



# Enhancing Financial Sustainability for Social Franchise Networks

Nathan J. Blanchet, Results for Development  
#WD2016  
@njblanchet @results4dev





# Social Franchise Networks face sustainability and equity challenges

Declining donor support

**Identify new and diverse financing sources**

Limited service offerings

**Increase range of primary health care services**

Dependent on out-of-pocket payments

**Access more equitable third-party financing**



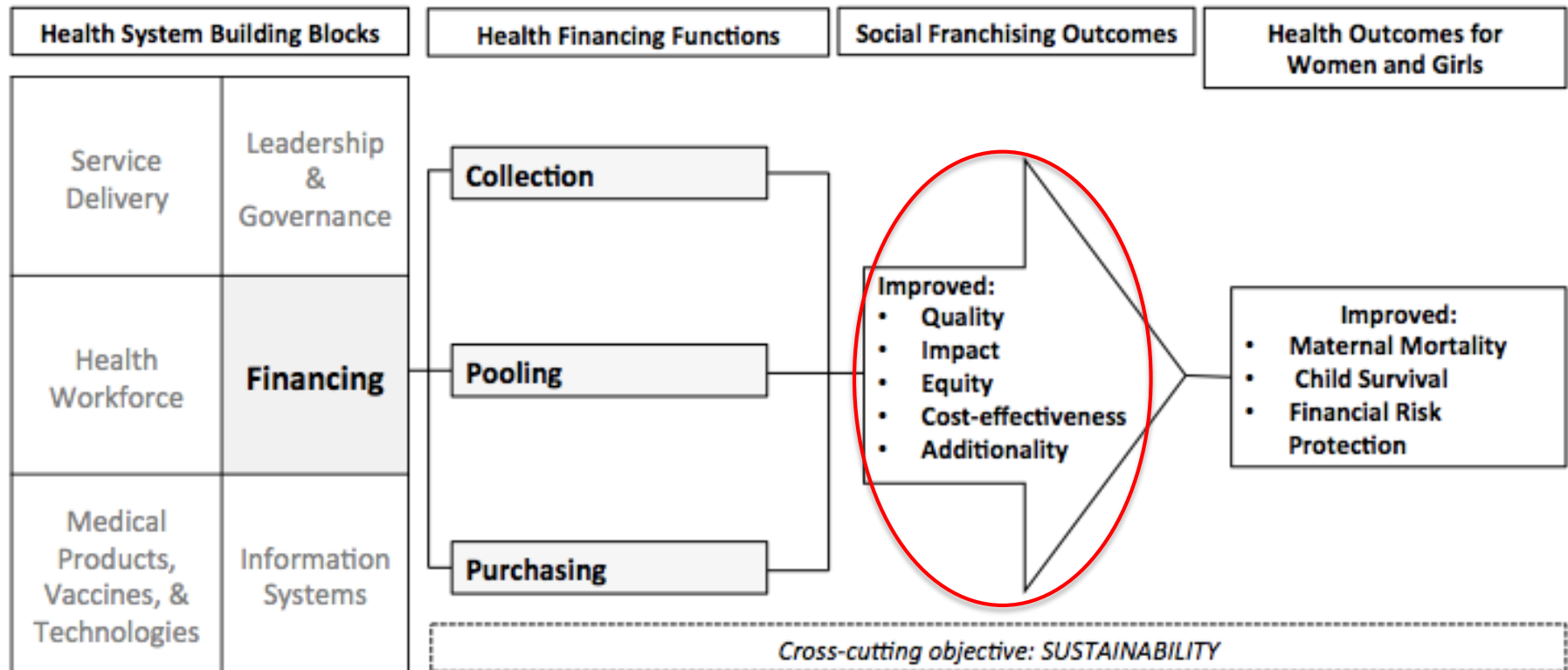


## Our partnership aims to:

Help Social Franchise Networks adopt  
Universal Health Coverage approaches  
to make health care for women and their families  
more equitable and sustainable.



