MSI Clinical Social Franchising
Case Studies Series

BlueStar
Healthcare Network

BlueStar Healthcare Network
Marie Stopes International - Ethiopia
January 2010

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MARIE STOPES INTERNATIONAL
Ethiopia

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1 Executive Summary

Ethiopia's for-profit private health sector has grown to a remarkable 40 percent of all facilities in the country since the end of the socialist military period in 1991.[1] However, these private clinics and hospitals provide less than 6 percent of all family planning services[2], indicating an underused capacity. With one in three currently married women facing unmet need for family planning, the private sector can contribute more to increasing quality access as a complement to government coverage. Ethiopia's national Health Sector Strategic Plan (HSDP-III 2005/6-2009/10) calls for more than doubling family planning service coverage as well as partnering with the private sector to scale up all maternal and child health interventions.

The BlueStar Ethiopia social franchise

BlueStar Ethiopia is a fractional social franchise operated by Marie Stopes International Ethiopia (MSIE). The goal is to expand and standardize sexual and reproductive health services in the private sector, thereby contributing to improved access to quality health care for Ethiopians. BlueStar currently supports family planning and safe abortion services and will soon include HIV counselling and testing and STI management services in many of the franchise project areas.

At this time, the franchise comprises 207 private clinics who have all signed an agreement with MSIE to become members of the franchise network. As part of membership benefits, BlueStar franchisees receive training, on-site technical assistance, free or subsidized equipment, and at-cost or subsidized commodities with a free delivery service. In exchange, they accept routine monitoring visits, report monthly service statistics, and adhere to clinical protocols and other terms laid out in the BlueStar agreement.

BlueStar Ethiopia was first piloted in 2007 before entering a two-year scale-up phase in August 2008. Franchisees are located in urban and peri-urban areas of three Regional States – Oromia, Amhara and SNNP – where both the population and the numbers of private clinics are highest. Clients are generally lower to middle income women of reproductive age who reside in the same urban areas or within surrounding rural communities. Over the sixteen months of the scale-up phase, more than 50,000 couple years protection (CYPs) have been delivered to clients through the BlueStar franchisees.

To date, BlueStar Ethiopia has committed most of its efforts to franchisee recruitment and training, as well as getting logistics systems up and running. 2010, the second year of the two-year scale up, will be dedicated to promotion and demand creation to connect more clients with the BlueStar franchisees.

This case study is intended for external experience sharing and to strengthen the body of knowledge on social franchising. BlueStar Ethiopia's current operations, challenges and lessons learnt have been described.

Case study methodology

This case study was conducted using largely qualitative methods. The study has applied the standard template provided by the Global Health Group as adopted by an international consortium of social franchisors in November 2008. Qualitative inquiry was carried out in Oromia Regional State near Adama city by an external consultant. Six BlueStar Ethiopia staff, five franchisees and two female clients were interviewed. No other clients were available. Franchisee interviews were conducted with four nurses and a medical doctor, male and female, in one regional city and three smaller towns. In addition, a brief review of available program documents, service statistics and financial information was conducted.

With one in three currently married women facing unmet need for family planning, the private sector can contribute more to increasing quality access as a complement to government coverage.

A client and her attendant present at a BlueStar Ethiopia franchisee.

[1] FMoH. Health and health indicator report 2007. Planning and Programming Department.
[2] Ethiopia Demographic and Health Survey 2005

2 Context

2.1 National population and health status

Summary statistics[3]	
Population (2005)	77,431,000
Percent urban/rural	16% / 84%
Gross national income per capita (int.$ 2004)	$810
Life expectancy at birth m/f (2004)	49/51
Probability of dying under five (per 1000 live births, 2004)	166
Total expenditure on health per capita (int. $ 2003)	20
Total expenditure on health as % of GDP (2003)	5.9
Percent of total expenditure on health that is private (2003)	41.6
Percent of private expenditure on health that is out-of-pocket	78.7
Maternal mortality rate - MMR (per 100,000 live births, 2000)	850
Unmet need for family planning[4]	34%
Contraceptive prevalence rate – CPR (2005)[5]	14.7%
Contraceptive prevalence rate – modern methods (2005)[6]	13.9%
Total fertility rate – TFR (2005)[7]	5.4
Adult HIV prevalence (2003) / (2005)[8]	4.4% / 1.4%
Adult literacy	41.5%

Population. In 2005, the country's population was estimated at 77,431,000, of which the great majority (85 percent) lives in rural areas. Ethiopia is the second most populous country in sub-Saharan Africa and is home to one in ten of the region's inhabitants. Nearly a quarter (23.9 percent, or 18 million) is composed of women of reproductive age and 45 percent of the population is less than 15 years of age. Over the last ten years the average annual rate of population growth has stood at 2.6 percent. The country's population is projected to surpass 100 million by 2025.

Fertility. The Total Fertility Rate (TFR) in Ethiopia is 5.4 live births per woman, with wide differences between urban (2.4 children) and rural areas (6.0 children). About 10 percent of total fertility is amongst adolescent girls aged 15-19. Fertility changed very little between the 2000 and 2005 EDHS (5.5 and 5.4 children).[12]

Fertility preferences and unmet need for FP. Over three-quarters of currently married Ethiopian women want either no more children (42 percent) or want to delay pregnancy for more than 2 years (35 percent). One in three currently married women has an unmet need for family planning (34 percent). 16.2 percent of births are unwanted and 18.7 percent are wanted later.[13]

FP and current method preferences. 13.9 percent of currently married women are using a modern method of contraception. This represents a two-fold increase since 2000, mostly owing to a rapid rise in the use of injectables. During the same time, use of modern contraceptive methods more than tripled in rural areas although without an accompanying reduction in fertility.[14]

Short-term methods such as pills and injectables are the methods used by 94 percent of contracepting women. In contrast, the EDHS indicates that long-term methods (LTM), in particular implants and IUDs, remain amongst the least used modern methods of contraception, or by less than three percent.[15]

[3] Unless otherwise stated, data obtained from WHO Country Health System Fact Sheet Ethiopia 2006
[4] Ethiopia DHS 2005
[5] Ethiopia DHS 2005
[6] Ethiopia DHS 2005
[7] Ethiopia DHS 2005
[8] Ethiopia DHS 2005
[9] Ethiopia Demographic and Health Survey 2005
[10] WHO Country Health System Fact Sheet Ethiopia 2006
[11] Ethiopia Demographic and Health Survey 2005

HIV/AIDS. An estimated 3.5 percent, or 1.32 million people, were living with HIV in 2005.[16] Prevalence is higher amongst females (4 percent) and in urban populations (10.4 percent). Each day 368 Ethiopians die of AIDS-related causes, and more than a quarter million are in need of ARV therapy. Just 5 percent of the general population reports ever having attended voluntary testing and counselling services.[17]

Safe motherhood and abortion. In Ethiopia, one in seven women dies from pregnancy-related causes and nearly a third of all maternal deaths is the result of complications arising from unsafe abortion.[18] [19] Based on the evidence, in 2005 the Ethiopian Federal Government reformed its laws and issued clinical guidelines for the safe termination of pregnancy services. The law now states that an abortion is legal if the pregnancy is caused by rape or incest, or for physical or mental health of the woman, or when the continuation of pregnancy endangers the life of the child or when the fetus has an incurable or serious deformity Minors who are unable to raise a child are also allowed access to safe abortion. Recognized medical institutions and professionals are not punishable for termination of pregnancy.[20]

A family planning client is attended by a BlueStar Ethiopia franchisee.

