

Starting at Scale and Network Effects: Measurement Issues from the Field

The Private Sector Innovation
Programme for Health (PSP4H)

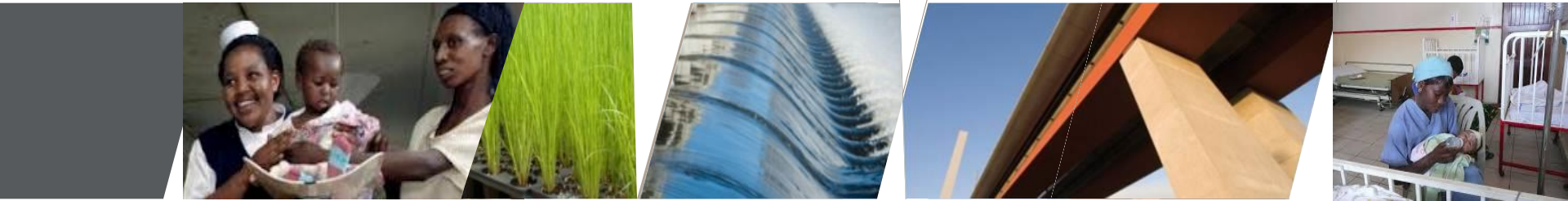
DCED Global Seminar Marketplace,
Bangkok, 15th March 2016





The Private Sector Innovation Programme for Health (PSP4H)

- A three-year action research project funded by UKAid Kenya, exploring the markets in which poor people pay for-profit providers for healthcare
 - The world's first dedicated M4P programme in the health sector
- The overall objective of the PSP4H programme is to learn lessons of how a market systems approach might benefit pro-poor healthcare interventions, to inform future programming
- PSP4H uses DCED-based intervention logic/measurement systems
- Logframe impact is measured in terms of information to DFID
 - However, in order to produce evidence of success or failure, market players must be actively engaged in pilot interventions
 - Market outcomes and impacts must be robustly measured



PSP4H Approach

- TA only – no grants
- Interventions follow a defined process
- Monitoring and results measurement are integrated into the intervention process – not a separate, external function
- Interventions are designed with simple logic
 - Basic four-step results chain
 - “Cheat sheet” used at concept stage
- Draft measurement plan required early - at concept stage
- Partner obligations include data collection and sharing
- Intervention managers are accountable for obtaining measurement data



Observations and Lessons

- What PSP4H does
 - Simple but robust intervention logic – “straight line” interventions
 - Single (or few) activities at input stage
 - Minimalist approach to indicators – enough but not too many
 - Portfolio approach, allowing the marketplace to take its course
 - Converging interventions at latter stages of maturity to scale up through network effects
 - Always questioning attribution (and being honest about it)
- What PSP4H does not do
 - “Spaghetti bowl” results chains
 - Design all components of comprehensive market system change from the beginning, before the market speaks



Use of the Standard in the Healthcare Sector

- The healthcare sector is crowded with direct intervention development programmes (subsidies, grants, provision of commodities, equipment and services, budgetary support)
 - Kenya had 273 donor-funded health programmes in early 2014
 - Difficult to find a “clean” intervention
 - Attribution becomes difficult with multiple players at input level
- Healthcare research often requires ethical approval from regulatory bodies due to involvement of human subjects
 - This slows down surveys involving beneficiaries which may be needed to measure impact

