



## **CLINICAL SOCIAL FRANCHISING CASE STUDY SERIES** **Sun Quality Health | Population Services International/Myanmar**

The Global Health Group  
University of California, San Francisco  
September 2010



UCSF GLOBAL HEALTH SCIENCES  
**THE GLOBAL HEALTH GROUP**  
*From evidence to action*

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## INTRODUCTION

### About the Global Health Group

The Global Health Group (GHG) at the University of California San Francisco, Global Health Sciences, is an “action tank,” dedicated to translating major new paradigms and approaches into large-scale action to impact positively the lives of millions of people. Led by Sir Richard Feachem, formerly the founding Executive Director of the Global Fund to Fight AIDS, Tuberculosis and Malaria, the GHG works across the spectrum from analysis, through policy formulation and consensus building, to comprehensive implementation of programs in collaborating low- and middle-income countries.

One of the GHG’s programmatic focus areas is health systems strengthening with an emphasis on the private sector. The GHG studies a variety of innovative delivery platforms that leverage the strengths of the private sector to achieve public health goals. The GHG has identified the networking of private health providers through social franchising as 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 organizations engage private medical practitioners to add new services to the range of services they already offer, attracting them with training, technical support, subsidized goods, advertising, and links to other providers and to a brand that represents quality, accessibility, and affordability.

This report on Population Services International/Myanmar’s social franchise is part of a series of case studies produced by the GHG, and is a complement to GHG’s annual publication: *Clinical Social Franchising: An Annual Survey of Programs, 2010*. For more information about the GHG, visit: [globalhealthsciences.ucsf.edu/ghg](http://globalhealthsciences.ucsf.edu/ghg). More information about this case study series and social franchising in general can be found at [SF4Health.org](http://SF4Health.org).

### Definition and goals of clinical social franchising

Social franchises create and support a network of existing private providers to offer needed health services. A social franchise is characterized by the following definition:

- Outlets are operator-owned
- Payments to outlets are based on services provided, although the mechanism of payment may vary (client out-of-pocket, insurance)

- Services are standardized (although additional, non-franchised products and services may be offered)
- Clinical services are offered, with or without franchise-branded commodities

Social franchises have four primary goals:

- Access—Increase the number of service delivery points (providers) and services offered
- Cost-effectiveness—Provide a service at an equal or lower cost to other service delivery options, inclusive of all subsidy or system costs
- Quality—Provide services that adhere to quality standards and improve the preexisting level of quality
- Equity—Serve all population groups, emphasizing those most in need



## EXECUTIVE SUMMARY

Population Services International/Myanmar (PSI/M) was founded in 1995 with an early focus on HIV prevention, and it has since expanded into a broader range of health areas. PSI/M launched Sun Quality Health (SQH), a network of private physicians established in 2001 that PSI/M trains and monitors on reproductive health (RH), tuberculosis (TB), pneumonia, diarrhea, malaria, and sexually transmitted infections (STIs), including HIV.

The goal of SQH is to utilize the country's existing general practitioners (GPs) to provide high quality health services and products to low-income communities. In 2008, PSI/M developed Sun Primary Health (SPH), a second tier comprised of rural village health workers, to increase the franchise's geographic coverage through increased rural penetration. The two tiers of providers serve different populations but are linked through a mix of referral and mentorship arrangements, as well as a similarly positioned and executed brand. In 2009, SQH and SPH together served 1.4 million clients.

As of July 2010, PSI/M had 1,169 SQH providers in 169 out of Myanmar's 325 townships, and 1,069 SPH providers in 45 townships. In each health area, PSI/M provides SQH members with training, patient education materials, promotion, access to products, and supervision and monitoring. In return, the providers commit to service standards and a price structure that offers them small margins but ensures that the services are affordable to even the lowest-income populations.

SPH providers include auxiliary midwives and other lower level medical staff, and even farmers, with an interest in health and bettering their community. SPH providers are trained and supported to provide health communications, services, and commodities related to RH, diarrheal diseases, pneumonia, and malaria, and provide referrals for TB and other acute illnesses to SQH clinics. SPH members are not salaried, but receive financial incentives from PSI/M based on performance.

SQH has pioneered the expansion of subsidized, franchised services to include six health areas, demonstrating a range of benefits that arise from bundled services, including increased provider ties to the network, economies of scope in training, support, supervision, and supply, and a broader base for a quality-linked brand image. PSI/M has also formed alliances with franchisees based on a shared set of values around serving the poor, and has successfully introduced provider financing schemes to increase health impact.

One challenge has been the attraction and retention of SPH providers. Additionally, mass media advertising in Myanmar is restricted by law, limiting the value and broad appreciation of the SQH and SPH brands. Governmental restrictions on geographic presence and on some forms of RH services have also limited program growth. The network has advanced nonetheless as a result of strong interpersonal communication strategies, and ongoing close coordination with the Ministry of Health (MOH). The network provides complementary delivery systems to the national health program, with provider recruitment prioritized in areas unserved or underserved by national health providers.

Looking ahead, the SQH franchise is exploring opportunities to scale up service offerings in RH, and in infectious and chronic diseases. PSI/M also plans to expand the SPH network to provide access to essential health services to a larger percentage of the population.

### **Case study methodology**

This case study encompasses qualitative research carried out in Myanmar by GHG researchers in July 2010. Researchers conducted interviews with SQH and SPH providers and with PSI/M lead staff. Researchers visited eight SQH clinics, four SPH providers, and one PSI/M stand-alone voluntary confidential counseling and testing (VCCT) and treatment clinic. This document provides an accurate but not exhaustive overview of PSI/M's two-tiered franchise at a given point in time.

## 1. CONTEXT

### A. National population and health status

Myanmar is divided into seven states and seven divisions. The states and divisions are further divided into 325 townships; each township contains 10–40 village tracts. Throughout the country, there are 13,729 village tracts, each of which is comprised of one to five villages.

Accessing reliable data continues to be problematic in Myanmar, where national surveys, including the MEASURE Demographic and Health Survey, are not conducted.

| Summary statistics                                                         |                                                 |
|----------------------------------------------------------------------------|-------------------------------------------------|
| Population                                                                 | 57,500,000 <sup>1</sup>                         |
| Percent urban/rural                                                        | 32/68                                           |
| Gross national income per capita (PPP intl \$)                             | 520                                             |
| Life expectancy at birth (m/f)                                             | 53/59                                           |
| Under 5 mortality (per 1,000 live births)                                  | 113                                             |
| Prevalence of HIV among adults (per 100,000 adults)                        | 667                                             |
| Per capita total expenditure on health (PPP intl \$)                       | 21                                              |
| Total expenditure on health as percentage of Gross Domestic Product (GDP)  | 1.9                                             |
| Private expenditure on health as percentage of total expenditure on health | 88.3                                            |
| Maternal mortality rate (MMR)                                              | 380 deaths per 100,000 live births <sup>2</sup> |
| Contraceptive prevalence rate (CPR)                                        | 37                                              |
| Total fertility rate (TFR)                                                 | 2.2 <sup>3</sup>                                |
| Literacy (percent of population age 15+)                                   | 90 <sup>4</sup>                                 |

\*Unless otherwise stated, data obtained from WHO Global Health Observatory for 2007

<sup>1</sup>2009, Myanmar MOH

<sup>2</sup>2005, WHO

<sup>3</sup>2008, WHO

<sup>4</sup>2003–2008, UNICEF

## B. Healthcare system

In Myanmar, public hospitals provide both outpatient and inpatient services and are managed by doctors who practice in their private clinics in the evenings. Township health departments, led by township medical officers, are the backbone of the public sector for primary and secondary healthcare, each covering a population that ranges from 100,000 to 200,000 inhabitants. At the village tract level, healthcare is provided at Rural Health Centres (RHC), each of which is managed by one health assistant with one “lady health visitor” and two to three auxiliary midwives who provide basic healthcare services, disease prevention, and health promotion. In rural areas, only 20% of the population has direct access to primary healthcare services. In villages without primary healthcare services, the department of health has trained voluntary health workers (auxiliary midwives and community health workers). However, these voluntary health workers are non-salaried and exhibit a high attrition rate. All government health services have limited working hours.

Healthcare provision by the private sector plays an important role in Myanmar and has grown rapidly. It is estimated that 80% of all care contacts are within the private sector.<sup>5</sup> GPs, voluntary organizations, and international non-governmental organizations (INGOs) provide the majority of the healthcare in the private sector, which is largely unregulated. According to a study conducted by PSI/M in 2009, there are 5,578 GPs in Myanmar, of which 3,596 work exclusively in the private sector. However, the number of GPs is increasing rapidly with 2,400 new graduates per year joining the private sector. All private sector payment is out-of-pocket.