2.2 Health care system

According to the Federal Ministry of Health (FMoH), Ethiopia has over 4300 health facilities to meet the needs of the population. Half (51 percent) of all facilities are public, 9 percent are private not-for-profit and 40 percent are private for-profit.[21] However, the public sector appears to provide a far greater share of all health services including family planning services (80 percent) nationally.[22]

Ethiopia has more than 20,000 qualified health professionals of which roughly 2000 are physicians, 1200 are health officers and 16,000 are nurses.[23] This represents a very low density for the population size of nearly 80 million.[24] According to WHO, Ethiopia is one of 57 countries in the world with most critical shortage of health workers. Rural areas are of particular concern. [25] [26]

Regarding health financing, total expenditure on health is estimated at 4.3 percent of GDP and private expenditure accounts for two-fifths. Of private expenditure, nearly four-fifths is out of pocket.[27] Public services are free for the poor at the point of care. In 2003, health expenditure was about 10 percent of total national spending.[28] The majority of national health coverage is paid for through tax revenues with donor funds contributing 32 percent of total health funding in 2000 (National Health Accounts 2000).[29] The total budget for FP commodities was 55.2 million ETB (4,370,000 USD) in 2009, which represents about 24 US cents per woman of reproductive age.[30-] Clients access government-procured commodities for free only through public facilities.

2.3 The private sector

Ethiopia's private sector emerged in 1991 at the fall of the Derg socialist military period. In less than twenty years the private health sector has expanded to about 1800 for-profit and 400 non-profit private clinics and hospitals.[31] Roughly a quarter of Ethiopia's physicians now work in private sector.[32] The FMoH notes that the private sector continues to grow in size and scope, thereby offering opportunities to enhance health service coverage through public-private partnerships.[33] The Minister of Health has stated that, "encouraging the private sector…along with building the capacity of health professionals at all levels, are the most adept means to making a difference in the health

[12] Ethiopia Demographic and Health Survey 2005
[13] Ethiopia Demographic and Health Survey 2005
[14] Ethiopia Demographic and Health Survey 2005
[15] Ethiopia Demographic and Health Survey 2005
[16] Note: there have been both higher (4.4 percent, UNAIDS) and lower (1.4 percent, EDHS) estimates in recent years
[17] Federal Ministry of Health of Ethiopia. AIDS in Ethiopia: 6th Report. Ministry of Health/ HIV/AIDS National Prevention and Control Office. 2006
[18] Ipas. Reducing unsafe abortion in Ethiopia. 2009
[19] Federal Ministry of Health of Ethiopia. Ministry of Health 2006
[20] Criminal Code (2005), Proclamation No. 414/2004, Article 551
[21] FMoH. Health and health indicator report 2007. Planning and Programming Department.
[22] Ethiopia Demographic and Health Survey 2005
[23] FMoH. Health and health indicator report 2007. Planning and Programming Department.

sector."[34] In June 2009, the country's first-ever private health sector exhibition was held in Addis Ababa, further signifying the sector's increasing importance and collective contribution to national public health needs.[35]

2.4 Regulatory environment

Private clinic licenses are issued by the Regional Bureau of Health, requiring annual as well as random inspection visits. Ethiopian health regulations demarcate three distinct levels of private clinics, referred to as lower, Medium and higher. Clinics levels have specific staffing, facility and equipment requirements and certain medical procedures may be restricted to designated levels.

Certification of health professionals is overseen by relevant academic institutions for each cadre. Upon graduation, individuals have to pass a board exam in order to practice their profession. Health professionals can open either lower, Medium or higher private clinics according to their cadre limitations, assuming facility and equipment requirements are also met.

The Drug Administration and Control Authority (DACA) of Ethiopia oversees the registration and regulation of pharmaceuticals in the country.

2.5 Franchisor relationship with government

MSIE is a locally established organization and BlueStar is a registered trademark, both in accordance with the laws of Ethiopia.

From the Minister of Health…

> "Encouraging the private sector…along with building the capacity of health professionals at all levels, are the most adept means to making a difference in the health sector."
>
> — *Dr. Tedros Adhanom Ghebreyesus*

The relationship between BlueStar Ethiopia and Ethiopia's Federal Ministry of Health (FMoH) is collaborative and close communication is maintained. BlueStar project documents are submitted to and signed by Regional Health Bureaus in Oromia, Amhara and SNNP. The Regional Health Bureau provides BlueStar with private clinic registrations lists for mapping, while BlueStar invites Regional Health Bureau officials to launch ceremonies and periodic meetings. The Regional Bureaus of Health expect quarterly reports from BlueStar as a minimum communication standard.

2.6 Market niche

Although the private sector is relatively new, Ethiopia is signalling rapid development conducive to social franchising (see also 2.3). In 2000, Pathfinder International trialled the social franchising model by implementing the Biruh Tesfa Health Network in Ethiopia. A 2007 review of the project concluded that the current environment has since become much more favourable to private provider networks than the Ethiopia of 2000 when it started.[36] In addition, commercial franchising has grown in other areas such as fast food outlets and cafés. Meanwhile, the NGO DKT Ethiopia has been applying social marketing techniques to drive demand for FP commodities and other health products for about 20 years – and with considerable success. Between 2002 and 2007, DKT distributed about 75 percent of all condoms in the country.

While the private sector has indeed been growing, private clinics have often remained limited in the range of SRH services on offer. Many BlueStar-supported services were previously available only in specialist, higher clinics frequented by high-income clients of Addis Ababa and other big cities. The new BlueStar clinics, all located outside the capital city, are unique for making the range of services available to lower and middle income clients.

BlueStar staff also feel the franchised clinics fill a strong market demand for confidentiality and privacy. Based on the experiences of running MSIE Centres, staff have observed desire for privacy from clients seeking SRH services and in particular those seeking safe abortion services. BlueStar can provide clients far greater privacy, since walking through the clinic entrance does not reveal that any specific service is being sought.

[24] WHO Country Health System Fact Sheet Ethiopia 2006
[25] WHO. Country case study: Ethiopia's human resources for health programme. 2008
[26] FMoH. Health Sector Strategic Plan 2005/6-2009/10. Planning and Programming Department 2005.
[27] WHO Country Health System Fact Sheet Ethiopia 2006
[28] WHO Country Health System Fact Sheet Ethiopia 2006
[29] FMoH. Health Sector Strategic Plan 2005/6-2009/10. Planning and Programming Department 2005.
[30] FMoH. Health Sector Strategic Plan 2005/6-2009/10. Planning and Programming Department 2005.
[31] FMoH. Health and health indicator report 2007. Planning and Programming Department.
[32] Kombe, Gilbert MD. Lessons from implementing TB and HIV/AIDS services through the private health sector in Ethiopia. PSP-One. 2009
[33] FMoH. Health Sector Strategic Plan 2005/6-2009/10. Planning and Programming Department 2005.
[34] Walta Information Center website accessed November 2009.. http://www.waltainfo.com.
[35] FMoH website accessed November 2009. http://www.moh.gov.et/index.php?option=com_content&view=article&id=263&Itemid=245

3 Business Model

3.1 The model

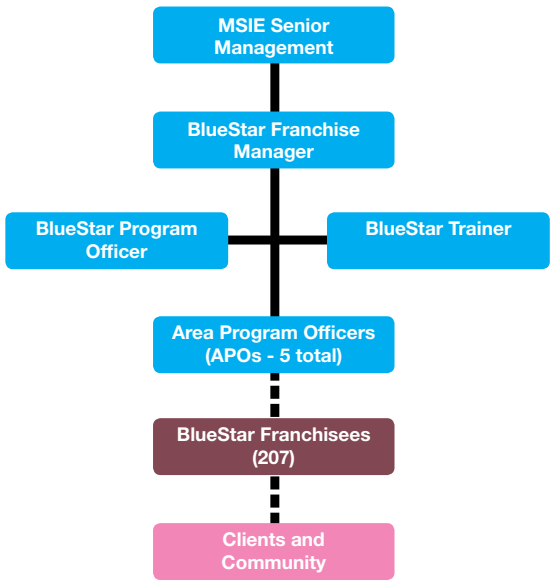
BlueStar Ethiopia uses a fractional franchise model in order to increase availability of quality sexual and reproductive health (SRH) services in existing private clinics. Franchisees receive training, on-site technical assistance, free or subsidized equipment, and at-cost or subsidized commodities with free delivery service. In exchange, they permit routine monitoring visits, report monthly service statistics, pay annual membership fee and adhere to clinical protocols and other agreed terms laid out in the BlueStar memorandum of understanding.

