Review Article

Mapping private-public-partnership in health organizations: India experience

Abstract

The dream of universal health care demands a much larger and wider approach, engaging not just the public but also the private sector. This paper has attempted mapping the present public-private partnership scenario in India using the WHO health system functions framework, giving an insight into the nature and extent of challenge of the present dominant model. A systematic review methodology was adopted to identify published literature on private-public partnership in India. From an initial pool of 785 articles were identified. Finally a total of 29 published articles meeting the inclusion criteria were included. The descriptive framework of Health system functions by WHO (2000), were used to analyze the data. All papers which were considered for the study were segregated based on the 4 prime health system functions: Financing; Management of non-financial inputs; Health service delivery and Oversight. The literature review reveals that more than half of the papers (51.72%) selected for the study were focused on health service delivery functions and quite thin literature were available for other 3 functions, which includes financing, management of non-financial inputs and oversight functions as per WHO. This finding raise an important question if the genesis of most of the public-private partnerships is out of the inability of the public sector in reaching out to a particular target group by virtue of its geographical position or difficulty in working with high risk groups. Considering the limitations of the present model of engagement of private and public sectors, it demands for an alternative model of engagement where the mutual strength that exists with each one of the partners, could be harnessed and complemented. An alternate model is to engage in tri-partite partnership (TPP) between the government, non-government and the corporates.

Key words: Health system functions, partnership, public-private partnership, tri-partite-partnership

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INTRODUCTION

Over the years the private health sector in India has grown remarkably. At independence the private sector in India had only eight percent of health care facilities [1] but recent estimates indicate that 93% of all hospitals, 64% of beds, 85% of doctors, 80% of outpatients and 57% of inpatients are in the private sector.[2] There is huge growth in private sector with its large number of private companies (for profit) becoming multinational from being national. Given the overwhelming presence of the private sector in health, various state governments in India have been exploring the option of involving the private sector and creating partnerships with it in order to meet the growing health care needs of the population.

It is assumed that collaboration with the private sector in the form of Public-Private Partnership would improve equity, efficiency, accountability, quality and accessibility of the entire health system. Advocates argue that the public and private sectors can potentially gain from one another in the form of resources, technology, knowledge and skills, management practices, cost efficiency and even a make-over of their respective images.[3]

There exists longstanding and polarized debate about the contribution of private and public sector in public health in middle and low income countries.[4] Private sector advocates have pointed out with evidence that the "private sector is the main provider", as many poor and impoverished patients prefer to seek care at private clinics.[4] They have suggested that the private sector would be more responsive

to the need of the community because of the market competition. [5] Both side claims that the critics are "ideologically biased" [6] and selectively draw their case to support their view points. [7]

Public-Private-Partnership - The Concept

PPP broadly refers to contractual partnerships between public and private sector agencies, specially targeted towards financing, designing, implementing, and operating infrastructure facilities services that were traditionally provided by the public sector. In a PPP, each partner, usually through legally binding contract(s) or some other mechanism, agrees to share responsibilities related to implementation and/or operation and management of a project. This collaboration or partnership is built on the expertise of each partner that meets clearly defined public needs through appropriate allocation of:

- Resources
- Risks
- Rewards
- Responsibilities

As per the Scheme for Financial Support to Public Private Partnerships in Infrastructure, of the Government of India, *"The Public-Private Partnership (PPP) Project means a project based on contract or concession agreement between a Government or statutory entity on the one side and a private sector company on the other side, for delivering an infrastructure service on payment of user charges."*

In PPP projects the roles and responsibilities of the partners may vary from sector to sector. Although widely used, the term partnership is difficult to define. Some of the useful definitions of public private partnership are:

- "…..means to bring together a set of actors for the common goal of improving the health of a population based on the mutually agreed roles and principles.
- "…...a variety of co-operative arrangements between the government and private sector in delivering public goods or services provides a vehicle for coordinating with non-governmental actor to undertake integrated, comprehensive efforts to meet community needs... to take advantage of the expertise of each partner, so that resources, risks and rewards can be allocated in a way that best meets clearly defined public needs.
- "….a partnership means that both parties have agreed to work together in implementing a program, and that each party has a clear role and say in how that implementation happens.
- "…...a form of agreement [that] entails reciprocal obligations and mutual accountability, voluntary or contractual relationships, the sharing of investment and reputational risks, and joint responsibility for design and execution.