## C. Regulatory framework for private providers

The Myanmar Medical Council issues licenses to practice to all medical graduates. The licenses must be renewed once every three years. To obtain a license, a private GP must, at a minimum, have an M.B.B.S. degree or medical degree equivalent. There is no regulatory system to assess the quality of care provided by the medical graduate as part of the licensing process.

## D. Franchisor relationship with the Ministry of Health

PSI/M has a longstanding working relationship with the MOH at a technical level and a number of PSI/M employees are former civil servants. PSI/M reports on a quarterly basis to the MOH on all programs. In partnership with the MOH’s TB control department, PSI/M dispenses TB treatment for free and served 11.4% of national registered TB cases in 2009. Additionally, PSI/M’s Country Director is a full member of Myanmar’s Country Coordinating Mechanism for The Global Fund, which will begin funding in 2011. PSI/M also represents the INGO community in

<sup>5</sup>Ibid.

many MOH technical strategic groups. At the township level, PSI/M staff work closely with the township medical officers in a supportive collaborative environment.



Sign advertising availability of TB treatment at SQH facility

## E. Market opportunities

In an environment where commercial sales of affordable health products are limited and many products are counterfeit or of low quality, SQH facilities are regarded as service centers where high-quality products are available at an affordable price.

SQH providers have been able to respond effectively to clients who seek services at hours when the public facilities are closed. In an effort to meet client needs, many Sun providers open early in the morning and close late at night. Many are also open on the weekends and holidays, and some providers make house visits as well.

PSI/M has created the SPH network to address the gap of healthcare in rural areas, and is currently expanding that program to fill additional identified geographic gaps.



SQH clinic entrance

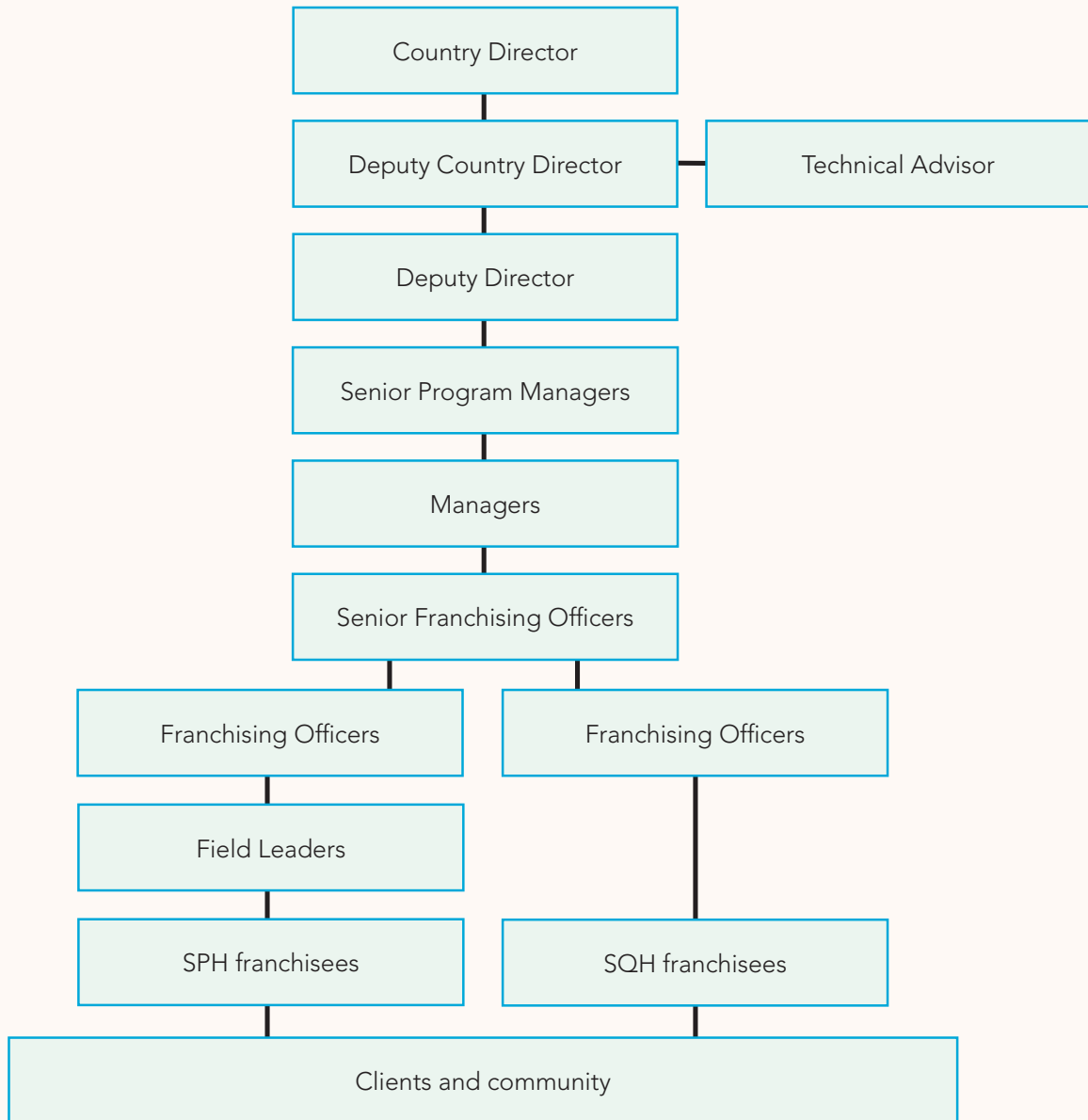
## 2. BUSINESS MODEL

SQH is a fractional or partial franchise that was established in 2001 to provide RH services in Myanmar. Since that time, the franchise has expanded to offer services in the areas of HIV/AIDS, TB, malaria, diarrheal diseases, pneumonia, and STI treatment. After training, the SQH providers, who are all private GPs, have access to quality products at highly subsidized prices. In return, they agree to keep records, report to PSI/M, and follow the PSI/M pricing recommendations. The primary objective of the franchise is to increase access to quality healthcare for poor people in Myanmar by using donor funding to subsidize the associated costs.

### A. Franchisor

PSI/M is a non-profit, non-political, and non-religious organization whose aim is to improve the health status of individuals through social marketing and social franchising. PSI/M is both a Myanmar organization and an affiliate of PSI, an INGO based in Washington, DC. PSI/M has a main office in Yangon and seven regional offices across the country. PSI initiated its social marketing of HIV prevention in Myanmar in 1996 and launched the SQH Network in 2001, after gaining social franchising experience in Pakistan. As of July 2010, the SQH program had 1,169 SQH clinics in 169 out of 325 townships nationwide.

Under the guidance of the Country Director and senior management team, the Deputy Country Director of the franchising department is responsible for the operation and management of the Sun Network. The Deputy Country Director is assisted by a technical advisor and a Deputy Director with four Senior Program Managers. There are seven Managers and 14 Senior Franchising Officers (FOs) and 48 FOs. All FOs are M.B.B.S. doctors who specialize in a health area and serve as a technical resource for the SQH doctors. Each month, FOs visit SQH clinics to monitor quality and record keeping, resupply commodities, pay any incentives that are due to the doctor or clients, and provide on-site training and technical assistance. The FOs coordinate their schedules to ensure that each doctor is visited approximately one time per month. On average, each FO oversees the activities of 21 SQH doctors.

**PSI/M Franchising Department organizational chart**

The SPH program is managed by a Senior Program Manager with assistance from one Manager and two Senior FOs. Field supervision and monitoring is conducted by one Field Leader per township who is supervised by an FO. The Field Leader position under the SPH program is analogous to the FO within the SQH program. Field Leaders oversee an average of 20–25 SPH providers. In addition to connecting headquarters with providers, Field Leaders serve as a link between SQH and SPH providers.



## B. Franchisees

### Sun Quality Health

SQH providers are licensed GPs with pre-existing clinics serving low-income populations in urban and peri-urban locations throughout Myanmar. These providers work full-time in their clinics, many keeping their clinic open until 7 or 8 pm, significantly later than public facilities. Currently, there is a 2:1 ratio of male to female SQH providers, although PSI/M plans to enlist more female SQH providers.

Before joining SQH, most providers offered a range of general health services, however few doctors offered the recommended TB or malaria treatment. Of those providers who offered malaria diagnosis and treatment, they often used outdated treatment regimens. After joining the Sun Network, providers offer a wider range of quality services for RH, TB, malaria, STIs, pneumonia, and diarrhea.

