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What is the fuss about social franchising?
Health systems reporter, 1 September 2009

Feature: What is the fuss about social franchising?

Recommended readings:

- Franchising of health services in developing countries
- Clinical social franchising: an annual compendium of programs, 2009
- Social franchising to increase access to and quality of health services in low- and middle-income countries
- Social franchising to improve quality and access in private health care in developing countries
- Working with the non-state sector to achieve public health goals

Latest additions:

- Value for money in working with the non-state sector in health – what do we know from DFID experience?
- Setting priorities for global mental health research
- Making health markets work for the poor: improving provider performance
- Improving maternal health – lessons from the basic health services project in China
- Eleventh Futures Forum on the ethical governance of pandemic influenza preparedness

Announcements

Feature: **What is the fuss about social franchising?**

In recent years social franchising has emerged as a recurrent issue in the debate

about the role of the non-state sector for health services in low and middle income countries. As countries strive to achieve the ambitious objectives of Millennium Development Goals, health care decision makers and planners realise increasingly that the public sector alone may not have the ability to meet the needs of the population.

What is social franchising? For the uninitiated, it can be considered the standardised delivery of health services in terms of appearance and quality, but with a social purpose. Social franchising is defined as a system of contractual relationships "usually run by a non-governmental organization which uses the structure of a commercial franchise to achieve social goals" (Montagu 2002). The definition can further be expanded to mean: the social franchise is an adaptation of a commercial franchise in which the developer of a successfully tested social concept (franchisor) enables others (franchisees) to replicate the model using the tested system and brand name to achieve a social benefit.

One essential element is to belong to a network of franchises. In this network, the coordinator (franchisor) is responsible for bringing harmony and concordance to the network and must ensure consistency among the health service providers. Often in social franchising the services are subsidised so that the recipient of services has a lower out-of-pocket payment. The elements that typify a social franchising package are: training (both in the management of the business and in the management of patient care); protocol-based management of care; standardisation of supplies and services; branding; monitoring, and network membership.

Franchising for clinical services can be further categorised according to model and the strength of the network. Stand alone models exclusively provide franchised supported services or commodities where as fractional model franchises feature the addition of services to an already existing practice and only a portion of the services are from the franchise. A social franchise will focus on doing one area of care very well, like diagnosing and treating tuberculosis, HIV and AIDS, or reproductive and sexual health, although lately there have been more general franchises focusing on primary care.

Those whose hopes are high toward the success of social franchising believe that it can rapidly capture an existing set of non-state sector providers of various levels (so it could be physicians in some cases or community health workers in others) and bring them into a network to control quality. On the other hand because there is a costing element, there are concerns about the ability to reach equity goals. In addition, because there is generally a donor involved, there are concerns about sustainability of the model over the long term. At present although the implementation of various social franchising models is well-underway in many low and middle income countries, no rigorous evidence exists to recommend or detract from social franchising; however, efforts are underway to create that evidence.

This feature is written by Tracey Pérez Koehlmoos, Programme Head, Health and

Family Planning Systems Programme, ICDDR,B, Dhaka, Bangladesh.

More information:

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  http://en.wikipedia.org/wiki/Social_franchising
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- Contracting, Eldis Health Systems Resource Guide
  http://www.eldis.org/go/topics/resource-guides/health-systems/health-service-delivery/contracting

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Recommended readings

1. Franchising of health services in developing countries
Authors: D. Montagu
Publisher: College of Natural Resources, University of California, Berkley, 2002

This paper from The University of California, Berkley describes the structure and operation of existing franchises and presents a model of social franchise activities that will afford a context for analysing choices in the design and implementation of health-related social franchises in developing countries. The author shows that whilst franchising has great potential to increase service delivery points and method acceptability, a number of challenges are inherent to the delivery model: controlling the quality of services provided by independent practitioners is difficult; positioning branded services to compete on either price or quality requires trade-offs between social goals and provider satisfaction; and understanding the motivations of clients may lead to organisational choices which do not maximise quality or minimise costs.

The author defines the different types of commercial and social franchise and introduces the theoretical model of franchising. The implications of this model are explored, first at the theoretical level, and then with respect to specific areas of franchise operation. The paper concludes that the primary advantage of business model franchising is the potential for fast, low risk expansion through local ownership, backed by a recognised brand with well-established attributes desired by consumers. With these advantages, the application of franchising to health services is more a matter of time than a matter of dispute. Already, franchising has been used in half a dozen countries to deliver reproductive health services to populations beyond the reach of government health programmes. While there is much potential for service franchising to expand access to a range of services with social benefits, there are a number of basic requirements before any franchise can be considered successful. These include an existing and underemployed private medical sector and sufficient local capacity to build and manage a large organisation, working in an effective for-profit manner.