Section 135 of new company bill 2013 says that every company having a net worth of rupees five hundred crore or more, or a turnover of rupees one thousand crore or more, or a net profit of rupees five crore or more during any financial year shall constitute a Corporate Social Responsibility (CSR) committee of the board consisting of three or more directors, out of which at least one director shall be an independent director. To achieve the full rewards of public-private partnerships, this CSR provision of bill possibly will generate an enabling environment, as it allow corporate to harness and channelize their competencies as well as to develop effective business model in PPP mode to improve health care delivery system could be the alternate model for partnerships in the years to come. There have been numerous attempts to involve the private in improving the public health care services in the country. However no major attempt has been made in analyzing the existing partnerships. This paper has attempted mapping the existing public-private partnership scenario in India using the WHO health system functions framework.[8] This paper would further critically analyze the existing different public-private partnerships models using the same framework which could provide a road map to analyze existing partnerships in other Low and Middle Income Countries (LMIC) as well.

MATERIALS AND METHODS

Inclusion criteria

We included studies that targeted public –private- partnerships in India. The articles published from January 2000 to December 2013 were included for the study.

Search strategy

In consultation with an information specialist, electronic databases, including Pub med, Web of Science and Google scholar, were searched for relevant studies from articles published in between January 2000 and December 2010. The references of review articles and of included original publications were also screened for potentially relevant studies.

Methods of the review

Two reviewers independently screened citations and abstracts to identify articles potentially meeting the inclusion criteria. For those articles, full text versions were retrieved and independently screened by the reviewers to determine whether they met inclusion criteria. Disagreements about whether the inclusion criteria were met were resolved through discussion with a third reviewer

Data extraction

Data extraction of relevant study information for articles meeting inclusion criteria was performed independently by the reviewers. Disagreements were resolved through discussion.

The descriptive framework of Health system functions by WHO 2000,[8] were used to analyze the data. All papers which were considered for the study were segregated based on the 4 prime health system functions as suggested through the health system framework by WHO during the year of 2000:

i. Financing
ii. Management of non-financial inputs
iii. Health service delivery and
iv. Oversight

RESULTS

Description of studies

The initial search identified a total of 1,350 citations. After scanning titles of the citations, 785 were accepted for further screening and complete abstracts of these studies were reviewed. Of these, 43 citations were identified as potentially meeting the inclusion criteria. After examination of full text articles, 29 articles (to mention the number in the references) were included in the review. Common reasons for exclusion were that the articles not focusing on the PPPs in India.

Description of features of the articles/studies

Analysis was done based on the health system framework of WHO, which highlighted four different and distinct functions of a health system.[8] The main functions stated were financing, management of non-financial inputs, health services delivery and oversight. All the selected papers for study were segregated and classified using the four health system functions.

The financing functions included papers which were related to revenues, pooling of funds, insurances and cost effectiveness. The literate review yielded 5 papers out of 29 (17.24%) which could be categorized as financing functions. There were papers on healthcare financing and private health insurance.[9] The research conducted by Bhat, studied the *Chiranjibi* scheme, a Private Public partnership model, assessing the financial protection offered by the scheme to support institutional delivery whereas, the review conducted by Bajpai looks at the immerging trends in PPP in India. A couple of papers considered economic evaluation.[10] and cost-effectiveness study,[11] of private-private partnership of two different programmes, in two different geographical settings in India. The Pantoja paper assessed the cost and the cost effectiveness of the Public Private Mix (PPM) for tuberculosis care and control implemented as large scale intervention whereas, the Ferrosussier study looked at the cost effectiveness of PPM collaborations for the delivery of TB diagnostic and treatment services.