3.1.1 The franchisor

Background. Marie Stopes International (MSI) is a UK-based non-profit that works to prevent unintended pregnancies and unplanned births in 42 countries around the world. Founded in 1976, MSI delivers a range of SRH services according to the country context. In most countries, MSI owns and operates clinics. In eight countries, including Ethiopia, MSI operates social franchises under the BlueStar, Suraj, and Amua brands.

Marie Stopes International Ethiopia (MSIE) is a locally registered NGO operating since 1990 as an implementing partner to MSI. MSIE initially began with stand-alone clinics in Addis Ababa geared towards post abortion care service and short-term FP methods. Over the years, MSIE has grown to run 24 clinics, called MSIE Centres, across Ethiopia with a wider range of SRH services, including information, counselling and provision of short-term, long-term and permanent FP methods, gynaecological consultations, child health care, STI management and laboratory services. In 2009, MSIE provided 1650 tubal ligation and vasectomy services and 37,000 implant and IUDs, making it a major contributor to national service provision in long-term (LTM) and permanent FP methods.

BlueStar Ethiopia Organizational Structure



Outreach has been an important MSIE model of service delivery, although shifts are underway to increase efforts in private sector channels. MSIE also implements community-level health programs in non-clinical venues, such as community-based distribution, school and youth centre programs.

The BlueStar Ethiopia social franchise was first piloted in 2007 and then officially launched with a two-year scale up grant in August 2008. The goal is to expand and standardize SRH services in the private sector, thereby contributing to improved access to quality health care for Ethiopians.

BlueStar administration. The team of BlueStar staff in the Addis Ababa Support Office includes the Social Franchise Manager, the Program Officer and the Trainer.

The Social Franchise Manager, who has full oversight responsibilities, is assisted by the Program Officer to ensure Area Program Officers (APOs) have all required logistics and support, while the Trainer has the specific task of rolling out practical training.

There are five APOs- based in the three regional states where BlueStar Ethiopia operates; the larger states, Oromia and Amhara, have two APOs each. APOs are responsible for identifying, recruiting and retaining the franchisees (about 40 per APO). During their site visits, they provide supervision andtechnical assistance, identify training needs, collect franchisee reports, deliver subsidized products and commodities and undertake internal audits using checklists. They also facilitate demand creation activities, produce monthly area reports and communicate any issues observed back to BlueStar Ethiopia Support Office.

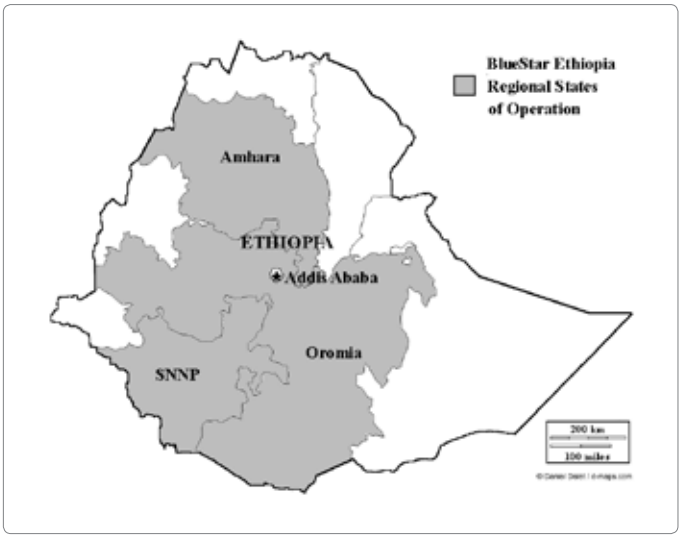
MSIE human resources from the finance, marketing, and monitoring and evaluation departments and the MSIE team of trainers contribute to BlueStar activities as needed. BlueStar Ethiopia and other MSI social franchises receive technical support from MSI's Global Social Franchising Team based in Kenya.

3.1.2 The franchisees

BlueStar is currently made up of 207 franchisee private clinics located in Oromia, Amhara and SNNP. BlueStar Ethiopia franchises the clinic itself rather than individuals, and the BlueStar brand name is added to the existing private clinic name.

In Ethiopia, one in seven women dies from pregnancy-related causes and nearly a third of all maternal deaths is the result of complications arising from unsafe abortion. In lower clinic franchisees, BlueStar Ethiopia increases quality access to FP methods, while in middle and higher clinic franchisees safe abortion services are also supported. Other services provided by all franchisees include FP counselling and emergency contraception.

PHOTO: Susan Schulman



Ethiopia's FMoH delineates three tiers of private clinics based on facility and staffing requirements that correlate to a permitted range of service delivery. Clinics of any tier can be franchised by BlueStar. Currently, lower clinics comprise about 65 percent of franchisees, Medium clinics comprise 32 percent and higher clinics comprise 3 percent..

Lower clinics are the most prominent in Ethiopia. If staffed by a nurse, lower clinics can offer most BlueStar services – including long-term methods of family planning – but they cannot provide safe abortion services. Medium level clinics are allowed to provide the full franchise service package and generally offer more accessible prices than higher level clinics. Higher clinics are not often franchised due to limited presence outside major urban centres as well as low interest in the delivery of SRH services at BlueStar recommended prices.

BlueStar franchised clinic set up and amenities largely depend on the clinic level. Medium clinics typically contain a waiting area, a consultation and injections room, a laboratory, a procedures room and a recovery room with a few beds. Lower clinics might have a waiting area outside, with a consultation and injections room, a laboratory and a minor procedures room inside.

Most franchised clinics are owned by a sole proprietor who is often a male nurse. BlueStar staff estimate that roughly 20 percent of franchisee employees are female. Two of five interviewed franchisees were also members of professional associations

3.1.3 Target population

BlueStar Ethiopia aims to increase access to quality SRH services in urban and peri-urban areas of Ethiopia. Three regional states were selected due to higher population density and due to the greater presence of private clinics.

Urban and peri-urban are terms defined by the Ethiopian Federal Government. In reality, many of the BlueStar franchisee 'urban' areas are small or medium-sized service towns used by the surrounding agricultural communities as well as by local inhabitants. In interviews, franchisees said that their clients come from lower to middle income levels and may equally be farmers, traders, or students.

So far, BlueStar services are accessed almost only by women. Interviewed franchisees said that FP clients are typically married women with several children, while younger women and students make up the majority of safe abortion clients. Two interviewed BlueStar clients reported choosing the franchisee over free government facilities because of the clinic's good reputation in the local community.

3.1.4 Services offered under BlueStar Ethiopia

In lower clinic franchisees, BlueStar Ethiopia increases quality access to FP methods, while in Medium and higher clinic franchisees safe abortion services are also supported. Other services provided by all franchisees include FP counselling and emergency contraception.

Franchisees do the majority of their trade in curative services. BlueStar service provision was said to account for between 15 to 50 percent of total client loads amongst five interviewed franchisees. All felt that the BlueStar range of SRH services made them exceptional compared to other private clinics in the area, as women generally have to attend a specialist gynaecologist at very high fees to receive such services. Overall, franchisees remarked that their client loads for BlueStar services have increased.

BlueStar Ethiopia services

All franchised clinics:

- ✓ FP counselling
- ✓ Condoms, pills & injectables
- ✓ Emergency contraception
- ✓ Implant
- ✓ IUD
- ✓ BTL, vasectomy referral
- ✓ Safe abortion referral

Medium and higher franchised clinics:

- ✓ Medical abortion
- ✓ Manual vacuum aspiration
- ✓ BTL, vasectomy (3 franchisees)

Safe abortion. BlueStar Ethiopia supports two safe abortion services: manual vacuum aspiration (MVA) and medical abortion (MA). For MA, MSIE and BlueStar has made mifepristone and misoprostol combination therapy available for the first time in Ethiopia. Several franchisees were trained in MVA prior to franchising, but few were actually providing the service. BlueStar Ethiopia emphasizes the integration of FP and safe abortion services.