Available online at: http://www.eldis.org/go/topics/resource-guides/health-systems/health-service-delivery&id=44490&type=Document

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2. Clinical social franchising: an annual compendium of programs, 2009
Authors: Global Health Group
Publisher: University of California, Los Angeles, 2009

Social franchising represents one of the best known ways to rapidly scale up clinical health interventions in developing countries. Building upon existing expertise in poor and isolated communities, social franchising organisations engage private medical practitioners to add new services to the range of services they already offer. The summaries provided in this compendium by the Global Health Group at the University of California, San Francisco, reveal some of the innovations in developing country health care delivery that social franchises offer. Specific examples are provided, such as the Confiance programme in the Democratic Republic of the Congo. The programme reports that its toll-free hotline for answering family planning-related questions and making referrals has proven to be a particularly effective way of addressing family planning concerns raised by men.

The document argues that standardisation, quality monitoring, and scalability make social franchising a model platform for the expansion and improvement of a wide range of medical services. The goals and definitions of social franchises reflected in this compendium were derived from a consensus meeting of leaders of major clinical social franchises from around the world, held in November 2008. Twenty-two programs fit the compendium’s definition of clinical social franchise and an additional eleven programmes with incomplete data are listed at the end. Clinical social franchises examined include the Gold Star Network in Kenya which have found that using mobile phones for short messaging service is an ideal way to follow

up with clients. Also Smiling Sun in Bangladesh estimates that its network of clinics, formerly run by multiple NGOs, covers 10% of the Bangladeshi population.

Available online at: http://www.eldis.org/go/topics/resource-guides/health-systems/health-service-delivery&id=44491&type=Document

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3. Social franchising to increase access to and quality of health services in low- and middle-income countries
Authors: T.P. Koehlmoos; R. Gazi; S.S. Hossain
Publisher: Cochrane Library, 2009

Governments are looking for ways to increase the access to and quality of health care services in low- and middle-income countries. This review from the The Cochrane Collaboration shows how a system called social franchising, which is not connected to the public sector, can provide health services. The concept of franchising for health services is similar to franchises in business. A franchiser develops a successful way to provide the health services, and then other franchisees copy the model in other franchises. Each franchisee, though, has to follow the original model. There is also usually specific training, protocols and standards to follow, monitoring, and a brand name or logo which identifies that the provider is part of a franchise.

Early work reports that social franchising may improve the spread of health services across low- and middle income countries. But this Cochrane review does not find any rigorous evidence to demonstrate the effect of social franchising on access to and quality of care in low- and middle-income countries. Well designed studies are needed.

[Please note the full text of this document is only accessible freely for selected countries. More informaiton is available on the website]

Available online at: http://www.eldis.org/go/topics/resource-guides/health-systems&id=44494&type=Document

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4. Social franchising to improve quality and access in private health care in developing countries
Authors: D.M. Bishai; N.M. Shah; D.G. Walker
Publisher: Harvard School of Public Health, 2009

Private provision of health care is omnipresent and surpasses public provision in many developing countries. This paper from Harvard Health Policy Review examines the ways in which public and private sectors can cooperate to improve the quality and accessibility of primary health care (PHC) to the poor in developing

countries. The authors argue that the promise of alternative business models lies in their ability to accomplish several important functions in PHC. Business-style contracts can organise small providers into units that are large enough to yield returns to scale in investments in physical capital, supply chains, and in worker training and supervision.

In order to understand the problems that business models can help solve, this paper sets up a simple economic model of public private interests in health care. The model identifies two key social interests in health care markets: quality of service provision and access to care by disenfranchised groups. The authors review how quality and access may falter in a laissez-faire market for private health care they then apply the same model to show the potential weaknesses of a health system that is government-owned and operated. The document then uses the framework to yield predictions about the performance of several alternative business models of health care provision and tests the theory using evidence from an alternative business model currently operating in Pakistan. The authors finish with policy proposals for future consideration which include a recommendation that supporting the coordinating organisations through government revenue is only one option. A more creative approach to supporting the coordinating bodies would be to allow them to exploit their comparative advantage in obtaining capital.

