics
- => **Strategic purchasing is critical to enhance efficiency, equity in access, quality as well as financial protection.**

Old wine in new bottles? No!

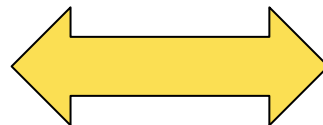
There is also a changing context calling for further conceptualisation of SP

**No progress
towards UHC
without efficient
spending
(appropriate funding
flows and payment
mechanisms)**

**MOH is no longer
only a provider and
purchaser, but one
of several
governance actors
in a context of
multiple purchasers**

**Citizens play
stronger role;
and there is dire
need to engage
constructively
with the private
sector**

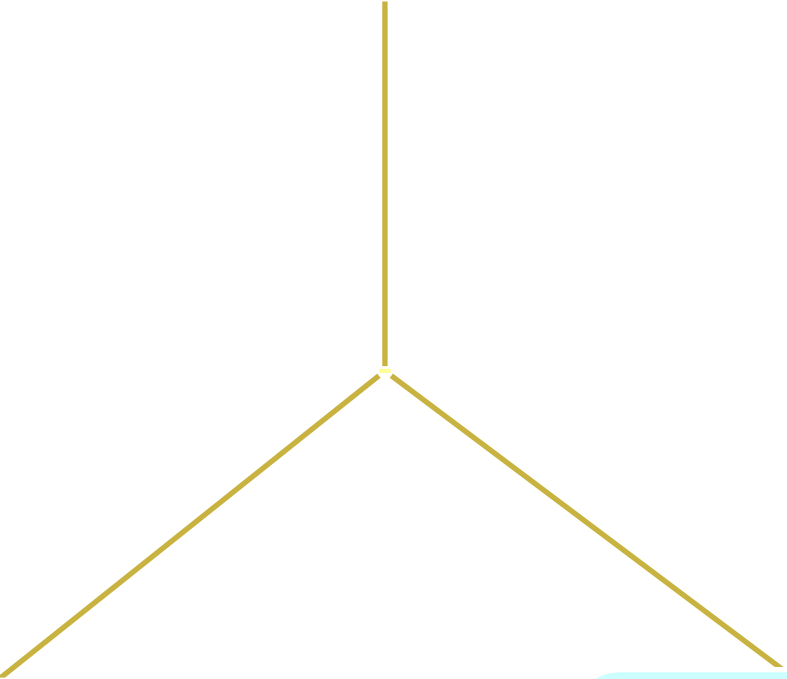
**SP and
provider
payment
systems
become more
complex**



**Need to
redefine roles
and functions
for SP,
including
governance**

Why do we look at this topic and why now?

Countries at all income levels are considering or implementing efforts to enhance strategic purchasing.