Roughly 10 percent of Medium and higher clinic franchisees have opted not to provide safe abortion services and instead refer clients to other BlueStar franchisees. About 85 percent of the remaining franchisees who wish to provide safe abortion have completed MA training and are already engaged in service delivery. Fewer have completed BlueStar MVA training (one-third).

Overall, franchisees said that the introduction of safe abortion services, especially MA, has been amongst the biggest changes to the clinic since joining BlueStar Ethiopia. Two franchisees were previously trained in MVA but had never carried out any practical training. They reported being much more confident in their skills after receiving the training and ongoing support with BlueStar Ethiopia.

In addition, franchisees mostly felt that clients were receptive to the integration of FP with safe abortion services. One franchisee estimated that 100 percent of clients accept a FP method following safe abortion services; however, another franchisee reported that abortion clients sometimes claim they have no continuing need for contraception.

FP counselling. Franchisees are required to comprehensively counsel clients on FP methods to ensure the principle of choice, even where some services can only be accessed through referral. Franchisees are given a BlueStar branded pictorial teaching aid to facilitate counselling.

Prior to franchising, FP service provision was typically limited to short-term methods and few franchisees reported ever being trained in comprehensive FP counselling.

Clinical staff at a BlueStar franchisee

A BlueStar client said…

> "I have never been given this [FP] information before, and in light of what I learned I'm choosing instead to get an implant. If I am satisfied with this, I am going to tell everyone I know."

One interviewed client had been using Depo-Provera for years but reported being counselled for the first time when she came to the BlueStar clinic. She said, 'I have never been given this information before, and in light of what I learned I'm choosing instead to get an implant. If I am satisfied with this, I am going to tell everyone I know.' The client also felt that the counselling she had received was an indication of the clinic's quality.

Long-term contraceptive methods. BlueStar long-term FP methods include IUDs (copper T) and implants (Implanon, Jadelle and Sino-Implant II). Implanon is reported to be most popular type of implant amongst both franchisees and clients due to the ease of inserting and removing the single rod.

About 75 percent of all BlueStar franchisees have completed training and practicum for implants, but IUD training has been impeded by low demand and client volumes for franchisees to complete practicum. As a result, just 10 percent of franchisees were able to provide IUDs at the time of the case study inquiry (see 4.2 and 5).

Short-term contraceptive methods. All franchisees receive comprehensive training in FP methods and are expected to offer injectables, pills and condoms. Socially marketed brands of commodities are accessed from DKT Ethiopia detailers. Franchisees reported that Depo-Provera remains the most popular method of modern contraception in their clinics.

Emergency contraception. All franchisees receive training in emergency contraception and keep a supply in stock. Provision of emergency contraception is an opportunity for franchisees to integrate FP information and counselling.

Permanent methods of contraception and referral. Two franchisees directly provide tubal ligation and vasectomy services, while the rest both counsel and refer these clients to scheduled MSIE outreach events or MSIE Centres. If franchisees are trained in permanent method service provision, they are given further technical support through BlueStar. BlueStar does not expect to train additional franchisees in permanent methods for the time being as training requires a significant time commitment away from facilities - with low incentive as clients can rarely afford to pay for services out of pocket.

3.1.5 Commodities and supplies offered under BlueStar Ethiopia

BlueStar Ethiopia supplies franchisees with emergency contraception, copper-T IUDs, three types of implants (Implanon, Jadelle and Sino-Implant II), misoprostol/mifepristone combination tablets, and MVA kits, most of which are acquired from DKT Ethiopia. Franchisees purchase commodities and supplies either at cost or at subsidy (see 3.3.2) from the APO on a bi-monthly schedule. For short-term methods, all franchisees purchase socially marketed brands directly from DKT detailers operating on the ground.

3.1.6 Scalability

BlueStar Ethiopia has already scaled up to 207 franchisees in the first year from 129 in the pilot phase. BlueStar management is now aiming to support these franchisees to operate at higher capacity by increasing client volumes through promotions and marketing. Sustainability will therefore be emphasized prior to expansion, and there are no immediate plans to increase the number of franchisees.

MSIE has recently received an additional sub-grant to support STI syndromatic management and HIV related services in the private sector. BlueStar franchisees located in the targeted regions will benefit.

3.2 Service statistics

Since August 2008, the scale up phase has yielded over 50,000 couple years protection with the major part being delivered in the past 6 months. Notably, CYP generation has risen from about 1,372 per month in January 2009 to about 6,600 per month in December 2009. As more franchisees complete their practical training and promotional activities get underway, BlueStar expects monthly service statistics and related CYPs to grow accordingly.

3.3 Service finances

3.3.1 Prices for commodities and services

BlueStar Ethiopia has set prices for LTM and safe abortion services. Franchisees are free to offer further discounts from the set price. Short-term methods are sold at the franchisee's discretion, but they are mostly DKT socially marketed brands with a suggested retail value printed on the packaging.

BlueStar Ethiopia prices

Service	ETB	USD
IUCD insertion	25	2.00
Implant insertion	20-30	1.60–2.40
Medical abortion	125	9.90
MVA	125	9.90

BlueStar management expressed that pricing is a difficult issue within the franchise. The prices have been set in consideration of the subsidized commodity or supply cost, service time and small profit margin. However, little market research has been done because so few private providers in Ethiopia offer the services supported by BlueStar, and therefore market rates do not really exist. In fact, one staff member said the market rate could be considered as 'free' because the main providers of these services are government facilities. The current thinking is that some commodity and supply subsidies must be very high to keep prices low enough to compete with the free government services, such as for implants. BlueStar staff also explained that demand for LTM is weak in Ethiopia and prices must be low enough to facilitate early adopters.

Interviewed franchisees said BlueStar prices are acceptable to them, and three of five said that they only adjust prices to offer discounts. Most franchisees have visited MSIE Centres for practical training and reasoned that BlueStar prices should not be lower than those posted in MSIE Centres, while setting them at the same price was deemed fair. All franchisees believed that their services were far cheaper than those found in other private clinics.

Total services and commodities provided by BlueStar Ethiopia, September 08-November 09

Service \ Quarter	Sept-Nov 08	Dec 08–Feb 09	Mar-May 09	Jun-Aug 09	Sept-Nov 09	Total	Total CYP
IUD (Copper T) insertion	19	57	30	48	138	292	1606
IUD removal	10	2	18	5	3	38	-
Implant insertion	~	25	191	493	976	1,685	5898
Implant removal	2	11	28	77	57	175	-
Injectables (3 month)	5,529	11,458	22,453	24,429	26,872	90,741	22685
Pills (cycles)	2,121	4,154	6,965	7,058	8,555	28,853	2060
Male condoms (pieces)	639	2,106	4,500	4,621	6,037	17,903	179
Emergency contraception	227	250	724	842	1,078	3,121	343
Medical abortion	~	190	813	1,370	1,533	3,906	7812
MVA	~	63	218	525	667	1,473	2946

3.3.2 Subsidies

BlueStar membership allows franchisees to access significant subsidies. Implants and MVA kits are heavily subsidized, with franchisees paying between 10 to 50 percent of the cost. Implant subsidies were raised when franchisees complained they had trouble competing with free government services. This has helped them to keep prices very low, which BlueStar management feels is important until demand for LTM services increases.

Franchisees are given IUD insertion kits and implant trockers after completing training. Meanwhile, BlueStar Ethiopia has slowly begun applying a performance-based approach to all franchise subsidies and intends to continue this initiative. For example, autoclaves have been given to franchisees as a reward for serving high volumes of LTM clients. IUD practical training is being prioritized for those franchisees that have already put their implant training to good use. Also, branding and refurbishments will be gradually added to franchisee clinics as they demonstrate continuing interest in BlueStar service delivery, rather than completing all clinic upgrades, painting and signage at the first moment of membership.