# Our approach applies UHC approaches to the goals of social franchise networks

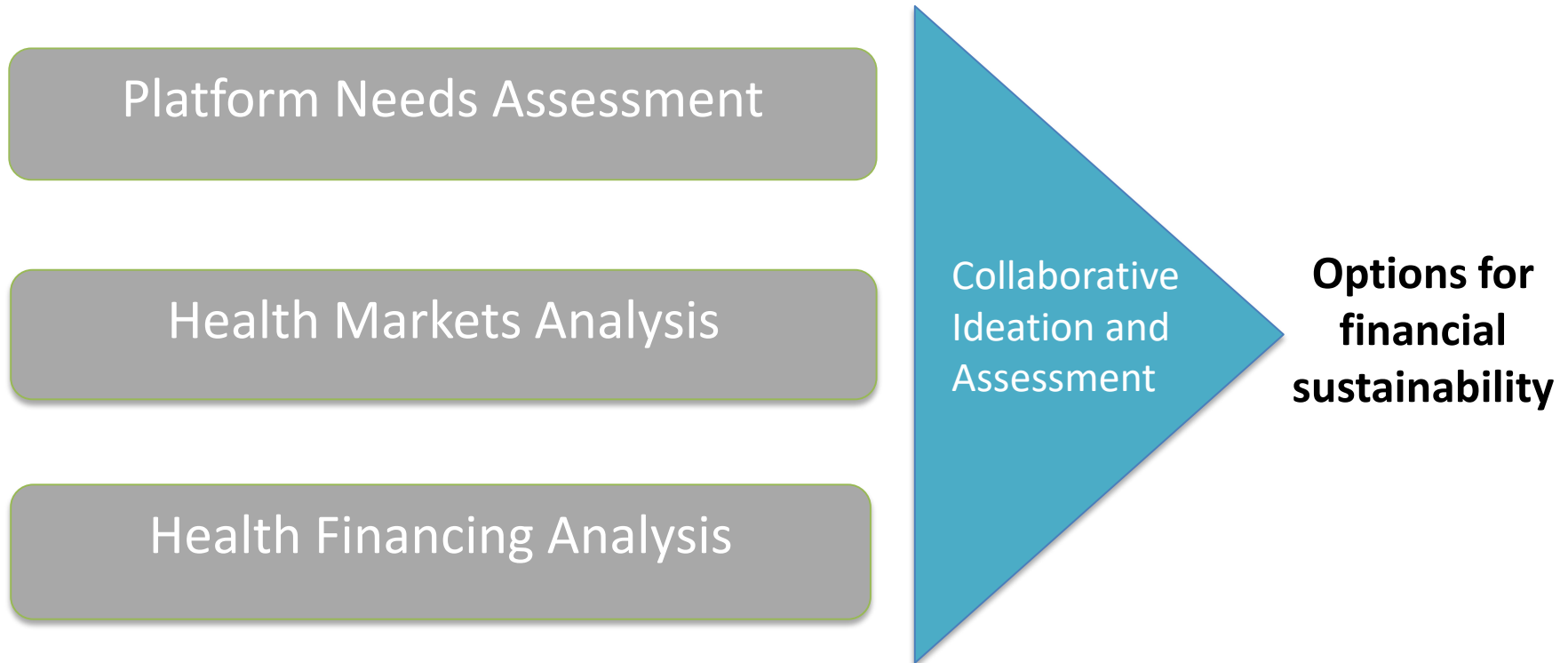


Note: This framework is a synthesis of prominent health systems and health financing frameworks, including those offered in [Kutzin 2001](#), WHO 2000 and 2010, and Roberts et al. 2008, as well as R4D's own thinking and analysis.