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graph TD; A[Countries at all income levels are considering or implementing efforts to enhance strategic purchasing.] --- B[Many countries struggle with the question on what the best SP arrangements could be]; A --- C[The topic is not always sufficiently high on the agenda.];
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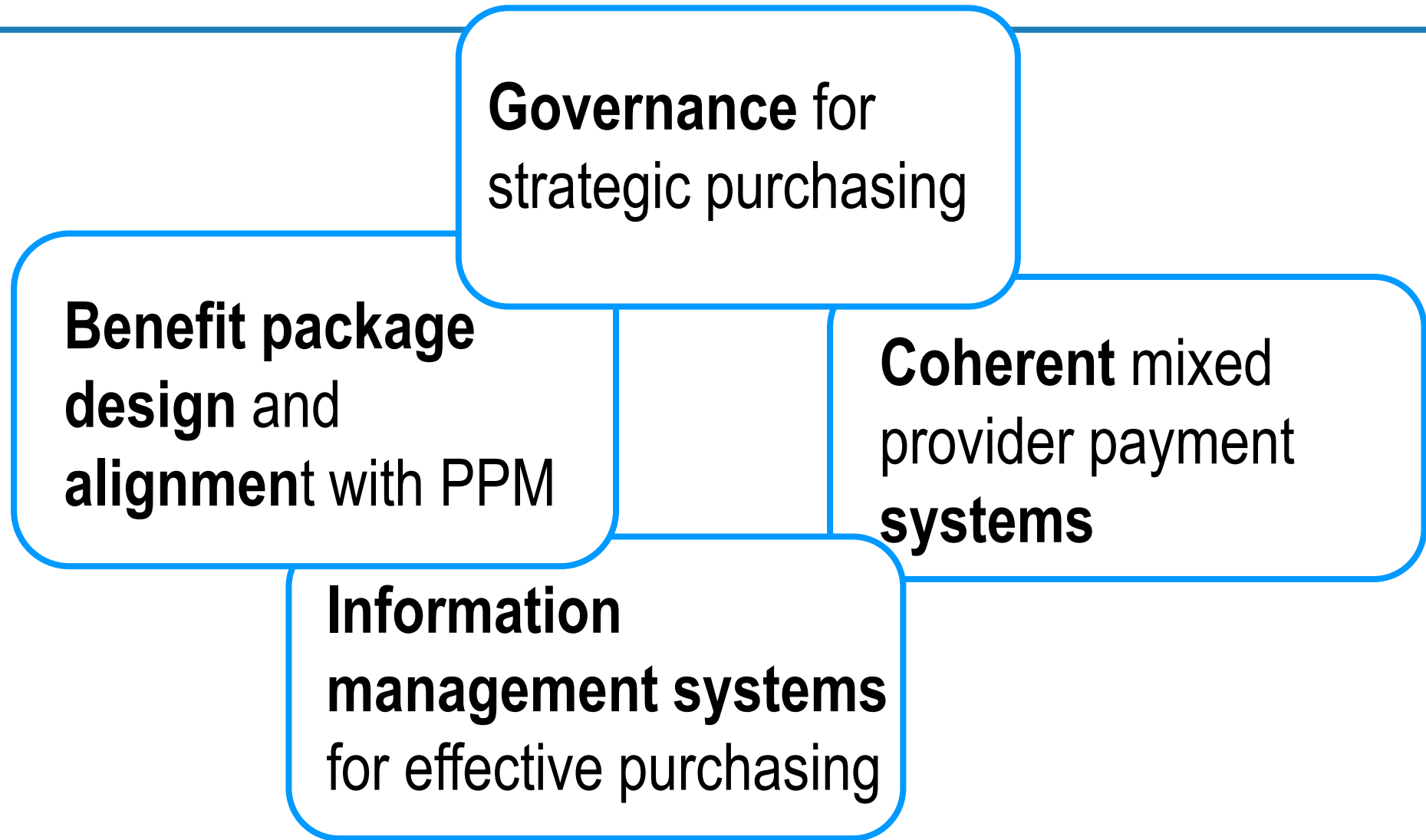
Countries at all income levels are considering or implementing efforts to enhance strategic purchasing.

**Need and
interest at
country and
global level**

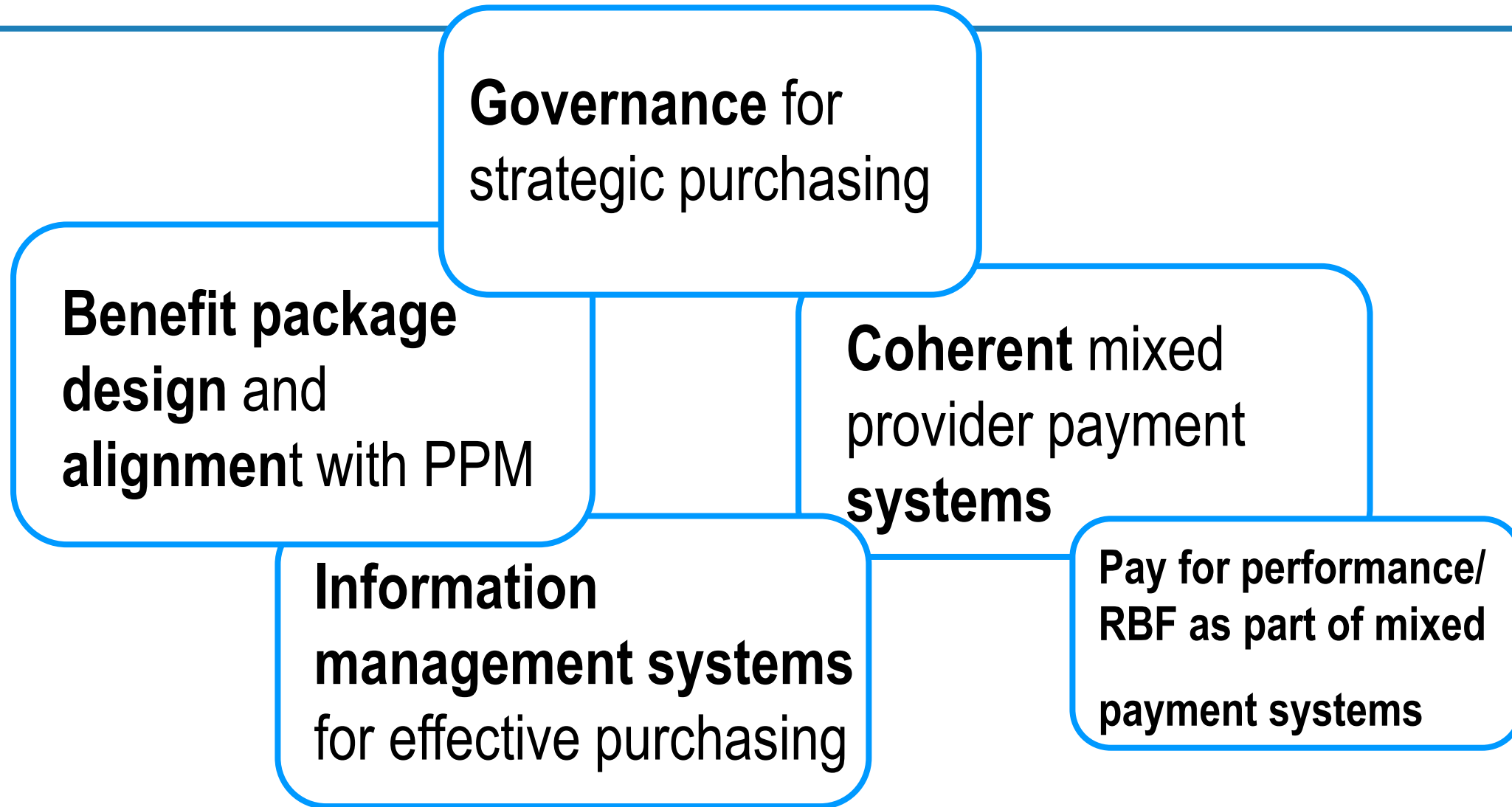
Many countries struggle with the question on what the best SP arrangements could be

