

JANUARY 2017

# Strengthening Partnerships with the Private Sector

## Supporting Universal Coverage of Women's and Family Health

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A Report of the  
CSIS GLOBAL HEALTH POLICY CENTER

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## Acknowledgments

This report was made possible by the generous support of the Bill & Melinda Gates Foundation.

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# Strengthening Partnerships with the Private Sector

## Supporting Universal Coverage of Women’s and Family Health

Jeffrey L. Sturchio and Maria Schneider<sup>1</sup>

As we survey the landscape of women’s and family health—especially the health of adolescent girls and young women—and think about sustainable solutions to improve population health outcomes by enabling more people to obtain the care and treatment they need, it is important to take a fresh look at the roles that the private sector is playing or could play in the future. Given the constraints on global health budgets in the public sector and the significant gaps in funding to meet projected health needs, we must find creative ways to encourage additional private-sector engagement and investment in lower- and middle-income countries. This paper addresses a series of questions that the CSIS Task Force on Women’s and Family Health has considered to understand the current role of the private sector, and ends with several policy recommendations for the new administration and Congress to provide incentives for the private sector to engage more systematically in supporting the health and well-being of adolescent girls and young women.

What level of resources is currently invested by the private sector in women’s and family health globally?

Given the range and complexity of private-sector engagement in women’s and family health, the relative paucity of credible and comprehensive data is surprising. There is even less information when it comes to private-sector involvement in the health of adolescent girls and young women. The estimates that are widely used for global health spending overall come from the Institute for Health Metrics and Evaluation (IHME).<sup>2</sup> The IHME study shows that Development Assistance for Health (DAH) stood at US\$36.4 billion in 2015, the fifth year in which total DAH remained relatively flat.

Of that amount, US\$3.6 billion (9.8 percent) was disbursed for maternal health and US\$6.5 billion (17.9 percent) for newborn and child health. Funding for these two areas had peaked

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<sup>1</sup> Jeffrey L. Sturchio is president and CEO of Rabin Martin; Maria Schneider is executive vice president of Rabin Martin.

<sup>2</sup> Their most recent report is Institute for Health Metrics and Evaluation (IHME), *Financing Global Health 2015: Development assistance steady on the path to new goals* (Seattle, WA: IHME, 2016), [http://www.healthdata.org/sites/default/files/files/policy\\_report/FGH/2016/IHME\\_PolicyReport\\_FGH\\_2015.pdf](http://www.healthdata.org/sites/default/files/files/policy_report/FGH/2016/IHME_PolicyReport_FGH_2015.pdf). See also Joseph L. Dieleman, Matthew T. Schneider, Annie Haakenstad et al., “Development assistance for health: past trends, associations and the future of international financial flows for health,” *The Lancet* 387, no. 10037 (June 18, 2016): 2536–44, [http://www.thelancet.com/journals/lancet/article/PIIS0140-6736\(16\)30168-4/abstract](http://www.thelancet.com/journals/lancet/article/PIIS0140-6736(16)30168-4/abstract).

in 2013 (at US\$4 billion and US\$7.1 billion, respectively), although their growth rates from 2010–2015 were among the highest in the DAH portfolio. In 2015, roughly 24 percent of the DAH funding for newborn and child health went to nutrition, with 45 percent for vaccines. Family planning accounted for 34 percent of maternal health DAH in that year.<sup>3</sup>

The IHME team also found that the growth rates of DAH fall into three clearly demarcated periods—growth of 4.6 percent in 1990–1999, 11.3 percent in 2000–2009, and 1.2 percent in 2010–2015. Combined with a related study that projects prolonged slow growth for DAH, whether looking at high-income, middle-income, or low-income countries, it seems clear that the days of rapid increases in global health budgets are over for the foreseeable future.<sup>4</sup>

