

The Public-Private Partnership Initiative in Healthcare System: as the Pathways to Achieve the SDGs in Nepal

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ABSTRACT

Globally, financing healthcare is one of the biggest challenges and has become a life or death issue in poor countries. Nepal is strongly committed to universal health coverage and Sustainable Development Goals. Existing public health services are inadequate to cater to the growing demands of quality health care and Public-Private Partnership (PPP) evolved as a newer arrangement for the robust healthcare system, improved healthcare quality, and enhanced cost-effectiveness. Nepal has successfully utilized the PPP model in multiple sectors, however, there is limited experience in healthcare. Strengthening PPP models in healthcare could be the pathway for Nepal toward SDG's and Universal health coverage(UHC).



Keywords: Public Health; Public-Private Partnership, Sustainable Development Goal, Universal Health Coverage

INTRODUCTION

Public-private partnerships provide considerable value, in the context of improved quality of services, decreased costs, enhanced efficiency, improved use of limited government resources, and risk-sharing between private and public sectors.^{1,2} Nepal government has adopted its pioneer democratic constitution, which ensures essential healthcare as a fundamental right and emphasizes equity, which plays a significant role to minimize gender and ethnic disparity, and it is expected to have a significant impact on accessible healthcare to every citizen without any hardship.³ Globally, Public-Private Partnerships are well accepted and popular models of partnership in the area of global health, aiming to deliver, scale, and assess health care services, and several of these services are multi-country, large-scale collaborations.⁴

DIFFERENT PUBLIC-PRIVATE PARTNERSHIP MODELS

Because of the diversity in the structure of national healthcare systems, Public-Private Partnerships are modeled on various partnership mechanisms. Among the types and models, the most prevailing partnerships, are Contracting; Social Marketing Franchising; Subsidies and Tax Incentives; Joint Ventures; Hospital Autonomy; Vouchers or Service Purchase Coupons; Design-Build-Operate, and Transfer (DBOT); Health Co-operatives; Philanthropic Contributions; Capacity-Building; Grants-in-Aid; Leasing; and Social Health Insurance (SHI).⁵ These models are appropriate in different conditions for meeting specific requirements of the healthcare system. Throughout all, DBOT is the most popular form of the Public-Private Partnership model around the globe

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and is significant in Nepal's new federal structure where local governments take on more responsibility for grassroots healthcare delivery.^{6,7,8}

DEBOT

Design-build operate and transfer (DEBOT) is the elementary and conventional form of the Public-Private Partnership model where the private partner is responsible to design, build, operate on behalf of a public(during the contracted period), and transfer back the facility to the public sector. In this model, the private partner's role is to bear the operational cost for the project and take responsibility for its deliverables. Simultaneously, the public sector will allow the private partner to collect revenue from the users and philanthropy. The health facility is handed over to the government at the end of the contract. In Nepal, Partnership between the Ministry of Health and Population (MOHP) and Nyaya Health Nepal (NHN) in Bayalpata Hospital Achham and Charikot Primary Healthcare Center, Dolakha are operated under the DBOT model and a few other health facilities are also operated under this model.

WHY PPP MODELS IN NEPAL'S HEALTHCARE SYSTEM

Over the decades, Nepal has made tremendous achievements in the health sector and was recognized by the United Nations (UN) in the year 2010 for remarkable achievement towards Millennium Development Goal 5 (Improve Maternal Health), with a triple reduction in maternal mortality rate between 1990 and 2015. During the same period, the country also halved the rates of stunting and achieved all indicators of the Millennium Development Goal, and move towards reducing child mortality. Regardless of progress, different analysis reveals persistent challenges with accessible healthcare, quality, and equity in healthcare.⁹

Nepal's progress towards the Sustainable Development Goals is commendable. Despite the progress, different analysis shows currently, Nepal is out of track to meet targets set by SDG. For instance, Nepal must further need to make significant efforts to reduce maternal mortality

as it is necessary to achieve sustainable development goal targets.¹⁰ Public-private partnerships in basic health services delivery aim to improve service provisions, such as better coverage, quality, and infrastructure of health care, as well as raising the demand for health by the community. Nepal's healthcare system has the following argumentation to implement the Public and Private Partnership model.¹¹

- Majority of people have little or no access to essential healthcare.
- Available resources are not targeted properly and deployed inefficiently.
- Increase in variety and impacts of infectious and non-infectious diseases.
- Gradual increase in the risk of emerging and reemerging diseases.
- Reduction to both duplication and gaps in healthcare services.
- Promote innovation and equitable access to every citizen.
- To enhance the current role of the private sector in delivering healthcare services.