The topic is not always sufficiently high on the agenda.

To move towards more strategic purchasing requires more attention to the following areas:



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Quick overview of meeting agenda

Tuesday 25 April	Wednesday 26 April	Thursday 27 April
<p>Session 1</p> <p>Process for evidence informed benefit package design</p>	<p>Session 3</p> <p>Governance for strategic purchasing</p> <p>Parallel sessions</p>	<p>Session 6</p> <p>P4P & RBF as part of mixed provider payment systems: from scheme to system</p> <p>Round table discussions</p>
<p>Session 2</p> <p>Mixed provider payment systems: alignment for coherent incentives</p> <p>Parallel sessions</p>	<p>Session 4</p> <p>Coherent information systems for strategic purchasing</p> <p>Session 5</p> <p>Defining a global collaborative agenda</p>	<p>Session 7</p> <p>Next steps and way forward</p>

Objectives of the meeting

Share evidence and lessons from country experiences on strategic purchasing (SP)

=> Explore conducive factors and barriers to reforms

Further conceptualize key elements of SP

=> Show the embeddedness of SP with UHC goals

=> Define policy questions and future research questions

=> Identify implementation questions: How to support reforms?

Objectives of the meeting (cont.)

Develop concrete suggestions for capacity strengthening to build required skills

=> What to do and how to do it?

Build a global collaborative agenda, discuss next steps

=> What needs to be done to support countries to shift to strategic purchasing to progress towards UHC?



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Thank you very much for your attention

Strategic purchasing:

Promising leverage to move towards UHC

- Reforms related to strategic purchasing are one important driver of system change.
- But you can start even with small incremental changes
- Countries can start health financing reforms with strategic purchasing:
 - Set up clear benefit package, build up payment system
 - Strengthen service provision and quality
 - Then work on pooling and convincing people to pay more for health
- SP more “technical”, not all institutional changes may need to go through parliament and law making
 - But let's not ignore the political economy

Key challenges to moving towards strategic purchasing

**Weak or absent
governance of
purchasing
function in
particular**

**Unclear mandates
of purchasing
agencies and
inadequate levels
of autonomy of
providers and
purchasers**

**Sub-optimal
benefit package
design processes**

**Fragmentation
causing incoherence
in payment methods;
and public financial
management
regulations as hurdle
to more output-
oriented payment
methods**

**Inadequate
generation and
use of data related
to provider payment
for wider system
monitoring and
informing decision-
makers**

**Political economy
factors and group
interests**

Where do we want to go?