Available online at: http://www.eldis.org/go/topics/resource-guides/health-systems/health-service-delivery&id=44493&type=Document

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5. Working with the non-state sector to achieve public health goals
Authors: S. Bennett; K. Hanson; P. Kadama
Publisher: World Health Organization, 2005

In both urban and rural settings, private for-profit and non-profit health care providers and suppliers of health related commodities serve both the rich and the poor. This paper from the World Health Organisation aims to start developing consensus about key challenges and effective strategies in working with the non-state sector to achieve public health goals. The authors consider the critical challenges for low income countries dividing these into priority challenges and root cause challenges. The document then examines how to tackle the manageable problems in countries, and what is effective and feasible. The document identifies mechanisms to improve service coverage and quality and also highlights appropriate roles and capacity of government and non-state sector stakeholders.

Priorities for action are then discussed and divided into three sections: government role and basic regulation, capacity building and the generation and synthesis of information. The authors consider the gaps at international level and details ways of moving forward through a small working group who’s objectives will include the review of evidence and past lessons. The working group will also develop tools to

enable governments and other actors such as medical associations, to reach out to and work with non- state sector actors.

Available online at: http://www.eldis.org/go/topics/resource-guides/health-systems&id=44495&type=Document

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Latest additions from the Health systems resource guide

1. Value for money in working with the non-state sector in health – what do we know from DFID experience?
Authors: V. Walford
Publisher: Department for International Development Health Resource Centre (HRC), 2009

There are a wide range of non-state actors (NSAs) in most developing countries, ranging from the not-for-profit NGOs such as mission run hospitals and clinics to self employed/for profit individual doctors or nurses running a small practice to untrained and unlicensed medicine sellers or 'village doctors'. This paper by the DFID Health Resource Centre looks at the extent of DFID's engagement with NSAs in the health sector and what is known about the value for money of working with different types of NSAs in various ways. The paper details how DFID provides most of its support to health to the public sector. However there are cases where DFID provides funding directly to NSAs. In other cases, DFID support goes to the Government which then uses some of those funds to fund service delivery by NSAs. This can involve formal contracting out of services, often to NGOs, or less structured support such as providing training, drugs and supervision to NSAs so they can deliver better services.

The author argues that in addition to seeking value for money, it is important to consider equity. The evidence suggests that all income groups use non-state services but, as in most public sectors, there is higher use by the relatively better off. Whether working with the non-state sector provides better value for money will substantially depend on the quality of design and implementation. There is growing experience in contracting, social franchising, vouchers and performance incentives. The paper outlines various aspects which DFID might want to consider for the future including that in developing or reviewing health sector plans, they should consider opportunities to improve NSA efficiency and effectiveness and as a way to enhance access. Further more DFID might want to consider reviewing the procurement issues for directly funded work with NSAs, including the total market approach to social marketing.

Available online at: http://www.eldis.org/go/topics/resource-guides/health-systems&id=44489&type=Document

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2. Setting priorities for global mental health research
Authors: M. Tomlinson; I. Rudan; S. Saxena
Publisher: World Health Organization, 2009

With about 14 percent of the global burden of disease attributable to mental disorders, investment in mental health research is pertinent. This article, published by the Bulletin of the World Health Organization, addresses investment priorities in mental health research at the global level and then proposes a more rational use of scarce funds in this area by using a systematic method for setting priorities in health research investments.

To significantly reduce the burden of disease caused by the four priority categories of mental disorders, the authors note that within the next 10 years, research funding should focus on three areas: health policy and systems research; where and how to deliver existing cost-effective interventions in a low-resource context; and epidemiological research on the broad categories of child and adolescent mental disorders or those pertaining to alcohol and drug abuse.

Given the paucity of policy-relevant information in the developing world, the authors conclude that there is great need to invest in research on the implementation of existing interventions and ways to overcome health system constraints in developing countries.

[adapted from the author]

Available online at: http://www.eldis.org/go/topics/resource-guides/health-systems&id=43907&type=Document

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3. Making health markets work for the poor: improving provider performance
Authors:G. Bloom; C. Champion; H. Lucas; Institute of Development Studies; Future Health Systems Consortium
Publisher: Results for Development Institute, 2008

The past two decades have witnessed a dramatic spread of market relationships in the health sector of many low- and middle-income countries. This technical partner paper, funded by the Rockefeller Foundation, notes that the marketisation of health services has created both opportunities and challenges for improving the performance of health systems in relation to poor people.