3.3.3 Price enforcement mechanisms

In general, BlueStar management feels that pricing is not an area to strictly enforce since many franchisees offer discounts or free services to poor clients and then recover costs by applying a sliding scale. BlueStar Ethiopia encourages posted display of the set prices, although none of the franchisees visited had done so. Evidence of overcharging is dealt with diplomatically in discussion with the franchisee. Interviewed franchisees described BlueStar prices as 'recommended' rather than 'mandatory'.

Looking forward, client exit surveys (planned for first quarter 2010) and mystery clients will be used to monitor franchisee pricing.

3.3.4 Payment sources

BlueStar clients pay out of pocket for goods and services. Franchisees interviewed did not offer credit but reports of discounts or free services were common. Client inability to pay was said to be highly variable to the location.

3.3.5 Insurance and vouchers

Ethiopia does not have a national insurance plan, and no franchisees are accredited with any type of insurance.

Vouchers have not yet been used in SRH programming in the country. BlueStar Ethiopia recently received funding to introduce vouchers as a mechanism to increase accessibility to and demand for HIV/STI-related and FP services. Vouchers will be sold by reproductive health agents at the community level (*see 4.3.7*).

3.4 Franchisee finances

3.4.1 Franchise operation costs

BlueStar Ethiopia is currently operating on a grant of 22,800,000 ETB (about 1.8 million USD) for the two-year scale up phase. According to financial records to date (Sept. 2008 – Nov. 2009), BlueStar Ethiopia allotted most expenditure to program overheads including staff salaries (52 percent), medical supplies and equipment (23 percent), promotions (12 percent), monitoring (8 percent) and other maintenance costs (5 percent). Franchisee training costs are largely contained within overheads, as trainers are permanent staff of BlueStar Ethiopia and MSIE.

The scale-up phase implementation to date has yielded over 50,000 couple years of protection (CYPs). Operation cost per CYP averages at about $8.16 USD. Using an average monthly expenditure, total cost per franchisee is running at just under 1,400 USD per year. These figures do not take into account the one-time expenditure of three new BlueStar vehicles that has yet to appear on the financial summary. Including the cost of the vehicles will markedly increase cost/CYP and cost/franchisee over the short-term.

3.4.2 Cost-sharing with other activities or programs

BlueStar Ethiopia has a distinct budget from other MSIE activities and programs. MSIE human resources are used to support the franchise from outside BlueStar Ethiopia's direct budget line, such as those within the communications, IT, human resources and finance departments. In addition, the MSIE team of clinical trainers is called upon to assist the BlueStar Trainer with franchisee training.

3.4.3 Donors

BlueStar Ethiopia currently operates with funding from an anonymous donor. An additional sub-grant has been approved from PEPFAR/Save the Children USA to make quality STI and HIV related services available through BlueStar franchisees and other private clinics.

BlueStar Ethiopia operation costs	ETB	USD
Cost/CYP (average to date, excluding vehicles)	103.34	8.16
Annual cost/franchisee (12 month average, excluding vehicles)	17,430.18	1,376.11

4 Franchise Operations

4.1 Franchisee relations

4.1.1 Franchisee selection

BlueStar Ethiopia is targeting the three most populated regional states in the country. In addition, Oromia, Amhara and SNNP have the greatest numbers of private clinics and all contain MSIE Centres for BlueStar training and referral purposes.

BlueStar Ethiopia locates private clinics in the three regional states using licensing lists from the Regional Health Bureaus. A baseline interview questionnaire is then implemented to assess both private clinic standards and eligibility for the selection process.

Licensing and professional qualifications are verified as a matter of first priority. BlueStar Ethiopia then examines the clinic level, geographic criteria and other considerations (see box) when comparing new franchisee candidates.

BlueStar Ethiopia's target tier for franchisees is the Medium level clinic, which can offer the full franchise service package at more accessible prices than higher level clinics. Lower clinics are the secondary target: if owned by a nurse, they can offer LTM, but none can provide safe abortion services. However, they are the most prominent on the ground and are essential to building a strong geographic spread for BlueStar, including referral linkages. They are also most used by lower income groups. Higher clinics are not targeted due to a relatively low interest in the delivery of SRH services and minimal presence outside large urban centres.

4.1.2 Franchisee recruitment

During recruitment, the APO visits candidates to discuss the potential benefits, requirements and expectations of BlueStar membership. The candidate is then invited to attend a 3-4 day BlueStar theoretical training course covering FP counselling, emergency contraception and BlueStar Health Network familiarization. Completion of the course ends the recruitment phase and a contract is signed with the new franchisee.

The BlueStar Trainer then makes arrangements for each new franchisee to carry out practical training at an MSIE Centre, outreach or government health facility. There is therefore a period during which new franchisees have joined BlueStar Ethiopia but have not yet completed training to offer priority services. Franchised clinics are not branded until training is carried out and service provision is underway.

Most interviewed franchisees had not heard about BlueStar Ethiopia prior to being visited by the APO. Some said they were attracted to join based on MSIE's reputation in the country, while others desired to benefit from training and supplies.

BlueStar Ethiopia franchisee selection criteria summary

- ✓ Licensed with Regional Health Bureau
- ✓ Owned or staffed by a nurse or higher cadre of health professional (especially lower clinics)
- ✓ Interested in SRH services/ potential level of commitment (especially for Medium/higher clinics)
- ✓ Willing to attend training
- ✓ Willing to keep records & report
- ✓ No continuous or branded relationship with another NGO
- ✓ Clinic draws reasonable client loads
- ✓ Owner is full-time (preferably)

Geographic coverage criteria

- ✓ Located in target regions
- ✓ Brings BlueStar coverage to new area
- ✓ Medium clinics prioritized when at a distance from MSIE Centres(to expand access to contraceptives in un reached areas)
- ✓ Lower clinics prioritized when near MSIE Centres (to expand access to contraceptives in un reached areas)

BlueStar Ethiopia has not experienced major challenges in recruiting new franchisees except the unavailability of medium clinics and in some cases even lower clinics in some areas. Recruitment is now complete for the funding cycle except to replace occasional openings.

4.1.3 Franchise contracts

Formal contracts are used in establishing the relationship between MSIE and BlueStar franchisees. Neither BlueStar staff nor franchisees reported any trepidation when signing.

The contract, as drafted by MSIE's legal advisor , has duration of two years and is renewable in writing. Both parties and two witnesses sign the contract at completion of the first training. A pre-addressed notice form is provided with the contract to use should either party wish to leave the agreement.

Terms within the contract clarify franchisee and franchisor obligations. BlueStar Ethiopia commits to providing training, providing equipment and supplies at subsidized rates, carrying out demand creation activities and monitoring quality. Franchisees commit to participating in demand creation activities, using BlueStar provided materials for the intended services, paying annual membership fees and adhering to the price structure. In terms of quality, they commit to informing BlueStar Ethiopia of staff turnover, adhering to FMoH protocols, maintaining requisite equipment and supplies, and record keeping and reporting using standard formats.

4.1.4 Requirements & benefits of enrolment

Membership requirements and benefits are extensively outlined in the BlueStar Health Care Network Franchisee Manual.

4.1.5 Ongoing membership fees

BlueStar franchisees pay an annual fee of 50, 100 or 150 ETB for lower, Medium and higher clinics (roughly 4, 8, or 12 USD). APOs collect, bank and issue a receipt for the fee as they do for any commodities sold through the franchise. BlueStar Ethiopia will now begin collecting fees for the franchisees entering their second year of membership.

4.1.6 Franchisee retention and attrition

Only 37 percent of franchisees involved in the 2007 pilot carried over to the scale up phase. A short document of lessons learnt from the pilot reported that many pilot franchisees were serving higher-income Ethiopians instead of the target population, and suggested there was too much proximity between pilot franchisees and MSIE Centres given existing demand.

