Making informal health providers work better for the poor: Lessons from Nigeria and Bangladesh

Gerald Bloom, Abbas Bhuiya & Oladimeji Oladepo

“Developing market systems: seizing the opportunity for the poor”
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Outline: Learning from experiences

1. Context
2. Analysis
3. Interventions
4. Outcomes
5. Lessons
The spread of health markets....

- Blurred boundaries between public and private sectors and importance of market relationships (informal payments, dual practice, perverse incentives)

- Complex markets with a variety of sellers of health-related goods and services in terms of ownership, mission, reputation and accountability

- Largely private production and distribution of drugs and diagnostic tests
....faster than institutions to ensure they perform well

- Lack of mechanisms to identify and reward quality

- Inadequate systems of accreditation, regulation and accountability

- Often segmented systems with organised and regulated services for the rich and unorganised markets for the poor

- Vicious circle of low trust, efficacy and efficiency – race to the bottom
Failures of markets for health services

- Widely acknowledged market failures associated with information asymmetry between providers and users of health services

- Importance of trust-based arrangements to address information asymmetry

- Consequences of unregulated markets for outpatient services: low quality drugs, dangerous or ineffective treatment, unnecessary costs, emergence of treatment-resistant organisms
The importance of informal providers

- Informal providers are an important source of drugs and outpatient medical care for the poor in many countries.

- They work outside a professional regulatory framework but within a framework governing small businesses.

- Governments and professional associations have mostly avoided engagement with informal providers.
Performance of informal providers in Nigeria and Bangladesh

Nigeria: more than half of people reported obtaining treatment for malaria from a patent medicine vendor. A substantial proportion of drugs are out of date, resistant to the malaria parasite, or could potentially encourage the development of resistant organisms (eg. Artemesinin monotherapy)

Bangladesh: 65% of people who visited a health provider in a rural district went to a village doctor. 18.4% of prescriptions were appropriate, 7.1% were harmful and 74.5% were unnecessary - 89 cases suffering from cold, fever, pneumonia or diarrhoea
Simple interventions to improve informal provider performance often do not work

- Training on good practice may have little impact if the understandings of patients and the pattern of incentives are unchanged.

- Formal regulations may be unenforced and informal relationships are often influential.

- Markets for drugs and health services are inter-twined and the representatives for suppliers of drugs are influential.

- Politics and power relationships influence outcomes.
Market systems analysis of informal providers

- Sources of knowledge and products
  - training, apprenticeships
  - advertising
  - drug detail men

- Livelihood strategies and incentives to sell drugs
  - difficult to charge a consultation fee
  - profits from selling drugs
  - Commissions from drug wholesalers

- Building and maintaining reputations
  - word of mouth
  - self-regulation through association
  - relationship with reputable partner
Intervention partners

Nigeria: Ibadan School of Public Health, Association of Patent Medicine Vendors Association, National Malaria Control Programme (funding provided by DFID grant to FHS)

Bangladesh: ICDDR,B, village doctors in Chakaria District, local authorities in Chakaria District and more recently the Telemedicine Reference Centre Ltd. (funding provided by DFID grant to FHS)
Intervention in Nigeria: design

- Produce treatment guidelines and train patent medicine vendors
- Work closely with Association of Patent Medicine Vendors to reduce out of date and counterfeit drugs and encourage use of appropriate drugs
- Partnership with local government authority health service for appropriate referrals
Intervention in Bangladesh: design

- Produce treatment guidelines and train village doctors
- Establish a network of village doctors named Shasthya Senas to ensure adherence to standards of treatment and reduce inappropriate and potentially dangerous use of drugs
- Involve local government and leaders in monitoring performance (33 members of governing committee of ShasthyaSena)
Intervention in Nigeria: outcomes

- Associations eager to participate in partnerships for drug quality and appropriate prescriptions

- Drug distribution networks influence the performance of patent medicine vendors

- The decision by government and donors to distribute highly subsidised ACTs through patent medicine vendors is creating major opportunities and challenges

- Need for more work on business model for PMVs
Intervention in Bangladesh: outcomes

- Increase in number of both appropriate and harmful prescriptions
- Village doctors positive about the intervention
- Unwillingness to refer to government facility but great interest in availability of telephone consultations with doctors
- Decision to establish partnership with a mobile telephone health company to provide access to medical advice and monitor drug prescriptions
- More work is needed to develop a business model for village doctors that does not reward over-prescription of drugs
Lessons

➢ Interventions should be based on an analysis of the market system (including drug distribution network and new knowledge intermediaries)

➢ Sustainable interventions need to include a realistic business model for informal providers and for other partners

➢ Effective interventions are likely to involve partnerships between organisations with different agendas and different capacities

➢ Politics and interests strongly influence outcomes when going to scale and effective strategic leadership is needed
An ongoing process......

- Interventions and further studies as part of DFID-funded 5-year research programme
- Learning platforms in Africa and South Asia bringing non-state innovators, civil society organisations and governments together to learn from experience
- Working with DFID health advisors
- Facilitating consultations to contribute to thinking by the Rockefeller Foundation about their next phase of work on health markets
- Participation in the multi-agency HANSHEP initiative
- Collaboration with the initiative of the Centre for Health Market Innovation on informal health service providers
Additional information

Bloom, Standing, Lucas, Bhuiya, Oladepo and Peters, ‘Making health markets work better for poor people: the case of informal providers’ Health Policy and Planning 26: i45-i52
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