April 2017, WHO Geneva, Global meeting:

“Strategic purchasing for UHC: Unlocking the potential”

Diverse audience of 75 participants:

- MOH and national purchasing agencies
- Development partners and foundations
- Academics and resource persons
- Members of the Community of Practice

➤ To boost and consolidate a community of strong supporters for strategic purchasing that will influence global and country thinking and agenda setting on strategic purchasers for UHC

Engaging with a community for strategic purchasing

April 2016, WHO Geneva:

“Setting the agenda” meeting on strategic purchasing

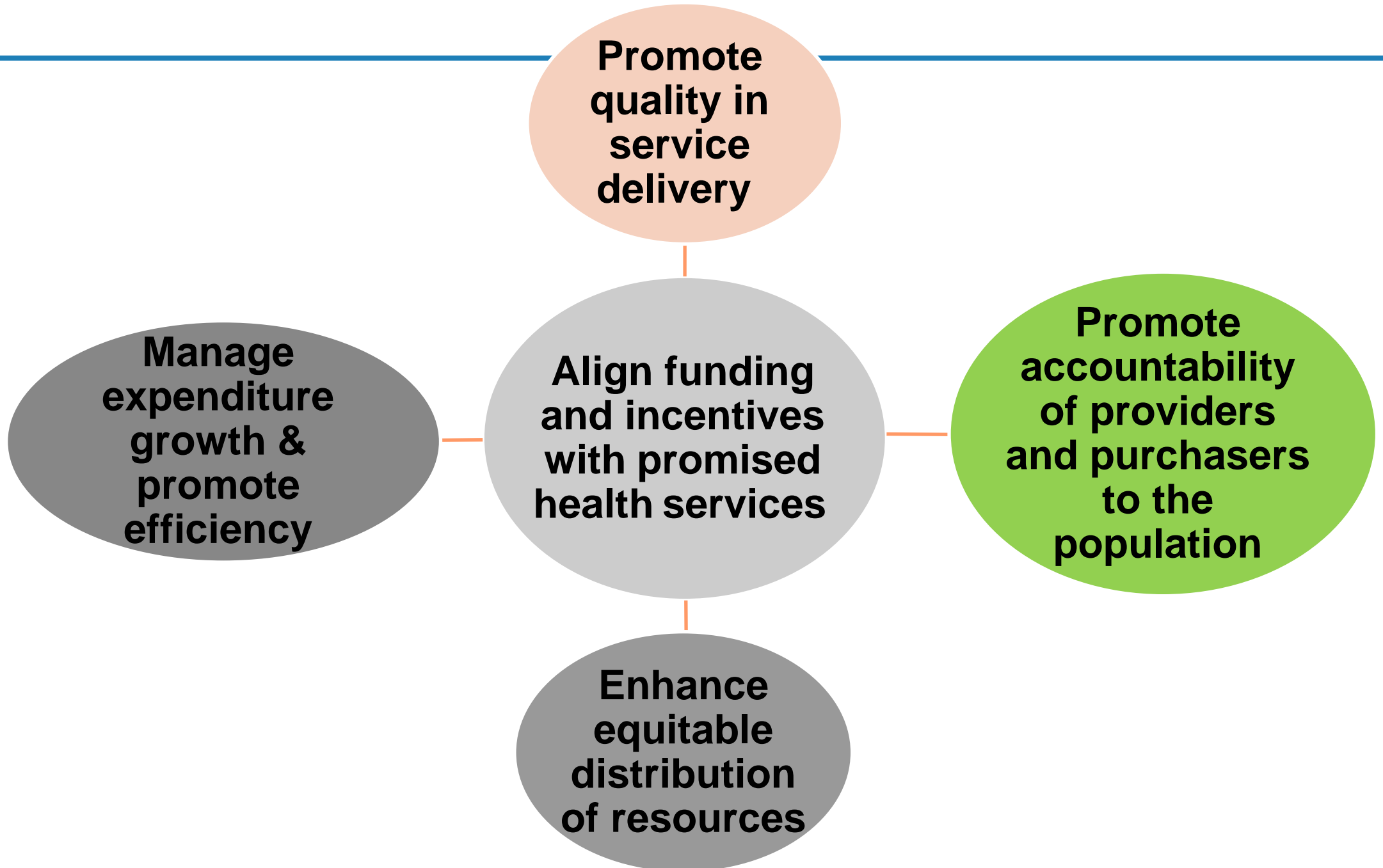
- sketched out areas of work; framed key issues and policy questions

September 2016, Rabat, Morocco:

“Strategic purchasing: an emerging agenda for Africa”, Practitioners workshop, co-organised by WHO, ITM and CoPs “FAHS” and “PBF”

- identified needs for practitioners and joint activities for a collaborative agenda

Objectives for strategic purchasing



Objectives for strategic purchasing