To achieve a more complementary composition and improve franchisee retention, BlueStar Ethiopia has greatly rectified its selection criteria (see 4.1.1) and has also recently begun rewarding franchisees for top performance. Free autoclaves have been given in recognition of consistently high LTM service delivery. BlueStar Ethiopia is considering linking performance to many franchise subsidies to further motivate franchisees (see 3.3.2).

The primary mechanism to deal with franchisee conflict is through communication, but BlueStar Ethiopia has also resorted to revoking membership. Since the launch of the scale-up phase, about 22 franchisees have left BlueStar Ethiopia: 12 terminations were due to closing or relocation, while BlueStar Ethiopia dissolved about 10 contracts and intends to dissolve several more. Predominant reasons for removing franchisees have included refusal to be branded, disinterest or inactivity in franchised service provision, non-reporting and failure to attend requisite training. BlueStar management feel that removing franchisees is a necessary part of maintaining a quality franchise, although significant efforts must be made to protect the accessibility of BlueStar services and time and resource investments. BlueStar has therefore developed criteria relating to the appropriateness of defranchising, separating zero-tolerance issues from grey areas requiring more follow-up with the franchisee.

None of the interviewed franchisees were yet aware of criteria or mechanisms in place for expulsion or defranchising at the time of the case study inquiry.

4.1.7 Loyalty and commitment

All interviewed franchisees expressed commitment to BlueStar Ethiopia, albeit to varying degrees. One franchisee – who was recently rewarded a free autoclave for top performance – even covered his heart when he said, “I am BlueStar.” Two others described themselves as highly committed, while the remaining two said that their commitment is dependent on BlueStar Ethiopia’s upholding of the terms.

BlueStar staff feel that the reason for commitment changes with the level of the clinic. They said that lower clinics are more attached to the idea of branding and FP client loads, while Medium clinics are attached to the wider range of BlueStar supported services that distinguish them from their peers. Higher levels were said to be the least loyal and committed.

4.1.8 Communication

The five APOs serve as the major link between the BlueStar Ethiopia head office and franchisees in the three regional states. APOs visit franchisees at least once every two months and contact them by phone once every two weeks as a standard of regular contact.

BlueStar Ethiopia does not circulate a newsletter for franchisees, nor are all franchisees assembled at one time. Franchisee to franchisee networking mostly takes place during training, although BlueStar Ethiopia wishes to strengthen these connections in the future. Franchisee meetings were conducted in two towns to explore experiences and concerns based on a suggested agenda. Such meetings are planned to be conducted annually in each of the regions where BlueStar operates.

BlueStar Ethiopia benefits	BlueStar Ethiopia requirements
✓ Training	✓ Receiving supervision/monitoring visits
✓ Technical assistance	✓ Adherence to standards and protocols in service provision
✓ Subsidized commodities & equipment	✓ Record keeping and reporting
✓ Guaranteed supply availability	✓ Annual membership fee
✓ Promotions & demand creation events	✓ Adherence to BlueStar service pricing
✓ Branding & signage	✓ Participation in demand creation events
✓ Wider range of services	✓ Appropriate use of BlueStar logo
✓ More clients & revenue	

4.2 Promotions and marketing

To date, BlueStar Ethiopia has largely focused on recruitment, training, branding and establishing logistical support systems for service delivery. BlueStar Ethiopia intends to dedicate 2010 to increasing promotional efforts and demand creation.

At the stakeholder level, BlueStar Ethiopia hosted a 2008 launch ceremony that brought together the new franchisees, BlueStar staff, Regional Health Bureau officials and local media in order to galvanize support for BlueStar objectives. The event was broadcast on TV and radio channels to put the first word out about BlueStar Ethiopia.

In interviews, clients and franchisees felt that word-of-mouth is the most important means of promotion. BlueStar Ethiopia has printed brochures in several languages for franchisees to send home with clients to encourage word of mouth. Brochures describe BlueStar services and include a list of franchisee contact information stapled to the inside.

Only a few promotional activities have been trialled at the community level. BlueStar Ethiopia has done some local radio advertising and will resume this in 2010. A handful of free LTM service days were held but received low client turnout.

Both franchisees and BlueStar staff reported that low community awareness of services is a major barrier to demand and felt that significant, sustained efforts will have to be made in this regard. As one franchisee said, “We counsel them one by one, but too often it’s the first time they have ever heard of long-term methods. It’s hard for clients to adopt a new method immediately.”

BlueStar Ethiopia has therefore decided to ‘start big’ by contracting a marketing agency to carry out a road show for 47 towns where BlueStar clinics are located in December 2009. This will include crowd-drawing floats, music, theatre skits and a talent show. BlueStar posters will be put up ahead of time and free raffle tickets will be distributed, the stub of which participants have to drop at a franchisee location for the chance to win a prize during the show. Community members will therefore be encouraged to visit the BlueStar clinic prior to attending the event.

4.2.1 Branding

The BlueStar brand and logo is a locally registered trademark managed by MSIE. The brand has been applied through signage of franchisee clinics and through materials such as the FP pictorial teaching aid, brochures and posters.

Signage is mounted at the street level or on the franchisee’s façade. Large branded posters detailing the available services are printed in vernacular languages appropriate to the franchisee’s area. These are then mounted inside the waiting area or at the entrance.

All franchisees interviewed were positive about being branded and felt that branding makes clients talk more about the clinic. Meanwhile, two interviewed clients at franchisee locations had not noticed the BlueStar logo and did not know what the brand signified.

So far, about three-quarters of franchised clinics have been painted in the BlueStar colours and logo. BlueStar staff said they will gradually roll out more branding and related aesthetic upgrades once franchisees prove their commitment and initiate LTM service provision.

4.3 Logistics

4.3.1 Procurement and delivery processes

BlueStar Ethiopia (and MSIE) commodities and supplies are predominantly acquired through partnership with DKT Ethiopia, a highly active procurement and social marketing non-profit organization. BlueStar Ethiopia only supports supply and delivery of LTM, safe abortion supplies and emergency contraception, while franchisees can purchase short-term methods directly from DKT detailers or other partners. Interviewed franchisees were all pleased with the reliability of the supply chain and none had experienced stock-outs or other problems.

BlueStar Ethiopia purchases supplies on an as needed basis and distributes them to MSIE stores in the three regional states. Supplies for BlueStar Ethiopia and MSIE Centres are separately maintained in the stores, where APOs access them for redistribution.

BlueStar Ethiopia strategies used to date

- ✓ Branding & signage
- ✓ Launch ceremony
- ✓ Brochures
- ✓ Radio advertisements
- ✓ Free event days at franchisee locations
- ✓ Road shows (underway)
- ✓ Reproductive health agents (pilot)

A poster of BlueStar services is on display outside a branded franchisee clinic, Adama

Commodities that are…

Delivered for free and subsidized by BlueStar
- ✓ Implants (Jadelle, Sino-Implant II, Implanon)
- ✓ MVA kits

Delivered for free and sold at cost by BlueStar
- ✓ Emergency contraception (Postpill)
- ✓ Copper-T IUD
- ✓ Medical abortion tablets (combined mifepristone & misoprostol)

Purchased by franchisees from DKT/other agents (largely socially marketed brands)
- ✓ OC pills
- ✓ Injectables
- ✓ Condoms

APOs deliver commodities and supplies to franchisees during scheduled monitoring and supervision visits once every two months. Franchisees are assisted to estimate the appropriate quantities to restock for the period. Should a franchisee run out of supplies sooner than expected, s/he can arrange a pick-up at the MSIE stores in each regional state. BlueStar Ethiopia does not deliver on demand.

One franchisee pointed out that no other organizations or FMoH agencies support the private sector with any kind of regular provision of supplies. This is therefore a unique benefit of BlueStar membership.

