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Babar Shaikh  
*Aga Khan University*

F. Rabbani  
*Aga Khan University, fauziah.rabbani@aku.edu*

Najibullah Safi

Zia Dawar

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## **Contracting of primary health care services in Pakistan: Is up-scaling a pragmatic thinking?**

Babar Tasneem Shaikh,<sup>1</sup> Fauziah Rabbani,<sup>2</sup> Najibullah Safi,<sup>3</sup> Zia Dawar<sup>4</sup>

Health Systems Division, Department of Community Health Sciences, Aga Khan University, Pakistan.<sup>1,2</sup>

National Program Manager, RBM & Leishmaniasis Control Program, Ministry of Public Health, Afghanistan.<sup>3</sup>

Deputy National Coordinator, National MNCH Program, Ministry of Health, Islamabad.<sup>4</sup>

### **Abstract**

Quite often, public health care systems in developing countries are struggling because of incompetence and a lack of provider responsiveness to the needs of consumers. On the contrary, the private sector dominates the system of health provision. In recent years, contracting has been experimented as an approach to ensure delivery of comprehensive public health services in an efficient, effective, superior and fair manner and has generally thrived well. The state's healthcare system in Pakistan has suffered a lot, owing to structural fragmentation, resource scarcity, inefficiency and lack of functional specificity, gender insensitivity and inaccessibility. However, partnering with the private sector has shown some exceptional accomplishments. Though challenging but structural reforms, involving private health sector have become indispensable. The overall experience shows that up-scaling of such initiatives in the country would require lot of cautions to be taken by the government.

### **Background**

In most of the developing countries, public health care systems are beleaguered by disorganization and a lack of provider responsiveness to the needs of consumers. Meanwhile, the private sector, by a long way, has dominated the state's system of health provision in almost all developing countries.<sup>1,2</sup> 'Contracting out' of primary health care service, therefore, would encompass those activities/services for which the state or local health department has reached a formal decision to withdraw from or contract out for provision of a public health service, in whole or in part, and a non-governmental entity has taken over responsibility for provision of that service. This approach must ensure delivery of comprehensive public health services in an efficient, effective, superior and fair

manner.<sup>3</sup> Contracting of primary health care (PHC) services to non-governmental organizations (NGOs), in recent years, has been experimented as an approach to ensure delivery of comprehensive public health services in an efficient, effective, superior and fair manner and has generally been found successful. The potential advantages of contracting have been outlined in terms of financial allocations based on outputs, outcomes and health service utilization indicators, thus facilitating measurement of and improvements in efficiency and equity; and demarcating the roles and responsibilities of both parties and thus facilitating accountability.<sup>4</sup> A review of the global experience found ten evaluated examples of partnering with NGOs to improve PHC, all successful and mostly achieving better results at lower costs.<sup>5</sup> Another multi-country review on the range of health services contracted out, the process of contracting and its influencing factors in ten countries of the Eastern Mediterranean Region argued that this process has actually led the health systems to perform and deliver.<sup>6</sup>

### **Primary Health Care Services in Pakistan:**

The public sector healthcare system in Pakistan is beset with numerous problems such as structural fragmentation, resource scarcity, inefficiency and lack of functional specificity, gender insensitivity and inaccessibility. For 66% living in the rural part of the country, poverty, illiteracy and inadequately organized healthcare compound already slowing down progress in health indicators.<sup>7</sup> The government of Pakistan has been spending 0.6 to 1.19% of its GDP and 5.1 to 11.6% of its development expenditure on health over the last 10 years. Besides, more than 45% of this meager budget would be consumed by curative services, mostly at tertiary hospitals.<sup>8</sup> In this scenario, the role of the private sector was duly acknowledged by the government, though particularly in

family planning service provision.<sup>9</sup> A novel initiative to strengthen the emergency medical services in Islamabad involving the public and the private sector emerged as a model for resource-poor developing countries.<sup>10</sup> In another example, to enhance the TB case detection through public private mix model by involving private practitioners in collaboration with National TB Control Programme in district Thatta has delivered an increased number of sputum smear positive cases in the intervention period.<sup>11</sup> A large-scale school nutrition programme implemented in 29 of the poorest rural districts through a public-private partnership demonstrated the potential success and scalability of such intervention through the involvement of private sector organizations that enjoy far greater trust of the communities.<sup>12</sup> However, challenges are always huge while working in a cross-sectoral environment.