The management of non-financial inputs functions included papers which were related to human resource management, knowledge and software, physical assets such as medical equipment's and buildings. In this segment, the literature review contributed to 4 papers out of 29 (13.79%) papers, considered for this study. A couple of selected papers highlighted the importance of leveraging human capital[12] and empowering health personal for decentralized health planning.[13] The Krupp study was undertaken in the state of Gujarat and Tamil Nadu which discussed how two large systems in India have successfully experimented human resource interventions to achieve the MDG 5. The cross sectional study conducted by De Costa among selected private providers in Ujjain District accessed the willingness and motivation of private provides to collaborate with RNTCP. The study highlighted the willingness of the private providers to collaborate with Government run RNTCP, however RNTCP never tried to approach and partner.[14] The other study focused on Knowledge, attitude and practice of private practitioners in Hooghly district of West-Bengal, India.[15]

The health service delivery functions included all papers in the domain of ambulatory clinical services, inpatient, hospital-based care, any other health services directed towards improving the health outcomes. Based on the literature review, 15 papers out of 29 papers (51.72%) which were considered for the study were characterized under this segment. An effective private-public partnership has found to be an important component to deliver wide range of healthcare services in India. Adherence and treatment success was considered to be significantly higher among patients from private-public settings as compared to private.[16] The study conducted by Shet in the city of Bangaluru, India, highlighted the patient's characteristics and treatment outcomes from different HIV treatment centers (ART centers), managed by only public, only private and jointly by 'Public-private'. Private-public partnership were projected to be an effective strategy in providing skilled birth attendants and emergency obstetric care at the sub-district or district level in Gujarat, where otherwise trained obstetricians within the government are unwilling to stay.[17] Similar public-private partnership success, in terms of delivering health services were reported in case of smallpox eradication.[18] Innovative public-private partnerships can maximize the delivery of anti-malarial medicines[19] and also effective in providing services to construction sites with migrant construction workers.[20] The studies conducted on tuberculosis care, where the purpose of the study was to design a model partnership of Rural Private Medical Practitioners (RMP) and RNTCP, which proved to be a successful partnership model with increased cases detected at the TB unit over a period.[21,22,23] Whereas, the De Costa study highlighted the importance of trust among partners and Amdekar pointed out the importance of standard management protocols for successful partnerships across sectors.[24,25] Kane studied the public sector funded HIV-TB partnership schemes for the NGOs, which was found to be a successful model where the NGOs working among high-risk groups could identify and referring suspected cases of TB to RNTCP.[26] However, necessary care needs to be taken in involving private in public service delivery, as the private may not have adequate capacity to provide standard services.[27]

The oversight functions included all papers in the area of regulation, setting and developing policy, performance, quality, pricing, development of networks and partnerships. The literature review yielded 4 papers out of 29 papers (13.79%) selected for this study to be suitable for this section. After the Alma-Ata in 1978, the need of the government in influencing population health by overseeing beyond the health sector was considered not only to be vital.[28] but also fundamental in terms of strengthening the primary healthcare in India.[29]The need for regulation of the private sectors along with effective monitoring for rapid progress has been suggested as an important strategy for effective partnership which would increase utilization of maternal services and reduce financial distress as well.[30, 31]

DISCUSSION

Despite the world getting into recession the growth rate of Indian economy still remains high. Everyone is looking for more inclusive growth, where the bread of development would be equitably shared. To make this dream a reality a much larger and wider approach would be needed, which engage not just the public but also the private sector comprising of for-profit companies and not-for-profit organizations. For-profit making companies are also looking for more sustainable growth in future. Over the period of time it is getting clearer that the corporate houses need to look for more inclusive growth in order to sustain in future. Few corporate houses have started realizing that the core of future business is at the bottom of the pyramid which is much larger chunk of population but at present with very low purchasing power.[32] Investing in health and nutrition is fundamental in improving the wellbeing of the population, as a healthy society would be a healthy customer in future, having better purchasing power yielding better results in long run.

More than half of the papers (51.72%) selected for the study were focused on health service delivery functions and quite thin literature were available for other 3 functions (*financing, management of non-financial inputs and oversight*). This finding raise an important question if the genesis of most of the public-private partnerships is out of the inability of the public sector in reaching out to a particular target group by virtue of its geographical position or difficulty in working with high risk groups or something similar? This particular dominant model (partnership to strengthen health service delivery) considers the public sector as the provider and looking for partnerships where they are unwilling to work. This form of partnership is extractive in nature, where the public sector would define where and what need to be done and the other parties as order takers. This could be one of the reasons of having the momentum missing in spite of strong recommendation for public sector to engage in Public-Private-Partnership (PPP) for health. The essential role and responsibility of the private sector in all PPPs has been to deliver the business objectives of the PPP on terms offering value for money to the public sector. A model where partners are not treated equally is against the principle of partnership and would be difficult to sustain in long run.