PPP INITIATIVES IN NEPAL

The government of Nepal has developed policies for delivering better health services to the people of Nepal. The Constitution of Nepal has secured health as a fundamental right where every citizen has excess to basic health care services free of cost and no one should deprive of emergency health care. The government of Nepal has formulated major Public-Private Partnership policies, Strategies, plans, and implemented them. As a formal policy, the government of Nepal has instated Public-Private Partnership Policy, 2072 aiming to enhance public-private sector investment in the development and operation of public infrastructure services through the adoption of the PPP model for comprehensive socio-economic development.¹

The National Health Policy, 2019 committed to ensuring health as fundamental health rights of citizens through optimum and effective use of resources, collaboration, and partnership.¹² Similarly, the National Strategy for reaching unreached(2016-2030) formally approved by the Nepal government aims to reduce health and nutrition inequalities and to achieve UHC in Nepal.¹³ Additionally, Health Sector Strategy(2015-2020), Nepal Health Sector Strategy Implementation Plan(2016-2021), Ten Point Policy Guideline(2006), Three Year Interim Plan(to 2010), and National Health Development Partnership are the remarkable initiatives toward the formalization of Public-Private partnership model in Nepal's healthcare system. These national policies and guidelines have contributed to solidifying public and private partnership legal aspects, which is one of the significant outcomes of these national guidelines for further adoption of PPP modalities in the healthcare

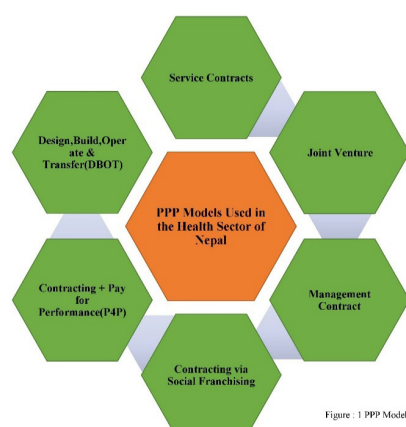


Figure : 1 PPP Models Used in the Health Sector of Nepal

system of Nepal.

Nepal initiated its first Public and Private Partnership model in the 1950s through I/NGO cooperation (Mission hospitals) and these organizations are providing healthcare services in various areas like maternal health, child health, eye care, cancer, TB control, leprosy, safe abortion, outreach services, and rehabilitation services. The eye care and TB treatment partnership area is another example of a public-private partnership, which is considered as one of the best partnership models in the region.¹⁴ Partnership between Ministry of Health and Population and Nyaya Health Nepal marked 10 years of partnership with an event on how to assess Public-Private Partnership models can be integrated to provide improved healthcare for disadvantaged communities of remote areas of Nepal. Design-Build, Operate and Transfer model partnership to operate Bayalpata Hospital Achham and Charikot Primary healthcare Center Dolakha building accountable healthcare system. 60% Increase in institutional birth rate over five years and 57% reduction in neonatal mortality in two years are the remarkable achievement after public-private partnership in healthcare institutions and are evidence for Nepal government to promote PPP model further.¹⁵

WHAT WE CAN LEARN FROM OTHER COUNTRIES

Public-Private Partnership in healthcare to expand healthcare service through optimum resource utilization has successful evidence in the various countries of the world.² Recent experience in Russia reveals that public-private partnership in a public procurement improved the management of public and municipal property in the construction sector.¹⁶ Sri Lanka, where PPPs are supported as a health sector development strategy for the country, evident remarkable health indicators with compare to other countries in the South Asian region. The country has improved Maternal and infant mortality and several intractable communicable diseases have been eliminated after successful partnership with the private sector.¹⁷

Maternal and Child health indicators are major indicators for measuring countries' health progress, Public-Private Partnership experience from Pakistan evident improved utilization of maternal and child health services, particularly family planning services and maternal & child immunization indicators were improved Public-Private Partnership in the selected districts of different provinces.¹⁸ Similarly, PPPs have increased clinical and nonclinical service delivery, hospital utilization, and management, which was a great and valuable achievement for the Government hospital of Iran.¹⁹

Chiranjeevi Program in India, the State-Led Public-Private Partnership was a greater lesson for an improved healthcare system. Evidence shows that Institutional delivery rose from 40.7% to 89.3%, driven by sharp increases in private sector deliveries within the 10 years partnership with the private sector.²⁰

Public-Private Partnerships in health institutions of Italy suggest that institutional PPPs enable national health services to secure great benefits when introduced as a complement to the traditional public-service provisions for a defined set of services and goals.²¹ Puerto Rico experience aimed to increase access on Contraception in an Emergency Response concluded Public-private partnerships as expertise provider, supporter and made significant increase on access to contraception.²² Also a multi-country systematic review of 35 countries including Pakistan, India, Bangladesh, Thailand, Maldives, Sri Lanka of South Asia regions found PPP in primary healthcare has many benefits, including access improvement, economic benefits, and service quality enhancement.²³

WAY FORWARD

Nepal structured from a unitary system to a three-tier federal government system, is expected to accelerate to increased access to healthcare, equitable distribution in access, and enhanced health outcomes. Public-Private Partnerships in the low- and Middle-Income countries have played a significant impact on accessible healthcare and are becoming relevant models for Sustainable Development Goals, specially Goal-3. These collaborations will broaden the spectrum of healthcare services and complement existing structures, as there are still no strong PPP agreements in Nepal. To establish a favorable atmosphere for PPP and conceptual clarification about PPP, frequent communication between all parties is necessary. Different types of partners may make various contributions to the achievement of national health objectives; thus, a tailored approach is required to achieve Nepal's Sustainable Development Goals

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