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HEARTFILE HEALTH FINANCING:

Providing Access to Life-saving Health Care for the Pakistan's Poorest in Sindh Province



Heartfile Health Financing (HHF) is a new and a third type of a health financing model, a fund-based health care purchasing system.

RATIONALE

Globally, more than 100 million people become impoverished and a further 150 million face severe financial hardship as a result of health care payments! This is a critical barrier to achieving universal health coverage (UHC), a central pillar of Goal 3 of the Sustainable Agenda 2030.

Heartfile Health Financing (HHF) is a new and a third type of a health financing model, a fund-based health care purchasing system.² Most developing countries have mixed health systems,³ in which elements of both the Bismark (health insurance) and Beveridge (revenue-funded) models operate. These models have limited financial risk protection for high-cost illnesses, especially for people in the informal sector. As a result, out-of-pocket payments force millions—especially the poor—to spend catastrophically on or go without health care. More than 78 percent of people in Pakistan pay out-of-pocket for health care. Health care costs are, therefore, the most common cause of household economic shocks.⁴

The objective of HHF is to supplement the Beveridge and Bismarck models in mixed health systems to achieve UHC. Before entering into the 2013 agreement with the HSS Component of USAID's Maternal and Child Health Program (HSS Component) for scale up, the first version of HHF's technology platform (see below) was deployed and providing assistance in 20 hospital wards in three cities, and had already helped 1,700 patients.

¹ Xu K, Evans DB, Kawabata K, Zeramdini R, Klavus J, Murray CJ. Household catastrophic health expenditure: Xu K, Evans DB, Kawabata K, Zeramdini R, Klavus J, Murray CJ. Household catastrophic health expenditure: a multicountry analysis. *Lancet*. 2003, Jul 12;362(9378):111-7.

² Nishtar S. Fusion Funds for Health. In: *To Save Humanity: what matters most for a healthy future*. Frenk J, and Hoffman SJ. Oxford Press, 2015.

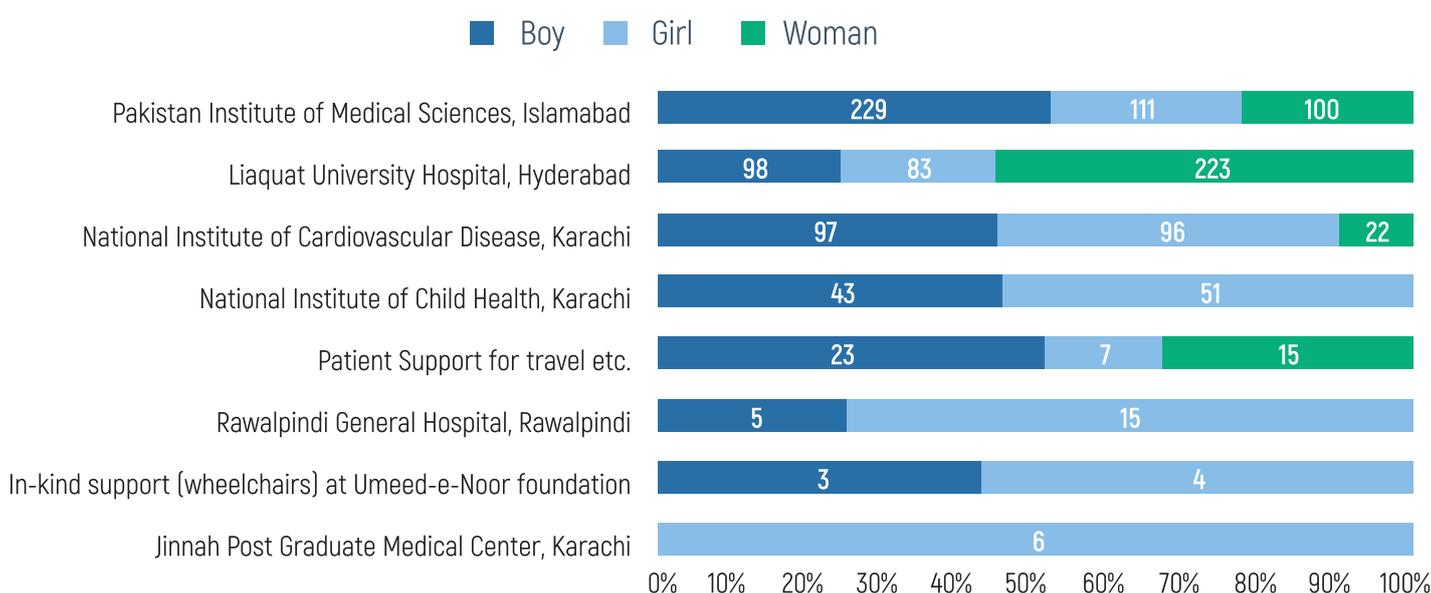
³ Mixed Health Systems Syndrome. *WHO bulletin*, 2010.