There are multiple challenges in the present model, which include the lack of needs assessments, inadequate stakeholder analysis and participation, rigid financial systems, management, insufficient monitoring and evaluation systems. Some specific challenges are:

- **Financing PPPs:** Creating enabling business opportunities for private partner in PPP is a real challenge. Financing also becomes a constraint both in quantity and management in health care delivery system.
- **Need assessments**: The absence of need assessment become a challenge in addressing the needs of the people in health care system. Additionally, the little involvement in the design and location of health care services and facilities, which inhibits ownership and a stake in ultimate success. Many PPPs have failed due to strong opposition from civil society, local media, and other stakeholders.
- **Management:** Many of the challenges in PPP are related to the implementation of PPPs around management structures. Several times the management does not have the flexibility to meet the needs of specific community, partner or intervention.
- **Strategic planning:** PPP projects must serve as benchmarks for future projects in the same sector. As the public sector pursues PPPs, it is important to remember that PPPs alone will not close the gap between the supply of and demand for health services. Strategic planning is very important for making PPP model a success. It must serve and fulfill a real gap in the service to the local community. The full potential of PPP can be achieved by careful planning and application through a clear framework for partnerships
- **Monitoring and Evaluation:** An extensive process of collecting accurate data and analysis is required for strong monitoring of the PPP projects. If PPPs are pursued and additional implementing partners are introduced, it is essential that monitoring and evaluation system is strengthened and implemented.

Considering the limitations of the present model of engagement of private and public sectors, it demands for an alternative model of engagement where the mutual strength that exists with each one of the partners, could be harnessed and complemented. An alternate model of engagement is through a tri-partite partnership (TPP) between the government, non-government and corporates. The public sector can bring in the vast infrastructure that it has across the country; the for-profit companies has the potential to bring in required skills and expertise along with physical resources, whereas the non-government organizations can bring on board its knowledge and expertise in understanding the community. This form of TPP seems to be more sustainable as each party has something to gain as well as contribute and more importantly the recognition of being equal holds the key.

Achieving a fully functional TPP would be challenging, which would need careful mitigation. To bring in together people from diverse background, orientation and thinking, over a common platform is not easy. Initiating, nurturing and sustaining a Tri-Partite-Partnership (TPP) are never going to be a very smooth sailing. There are multiple barriers to any kind of Tri-Partite-Partnerships. Mutual lack of confidence and trust between the public and private sectors affects collaboration of any kind. Public sector looks at private sector as being driven by commercial interests and focused on self-interest whereas the private sector on the other hand, understands public sector as being non supportive, corrupt and making unrealistic demands.

Nevertheless, the vision of universal health care would require active participation and partnerships at all levels across sectors. It is quite well expressed view that any program could be truly 'national program' only when the government involves private sector right from inception through planning, financing and monitoring. Failing

to do, would contribute to nothing more than a 'government program' and never a 'national program'.

CONCLUSION

The PPP model is likely to be most appropriate in situations where the existing provision of health care is inadequate in terms of productive efficiency or quality. These partnerships provide a 'bundled' solution in which the private consortium is involved in every aspect of the health-care production process, from designing, financing, building and maintaining health-care facilities to the delivery of clinical services.

To sustain the positive economic trajectory over decades and the achieving the dream of adequate health care for all Indians irrespective of purchasing capacity of an individual, by just the public sector single handed seems to very challenging. This demands for more holistic and strategic partnerships between the public and the private at all levels. Most of the present forms of public-private partnerships are dominated by the health service delivery functions. Hence there is a greater need to look for an alternative model and focus on other functions like health financing, management of non-financial inputs and oversights beyond the traditional focus of public-private partnerships on health service delivery. An alternate model for partnerships would in the form of tri partite partnerships between the public, private (for profit) and private (not for profit), where each party holds the potential to engage meaningfully, complementing each other's effort.

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