In Pakistan, Basic Health Units (BHUs) are seeing an average of 20-25 patients per day (each BHU has about ten staff members). The utilization and satisfaction levels have largely remained unchanged during the last three decades. Recent surveys indicates that, nationally, not more than 20% of the people used the first level public sector network for their health care needs.<sup>13,14</sup> Therefore, it can be said that economic constraints, lack of good governance and inability to deliver public goods have led to the concept of 'unleashing the private sector'.<sup>15</sup> Nonetheless, structural reforms have become indispensable. Encouraging a public-private partnership to improve the management, service delivery and even to share the cost of basic primary health care and public health services must become an integral part of any reform.

### **Contracting of PHC Services in Pakistan:**

The case of contracting of PHC services in Rahim Yar Khan (RYK) involved 104 BHUs handed over to a non-governmental organization (NGO). This initiative had all the political support from the then provincial and federal government. The contracted NGO introduced a variety of innovations in BHUs of the district. This involved deployment of PHC managers on contract who were paid competitive remuneration with a responsibility of oversight of a cluster of three BHUs with one medical officer in-charge responsible for the management of the BHUs; enhancement of salaries of medical officers in-charge by about 150%; development of community support groups for BHUs; and most importantly improving the physical infrastructure of the facilities securing additional funding from the local district government.<sup>16</sup>

According to a third party evaluation,<sup>17</sup> as a result of contracting of BHUs in RYK district, situation has improved in terms of, Utilization of BHUs, Community

satisfaction, Physical conditions of BHUs, Out of pocket expenditure, Technical quality of care, Availability of drugs, Staff availability and their morale, Preventive services and Budget, expenditure and cost effectiveness.

This model, now expanded to several districts in Punjab and other provinces, and is a major change in the public sector health system especially for the people living in rural areas of Pakistan. This promising initiative could become the most viable model for up-scaling.

### **Way Forward:**

The seven imperatives of contracting in a similar arrangement, however, would be:

1. Enhance the capacity of district governments to oversee and manage such contracts.
2. Review of demand and supply side to design the contracts.
3. A transparent and competitive process of contracting out.
4. Clear stipulation of basket of services to be offered under the contract.
5. Community based services, outreach programmes, and vertical programmes to be given under the authority of contracts.
6. Indicators of monitoring and evaluation clearly spelled out.
7. Community involvement in co-management of the contracted PHC facility.

Moreover, the health system's overall responsiveness to the health needs of the vulnerable groups of population should also be assessed as an outcome of the contracting.<sup>18</sup> According to the literature on contracting, the contracted out service delivery model has been analyzed at various levels.<sup>19</sup>

1. At household or community level, not getting a full basket of services from one window, patients may end up shopping around for various health services, particularly preventive services. In such cases, the contracted out arrangements may result in inappropriate health seeking behaviors.

2. At service level, non-state providers may focus more on increasing clientele, and if not monitored methodically, they may compromise on the quality of services.

3. At policy makers' level, skepticism among the policy makers and their low motivation to work with the private sector, remains a major impediment.

4. At economic level, the model of contracting relies on the availability of adequate public finance to support such arrangement.

Given the fact that public private partnership or contracting in particular, can improve the performance of primary health care services, careful attention is needed to safeguard ethical, conflict of interest related, methodological, accountability, sustainability and governance issues in such relationships which should be governed by the norms and standards.<sup>20</sup> Any type of health system reforms in developing countries specially need to focus on actual package of services to be provided, financing and the concerns and perspectives of the end users i.e. the community.<sup>21</sup>

### Conclusion

Contracting may also prove to be the only way to re-build health systems in developing countries and such partnership could potentially contribute to an overall health system strengthening in the developing countries.<sup>22</sup> However, evidence shows that that increase in demand for services may not be the right reflection of quality.<sup>23</sup> The overall experience suggests that up-scaling of similar initiatives in the country would require lot of cautions to be taken by the government. Decentralization of health services in Pakistan is undoubtedly another breakthrough for the correct implementation of 'contracting-out primary health care' agenda at the grass root level with definite involvement of the community.<sup>24</sup> There have been very sound arguments for countries like Pakistan to keep its role and influence not only in overall strategic policy leadership, financing of health care, provision of basic healthcare, but more importantly health care regulation.<sup>25</sup> Government must define its role unambiguously in designing, implementing, monitoring and regulating such contracts to ensure their sustainability, and more so while up-scaling such public private partnership initiatives.

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