SQH clinics were all pre-existing private clinics and PSI/M has not focused on standardizing the look of the clinics. Apart from having an SQH sign and the stocks of branded commodities, each clinic maintains its own appearance. PSI/M also allows the clinics to keep their own unbranded signage. All SQH clinics have a pamphlet display for PSI/M branded information, education and communication materials, wall posters, and price lists. PSI/M has provided the clinics with branded curtains that are mostly used to create private spaces.



SQH examining room

The average clinic has two to three rooms consisting of a small waiting area separated from the examining room and doctor's office. Approximately 70% of the SQH clinics have a private room while about 2% have multiple private rooms. Nearly all SQH doctors also offer home visits for severely ill clients.

Some SQH clinics are staffed only by one doctor, while others employ additional staff, including a Clinic Assistant. The typical responsibilities of the clinic assistants include counseling RH clients, sterilizing equipment, preparing for IUD insertions, educating SPH providers, dressing wounds, collecting payments, keeping records updated, and dispensing drugs.

SQH providers charge a low price for PSI/M products and services, based on prices set by PSI/M. Most SQH doctors generate profits from other services such as treatment for upper respiratory infections. Almost all doctors report a significant rise in client volume after joining the network because PSI/M clients refer family members and friends for a range of services that extend beyond PSI/M's offerings. Of the doctors interviewed, most reported that 10% to 20% of their clients come for SQH services.

#### Sun Primary Health

The SPH network was established in June 2008 to boost geographic coverage through further rural penetration. This program was necessary to increase the reach of the Sun Network given that 70% of Myanmar's population is rural. This second-tier network is composed of specially trained village voluntary health workers who are linked to existing SQH clinics. Before joining PSI/M, 36% of SPH providers were auxiliary midwives, 24% were community health workers, 18% were farmers, and 21% were dependents or other from other professions.

*Before joining PSI/M, 36% of SPH providers were auxiliary midwives, 24% were community health workers, 18% were farmers, and 21% were dependents or other from other professions.*



SPH provider

As of June 2010, 1,069 SPH providers had been trained across 45 townships. Each SPH provider is assigned to one village tract composed of three to four villages within a three- to four-mile radius. In the coming years, PSI/M plans to expand the SPH network to over 2,500 providers.

Like SQH providers, SPH providers receive no salary from PSI/M but receive financial incentives based on monthly performance. Referrals to SQH providers are a large part of the responsibility of SPH providers. From January to June 2010, 9% of registered TB patients and 34% of total IUD clients at SQH were referred by SPH providers. Thirty percent of total patients treated for *P. falciparum* malaria within the network were also treated by SPH providers.

Most SPH providers have a small area of their home dedicated to seeing clients. SPH providers also spend some time making home visits for specific ailments and meeting community members in public spaces for general education.

### C. Target population

#### Sun Quality Health

SQH's target population is low income and vulnerable people in urban and peri-urban areas. Most clients live within a mile or two from the clinic and arrive by foot or bicycle. Clients coming for an IUD insertion travel longer distances than the average SQH client to reach the clinic. A recent study conducted by PSI/M's research department found that almost 60% of the IUD clients travelled at least one hour to reach the clinic, and 58% travelled more than five miles to reach the clinic.



Clients waiting at an SQH clinic

*All clients interviewed for this case study cited high-quality, low-cost drugs as the primary reason for deciding to come to the clinic.*

Most clients learn the doctor's name from a friend or family member, and many do not know of SQH until they arrive at the facility for the first time. SQH is an underpromoted brand in Myanmar due to mandated limitations on the use of mass media—generic or branded products can be advertised on TV or the radio, but SQH as a service provider cannot. Only a small percentage of clients interviewed for this case study had seen advertising for SQH on billboards.

The offering of subsidized, high-quality commodities is what drives client load at SQH. All clients interviewed for this case study cited high-quality, low-cost drugs as the primary reason for deciding to come to the clinic. Clients emphasized the value of reliable, quality commodities and appreciated the fact that SQH providers explain the treatment regimens and side effects, and provide education.

Some clients stated that they chose to attend SQH due to the doctor's demonstrated commitment to serving the poor. In addition to the affordable services, clients reported that SQH doctors treat them with respect, and that they feel a level of comfort with their SQH doctor that they do not feel with others doctors that they have visited.

### **Sun Primary Health**

Since all SPH clients are from rural villages, they live within walking distance of the SPH provider and are of low socio-economic status (SES). Many SPH clients previously did not have access to basic health services.

Some informal health education sessions have been conducted in SPH communities. However, in a deliberate attempt to maintain a low profile, PSI/M has not conducted any advertisement or demand creation activities for SPH: The need for these health services in rural communities is so great that generating client flow is not considered an issue.



SPH clients waiting to see a provider

### 3. SERVICES AND COMMODITIES

#### Sun Quality Health

The SQH network was initially established to offer RH services but has since added a range of services:

| Service/commodity                                         | Introduced |
|-----------------------------------------------------------|------------|
| Condoms, OC, and 3-month injections                       | 2001       |
| IUD (revitalized in 2008)                                 | 2004       |
| Management of malaria and STIs                            | 2003       |
| TB DOTS                                                   | 2004       |
| Pneumonia and diarrheal treatment for under five children | 2008       |
| ART for HIV/AIDS (pilot project)                          | 2008       |

Most programs are country-wide except for the ART program which is still in its pilot phase and serves only 50 clients. Expansion of the ART program is planned for late 2010.

As of 2010, 83% of SQH clinics offer RH, 71% offer STI treatment, 63% offer malaria treatment, 62% offer TB treatment, and 73% offer pneumonia treatment.

#### Sun Primary Health

SPH providers offer basic level services in the same health areas as SQH. In addition to the health services provided, SPH providers also participate in health advocacy and community outreach in their villages. They give educational talks on birth spacing, TB prevention and treatment, use of mosquito nets, prevention of STIs, and the correct use of safe water treatment.

| Disease area | Services and commodities offered by SPH providers                                                                                                                                             |
|--------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| TB           | <ul style="list-style-type: none"> <li>• Identification of suspected cases for referral to SQH clinics</li> <li>• DOTS observation</li> <li>• Reminder for sputum follow-up checks</li> </ul> |
| Malaria      | <ul style="list-style-type: none"> <li>• Case detection using RDTs</li> <li>• Prescribing recommended anti-malarial drugs</li> <li>• Sale of KO-Tab for net treatment</li> </ul>              |
| Pneumonia    | <ul style="list-style-type: none"> <li>• Recognizing the symptoms of severe and non-severe cases and prescribing antibiotics</li> <li>• Home management for care takers</li> </ul>            |

|                     |                                                                                                                                                                                             |
|---------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Diarrheal diseases  | <ul style="list-style-type: none"> <li>• Promoting regular household use of water treatment solution</li> <li>• Prescribing pre-packaged diarrhea treatment kits containing zinc</li> </ul> |
| Reproductive Health | <ul style="list-style-type: none"> <li>• Providing referrals to SQH clinics for IUDs and injectables</li> <li>• Sale of OK-brand pills and condoms</li> </ul>                               |

### A. Scalability

PSI/M plans for the Sun Network to consist of 1,200 SQH providers and 2,500 SPH providers by 2012. Given the fast-paced scale up of the SPH network since 2008, it appears plausible that PSI/M will achieve this target.

### B. Summary statistics

Please see Appendix B for the number of commodities sold and services provided to date.

### C. Logistics

PSI/M has two full-time staff in charge of logistics and procurement who work out of the headquarters in Yangon. Imports must be approved by the Ministries of Health, Commerce, and Finance and all pharmaceutical imports must be registered with the Myanmar Food and Drug Administration or be pre-qualified by WHO.

PSI/M houses commodities in Yangon at its main warehouse where the commodities are packaged with PSI/M branding. This warehouse is staffed by approximately 100 employees, many of whom are Persons Living with HIV/AIDS (PLWHA). From the central warehouse, commodities go to one of the seven field offices located around the country where the FO picks up the drugs and delivers them to franchisees via PSI/M owned/hired vehicles and PSI/M employed drivers. One FO is assigned to monitor and supervise the commodity supply for specific geographical areas. Field Leaders bring commodities from headquarters or field offices to the SPH providers every month.

The supply of commodities has been consistent and reliable since the franchise was established, with only minor and short-lived exceptions.