4.3.2 Sales inventory and management

BlueStar Ethiopia keeps track of its own sales inventory to franchisees and does not see the need for more complex systems given the current low service volumes. Franchisee sales volumes are determined by monthly BlueStar service statistics as reported using the provided monthly form. This determines the appropriate level of inventory that each franchisee is encouraged to maintain. If franchisees wish to benefit from free BlueStar delivery they must comfortably restock for at least a 2 month period.

A BlueStar client said…

> "If I go to another clinic they just give me a shot of Depo. When I come [to this BlueStar clinic], the nurse takes my blood pressure, asks how I have been feeling and talks to me about family planning."

4.4 Quality assurance

4.4.1 Quality

Across the MSI BlueStar Networks, quality is defined by six guiding principles listed in the box below.

Quality in Family Planning[37]

1. Range of services
2. Choice of methods
3. Information given to clients
4. Technical competence
5. Interpersonal relations
6. Mechanisms for continuity of care & appropriate constellation of facilities

BlueStar Ethiopia developed a Franchisee Manual that contains the standards of clinical operations in line with Ethiopia's national protocols. In addition, franchisees are given a copy of WHO's Family Planning Global Handbook for Providers.

Interviewed franchisees felt BlueStar Ethiopia had positively affected their quality in a wide variety of areas, including their clinical skills, infection prevention, counselling, choice of methods, confidentiality and client treatment.

After stating that she perceived the BlueStar clinic to be of high quality, one client explained, "If I go to another clinic they just give me a shot of Depo. When I come [to this BlueStar clinic], the nurse takes my blood pressure, asks how I have been feeling and talks to me about family planning."

Range of services. BlueStar Ethiopia considers integration of FP and safe abortion services as an essential element of quality. HIV and STI services will soon be added to franchisee locations that fall within targeted areas. The service package aims to address multiple needs of the target population while reducing missed opportunities.

Choice of methods. When LTM practical training is complete, all franchisees will provide at least 5 methods of FP (condoms, pills, injectables, three types of implants, and IUDs). If they cannot provide permanent methods, franchisees are required to counsel and refer clients to other BlueStar franchisees, MSIE Centres or outreaches.

Information given to clients. Comprehensive FP counselling is part of training and is a required service. Franchisees reported improving their counselling skills as a result of franchising.

[37] Bruce J, Fundamentals of quality of care: A simple framework. *Studies in Family Planning*, 1990, 21(2):61-90.

Technical competence. There are several means of assuring franchisee technical competence as presented below.

Means of assuring technical competence

- ✓ Private clinic selection tools and process
- ✓ Franchisee recruitment training with practicum
- ✓ Refresher & additional service training
- ✓ Provision of Franchisee Manual & the Family Planning Global Handbook for Providers
- ✓ Supervision visits and on-the-job training
- ✓ Guaranteed supply of quality commodities
- ✓ MSI internal audit checklist (clinical observation tool) for monitoring

Franchisee adherence to clinical protocols for implant, IUD, MA and MVA is directly observed in practical training by the APO, BlueStar Trainer or other members of the MSIE training team.

Following training and BlueStar certification, APOs plan to observe clinical service provision on an annual basis using MSI's internal audit checklist. To date, few internal audit checklists (16/207) have been carried out due to the challenge of coordinating APO observation visits with client visits. As a partial solution, APOs carry the checklist at all times so that opportunities are not wasted.

Going forward, BlueStar franchisees will be randomly selected for clinical QTA evaluations performed by members of the Marie Stopes International Medical Development Team.

Interpersonal relations. BlueStar training and the Franchisee Manual encourage a respectful, customer-service oriented approach to clients. Franchisees reported improving their approach to customer care as a result of franchising.

Continuity of care. During the franchisee selection process, BlueStar Ethiopia sought to balance reaching underserved areas against maintaining reasonable distance to MSIE Centres for referral. All franchisees providing MA and who have not completed training in MVA must identify a point of referral for complications. BlueStar Ethiopia provides franchisees with referral forms and has begun tracking these as a metric to capture continuity of care.

Franchisee adherence to clinical protocols for implant, IUD, MA and MVA is directly observed in practical training.

4.4.2 Training

Attending training is both a benefit and requirement of BlueStar membership. Failure to attend training has lead to franchisee expulsion. All training is free to the franchisee including a transport and accommodation allowance.

BlueStar franchisee training

- ✓ FP + LTM (3-5 days plus 2 days practicum)
- ✓ FP + MA (3-5 days plus 2 days practicum)
- ✓ FP + MVA (1 week plus 1 week practicum)
- ✓ On-the-job training

During recruitment phase, the APO is responsible for identifying the training needs in order to make the most appropriate arrangements for each franchisee.

The APO, BlueStar Trainer and other members of the MSIE training team work together to carry out the majority of franchisee trainings. Trainers use MSIE's Participants guideline for training and curricula from international organizations such as EngenderHealth and Ipas that are compliant with national guidelines as a reference. Having in-house trainers allows BlueStar Ethiopia significant flexibility in coordinating training. About 15 franchisee providers might attend a theoretical training while practicum is done in smaller numbers, as 4-5 clients are needed per service per trainee. It is otherwise a challenge to complete practical training within reasonable time due to low or unpredictable client volumes, and because of the needed time commitment away from regular service delivery (see section 5). MA, MVA and IUD practicum take place at MSIE Centres, while implant practicum can also take place at MSIE Outreach sites, government health facilities or at other franchisee clinics. BlueStar Ethiopia issues a certificate to the franchisee provider for LTM and safe abortion services at completion of practical training. BlueStar expects to complete all LTM and safe abortion training in early 2010.

The FMoH does not currently coordinate training for private sector providers. No franchisees had ever been trained in medical abortion and almost none had been trained in implants prior to joining BlueStar. In recent years, other NGOs carried out IUD and MVA training in the private sector, with training practicum conducted on models and one-time supplies offered. Many BlueStar franchisees benefited from these initiatives but were inactive in service provision when joining BlueStar.

Looking forward, training in HIV/AIDS prevention services and STI management will take place in coming months. BlueStar Ethiopia also plans to roll out business and customer care support training courses.

[37] Bruce J, Fundamentals of quality of care: A simple framework. *Studies in Family Planning*, 1990, 21(2):61-90

4.4.3 Monitoring and evaluation

To date, most BlueStar Ethiopia monitoring and evaluation activities have focused on the collection of monthly service statistics. Franchisees are provided with standard BlueStar monthly reporting forms to log the total number of new and returning clients for all short-term methods, IUD insertions and removals, implant insertions and removals (by brand), MA and MVA, and any referrals. One APO felt that underreporting is likely for short-term methods and in lower clinics where service delivery is busier. Monthly reporting forms also have a space for franchisees to mention any problems or challenges encountered. All franchisees interviewed understood their reporting duties to BlueStar.

APOs collect franchisee monthly reports, compile them into a monthly summary and send them to the BlueStar head office. Franchisee monthly reports can be read out over the phone if the APO cannot reach the franchisee in due time for compiling the monthly area summary. To date, service statistics are used to indicate BlueStar Ethiopia's overall performance, but BlueStar management plans to increasingly use statistics for franchisee ranking and reward schemes.

A baseline was conducted prior to the pilot phase in 2007. However, about two-thirds of the franchisees did not carry over to the scale up phase and replacements may not have been included in the baseline. This data set is therefore imperfect for measuring precise change following franchising. BlueStar Ethiopia is considering using each franchisee's first submitted monthly report as a replacement baseline tool to measure subsequent change.

Women of reproductive age

A BlueStar client said…

> "If I am satisfied with this implant, I will always send other people."

Meanwhile, QTA clinical compliance audits have faced challenges (see 4.4.1) due to the lack of opportunities for clinical observation. StarScan - an audit of adherence to the business format standards set out in the franchise operations manual - will be started in 2010. Client satisfaction surveys and mystery client surveys are planned for the future.

