



# RAPID DESK-BASED ASSESSMENT ON THE PRIVATE HEALTH CARE SECTOR

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## Background

Health systems around the world keep undergoing rapid changes and the requirements for conforming to the new challenges of changing demographics, disease patterns, emerging and re-emerging diseases coupled with rising costs of health care delivery have forced a comprehensive review of health systems and their functioning. As the countries examine their health systems in greater depth to adjust to new demands, the number and complexities of problems identified increases. Some health systems fail to provide the essential services and some are creaking under the strain of inefficient provision of services. A number of issues including governance in health, financing of health care, human resource imbalances, access and quality of health services, along with the impacts of reforms in other areas of the economies significantly affect the ability of health systems to deliver.

Decision-makers at all levels need to appraise the variation in health system performance, identify factors that influence it and articulate policies that will achieve better results in a variety of settings. Meaningful, comparable information on health system performance, and on key factors that explain performance variation, can strengthen the scientific foundations of health policy at international and national levels. Comparison of performance across countries and over time can provide important insights into policies that improve performance and those that do not.

In Yemen, the modern, conventional health system dates back to the last quarter of the 19th century. However, health in Yemen has always been undermined by the government even after unification of the country in the mid-1990s. The World Bank Group report on Yemen Economic Overview (2019) shows that from 2001 to 2014, only 5% of the government's revenues was allocated to the health sector. Hence, during the conflict in 2015, public health care nearly collapsed. The recent Humanitarian Needs Overview of 2018 shows that only 51% of health facilities are functional despite the heavy efforts from donors and international organizations that go to support this sector. Over 100 organizations; national, international and UN agencies work in supporting the public health sector in the conflict. Yemen Health Cluster bulletin of May 2019, shows that a total of 2,868 health facilities in 17 governorates are supported by humanitarian organizations yet 19.7 million people remain in need of health care (HNO, 2018).

This increasing figure shows an aid disconnect in the health sector where the Ministry of Health data shows that 75%, if not more, of the Yemeni population collect their health care from private health care providers. Those in rural and hard to reach areas excessively depend on community midwives to provide life saving services. The role of private health care in Yemen remains vital where in Sana'a alone, there are more than 90 private health facilities compared to around 10 public hospitals.

In addition, epidemics continue to challenge the health sector. From two heavy strikes of cholera to other reported epidemics like diphtheria. During the first quarter of 2019, the cumulative total number of suspected cholera cases was 366,205, with 640 associated deaths, with an attack rate of 10,000/128 population; 23% of the cases are children. (Health Cluster, Yemen). The outbreak has affected 22 of 23 governorates and 295 of 333 districts in Yemen, hence a collective effort of supporting all health care providers; both public and private is necessary.

## The Value Chain in the Health Sector

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The private health sector consists of several major players divided into two main 'clusters': A cluster providing services directly to the public or through intermediaries i.e. pharmaceuticals, disinfectants and medical supplies manufacturers, dental labs, general labs, dental labs, radiology centres, hospital, clinics, health facilities and medical centres, midwifery clinics, first aid clinics etc. The second cluster consists of supporting institutions which support the functions of the first cluster such as the Ministry of Health and its related offices, private health care association, academic institutions, international and national organizations etc.

The focus of support in the conflict should seek to complement both clusters. However, much focus is needed on the first cluster which is also sub divided into: Lead firms such as manufacturers i.e. pharmaceuticals, medical and disinfectant manufactures and suppliers, laboratories, radiology and X-Ray centers and those health facilities affected by the conflict. This category, some of who have stopped their activities or downsized due to the current conflict, can resume or upgrade their activities to reach a great number of people in need, improve the quality of services, create job opportunities and revive the local economy by curbing down the dependence on imported medical supplies and having a larger benefit from the international support offered to the health sector.

Support should focus on technical capacity building and supporting private sector investments along the value chain in the first cluster in the form of grants and/or linkages to micro finance institutions, product development, access to information, business advisory, product diversification, systems development etc. Identifying job opportunities among the phases of the VC especially for youth and gender are important cross-cutting objectives.

## Rural Health Care

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2010 statistics from various sources show that more than %70 of the Yemen population live in rural areas - in more than 130 thousand rural villages leaving only %30 of the population in urban centres. Population in rural areas face challenging environments in accessing basic services such as health, education, access to finance etc. Most of who suffer these challenges are women. As a conservative culture, women are not allowed to access health services from male service providers; they therefore depend on fellow women mostly community midwives.

Based on SMEPS experience working in supporting private health care providers including community midwives, we noticed the substantial role of these midwives in being the frontline for providing health care in rural, hard to reach areas. These small enterprises provide life-saving health care to thousands of people in third and second catchment areas (where the nearest health facility is up to one hour away on foot). However, they lack necessary equipment and training to provide quality services; most are mobile workers carrying their simple midwifery bags with very basic equipment that can only support normal

cases, any form slight complex case can be fatal without necessary equipment and training. In addition, rapid assessment and review of private health clinics in rural areas show lack of basic emergency and first aid equipment to stabilize fatal and complex cases for referrals to hospitals.

## Theory of Change in Supporting Private Health Care

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The Theory of Change in supporting the private health care providers assumes that the development of health facilities in both urban and rural areas at all levels (lead firms, medium, small and micro enterprises) will reduce the cost of health care and improve access to health services to the most vulnerable groups including women, new-borns, elderly patients, and people with chronic diseases. Additionally, it will contribute directly to the economic revitalization through providing medical supplies and medicines locally at cheaper rates, creating job opportunities and increasing incomes, improving livelihoods and building stability and peace in local communities through strengthening social cohesion. Thus, if income-generation and livelihoods opportunities are improved for vulnerable households (including IDPs), with essential service delivery restored and key local businesses revived, Yemeni households and communities will be able to effectively cope with the current severe food insecurity and mitigate the risk of starvation and be strong drivers of the resilience-building and recovery efforts.

## Recommended interventions

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The health sector in Yemen needs substantial support. SMEPS works in supporting the private health care sector bridging the gaps and strengthening the humanitarian-development nexus through providing first- and second-line responses coupled with development assistance. This includes supporting value chain players with technical and financial support with the aim of improving quality services, improving access to health services in rural areas, providing job opportunities, curbing imports on medicines, medical supplies and equipment and reviving the local economy. Still, much work needs to be done. Below are some recommendations for needed interventions:

1. Support to Lead Firms such as pharmaceuticals, manufacturers of medical supplies and equipment, dental labs, specialized labs, radiology and X-Ray centres etc.

**Intervention:** Technical support through specialized training & consultancy services on business continuity and risk management, consultancy services for new product lines, matching investment grants to encourage significant investments by private funds, support on systems, support to obtain health & hazard standards, linkages to financial service providers.

2. Support Small and medium Enterprises (health clinics, midwifery clinics, specialized clinics, dentist clinics, first aid clinics etc.)

**Intervention:** Technical support through specialized training & consultancy services on business continuity and risk management, financial grants (matching grant scheme), linkages to financial service providers etc.

3. Support to Ministry of Health and its related offices to oversee the quality of health services provided and activate the private health care department in the Ministry.

**Intervention:** Capacity building, financial grants to install systems, databases and update studies and undertake quality assurances.

4. Support to federations and associations in the health sector such as the midwifery association, the hospitals federation and private health care association etc.

**Intervention:** Building the capacity of these entities on providing support to their members; develop new products, services and engage with other players and accessing new markets.