## 4. SERVICE FINANCES

### A. Prices

PSI/M sets prices for all commodities and provides each SQH clinic with a price list to display. Seven of the eight SQH clinics visited for this case study had the price list on display. The pricing schemes at SQH and SPH differ as SPH reaches lower-SES clients than SQH.

PSI/M price list hung in an SQH clinic

| Product Name                                | Unit   | Price (Kyats) |
|---------------------------------------------|--------|---------------|
| OK အမျိုးသမီးသုံး ကွန်ဗုံး                  | ၃၄     | 100           |
| OK အရေခေါင်းသားဆက်ပြား ဝောက်ခေး             | ၁ ကပ်  | ၄၀၀           |
| OK သားဆက်ပြား ဝောက်ခေး                      | ၁ ကပ်  | ၃၀၀           |
| OK အမျိုးသားသုံး ကွန်ဗုံး                   | ၁၂၄    | 100           |
| OK ကိုယ်ဝန်ရှိ/မရှိ ဆီးစစ်ကိရိယာ            | ၁ ကပ်  |               |
| OK1 (၁၀၀) ဝောက်ခေး                          | ၁ လုံး | ၄၀၀           |
| OK3 (၃၀၀) ဝောက်ခေး                          | ၁ လုံး | ၅၀၀           |
| OK IUD သားအိမ်တွင်းထည့်ပစ္စည်း              | ၁ ခု   |               |
| CURE U ကာလသားရောဂါ ကုသောက်ခေး               | ၁ သွား | ၁၅၀၀          |
| CURE U ကာလသားရောဂါ ကုသောက်ခေး နှင့် ထိုးခေး | ၁ သွား | ၁၅၀၀          |
| SURE ငွက်ချားသွေးစစ် ကိရိယာ                 | ၁ ခု   |               |
| SURE ငွက်ချားရောဂါကုသောက်ခေး (တေးလေး/လူငါး) | ၁ ကပ်  |               |
| DOTS တီဘီရောဂါ ကုသောက်ခေး                   |        | အခမဲ့         |
| SUPA TAB ခြင်္သေ့စိမ်းဆေးပြား               | ၁ ပြား | ၅၀၀           |
| WATERGUARD ဝောက်ခေးသန့်ဆေးရည်               | ၁ သွား | ၁၅၀၀          |

ဓမ္မစိုက်ပျိုးရေးနှင့် အထွေထွေ ဆေးဝါး ထုတ်လုပ်ရေး ကုမ္ပဏီ (ပတ်ဘလစ်) လီမိတက်

| <b>Commodities and prices for SQH and SPH (June 2010)</b> |                                              |                                                   |                                         |
|-----------------------------------------------------------|----------------------------------------------|---------------------------------------------------|-----------------------------------------|
| <b>Disease and products</b>                               |                                              | <b>SQH (with consultation fees)*</b>              | <b>SPH (with no consultation fees)*</b> |
| <b>RH</b>                                                 | OK Pills                                     | 300                                               | 200                                     |
|                                                           | OK 1-Month Injectables                       | 400                                               | -                                       |
|                                                           | OK 3-Month Injectables                       | 500                                               | -                                       |
|                                                           | OK Male Condoms (12 pcs.)                    | 200                                               | 200                                     |
|                                                           | OK Female Condoms (3 pcs.)                   | 200                                               | 200                                     |
|                                                           | OK IUD                                       | with voucher: 500<br>without voucher: 6,000       | -                                       |
|                                                           | OK Emergency Contraceptive                   | 400                                               | -                                       |
|                                                           | OK Pregnancy Test Kit                        | 200                                               | 200                                     |
| <b>STIs</b>                                               | CURE U (urethritis)                          | without any card: 1,500                           | -                                       |
|                                                           | CURE U (genital ulcer)                       | with STI discount card:<br>female: 200, male: 500 | -                                       |
| <b>HIV</b>                                                | Aphaw-Deluxe (3x1, singles, gross)           | 14                                                | 14                                      |
|                                                           | Flavor (Strawberry & Banana) 3x1             | 18                                                | 18                                      |
|                                                           | Feel Female Condom (3 pcs.)                  | 100                                               | 100                                     |
|                                                           | Aphaw Gel                                    | 52                                                | 52                                      |
| <b>Malaria</b>                                            | SupaTab-Net Retreatment Tabs (1 tablet)      | 750                                               | 100                                     |
|                                                           | Malar-Check                                  | 300                                               | free                                    |
|                                                           | Coartem 1 (6 tabs)                           | 600                                               | free                                    |
|                                                           | Coartem 2 (12 tabs)                          | 600                                               | free                                    |
|                                                           | Coartem 3 (18 tabs)                          | 600                                               | free                                    |
|                                                           | Coartem 4 (24 tabs)                          | 600                                               | free                                    |
| <b>TB</b>                                                 | All categories of PPM-DOTS (non-PSI branded) | free                                              | free                                    |
| <b>Pneumonia</b>                                          | Trimox 1 (Cotrimoxazole 240 mg) (10 tabs)    | 500                                               | 100                                     |
|                                                           | Trimox 2 (Cotrimoxazole 240 mg) (20 tabs)    | 600                                               | 200                                     |
|                                                           | Trimox 3 (Amoxicillin 125 mg) (15 tabs)      | 600                                               | 200                                     |
|                                                           | Trimox 4 (Amoxicillin 250 mg) (15 tabs)      | 800                                               | 400                                     |
| <b>Diarrhea</b>                                           | WaterGuard                                   | 350                                               | 100                                     |
|                                                           | Orasel (ORS 2 + Zinc 10 tablets)             | 300                                               | 200                                     |

\*Prices are in Myanmar Kyats. 1,000 Kyats equals approximately \$1 USD.



**HIV/AIDS**

In the current pilot phase of ART provision, all services and commodities are provided for free. However, when the full scale ART program launches in late 2010, clients will be charged approximately \$10 USD for their monthly treatment. The market price for ART in Myanmar is approximately \$30 USD per month.

**Diarrhea**

Through May 2010, the price for two Orasel kits plus 10 zinc tablets was \$0.30 USD at SPH clinics. Due to mediocre sales, PSI/M reduced the price to \$0.20 USD through SPH.

**B. Financing for clients**

PSI/M has established a number of initiatives to reduce price barriers and cover a portion of the treatment cost to clients. For example, PSI/M offers up to \$4 USD to reimburse transportation costs to clients who receive long-term RH methods from SQH.

For TB, PSI/M motivates poor clients to complete treatment by providing \$36 USD when they complete a six-month course of TB treatment. It is up to the discretion of the doctor to determine if the client is poor and therefore qualifies for the scheme. The money is provided in order to lower the costs to the client of completing the treatment (e.g., in relation to transport costs or daily wages lost while attending the clinic). To date, approximately 7% of clients treated for TB at SQH clinics have received financial support. PSI/M does not specify how the money is distributed so the doctor can either incrementally disperse throughout the six months or provide the full amount at the end of the six-month period. Prior to October 2008, the reward for completing treatment was only \$12 USD; however, PSI/M increased the amount to \$36 USD to ensure more clients complete treatment. PSI/M also provides free nutritional support for poor clients on TB treatment.

All TB clients are encouraged to get tested for HIV at PSI/M non-franchised HIV clinics. To facilitate testing, PSI/M provides \$1.50 USD to each client to cover transportation costs. This has had a substantial positive impact on the percentage of TB clients that get tested.

**C. Financing for providers**

Because PSI/M has emphasized that the primary goal of the Sun Network is to deliver healthcare services to the poor, it continues to adjust provider financing to increase the number of clients reached.

**Sun Quality Health**

To motivate SQH providers to detect and register TB cases, PSI/M provides \$2 USD per registered TB case and reimburses doctors for x-rays if a suspected TB client of low SES requires a test.

In 2008, PSI/M determined that the number of IUD insertions was relatively low as a result of the low profit margin and the time involved in performing the procedure. PSI/M ascertained that doctors considered that they needed to receive approximately \$5 USD to perform an insertion in order for the service to be a viable part of their practice. PSI/M also determined that the patient population could only afford to pay \$0.50 USD for this procedure. To address these issues PSI/M started a program to reimburse the providers the remaining \$4.50 USD for each IUD inserted. Although the initial donor funding for this reimbursement scheme has since been terminated, PSI/M has chosen to continue the program with other funds due to its success in motivating the SQH to serve the target population.