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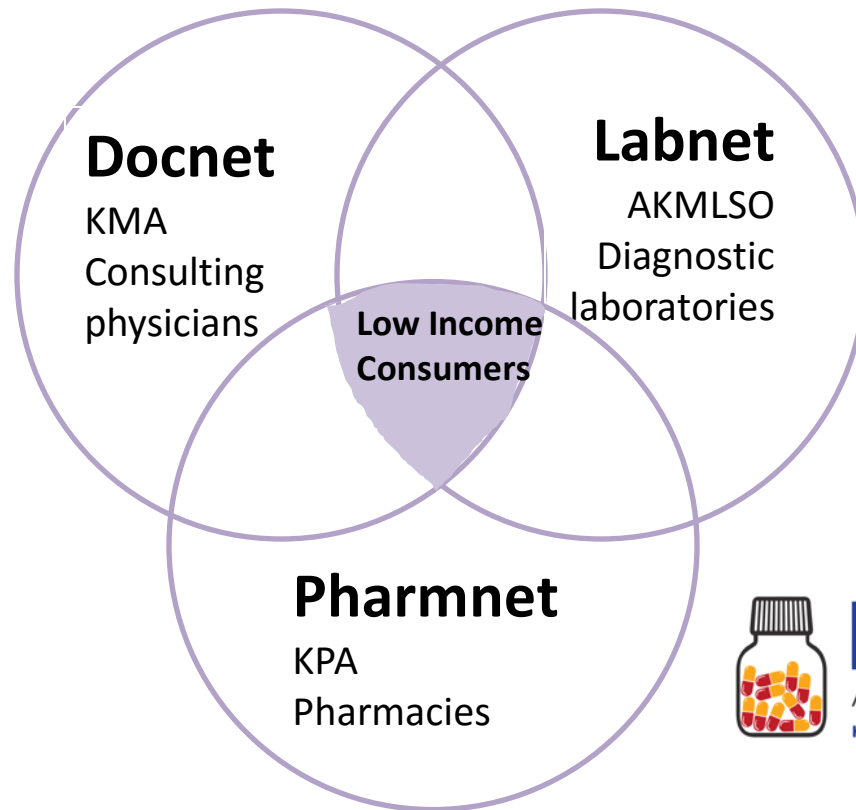


PSP4H Programme Activities

- Market engagement with private healthcare players has been outstanding
 - 16 active interventions in seven healthcare market areas
 - Short time frame has forced innovation in approach, e.g. “quick intervention” model
- PSP4H developed an approach dubbed “starting at scale”
 - An alternative to the conventional pilot and scale-up
- Working with networks in the private pharmacy (Pharmnet), diagnostic laboratory (Labnet), and consulting physician (Docnet) segments, PSP4H has fostered quality, affordable primary care already reaching millions of low-income Kenyans



Closing the loop
on affordable
quality primary
healthcare
through the
private sector





Results to Date

- **Pharmnet**
 - 324 members in the network
 - Covering every county in Kenya (47)
 - 2.9 million Kenyans served annually, primarily low income
 - Network expanding to over 500 by June 2016, making Pharmnet the largest pharmacy network in Africa
- **Labnet**
 - 65 independent labs in the network
 - Expanded outside Kenya to East African Community neighbours (Uganda, Rwanda, Tanzania), showing replicability as well as scale

Great Value for Money through the Private Sector

323 licensed and registered Pharmnet® members throughout Kenya

2.9 million low-income Kenyans served per year at Pharmnet® pharmacies

£141,346 total UK Aid investment in technical assistance through PSP4H

£0.035 cost to UK Aid per Kenyan given better access to genuine medicines each year



Pharmnet

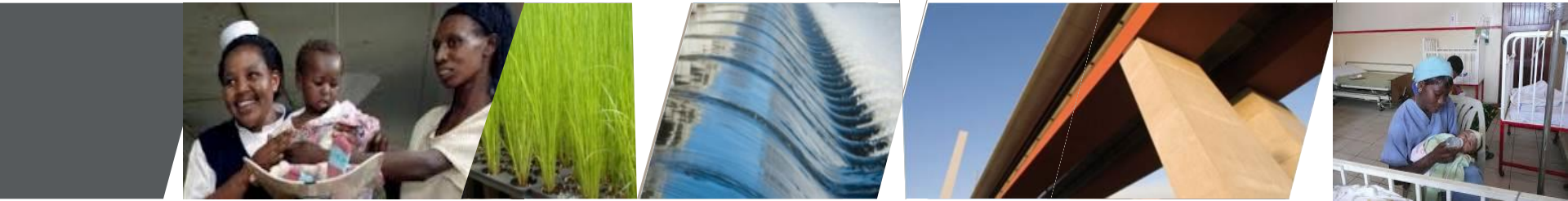
A network of trusted Pharmacies

KENYA PHARMACEUTICAL ASSOCIATION

Supported by UK Aid, Pharmnet® is a network of retail pharmacies owned by Kenya Pharmaceutical Association members which delivers quality-assured affordable medicines to communities across Kenya.