4.5 Network linkages

4.5.1 Client referrals IN to franchisees

BlueStar Ethiopia has not yet assessed how clients know about franchised services. Interviewed franchisees and clients suggested that word-of-mouth is the most important means. BlueStar Ethiopia has printed brochures (with a list of services and contact information) and franchisee business cards to help encourage word-of-mouth. Franchisees felt that satisfied clients have in fact begun spreading the word as demand for BlueStar services has notably increased. As one client said, "If I am satisfied with this implant, I will always send other people."

In addition, BlueStar Ethiopia is now piloting a community referral system using reproductive health agents to link clients to services.

4.5.2 Client referrals OUT from franchisees

According to BlueStar staff, franchisees ideally refer clients first to another BlueStar franchisee, to a MSIE Centre and finally to a government health facility. This order is not always logistically appropriate and referral is tailored to each franchisee location.

BlueStar Ethiopia lower clinics are encouraged to refer clients to BlueStar Medium and higher clinics, particularly for safe abortion services. Three of five interviewed franchisees reported regularly inter-referring with other BlueStar franchisees, while none referred to any private clinics outside of BlueStar. Franchisees are issued with a booklet of referral cards, a duplicate of which is retained to eventually track whether clients access services at the point of referral.

All franchisees are advised to refer permanent method clients to MSIE Centres (currently just 3 franchisees can provide BTL or vasectomy on site). Most franchisees also reported referring to MSIE Centres for specialist SRH care. When selecting medium and higher clinics for MA training, BlueStar Ethiopia ensures that franchisees establish referral plans in order to handle complications requiring MVA.

4.5.3 Community-based reproductive health workers

The use of Community based reproductive health workers is uncommon in Ethiopia's private health sector. Drawing from models in other countries, BlueStar Ethiopia is now piloting the involvement of community-level Reproductive Health Agents (RHAs) to mobilize clients for services, particularly for LTM. The strategy will be adjusted based on emerging lessons, but is likely to include RHA training in health communication and mobilization, distribution of trackable referral cards, and performance-based compensation for LTM referrals. BlueStar staff and franchisees will co-identify the RHAs who will be community members and preferably satisfied LTM users.

4.5.4 Other organizations

BlueStar Ethiopia has partnered with DKT Ethiopia for the procurement of BlueStar-supported commodities and supplies (implants, IUD, EC, MA tablets and MVA kits). DKT socially markets the emergency contraception and IUD – as well as all short-term methods – which is a boon to community recognition of the methods. BlueStar Ethiopia also benefits from DKT's regular market analysis in order to better determine accessible prices for Ethiopians.

In addition, all franchisees receive visits from DKT detailers who sell socially marketed short-term contraceptives and distribute IEC posters. Detailers can update providers on short-term method service provision and key messages to share with clients.

One interviewed franchisee was part of USAID's PSP-One and was therefore offering HIV and Tuberculosis services including administration of PPM DOTS. He felt participation in the PSP-One project was complementary to BlueStar franchising.

5 Challenges and Opportunities

5.1 Internal challenges

Training. Completing franchisee training continues to be the main challenge facing BlueStar Ethiopia. None of the priority services (LTM and safe abortion) have been fully rolled out to qualifying franchisees. MVA training requires trainees to spend several weeks away from clinics, while low and unpredictable volumes of clients at training sites hinder the completion of IUD practicum. BlueStar Ethiopia addresses the constraint by continually running practicum sessions for very small groups of franchisees (2-3 individuals), which results in about 12 franchisees trained a week (up from 3 earlier in 2009). While remedial strategies have been introduced, training challenges have most likely caused delays in stepping up other BlueStar activities, such as promotion and monitoring.

Client volumes. BlueStar Ethiopia service numbers are currently low. Franchisees reported that poor awareness of BlueStar priority services adds a time burden to comprehensive counselling since clients frequently learn about LTM for the first time during their visit. In addition, BlueStar staff and franchisees said clients tend to associate FP services with government and not private sector facilities. Promotions, marketing and awareness-raising initiatives will have to take on a host of issues to overcome demand-side challenges and begin to build up client volumes.

Limited data poses a challenge to informed programmatic decision making. For example, Ethiopia's DHS has insufficient data on LTM users to indicate a user profile. Client motivations, attitudes and willingness to pay are poorly understood. BlueStar staff suspect that provider bias against LTM may exist, but no in-country studies have explored the issue. Furthermore,

Clinical staff at a BlueStar franchisee

BlueStar Ethiopia's baseline will likely be insufficient for evidence-based decision making owing to franchisee turnover since the pilot phase. Client exit surveys are planned to provide some needed information for the baseline.

5.2 External challenges

Competition. Franchisees do not tend to face competition from other private clinics for BlueStar priority services as they are rarely available. Free services at government facilities are therefore the greatest source of competition. Government health facilities are generally considered the source of FP services and provide 80 percent of FP services in Ethiopia. However, attempting to compete with free services – for example, raising subsidies to further lower prices – could introduce questions of sustainability for the franchise.

5.3 Opportunities

Increased client loads. BlueStar Ethiopia's greatest opportunity is to improve service uptake by introducing wide-impact demand creation strategies, which have already been planned for 2010. Once the word is out, several BlueStar staff members feel that Ethiopian clients will value private sector access to SRH services, especially due to increased privacy and confidentiality.

Vouchers for equity. With the franchised service delivery channel in place, BlueStar is now looking to introduce a voucher scheme to help poor clients overcome cost barriers. These vouchers will present a range of new opportunities – such as tracking the effectiveness of demand creation activities, collecting more client-related data and increasing equitable access. BlueStar's ongoing pilot using community-based reproductive health agents to stimulate service uptake is expected to shed further light on new opportunities for client mobilization.

5.4 Lessons learnt

BlueStar Ethiopia was initially challenged by rapid turnover in senior management. This resulted in a weak pilot phase from which few lessons were drawn. Current BlueStar management said that proper project documentation would have reduced this loss.

Many franchisees have left BlueStar Ethiopia since the pilot phase, and a further 10 percent have left since beginning the scale-up phase. Staff have therefore learned to invest in franchisees more gradually to safeguard limited budget lines such as for equipment, training, branding and painting.

BlueStar Ethiopia has also seen that higher clinics are not well matched to franchise objectives compared to Medium and lower clinics.

Glossary of terms

AIDS	Acquired immunodeficiency syndrome
APO	Area Program Officer
ARV	Antiretroviral therapy
BTL	Bilateral tubal ligation
CHW	Community health workers
CPR	Contraceptive prevalence rate
CYP	Couple-year protection for contraception
FP	Family planning
FMoH	Federal Ministry of Health of Ethiopia
HIV	Human immunodeficiency virus
IUD	Intra-uterine contraceptive device
KDHS	Kenya Demographic and Health Survey
LAPM	Long-acting and permanent methods of FP
LTM	Long-term methods of FP
MA	Medical abortion
MSI	Marie Stopes International (London)
MSIE	Marie Stopes International Ethiopia
MVA	Manual vacuum aspiration
QTA	Quality technical assessment – MSI tool
RHA	Reproductive health agent
SNNP	Southern Nations, Nationalities and People's Regional State
SRH	Sexual and reproductive health
STI	Sexually transmitted infection
USAID	United States Agency for International Development

Acknowledgements

All are sincerely thanked who gave their time in interviewing for this case study.

At MSIE/BlueStar Ethiopia headquarters, thanks go to Country Director Grethe Petersen, Programmes Director Dr. Mesfin Haile, Social Franchise Manager Girma Mintesnot, Programme Officer Andinet Bayissa and Trainer Sr. Woinshet Zeleke for all of their patient explanations and needed input.

During field visits in Adama area of Oromia, Area Program Officer Bekele Hailu and franchisees Abebe Moges, Melaku Chemer, Najat Aman Hamid, Dr. Tilahun Getaneh and Biruk Seifu were most collaborative and generous in their assistance.

Special thanks for the guidance provided by Cynthia Eldridge and Dr. Rehana Ahmed of the MSI social franchising team.

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