To support demand creation at the community level, and relieve the time burden on SQH providers in relation to support activities needed for IUD services (e.g., instrument sterilization), PSI/M also offers to contract clinic assistants for high performing SQH providers (at a cost of \$50 USD per month per clinic assistant). PSI/M monitors the additional impact of the clinic assistants in relation to client flow and removes funding for the assistants if no progress is made. Currently, 130 of the 192 providers who offer IUDs regularly participate in this initiative.

**Sun Primary Health**

When the SPH program was established in 2008, PSI/M expected that providers would make sufficient income from product sales alone to sustain themselves. However, it became clear that SPH providers required additional work to make a living, limiting the time devoted to SPH activities and resulting in a high attrition rate. To address this issue, in July 2009, PSI/M launched a financing scheme to increase productivity and increase retention. High performers (measured by number of clients per month) now receive approximately \$25 USD per month, medium performers receive \$20 USD/mo., and standard performers receive \$15 USD/mo. In May 2010, 544 out of 1,065 SPH providers received a performance reward of some level. The performance-based financing scheme appears to have been successful: the average monthly DALY generated by the channel increased nearly five-fold between June and December 2009.

## D. Subsidies

Commodities are sold to franchisees at subsidized prices as part of a pricing strategy targeted at poor communities. Many providers choose to tell clients that the affordable price is possible because PSI/M has sold the drug to them at a subsidized cost. PSI/M provides TB and HIV drugs free of charge to both providers and clients.

| PSI/M subsidies and profits |                            |                        |      |                              |      |
|-----------------------------|----------------------------|------------------------|------|------------------------------|------|
| Disease and products        |                            | % profit for franchise |      | % subsidy provided by PSI/M* |      |
|                             |                            | SQH                    | SPH  | SQH                          | SPH  |
| <b>RH</b>                   | OK Pills                   | 100%                   | 33%  | 58%                          | 58%  |
|                             | OK 1-Month Injectibles     | 167%                   |      | 85%                          |      |
|                             | OK 3-Month Injectibles     | 67%                    |      | 57%                          |      |
|                             | OK IUD                     | 1000%                  |      | 72%                          |      |
|                             | OK Emergency Contraceptive | 60%                    |      | 41%                          |      |
|                             | OK Male Condoms            | 100%                   | 100% | 76%                          | 76%  |
|                             | OK Female Condoms          | 100%                   | 100% | 95%                          | 95%  |
| <b>STIs</b>                 | Cure U (urethritis)        | 200%                   |      | 35%                          |      |
|                             | Cure U (genital ulcer)     | 200%                   |      | 58%                          |      |
| <b>Malaria</b>              | Malar-Check                | 200%                   | 100% | 86%                          | 86%  |
|                             | Coartem 1                  | 600%                   |      |                              |      |
|                             | Coartem 2                  | 300%                   |      |                              |      |
|                             | Coartem 3                  | 200%                   |      |                              |      |
|                             | Coartem 4                  | 150%                   |      |                              |      |
|                             | SupaTab                    | 7%                     | 7%   | -22%                         | -22% |
| <b>Pneumonia</b>            | Trimox 1                   | 900%                   | 100% | 72%                          | 72%  |
|                             | Trimox 2                   | 500%                   | 100% | 58%                          | 58%  |
|                             | Trimox 3                   | 300%                   | 33%  | 64%                          | 64%  |
|                             | Trimox 4                   | 167%                   | 33%  | 41%                          | 41%  |
| <b>Diarrhea</b>             | WaterGuard                 | 17%                    | 17%  | -15%                         | -15% |
|                             | Orasel kit                 | 50%                    | 50%  | 59%                          | 59%  |

\*Negative numbers represent products that PSI/M sells to providers at a profit.

### E. Pricing enforcement systems

Sun Network franchisees appear to follow the pricing standards set by PSI/M, and many choose to provide the drugs for less than the recommended price, or even for free, based on a client's income level. Franchisees also tend to prioritize serving the poor over making a profit and express satisfaction with PSI/M's pricing guidelines. SQH providers make a profit on many non-franchised services that they choose to provide. They appreciate that PSI/M allows them to serve the poor and make a profit by supplying them with subsidized commodities.

### F. Vouchers

PSI/M first piloted vouchers in Myanmar in 2005 and currently has two active schemes.

SQH is running an "OK card" voucher scheme for RH. The cards are distributed to community members by SPH providers and also by clinic assistants and can be redeemed for services at a reduced price of \$0.50 USD. Approximately 80% of RH clients referred to SQH from SPH arrive with the voucher card. One doctor interviewed admitted that if the client is clearly poor and arrives without the voucher card, the discount can be granted without it at his practice.

A voucher scheme is also in place, allowing STI clients to use a voucher to receive STI treatment at a reduced rate of \$0.50 USD. The cards are distributed by HIV interpersonal communicators (IPCs). Since launching in 2005, the voucher redemption rate has averaged 10%, with 5,000 of 50,000 vouchers have been redeemed. The involvement of the IPC and intensified education of the SQH providers are cited as reasons for the success of the scheme.

## 5. FRANCHISE FINANCES

### A. Country operation costs

PSI/M's total annual cost of running the Sun Network is \$6.2 million USD, \$1.2 million of which accounts for the SPH program. Social franchising activities make up about 35% of the overall PSI/M budget and employ 16% of headquarters staff. Of the \$6.2 million total franchising cost, the expenditures are broken down as follows (note that breakdowns are rough estimates):

| Line item                                                                       | Percentage of total cost |
|---------------------------------------------------------------------------------|--------------------------|
| Staff costs                                                                     | 12%                      |
| Travel                                                                          | 6%                       |
| Packaging, training, IEC, promotional materials, and other direct program costs | 15%                      |
| Commodities                                                                     | 23%                      |
| Provider incentives                                                             | 10%                      |
| Local and Washington office support costs                                       | 34%                      |

### B. Cost-sharing with other activities/programs

In order to maximize impact and cost-effectiveness, PSI/M integrates its programs and services as much as possible. For example, the organization leverages the clinical expertise of the FOs to support non-franchised HIV Drop-in-Centre activities, and takes advantage of marketing expertise within the social marketing department to guide franchising.

### C. Donors

In 2009, the Sun Network received a total of \$5.2 million USD from UNFPA, the Bill & Melinda Gates Foundation, the William and Flora Hewlett Foundation, the Packard Foundation, USAID, and an anonymous donor to run its operations and purchase commodities.

PSI/M's ability to incentivize providers with a broad set of considerations has been possible as a result of flexible donor requirements, allowing PSI/M to develop a programmatic approach as opposed to one based on disease-specific project funding.

#### D. Cost subsidy per unit

*In 2009, the Sun Network served 1,389,212 clients, and expenditures for the year totaled \$6,700,000 USD, or \$4.82 per client.*

In 2009, the Sun Network served 1,389,212 clients, and expenditures for the year totaled \$6.7 million USD, or \$4.82 per client. For RH services, \$3.1 million USD was spent in 2009, resulting in 255,754 CYPs.<sup>6</sup> The cost per CYP was \$12.12.

PSI/M estimates that franchising will produce 90,000 of the program's 130,000 total DALYs in 2010 at an average cost per DALY of around \$70 USD. TB treatment provides the majority of those DALYs at a cost per DALY of approximately \$40 USD.

<sup>6</sup>USAID CYP conversion factors used

## FRANCHISEE RELATIONS

### A. Franchisee selection

#### Sun Quality Health

SQH franchisees are selected based on the following criteria:

|   |                                                                               |
|---|-------------------------------------------------------------------------------|
| • | GP (non-specialist)                                                           |
| • | A minimum of three years experience as a full-time GP at the existing clinic  |
| • | Clinic registered with health department                                      |
| • | Self-owned clinic that is not shared by other persons                         |
| • | Operating hours—both mornings and evenings                                    |
| • | Acceptable physical structure with privacy for counseling service             |
| • | Located in urban, peri-urban, or poor slum area; easily accessible by clients |
| • | No public or private hospital in immediate vicinity                           |

During recruitment visits, clinics are evaluated for the following:

|   |                                                |
|---|------------------------------------------------|
| • | Accessibility                                  |
| • | Infrastructure to deliver IUD/implant services |
| • | Size of physical space                         |
| • | Hand washing and bathroom facilities           |
| • | Availability of clean water                    |
| • | Electricity supply                             |
| • | Privacy                                        |
| • | Bed/table for insertions                       |
| • | Lighting and ventilation                       |
| • | Overall cleanliness                            |
| • | Existing or potential RH client flow           |
| • | Referral network                               |
| • | Record-keeping practices                       |

IUD providers are evaluated on the following criteria:

|   |                                                                                           |
|---|-------------------------------------------------------------------------------------------|
| • | Good track record and reputation in the community                                         |
| • | Willing to accommodate increased RH clients through staffing, extended hours and outreach |
| • | Willing to maintain confidential records                                                  |
| • | Willing to be monitored and comply with IUD/implant service delivery protocols            |
| • | Provider expresses interest in long-term methods when asked why they want to join         |
| • | Currently conducting pelvic examinations                                                  |
| • | Willing to submit MIS forms in a timely manner                                            |

### Sun Primary Health

Priority is given to those who are engaged with their communities through pre-existing private sector practices. Potential SPH candidates include: auxiliary midwives, CHWs, drug retailers, Red Cross personnel, and others from the community, such as farmers.