⁴ Planning commission of Pakistan, 2005.

HHF was supported by a number of institutional donors (including Pakistan Poverty Alleviation Fund, International Development Research Centre, KfW, and Rockefeller Foundation) and had a network of individual donors. HHF was profiled in the USAID's mHealth Compendium for its strategic use of technology, mHealth, and transparency features. Its founder received the Global Innovation Award from the Rockefeller Foundation in 2011 for establishing the technology platform.

With HSS Component support, four additional Sindh hospital wards enrolled in the program and its scope in existing approved hospitals expanded. In terms of numbers, 1,231 additional women and children were helped during the project period (Figure 1). Versions 2 and 3 of the HHF technology platform were developed and deployed, which has made the program more robust and efficient. Upgrades have enhanced transparency features, and made the platform more partnership-conducive and scalable, as described below. A sustainability plan was developed and is helping to expand the program in phases A and B, also described below.

FIGURE 1. Patient support enabled by HSS Component collaboration during the project period



APPROACH

Heartfile Health Financing comprises four components—a technology platform, a system of validating poverty and prioritizing patients, a health fund, and partnerships with public hospitals. HHF's web-based technology platform is mHealth-enabled, which connects health workers, health seekers, suppliers, and health financiers with the central hub. The technology platform serves five functions: 1) donation and inventory management; 2) configuring and enforcing "rules" such as contracts with hospitals and suppliers and criteria for eligibility; 3) patient-centric workflows and user action archives; 4) two-way SMS messaging with stakeholders during workflow; and 5) interface with Pakistan's National Database Registration Authority (NADRA), which enables eligibility based on a set of poverty proxy indicators developed by the Government of Pakistan. HHF's eligibility system can configure multiple questionnaires based on donor preference. Doctors in pre-registered hospitals send requests for assistance on behalf of patients. Eligibility is ascertained by triangulating information from the doctor and the Heartfile verifier's assessment, NADRA's validation, and patient stratification based on preconfigured rules. A donor is then matched with a patient and payment made on behalf of the patient to the supplier or hospital from which services or medicines and supplies are being purchased.

"Heartfile is at the cutting edge of knowledge in its field."

—Qazi Azmat Isa, CEO Pakistan Poverty Alleviation Fund

Saima, the mother of fourteen-year-old Hasnan, is grateful to Heartfile Health Financing, which two years ago provided financing to save Hasnan's life. Hasnan received a much-needed heart operation free of charge. Saima never would have been able to afford the operation on her own. (Photo by Veronique de Viguerie/ The Verbatim Agency for JSI)



ACCOMPLISHMENTS

The following are important system-level accomplishments.

A system with enhanced partnerships. With HSS Component support, version 3 of the HHF technology platform offers enhanced features that are facilitating partnerships through better contract handling, relationship management, and dedicated partner portals. An example of a four-way multi-stakeholder partnership involving the public sector, NGOs, businesses, and individuals, HHF illustrates how these entities can work together to achieve the sustainable development agenda.