<http://goo.gl/o4rWrR>



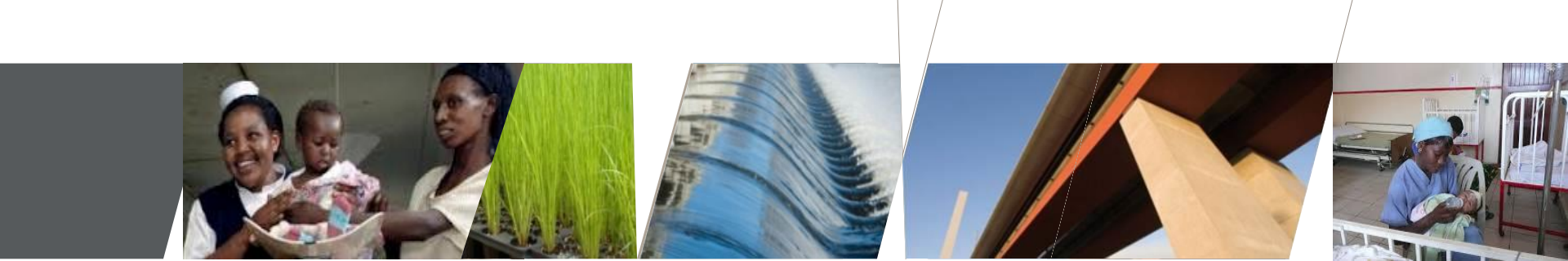


Measurement Issues from PSP4H

- How to measure “network effects” appropriately?
- How to avoid double-counting impact when discrete interventions overlap?
- How to properly attribute unintended (but positive) consequences?

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Expanded Issues for Thought

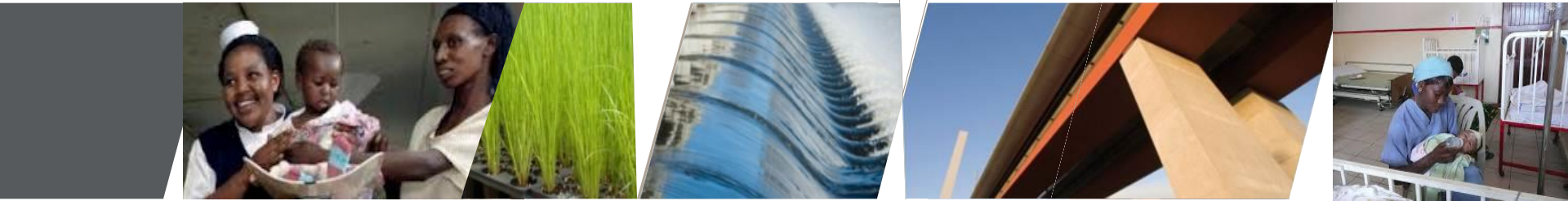
How do we measure network effects as interventions scale up?

- One problem is loss of attribution as interventions mature and reach outcome level
 - Once business models change and this is reflected in the marketplace, related players network in and accelerate change (this is different than like players “crowding in”)
 - Not all network effects can be designed in or anticipated at the design stage (nor should they be)
 - Although the change is clearly positive, how much can we attribute to programme assistance and how much to the marketplace?
- Can current models be adapted to meet the challenge?



Next Steps

- Impact surveys for Pharmnet
 - Actual footfalls versus baseline
 - Value for Money
 - For consumers
 - For donor
 - Poverty assessment of consumers
 - Are we hitting the target audience?
- Academic study of network effects and scaling up currently underway



Internet and Social Media

Check out our Web Site – The M4P in Health Portal

(download over 50 original research reports, briefs, cases):

www.psp4h.com or www.m4pinhealth.com

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