SPH providers are selected based on following criteria:

|   |                                                          |
|---|----------------------------------------------------------|
| • | Resident of the village to be served                     |
| • | Good reputation with some volunteer experience           |
| • | At least have high school education                      |
| • | Age 20–45                                                |
| • | Ability to organize people                               |
| • | Willingness to keep records and to be supervised closely |

### B. Recruitment

To date, PSI/M has recruited 1,169 SQH providers and 1,069 SPH providers. PSI/M has developed a honed 100-minute presentation that is delivered to all potential new franchisees, providing background on the health situation in Myanmar and then describes the Sun Network. The presentation includes definitions of social marketing and social franchising to introduce the recruits to the model of health-



care delivery. This intensive meeting and interaction allows PSI/M to determine if the recruit's values and motivations are aligned with those of the Sun Network. Please see Appendix A for a diagram on the recruitment process.

## C. Contracts

### Sun Quality Health

Each SQH provider signs a letter of agreement with PSI/M to offer quality subsidized products, and to maintain a standard of quality services predefined by PSI/M. Specifically they agree to the following:

- Provision of quality services based on standards defined in trainings and reference manuals
- Payment to franchisor for products and services
- Acceptance of legal responsibility for all medical and administrative activities
- Adherence to pricing requirements
- Record keeping and data sharing with franchisor

In return, PSI/M provides:

- A two- to three-day training course, using well-developed training techniques with an emphasis on the quality of client interaction
- Follow up review meetings and refresher training
- Client and provider-related printed materials (e.g., posters, leaflets and a signboard for use in the clinic)
- Promotion of the network through billboards and other means
- Access to branded, high-quality, subsidized products
- Monthly follow-up visits to ensure continuous resupply of products, resolve problems, provide technical assistance, and motivate the providers
- Periodic mystery client surveys to ensure that providers conform to service protocols and quality standards

### Sun Primary Health

SPH providers sign a letter of agreement with PSI/M upon completion of the initial training in which they agree to cooperate with the Sun Network's Service-Provider Protocol. SPH providers are paid based on performance and referrals, unlike SQH providers who make profits on commodities and services.

## D. Costs/benefits of enrollment

### Sun Quality Health

PSI/M has selected doctors that have demonstrated a commitment to serving the poor. Doctors agree that a benefit of being part of SQH is the opportunity to provide low-cost and high-quality drugs to the poor members of their community.



SQH patient receives Coartem malaria treatment

One doctor interviewed for this case study stated that having access to subsidized malaria test kits allows him to test more clients for malaria. He feels that even in cases where the result is negative, he is saving lives because ruling out malaria allows him to more quickly make a correct diagnosis. Competition also matters: another doctor interviewed reported joining the network because he was losing clients to other SQH providers in his area who could offer subsidized commodities to which he did not have access as an independent private provider.

When asked about the benefit of being part of PSI/M, all providers interviewed mentioned training. They said that the training allows them to improve their clinical knowledge and gives them access to the latest international health information. One doctor reported that both his clinical quality and interaction with clients have improved. He admitted that before joining SQH he did not always conduct informed consent with clients before providing RH services, but since joining SQH, he always has a full discussion with clients.

Many of the FOs observe that provider quality increases after joining the network, because of the training and the ongoing support. Providers state that training on counseling, in particular, has increased both provider confidence and client satisfaction.

PSI/M offers a variety of targeted benefits to high performing providers. For instance, the SQH provider that treated the most TB clients in 2009 received a laptop. PSI/M also occasionally gives providers office equipment, such as desk chairs or tables.

When doctors in the network were asked why non-SQH doctors in the area did not want to join SQH they cited three reasons: inconvenient training times, low profit margins, and time-consuming record keeping.

### **Sun Primary Health**

*One SPH provider interviewed said that now that he is part of SQH, he is referred to as an “honored person” by his community.*

SPH providers benefit from the respect that comes with being a recognized healthcare provider in their village. One SPH provider interviewed said that now that he is part of SQH, he is referred to as an “honored person” by his community. The SPH providers value their connection with the recognized SQH providers, and on occasion the SQH provider will visit SPH providers in the village. This public interaction is seen as particularly valuable for the SPH provider who seeks to be identified with the reputable SQH. SPH providers did not report being driven by financial incentives, and none interviewed reported making enough money to suspend previous employment.

Having access to malaria RDTs was also a reason cited for SPH providers joining the network since this test kit is otherwise unavailable. Access to test kits makes SPH providers popular within their community.

### **E. Franchisee retention/attrition**

Since the beginning of the program, 12% of SQH providers have disassociated from the Sun Network; “personal reasons” is the most common reason cited for leaving the network. Others have disassociated because they have died, migrated, suffered ill health, or have been dismissed. Attrition rates among SPH providers are slightly higher, with 17% disassociating since that program’s start.

PSI/M dismisses providers for irregular reporting, product leakage, and violation of rules and regulations. Since the beginning of the franchise, PSI/M has dismissed less than 1% of SQH providers. PSI/M has not yet dismissed any SPH providers.

Among SPH providers, many expressed that they expect to leave the franchise eventually because the incentives are not adequate to justify a long-term commitment. Many SPH providers are unmarried and indicated that they would need to pursue more lucrative opportunities when they marry and have a family.

### F. Loyalty/level of commitment

Both SQH and SPH providers are proud to be part of a network that allows them to serve the poor and grow their business. They view PSI/M as a successful INGO that aligns with their values and places serving the poor above gaining a profit. Providers also recognize PSI/M as an organization that has high standards and feel that being associated with such an INGO motivates them to deliver quality services.

A strong relationship with franchisees creates opportunities in unusual circumstances. For instance, in the aftermath of Cyclone Nargis, franchises in the Delta region played a critical role in the emergency health efforts implemented by PSI/M. PSI/M received nearly \$200,000 USD in additional funding from the William and Flora Hewlett Foundation to provide essential healthcare services through SQH providers in cyclone-affected areas of Myanmar. PSI/M also received birth spacing commodities and clean delivery kits from UNFPA and emergency drugs, anti-malarial drugs, RDTs, and nutritional supplements for children under five from UNICEF.

### G. Communication

PSI/M distributes an annual newsletter to all providers that features articles jointly written by franchising staff and SQH providers, as well as other entertainment, including cartoons drawn by Sun Network providers. PSI/M is planning to further develop the newsletter to showcase Sun Network providers to encourage high performance. The majority of regular communication occurs via the FOs who visit the franchisees often for drug deliveries and monitoring.

### H. Promotions/branding

The government of Myanmar limits mass media communications, especially around sensitive health areas such as RH. PSI/M runs television and radio campaigns for some of their programs around TB, malaria, and STIs. Other programs are promoted by word of mouth, leaflets, and billboards.



Promotional materials  
inside an SQH clinic

All brands are developed and tested in Myanmar to ensure that they are culturally appropriate. All products contain easily understood Myanmar instructions and other items to ensure products are used correctly, appropriately and consistently. For example, PSI/M's injectables contain low-literacy instruction leaflets, clinic return reminder cards, an injection swab, and a syringe with needle.

About 50% of the clients interviewed for this case study were aware that additional SQH clinics exist, while the other 50% had no awareness that their clinic was part of a franchise. Clients who were aware that other SQH clinics exist did not believe that other clinics possess the same level of quality as "their" SQH clinic, demonstrating that patients' association and loyalty lies with the doctor, as opposed to the SQH brand.

## 7. QUALITY ASSURANCE

### A. Appraisal scheme

PSI/M has recently introduced an annual appraisal scheme and plans to establish a formal, integrated (across health areas) quality assurance system in 2010 for SQH. The appraisal scheme consists of minimum quality checklists used to evaluate each provider. In addition to being evaluated on technical competency, clinical skills, and service delivery for each health area, providers will also be evaluated on clinic facilities, drug storage, record keeping, and their relationship with PSI/M.