Many Pakistani NGOs refer patients and several trusts donate to HHF. Public hospitals owned by federal and provincial government partner with Heartfile and share costs (e.g, hospital covers bed and doctors' fees, Heartfile pays for medicines, disposables, and implants). The public-private character of the program is also manifested in partnerships with the Pakistan Poverty Alleviation Fund and NADRA. A number of private industry partners participate in the program through their corporate social responsibility portfolios. A partnership with the World Economic Forum's International Partnership for Innovative Healthcare Delivery is helping to forge other private sector partnerships. Complementing public-private partnerships are a range of development partner linkages, of which the partnership with the HSS Component has been most salient over the last four years. HHF has also been funded by a range of other development partners.

A more transparent and robust system. HHF's division of responsibilities prevents the introduction of "ghost patients" in the system, which is one of the main risks in such a purchasing system, and a one that has plagued Pakistan's existing social protection channels. The use of technology guards against corruption through pre-configured workflow rules, time stamping and tracking of user activities. Stakeholder communication and HSS Component support has reinforced these safeguards.

"The level of transparency to donors is unbelievable."

—Haamid Jaffer, Chair of Sulemaniyah Trust

A more efficient system. The HSS Component supported a switch from paper-based to automated tools and HHF is now a paperless system. HSS Component financing of the technology upgrade has enabled a redesigned process workflow, stakeholder integration, enhanced supply chain and inventory management, integration between the management and financial information systems, a leaner field-data gathering model (on tabs with instant data relay), and hardware independence.

A scalable system. The technology infrastructure was developed with scale-up as a main consideration at inception and HSS Component support has strengthened that. Pakistan's extensive telecommunications infrastructure allows deployment even in the remotest of areas. The telemedicine-for-assessments and mHealth features allow scale up with lean operational costs and without extensive field operations. This system can be deployed wherever there is global system for mobile communications



Bano Bibi, who does not know her age, received a hip operation free of charge with funds from Heartfile Health Financing. Bano Bib's family is very poor and never would have been able to afford the operation. (Photo by Veronique de Viguerie/The Verbatim Agency for JSI)

(GSM) service and can thus be widely scaled. The two major technology upgrades, with HSS Component support, have oriented HHF to rapid deployment and upscaling.

The HHF technology platform now has “partner portals” and is being used by other organizations that want to donate funds. The platform allows these organizations to have a degree of control over their donation and they appreciate that HHF has performed the necessary due diligence to ensure the donations are being used appropriately.

A two-stage plan for scale up is being implemented. The first is underway and the HHF technology platform is tapping philanthropy by allowing the private sector to channel, target, and track donations. The second stage will allow the government to use the platform. However, timing is important and the current political uncertainty in Pakistan does not lend itself to advocate for a launch of this nature. HHF plans to offer this option to provincial and federal governments when election manifestos are being prepared.

A sustainable system. Although HHF was built for scale, resources were limited so reliance on grants was absolute. With HSS Component support, Ernst & Young prepared a sustainability plan that mathematically modelled how a small service charge levied on grants and/or revenues from a traditional endowment and social impact investing can finance the operations of HHF. Over a certain level of volume, the operations become totally sustainable with a service charge, as is evidenced by the numbers in the sustainability plan. Clarity in Ernst & Young's sustainability plan on how socially responsible investing can fund HHF also has opened new doors for HHF sustainability.

WAY FORWARD

With HSS Component support, HHF has invested in strengthening its health financing infrastructure, making its systems and processes robust. The technology upgrades have positioned the system for upscaling and partnership-building and the Ernst & Young sustainability plan has brought clarity to investors. HHF aims to upscale and deploy this system nationally in the next five years.

“I wear many hats; one of the titles I wear most proudly is ambassador for Sania Nishtar's Heartfile Leaders Network. I hope this stimulates some of you to be equally enthusiastic about the network, the fund, and the financing initiative.”

—Sir George Allyene

The Health Systems Strengthening Component of USAID's Maternal and Child Health Program was a five-year cooperative agreement (2013-2018) implemented by JSI Research & Training Institute, Inc. (JSI) to develop and support cost-effective, high-quality, and integrated reproductive, maternal, newborn, and child health programs and services in Pakistan. The HSS Component supported the Federal Ministry of National Health Services, Regulations, & Coordination and Sindh Province's Department of Health to develop management systems and human resource capacity for a stronger health system and improved health services.