In a further analysis of DAH by source of funds, the IHME team found that corporate donations grew from US\$199.35 in 2001 to US\$683.05 in 2015. Compared to total DAH, that means that corporate donations amount to 1.87 percent of DAH, or less than \$2 in every US\$100 disbursed. (This is a lower bound, since the IMHE data report only corporate philanthropic contributions and would not capture other commitments.) At the same time, recent data show that total Official Development Assistance amounts to some US\$135 billion per year, and there has been a policy push toward greater reliance on domestic resource mobilization and increased private-sector investment. To give an indication of the scale of the opportunity—for women’s and family health, along with other areas in global health—estimates for total foreign direct investment each year are now about US\$800 billion, with remittances providing another US\$400 billion per annum.<sup>5</sup>

Our conclusion is that private resources are certainly available for increased investments in women’s and family health, including the health of adolescent girls and young women. What is lacking is an approach that builds on successes to date and makes the investment case to the right investors.

What does experience from the field suggest about barriers and enablers for increased private-sector engagement in women’s and family health, especially the health of adolescent girls and young women?

The members of the CSIS task force have a wide range of experiences in designing and implementing initiatives to improve public health outcomes in lower- and middle-income countries. Their observations and insights on this question have been instructive in understanding the salient factors that encourage companies to invest in projects to improve the health and well-being of adolescent girls and young women in resource-constrained settings:

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<sup>3</sup> All figures taken from publications cited in footnote 2.

<sup>4</sup> Joseph L. Dieleman, Tara Templin et al., “National spending on health by source for 184 countries between 2013 and 2040,” *The Lancet* 387, no. 10037 (June 18, 2016): 2521–35, [http://www.thelancet.com/journals/lancet/article/PIIS0140-6736\(16\)30167-2/fulltext?rss%3Dyes](http://www.thelancet.com/journals/lancet/article/PIIS0140-6736(16)30167-2/fulltext?rss%3Dyes).

<sup>5</sup> Dilip Ratha et al., *Migration and Remittances: Recent Developments and Outlook*, Migration and Development Brief 26 (Washington, DC: World Bank, 2016), 4–6, <http://pubdocs.worldbank.org/en/661301460400427908/MigrationandDevelopmentBrief26.pdf>.

- Invest for the long term and be aware of your level of risk tolerance.
- Choose partners wisely and then ensure alignment of goals and regular communications to build trust and a good working relationship.
- Understand that there is risk on both sides of collaboration—and that it’s critical to develop a common language and clear understanding of the different expectations and incentives that motivate each partner.
- Be cognizant of the health ecosystem challenges your project is likely to face—for example, health infrastructure, availability of an adequate supply of trained practitioners, logistics and supply chain management, regulatory delays, lack of funding—and agree on processes to find solutions as these problems arise.
- Recognize the broader, interrelated social, cultural, and economic issues that are critical considerations in developing achievable, yet ambitious, goals to improve health outcomes.
- Do your government partners have the capabilities needed to make a partnership succeed? Is it possible to work with them to help improve stewardship of the health system, but find ways to encourage them to turn to other partners to operate parts of it?
- Develop partnerships based on principles of transparency and accountability.
- Begin with the end in mind—how will this program be sustainable once development partners leave?
- Realize that the private sector is just as likely to gain new expertise through an ambitious partnership as NGO or public-sector partners and be willing to work together to shape new solutions that strengthen the systems you rely on in the rest of your business.

In the end, successful engagement of the private sector requires all partners to have an open mind, to align interests around common goals, and to develop a portfolio of tools and incentives that will lead to innovative thinking about how to work together to accomplish more for adolescent girls and young women than any one partner can do alone.

How can the Sustainable Development Goals guide a more effective approach to improving the health and well-being of adolescent girls and young women?