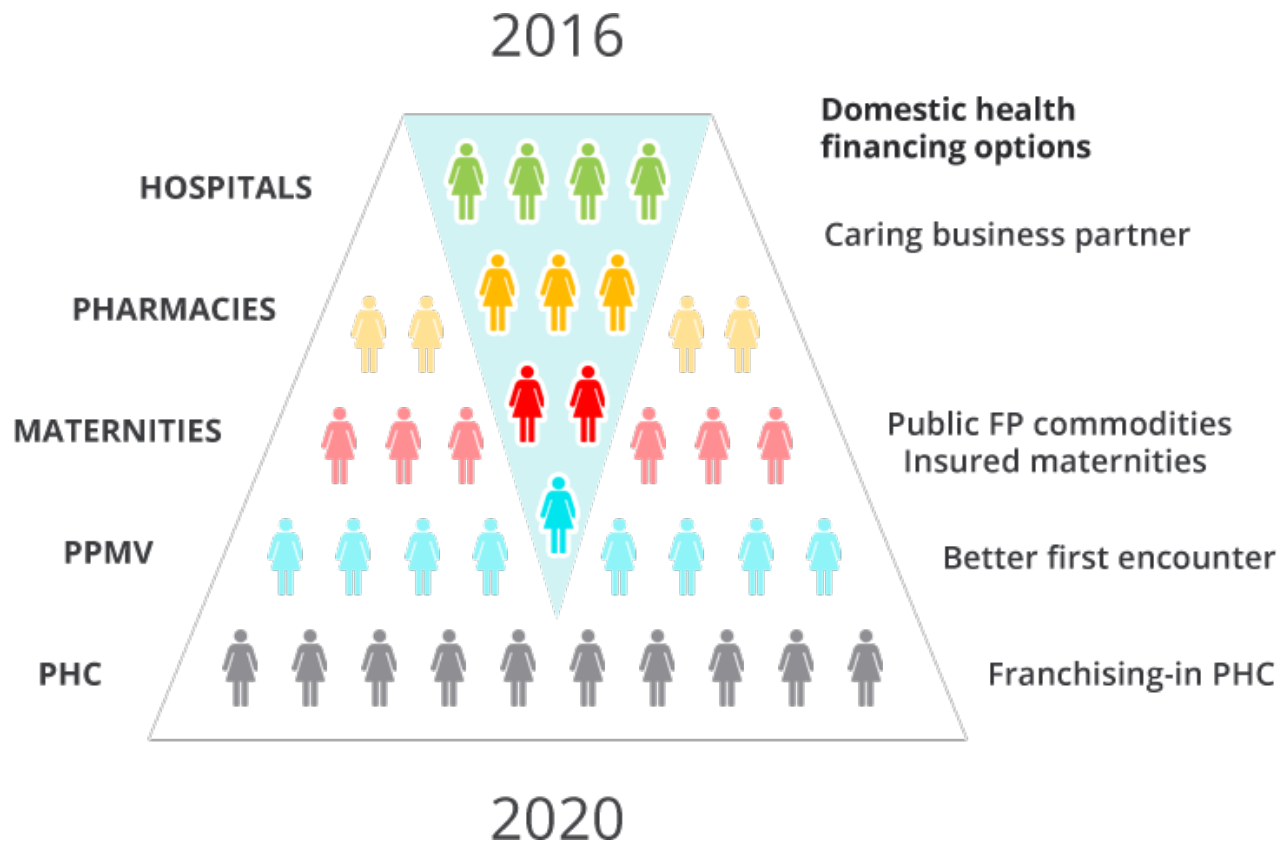




# Our approach combines external analysis and internal participation by network staff...



# ...to develop a strategy that aligns with a particular network's needs





# The emerging options are diverse...

## Uganda

1. Develop a **public private partnership** with Kampala Capital City Authority
2. PACE providers participate in **MOH voucher program**

## Tanzania

1. Facilitate provider participation in **results-based financing** with MOH under the Global Financing Facility for RMNCAH
2. Aid in the registration of franchisees in **National Health Insurance Fund**

## Nigeria

1. Help maternities register with **National Health Insurance Scheme**, empanel clients, and manage capitation
2. New tier of full and/or partial public sector franchisees via **public private partnerships**



# ...and hold a strong value proposition for the franchisor, franchisee, clients, and the government

## Women and Girls

- High health impact services
- Low out-of-pocket payments

## Social Franchise Providers

- Third-party payment for services
- Increased client / service volumes

## Social Franchise Networks

- Position as intermediary
- Improved outcomes against goals

## Government and other partners

- Integration in health system
- Better value for public funding





# PSI franchisors now poised to access health financing options to improve PHC for women & girls

## How do we ensure continued impact?

- Leverage internal knowledge and expertise within social franchising platforms
- Make dedicated deep dives to turn strategies into actions
- Cultivate advocacy and action among platform leaders, government, and private sector



Mission Mbagala Dispensary. Photo Credit: Sala Lewis.





# An equation to remember

UHC = **Good**, but need better service delivery

Social Franchises = **Good**, but need fair and sustainable funding

UHC + SFs = **Better**, fairer, more sustainable care for women and girls





Thank you from our whole team



# What is (more or less) financial sustainability?

A more financially sustainable franchise will:

- **Use more diverse funds**—donor, public, and private—in pursuit of quality, equity, additionality, cost-effectiveness, and health impact
- **Look different** depending on the country and context
- **Constantly grow, adapt, and innovate** in response to health needs, financing opportunities, and system constraints in a country





# Options from the landscaping analyses

## Uganda

1. Develop a **public private partnership** with Kampala Capital City Authority
2. PACE providers participate in **MOH voucher program**
3. Facilitate PACE providers' participation in **results-based financing** with MOH under the Global Financing Facility for RMNCAH
4. Expand Partnership with Save for Health to pilot comprehensive **CBHI scheme** to demonstrate value for integration under NHIS
5. Formalize facility-based mechanisms to help Sara save for health
6. Explore developing a **microinsurance** product for PACE providers with a private commercial health insurance agency

## Tanzania

1. Working with **Government Backed Health Insurance Schemes**
  - Aid in the registration of franchisees in NHIF and SHIB
  - Aid in and increase the volume and efficiency of incoming revenues from insurance
2. Working with **Private Insurance Schemes**
  - Aid in the registration of franchisees with Jubilee, Strategis, etc.
  - Aid in the enrolment of more clients, especially those targeting lower income quintiles
3. Working with **Government Contracts**
  - Contract with CHMT/RHMT through Service Level Agreements

## Nigeria

1. Caring business partner: Support to high quality/volume **clinics at cost**
2. Baby steps: Channel public FP/MCH commodities through private HFN maternities
3. Insured Maternities: Help maternities register with **insurance**, empanel clients, and manage capitation
4. Better first encounter: Link PPMVs with PHCs (North) and integrate into **NHIS/CBHI** (South)
5. Franchising-In PHC: New tier of full and/or partial public sector franchisees via **PPPs**



# Option for PACE Uganda: Developing a public private partnership with Kampala Capital City Authority

PACE would develop a public private partnership with Kampala Capital City Authority for the delivery of PHC and MCH services through PACE facilities, with referral mechanisms to public hospitals

## Client Sara:

- Decrease OOP costs for high health impact services.

## PACE Franchisee:

- Increase income from sustainable source.
- Experience working with KCCA will build trust and create more opportunities in the future.

## PACE Franchisor:

- Strong value proposition to providers and government. If management fees are included, PACE can recoup costs.

## Government:

- For KCCA: Effectively addresses health demand with quality services.
- For MOH: Sets an example of an effective PPPH with PFP in service delivery. Complementary to future NHIS schemes.