### B. Monitoring and evaluation

FOs visit SQH clinics on a monthly basis to conduct monitoring on specific health areas. FOs check client records to assess whether standards were followed, and if standards are unmet, FOs inform the doctor and suggest improvements. Providers are required to keep records, and verification of those records is a requirement to get paid by PSI/M. To monitor pricing, mystery clients are sent once every six months to track whether the SQH providers adhere to the PSI/M pricing structure.

PSI/M has recently begun to calculate the cost of monitoring visits in an effort to better understand program costs in preparation for potential scale up.

## 8. NETWORK LINKAGES

### A. Client referrals

SPH providers have been trained and incentivized to refer TB clients to SQH clinics using vouchers. So far, that program has had success: in SPH operating townships, 30% of TB clients at SQH facilities come from SPH referrals.

### B. Links to other organizations

#### **The Myanmar Medical Association**

The Myanmar Medical Association (MMA) is the only professional medical association in Myanmar and nearly all SQH providers are MMA members. The MMA offers numerous continuing medical education (CME) opportunities for private providers who are supported by PSI/M. The MMA and PSI/M maintain a very supportive working relationship.

#### **Non-Sun GPs**

In the last quarter of 2009, PSI/M, in collaboration with the MMA, implemented a pilot program to distribute implants and IUDs to non-franchised OBGYNs. PSI/M provides funding for this program to the MMA, who in return manages the program. The pilot is currently implemented in three townships, and the goal is to reach 500 clients in the first six months. PSI/M social marketing sales representatives deliver products to participating non-Sun Network private providers. According to program staff, these private providers are not interested in being franchised because they are profit oriented, value being able to practice freely, and do not wish to be part of an NGO.

## 9. CHALLENGES AND OPPORTUNITIES

### A. Internal challenges

SPH attrition rates are high (17%) for a number of reasons. Some SPH providers misunderstood the nature of PSI's commitment and hoped that over time PSI/M would employ them. Feeling that their expectations were not met, some elected to leave the network. The low earning potential is another reason why SPH providers have terminated their involvement with the program. Additionally, the attrition of FOs is high at a rate of approximately 20% in 2009–10. Pursuing advanced educational opportunities was the most reported reason for their resignation from PSI/M.

### B. External challenges

The MOH presents challenges to PSI/M by restricting the townships in which PSI/M can operate. When it does authorize PSI/M to implement the SPH program in a township, the MOH is particularly concerned about PSI/M keeping their activities "low-profile." PSI/M has effectively navigated these challenges through advocacy and positive relationships.

Furthermore, brand image is weak, largely because mass media advertising in Myanmar is limited. The absence of a strong brand image impedes the social franchise's ability to recruit providers by building a reputation for quality among the general population and potential client base.

PSI/M has faced donor pressure to reduce the performance-based reimbursement of provider costs for RH. Given PSI/M's social mandate, the low average income of clients, and the already-low margins for providers, however, provider financial support has proven to be an effective strategy to achieve the program's goals. PSI/M is now challenged to communicate the health impact of alternative financing schemes to the donor community in hopes of gaining new funding to support their mission in the context of Myanmar.

### C. Opportunities

#### **Expansion of disease areas**

PSI/M has plans to offer three additional services through the Sun Network if the required funding can be secured: cervical cancer screening, preeclampsia screening, and prevention of post-partum hemorrhage with Misoprostol. These services will be available to all trained SQH providers, and a postpartum hemorrhage health kit with Misoprostol will be given to trained SPH providers.



Franchisees also expressed interest in SQH expanding their service areas to include more acute and chronic diseases such as diabetes and hypertension. A number of providers mentioned that they would like to see PSI/M provide anti-venom for snake bites because it is not currently widely available through public or private channels.

#### **Microinsurance**

Pact Myanmar has been running a microfinance scheme in Myanmar since 1997 that provides financial services in the form of credit and saving services to low-income women with the aim of raising their living standards. Pact Myanmar has received requests from members to provide emergency loans to cover health services, and is thus investigating the idea of linking its members with SQH.

#### **Rapid ART scale-up**

Many SQH providers have a waiting list of PLWHA clients who need ART. SQH has an opportunity to provide treatment for the 45,000 people in Myanmar who need ARTs, but are still without access.

### **D. Lessons learned**

#### **Aligned values**

*Understanding that many Myanmar people possess a voluntary spirit, due to the Buddhist belief of earning spiritual merit by giving to those in need, PSI/M has been successful in forming an alliance with franchisees based on this shared value.*

PSI/M's mission is to deliver services and commodities to poor populations that would otherwise not have access to quality healthcare. This clearly defined mission, in existence since the program began, has served to align PSI/M staff internally on program goals. In turn, the internal synchronicity has translated into the recruitment of franchisees who hold similar ideals around the importance of delivering healthcare to the poor. Understanding that many Myanmar people possess a voluntary spirit, due to the Buddhist belief of earning spiritual merit by giving to those in need, PSI/M has been successful in forming an alliance with franchisees based on this shared value.

This mutual understanding and appreciation is significant to the success of the Sun Network and allows both the franchisor and franchisees to remain engaged and committed to the population in need. Franchisees are loyal to PSI/M and proud to be part of an organization that is serving the poor; similarly, PSI/M respects the intentions of franchisees and continually finds ways to motivate and reward them.

#### **Aligned provider and client-side financing**

PSI/M has never accepted that low provision or demand for a service or product is permanent or immutable. Small changes in provider and client-side financing have had an important impact on health outcomes. For example, after introduc-

ing a small transportation reimbursement to TB clients referred for HIV testing, the percentage of TB clients tested increased from 5% to 24%. Similarly, by offering SPH providers performance-based financial support, the average monthly DALYs generated by the channel increased from 652 to 2,891 over a six-month period.