Experts interviewed for the CSIS task force<sup>6</sup> applaud the progress that U.S. government-sponsored programs have achieved to date. However, they noted that future goals should go

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<sup>6</sup> This paper draws from both research and focused interviews conducted with 36 experts in women’s and family health. These experts comprise current and former U.S. government officials, heads of large nongovernmental organizations (NGOs) and faith-based groups, academics, representatives of multilateral institutions, private foundations, and the private sector.

beyond targets that are intervention-specific or limited to mortality reduction to include measures of resilient health systems and adequate capacity and infrastructure, given how critical these are to address evolving health needs of women and families more sustainably.

Consistent with this emphasis to place women's and family health in a broader context, it is opportune to "rethink what is maternal about maternal health" and frame "an integrated, comprehensive approach to maternal health across the life cycle, [which] makes use of existing health financing, infrastructure, cost-effective interventions and programmes," as Felicia Knaul and colleagues argue in *The Lancet*. They also note the growing impact of chronic disease on women's health: "the global health community must rise to the challenge of competing risks rather than remain a victim of its own success. It is unacceptable and unethical to prevent a woman from dying in childbirth, yet to allow her to die of a preventable or treatable condition such as cervical cancer or diabetes."<sup>7</sup>

The new focus on the Sustainable Development Goals provides a timely opportunity to move to more holistic approaches and strategies, with health—particularly adolescent health—as part of an overarching development agenda. While dedicated to addressing unmet health needs (such as lagging progress in newborn survival and neglect of adolescent health), experts see the potential to achieve greater improvements in health outcomes by linking health goals with the work in other sectors (such as education or gender equality). The health of adolescents and young girls in particular should thus be seen in relation to a cluster of related development goals, as well as broader foreign policy objectives (such as the global health security agenda). Both public and private investments in strengthening health systems—rather than creating vertical silos—will also help to ensure that countries respond more resiliently to emerging health crises and challenges.

How can we achieve better integration of public- and private-sector resources and programs to improve women's and family health outcomes?

Integration between public and private resources, including integration of service delivery, is an important way to increase access to high-quality care, especially for adolescent girls and young women. For example, private health providers—-independent doctors, midwives, and drug shop owners—are an overlooked but critical part of countries' health systems. Private care has been a neglected area even though approximately 40 percent of women from low- and middle-income countries receive maternal and family planning care from these providers.<sup>8</sup> As countries begin to take on the challenge of achieving universal health coverage, it will be essential for the local private health sector to be part of the equation to help expand to reach to quality services. One way to encourage greater focus on private care is to have U.S. government investments in strengthening countries' health systems stipulate inclusion of private health care in efforts to expand access to services. The United States has an opportunity to provide the technical assistance required to help governments become

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<sup>7</sup> Felicia Marie Knaul, Ana Langer, Rifat Atun et al., "Rethinking maternal health," *The Lancet Global Health* 4, no. 4 (April 2016): e227–e228, [http://www.thelancet.com/journals/langlo/article/PIIS2214-109X\(16\)00044-9/fulltext?platform=hootsuite](http://www.thelancet.com/journals/langlo/article/PIIS2214-109X(16)00044-9/fulltext?platform=hootsuite).

<sup>8</sup> London School of Hygiene & Tropical Medicine, "Who Cares for Women? Private Maternal Health and Family Planning Care in Low-/Middle-Income Countries," [http://met-lshtm.com/files/DHS\\_Factsheet-LSHTM\\_2015.pdf](http://met-lshtm.com/files/DHS_Factsheet-LSHTM_2015.pdf).

stronger stewards of their overall health system to improve the quality of care countries deliver to all their citizens—not just those who receive care solely from government-run clinics. Further, given private providers' sensitivity to local needs and customs to attract and retain their customers, this group of providers may be especially responsive to new models of care that better meet the needs of adolescent girls and young women, who often seek private care due to stigma and lack of youth-friendly clinics and public services.