This paper contains 6 sections. Section 1 presents an introduction to the report. In sections 2, 3 and 4, the authors introduce current thinking about the roles of markets and institutions in health systems, outline a framework for analysis of health

systems, present some new developments that have emerged in recent years, and explore sources of institutional innovation in these markets. Section 5 presents some key elements of a strategy for making health-related markets work better for the poor, and section 6 concludes with a presentation of learning approaches for improving the performance of health market systems.

In this paper, the authors focus particularly on innovations for improving provider performance. The authors explore mechanisms for addressing problems of information asymmetry between provider and client, while noting that the pattern of services provided and the degree to which they meet the needs of the poor are strongly influenced by the specific arrangements for financing and organising public health services.

Available online at: http://www.eldis.org/go/topics/resource-guides/health-systems&id=43909&type=Document

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4. Improving maternal health – lessons from the basic health services project in China
Authors:D. Huntingdon; L. Yunguo; S. Reddin (ed); L. Ollier; Department for International Development (DFID), UK
Publisher: Department for International Development (DFID), UK, 2009

China's rural health system has experienced major problems in adapting to the emerging market economy. The central government has recognised that it needs to take action to ensure more equitable access to services. This policy briefing paper, published by the Department for International Development (DFID), summarises lessons from a 10 year project that piloted strategies for addressing these problems in 97 poor counties, home to 46.78 million people.

As a result of the above intervention, the authors observe one dramatic outcome: a 40 percent fall in maternal mortality. Additionally, there was observed reductions in infant and under-five mortality. Finally, the project's training and supervision system was clearly beneficial to improving the technical capacity of health care providers through a shift in attitudes towards the public health service, as evidenced by an increased use of outreach and preventive health care services. All this was achieved by combining activities across a range of system components, including human resources, infrastructure, financing and institutional capacity development, oriented towards meeting clearly defined targets for priority health programmes.

This brief describes these interventions and explores evidence on the effects made on improving maternal and child health outcomes. It is based on evaluations by internal and external teams.

[adapted from author]

Available online at: http://www.eldis.org/go/topics/resource-guides/health-systems&id=43910&type=Document

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5. Eleventh Futures Forum on the ethical governance of pandemic influenza preparedness
Authors: E. Jakubowski; S. Pelaseyed
Publisher: World Health Organization, 2008

The 2007 Ethical Futures Forum was convened in order to promote a greater understanding of health policy development. The case of pandemic influenza is used to illustrate the application of the ethical governance approach. The authors note however, that the findings can be applied in relation to any public health issue.

Pandemic influenza is of concern to public health authorities as influenza viruses rapidly spread across populations. Therefore, a coordinated public health approach is needed to plan national and international responses to pandemic influenza. Knowledge of the principles of ethical governance is central to influenza pandemic preparedness as these will assist health professionals in the preparation for and management of the virus.

The findings of the forum are presented in a twenty eight page report that is structured in seven sections. The first section looks at the response of the health sector to pandemic influenza. This is followed by a discussion on the World Health Organisation's approach to ethical considerations in addressing pandemic influenza. The third section focuses on the guiding principles for ethical decision making in planning to address the issues related to pandemic influenza. The national response to pandemic influenza is addressed in the next two sections of the report. The sixth chapter highlights the need for a participatory approach to tackling the pandemic. The report concludes with recommendations for action.

Available online at: http://www.eldis.org/go/topics/resource-guides/health-systems&id=43857&type=Document

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Announcements

Conference: Frontiers of retrovirology - complex retroviruses, retroelements

and their hosts
Date: 21-23 September 2009
Location: Le Corum, Montpellier, France

This conference, organised by BioMed Central, will bring together leading human retrovirus researchers to review current progress and to chart future challenges. Internationally renowned speakers will present their insights into the principles guiding the life cycle of endogenous retroelements, complex human retroviruses, and their pathogenic interactions with the hosts.

More details available online at: http://www.eldis.org/go/events-and-announcements/events&id=43484&type=Item

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Training: Royal Tropical Institute presents health related courses
Date: 18 August 2009 - 31 December 2010
Location: Amsterdam, The Netherlands

Royal Tropical Institute presents courses including:

- Health policy and planning
- Human resources development
- Quality improvement for health in low and middle income countries
- Using geographic information systems (GIS) in disease control programmes
- Sexual and reproductive health, including HIV and AIDS
- Control strategies for infectious and non-communicable diseases
- Health systems research

More details available online at: http://www.eldis.org/go/events-and-announcements&id=44417&type=Item

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