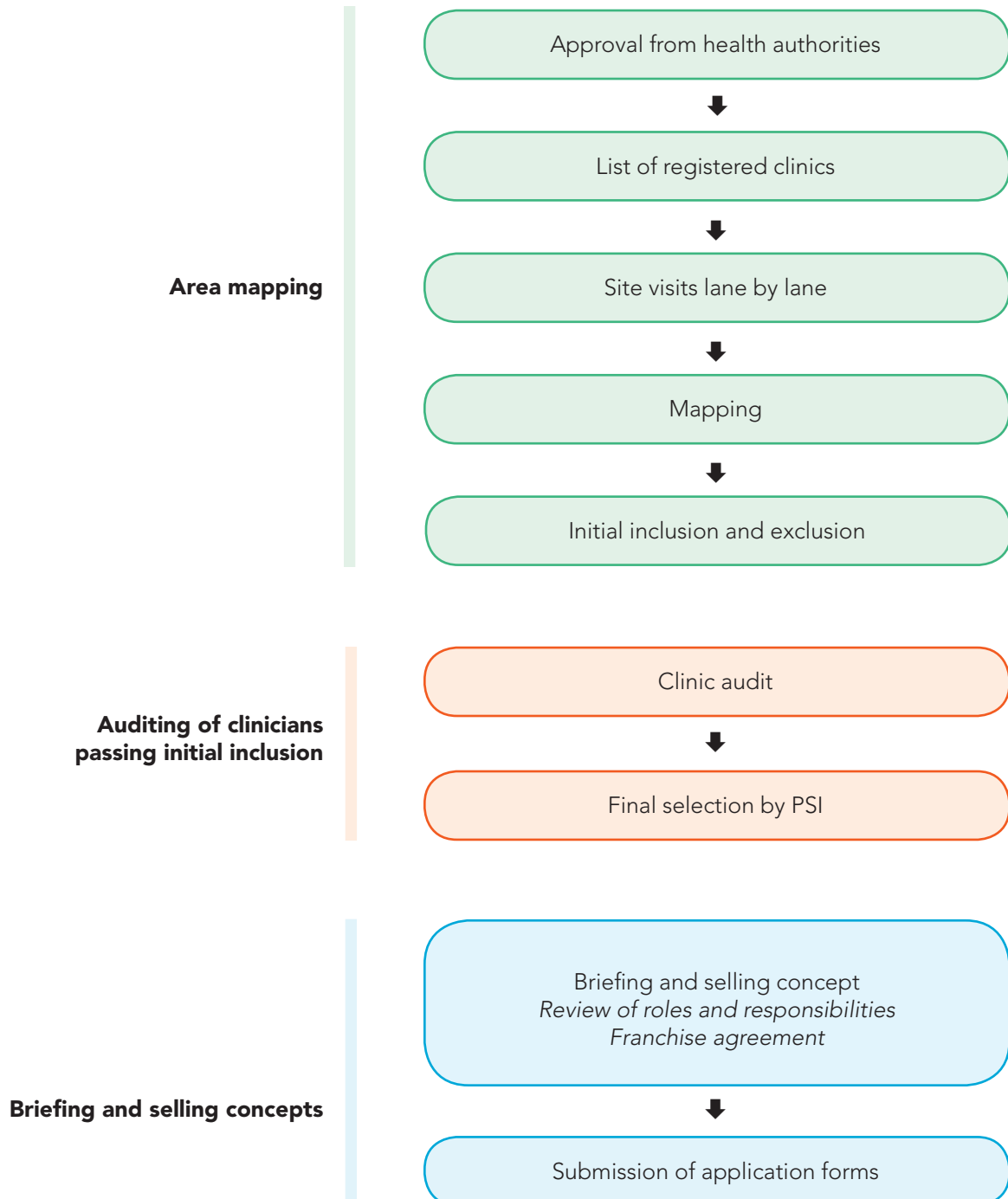
### **Delivery of integrated services**

As the Sun Network has expanded its offering of services, it has achieved an expenditure per client served of \$4.82 USD in 2009.<sup>7</sup> Of the 40 health social franchises worldwide, only two other social franchises, Smiling Sun in Bangladesh and Greenstar in Pakistan, have achieved a lower cost per client served. The Sun Network has pioneered the expansion of services to include six health areas, demonstrating that private providers can expand their offering of services successfully. With continued training and aligned values and incentives, even complex treatment regimens such as TB DOTS and technical procedures such as IUD insertion have proven to be successful offerings in terms of health impact and reduction of the cost per client served.

<sup>7</sup>Schlein, K., Kinlaw, H., and Montagu, D. (2010) Clinical Social Franchising Compendium: An Annual Survey of Programs , 2010. San Francisco: The Global Health Group, Global Health Sciences, University of California, San Francisco.

## APPENDIX A

### Procedures for SQH recruitment and membership



## APPENDIX B

### Numbers of commodities sold/used for SQH and SPH (June 2010)

| Disease and products | SQH                                |                  |                                    | SPH              |                  |                                    |              |
|----------------------|------------------------------------|------------------|------------------------------------|------------------|------------------|------------------------------------|--------------|
|                      | 2009                               | Jan – June, 2010 | Total (since product introduction) | 2009             | Jan – June, 2010 | Total (since product introduction) |              |
| <b>RH 2001</b>       | OK Pills                           | 208,538          | 276,975                            | 2,167,221        | 16,066           | 60,068                             | 112,193      |
|                      | OK 1-Month Injectables             | 120,533          | 97,900                             | 893,457          |                  |                                    |              |
|                      | OK 3-Months Injectables            | 55,424           | 307,475                            | 2,943,763        |                  |                                    |              |
|                      | OK Male Condoms                    | 126,512          | 112,464                            | 1,996,560        | 44,712           | 60,348                             | 161,676      |
|                      | OK Female Condoms                  | 1,731            | 1,725                              | 15,702           | 1,458            | 1,116                              | 3,252        |
|                      | OK IUD                             | 12,200           | 11,254                             | 49,427           |                  |                                    |              |
|                      | OK Implant (Jadelle)               | 1,031            | 500                                | 3,911            |                  |                                    |              |
|                      | OK Emergency Contraceptive         | 7,303            | 11,160                             | 83,680           |                  |                                    |              |
|                      | OK Pregnancy Test Kit              | 27,154           | 30,687                             | 146,082          |                  |                                    |              |
|                      | <b>CYPs</b>                        | <b>87,215</b>    | <b>147,879</b>                     | <b>1,176,986</b> | <b>1,598</b>     | <b>4,533</b>                       | <b>9,141</b> |
| <b>STI 2003</b>      | CURE U (urethritis)                | 26,802           | 28,839                             | 204,645          |                  |                                    |              |
|                      | CURE U (genital ulcer)             | 7,086            | 5,715                              | 69,665           |                  |                                    |              |
| <b>HIV 2001</b>      | Aphaw-Deluxe (3x1, singles, gross) | 152,004          | 160,064                            | 1,385,036        | 17,010           | 1,920                              | 34,450       |
| <b>Malaria 2003</b>  | SupaTab-Net Retreatment Tabs       | 2,498            | 2,212                              | 73,148           | 13               | 6,515                              | 7,087        |
|                      | Malar-Check                        | 52,825           | 71,530                             | 584,316          | 14,770           | 28,140                             | 69,685       |
|                      | Coartem 1 (6 tabs)                 | 1,142            | 881                                | 4,157            | 465              | 928                                | 2,309        |
|                      | Coartem 2 (12 tabs)                | 1,148            | 924                                | 4,364            | 499              | 852                                | 2,315        |
|                      | Coartem 3 (18 tabs)                | 2,409            | 1,599                              | 8,318            | 892              | 1,212                              | 3,630        |
|                      | Coartem 4 (24 tabs)                | 14,217           | 14,627                             | 57,865           | 3,941            | 4,712                              | 17,219       |

|                  |                                           |        |        |         |                                          |                                            |                                            |
|------------------|-------------------------------------------|--------|--------|---------|------------------------------------------|--------------------------------------------|--------------------------------------------|
| <b>TB 2004</b>   | PPM-DOTS cases                            | 6,892  | 7,882  | 61,049  | 317<br>(suspected cases referred to SQH) | 2,715<br>(suspected cases referred to SQH) | 4,785<br>(suspected cases referred to SQH) |
|                  |                                           |        |        |         |                                          |                                            |                                            |
| <b>Pneumonia</b> | Trimox 1 (Cotrimoxazole 240 mg) (10 tabs) | 16,134 | 30,737 | 115,592 | 1,443                                    | 12,027                                     | 19,557                                     |
|                  | Trimox 2 (Cotrimoxazole 240 mg) (20 tabs) |        |        |         |                                          |                                            |                                            |
|                  | Trimox 3 (Amoxicillin 125 mg) (15 tabs)   | 28,996 | 33,600 | 107,239 | 500                                      | 4,391                                      | 7,703                                      |
|                  | Trimox 4 (Amoxicillin 250 mg) (15 tabs)   |        |        |         |                                          |                                            |                                            |
| <b>Diarrhea</b>  | WaterGuard                                | 1,099  | 1,189  | 20,715  | 305                                      | 708                                        | 1,658                                      |
|                  | Orasel (ORS 2 + Zinc 10 tablets)          | 75,179 | 53,332 | 215,969 | 17,730                                   | 29,206                                     | 64,705                                     |

## ACRONYMS

|           |                                                    |
|-----------|----------------------------------------------------|
| ACT       | Artemisinin combination therapy                    |
| AIDS      | Acquired immunodeficiency syndrome                 |
| ART       | Antiretroviral therapy                             |
| CHW       | Community health worker                            |
| CYP       | Couple years of protection                         |
| DALY      | Disability adjusted life year                      |
| DOTS      | Directly observed treatment, short-course          |
| EC        | Emergency contraception                            |
| FO        | Franchising Officer                                |
| GHG       | Global Health Group                                |
| GP        | General practitioner                               |
| HIV       | Human immunodeficiency virus                       |
| INGO      | International non-governmental organization        |
| IPC       | Interpersonal communicator                         |
| IUD       | Intrauterine device                                |
| KO-Tab    | Insecticide treatment tablets                      |
| Kyat or K | Myanmar currency                                   |
| M.B.B.S.  | Bachelor of Medicine and Bachelor of Surgery       |
| MMA       | Myanmar Medical Association                        |
| MOH       | Ministry of Health                                 |
| NGO       | Non-governmental organization                      |
| OBGYN     | Obstetrician/gynecologist                          |
| OK        | Brand of condoms                                   |
| ORS       | Oral rehydration salts                             |
| PLWHA     | Persons living with HIV/AIDS                       |
| PPP       | Purchasing Power Parity                            |
| PSI/M     | Population Services International/Myanmar          |
| RDT       | Rapid diagnostic test                              |
| RH        | Reproductive health                                |
| SES       | Socio economic status                              |
| STI       | Sexually transmitted infection                     |
| SPH       | Sun Primary Health                                 |
| SQH       | Sun Quality Health                                 |
| TB        | Tuberculosis                                       |
| TBA       | Traditional birth attendant                        |
| TMO       | Township medical officer                           |
| UNFPA     | United Nations Population Fund                     |
| USAID     | United States Agency for International Development |
| USD       | United States dollar                               |
| WHO       | World Health Organization                          |





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