Congress also has a central role to play in stimulating integration of public and private resources, specifically through financial incentives to forge public-private partnerships. Legislation supporting U.S. government global health investments could include a provision to provide matching funds for public-private partnerships in women's and family health. A government match has proven to be effective in encouraging companies to invest in global health by leveraging public funds as demonstrated by the President's Emergency Plan for AIDS Relief (PEPFAR), Saving Mothers, Giving Life, Power Africa, the U.S. Agency for International Development's (USAID) Development Gateway, and the Millennium Challenge Corporation. In addition, PEPFAR's public-private partnership incentive fund could be adapted to increase the number of public-private partnerships targeting adolescent girls and young women.<sup>9</sup>

What are the most promising opportunities for developing innovative financing mechanisms that will mobilize new resources at the right scale for women's and family health?

There has been growing interest in "innovative financing" mechanisms in recent years as a means to find additional resources for women's and family health initiatives. An important starting point should be recognizing the magnitude of the gaps in need: the Global Financing Facility estimates the need for reproductive, maternal, newborn, child, and adolescent health to be more than US\$33 billion in 2015 alone for the 63 countries eligible for Global Financing Facility support.<sup>10</sup> To make a dent in these funding gaps, any innovative financing tools will need to generate robust levels of support.

That's the key challenge: to design new financing mechanisms that will be able to achieve the requisite scale. In an early assessment of innovative financing for health, Rifat Atun and colleagues pointed to this issue, noting that only Gavi, the Vaccine Alliance, the Global Fund to Fight AIDS, TB and Malaria, and UNITAID had reached global scale using new ways of raising and deploying support for key health initiatives. Other proposed innovative financing

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<sup>9</sup> Jeffrey L. Sturchio and Gary M. Cohen, "How PEPFAR's public-private partnerships achieved ambitious goals, from improving labs to strengthening supply chains," *Health Affairs* 31, no. 7 (July 2012): 1450–1458, <http://content.healthaffairs.org/content/31/7/1450.full.pdf+html>.

<sup>10</sup> Global Financing Facility (GFF), *Global Financing Facility in Support of Every Woman Every Child: Business Plan* (Washington, DC: World Bank, June 2015), [http://globalfinancingfacility.org/sites/gff\\_new/files/documents/GFF\\_Business\\_Plan.pdf](http://globalfinancingfacility.org/sites/gff_new/files/documents/GFF_Business_Plan.pdf). See also Jim Yong Kim, "Global Financing Facility in Support of Every Woman Every Child" (remarks delivered to the Third International Conference on Financing for Development, Addis Ababa, Ethiopia, July 13, 2015), <http://www.worldbank.org/en/news/speech/2015/07/13/global-financing-facility-woman-child>.

solutions faced a trio of critical risks: excessive expectations on what they might deliver, high start-up costs in setting up new mechanisms, and volatility of funding.<sup>11</sup>

Proposed solutions have ranged from new taxes (like the airline solidarity tax that funds UNITAID) and efforts to tap the capital markets (through immunization bonds or advance market commitments), to debt swaps, development impact bonds, social impact bonds, impact investing, microfinance schemes, performance-based incentives, and old-fashioned equity investments.<sup>12</sup> Tim Evans from the World Bank and Ariel Pablos-Mendez of USAID have also pointed to the importance of exploring ways to expand social health insurance to direct private health expenditure into pools that can provide more health to more people; they also highlight the need for governments to be more strategic in their interactions with the private sector in health, particularly in such areas as service delivery, health workforce development, and procurement and supply chain management.<sup>13</sup>

The opportunity is certainly there to test some of these proposed solutions to increase resources allocated to improvements in women's and family health, but questions remain. What capacity do countries have to supplement traditional bilateral or multilateral funding with new approaches that require significant expertise for design, development, deployment, and monitoring? How can we make compelling business cases for investments in innovative (and hence untried) models? Is it possible to craft new mechanisms that are both holistic (supporting women's and family health as part of a commitment to universal health coverage) and flexible (to ensure that the resources mobilized reach those in greatest need)?

As noted above, given the financial flows to lower- and middle-income countries from private investment, if we can integrate private-sector funding and financing mechanisms into the overall resource envelope available for women's and family health—in effect, creating a new way of doing business—we should be able to close the resource gap by 2030.

What lessons can be learned from experience with initiatives like the Global Fund, Gavi, Millennium Challenge Corporation, Saving Mothers Giving Life, Power Africa, PEPFAR, the Global Development Alliance, and other public-sector efforts to increase the number, variety, and ambition of public-private partnerships for women's and family health?

Experts interviewed for the CSIS task force indicated that U.S. government involvement in facilitating, supporting, and participating in global health partnerships is a welcome trend. The benefits of such partnerships include the ability to draw on complementary expertise, knowledge, capabilities, and capacity; amplified messages, urgency, and credibility around

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<sup>11</sup> Rifat Atun, Felicia Marie Knaul, Yoko Akachi, and Julio Frenk, "Innovative financing for health: what is truly innovative?" *The Lancet* 380, no. 9858 (December 8, 2012): 2044–49, [http://www.thelancet.com/journals/lancet/article/PIIS0140-6736\(12\)61460-3/abstract](http://www.thelancet.com/journals/lancet/article/PIIS0140-6736(12)61460-3/abstract).

<sup>12</sup> This is by no means a comprehensive list. See David Ferranti, Charles Griffin, Maria-Luisa Escobar, Amanda Glassman, and Gina Lagomarsino, *Innovative financing for global health: tools for analyzing the options*, Global Health Financing Initiative Working Paper 2 (Washington, DC: Brookings Institution, 2008), <https://www.brookings.edu/research/innovative-financing-for-global-health-tools-for-analyzing-the-options/>.

<sup>13</sup> Tim Evans and Ariel Pablos-Mendez, "Shaping of a new era for health financing," *The Lancet* 387, no. 10037 (June 18, 2016): 2482–84, [http://www.thelancet.com/journals/lancet/article/PIIS0140-6736\(16\)30238-0/abstract](http://www.thelancet.com/journals/lancet/article/PIIS0140-6736(16)30238-0/abstract).

key issues; and diversity of funding sources to support global health efforts more sustainably. These experts anticipate and encourage continued U.S. government involvement in partnerships and a commitment to innovation through collaboration. They see room for even greater partnership across sectors, perspectives, and disciplines (both within and outside the United States) to address short- and long-term needs sustainably, comprehensively, and effectively. Such partnerships have already had an important impact on women's and family health through such initiatives as Saving Lives at Birth, DREAMS (Determined, Resilient, Empowered, AIDS-Free, Mentored, and Safe), Saving Mothers, Giving Life, and Pink Ribbon Red Ribbon: increasing investments in development partnerships offer the opportunity to improve health outcomes for adolescent girls and young women, while also making most efficient use of public resources.

## Policy Recommendations

**1. Better data:** We recommend that the U.S. government strive to collect and report data on financing and project outcomes with respect to women's and family health in a way that enables the unambiguous analysis of how much of available resources are being provided by private-sector partners—and disbursed through private-sector partnerships. This will add to the accountability and transparency of such efforts and help to improve understanding of which approaches are working and gaining traction in leading to sustainable impact. We also recommend that USAID convene a consortium of public, private, and NGO partners (including, for example, the World Bank and the Institute of Health Metrics and Evaluation) to develop and refine reporting mechanisms and data resources that will enable interested organizations to see where resource flows are going and to catalyze their own investments in support of women's and family health initiatives, including investments related to adolescent girls and young women.

**2. Incentives:** We recommend that legislation supporting U.S. government global health investments include a provision explicitly providing matching resources for public-private partnerships in women's and family health—especially those related to adolescent girls and young women—as an incentive for companies to engage with government to improve health outcomes globally. This mechanism has already proven extremely successful in PEPFAR, which has developed more than 700 public-private partnerships to leverage private resources that have added to the impact of US taxpayer dollars in implementing PEPFAR (such as logistics and supply chain management for delivering antiretrovirals and the development of reference laboratories for managing the clinical outcomes of large populations on treatment).<sup>14</sup> Similar incentives have also proven successful in other U.S. government programs, from Saving Mothers, Giving Life, and Power Africa to USAID's Development Gateway and the Millennium Challenge Corporation.

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<sup>14</sup> Sturchio and Cohen, "How PEPFAR's public-private partnerships achieved ambitious goals, from improving labs to strengthening supply chains."

Similar to the recommendation for an Innovation Partnership Initiative for women’s and family health,<sup>15</sup> we recommend that the U.S. government establish an Implementation Partnership Initiative to bring together knowledge, resources, and opportunities to catalyze additional private-sector investment in the health and well-being of adolescent girls and young women by providing toolkits and networks to encourage companies to participate in new public-private partnerships.

**3. Leading by example:** The U.S. government should take this new approach to developing better data and incentives for private-sector engagement in improving women’s and family health globally to its own partnerships in global health partnerships and multilateral organizations. We recommend that the United States systematically implement these recommendations, not only in its own policies and practices, but also, through example and collaboration, with such organizations as the Global Fund, Gavi, the Global Financing Facility, and other international organizations that it supports. This will help to build a common approach to working more constructively with the private sector on a global basis, which will help to achieve healthier lives for women and families everywhere. Indeed, as Richard Horton and Stephanie Clark observe in *The Lancet*, “The private sector in health care is not going away. . . . It has a large and expanding part to play in the health systems of all low-income and middle-income nations. . . . The public and private sectors cannot be seen as mutually exclusive entities within a health system. Each depends upon the other, and the performance of one is often intimately linked to the performance of the other. Public and private sectors therefore should be viewed as entwined elements of a whole health system, and managed as such.”<sup>16</sup> This recommendation is firmly in that spirit—of finding ways to encourage greater public-private collaboration, which will bring new methods and new resources to the challenges of improving health outcomes for adolescent girls and young women.

**4. Identify and document innovative and sustainable financing models:** A simple, but pragmatic, recommendation is to set up a roundtable or observatory in Washington, D.C., to serve as a clearinghouse for information on different innovative financing models that have been proposed and implemented. This entity (which could be housed at and managed by CSIS) should have representatives of organizations known to be engaged in this work, either as donors, implementers, or analysts (e.g., Global Financing Facility, World Bank, USAID, Bill & Melinda Gates Foundation, UK’s Department for International Development, Gavi, Global Fund, UNITAID, banks and other investors, and private-sector organizations involved in global health finance).

The mandate of this roundtable or observatory would be to develop an inventory of innovative financing mechanisms and where and how they’ve been implemented, a database of information on the amount of resources mobilized by different vehicles, a collection of best practices, a database of experts who can help to design appropriate vehicles, and regular reports on how such mechanisms have been applied successfully to improve

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<sup>15</sup> See “Innovation: accelerating progress in global health,” Task Team Report for CSIS Task Force on Women’s and Family Health, July 2016.

<sup>16</sup> Richard Horton and Stephanie Clark, “The perils and possibilities of the private health sector,” *The Lancet* 388, no. 10044 (August 6, 2016): 540–41, [http://www.thelancet.com/journals/lancet/article/PIIS0140-6736\(16\)30774-7/abstract](http://www.thelancet.com/journals/lancet/article/PIIS0140-6736(16)30774-7/abstract).

women's and family health outcomes in different geographies. The work of this roundtable or observatory would help us to understand the risks of excess expectations, high start-up costs and volatility identified by Rifat Atun and his colleagues—while also offering evidence-based advice and counsel on how to use innovative financing mechanisms to achieve the requisite scale to close funding gaps for women's and family health.