

Health Financing

Universal health coverage—access to health care for all without financial hardship—leads to better health and reduced incidence of poverty. Health financing is critical to provide financial risk protection, a component of UHC. It enables equitable access to and use of quality health services, especially for poor and vulnerable populations for whom financial barriers and health risks are greatest. Despite more financial protection of citizens under expanding UHC initiatives in low- and middle-income countries, financing issues still hinder achievement of health goals. The US Agency for International Development (USAID) focuses on strengthening health systems, which have public and private components. Health financing is central to this work.



Jeanna Holtz

In Africa, 11 million people fall into poverty each year due to high out-of-pocket payments for health care.

Approach

SHOPS Plus helps USAID missions and host countries strengthen their health financing mechanisms, including mobilizing resources, pooling health risks, and purchasing services. By engaging the private sector to strengthen components of health financing, the project contributes to greater financial risk protection, increasing use of priority health services and sustaining health outcomes. SHOPS Plus promotes private sector participation in health financing by:

- Expanding health financing programs that include private providers
- Enabling private health actors to participate in UHC initiatives
- Brokering partnerships between public and private purchasers of health services and private providers
- Designing and implementing payment mechanisms for private providers that align incentives to improve health outcomes
- Advocating for inclusive public-private dialogue on the role of the private sector in health financing

Activities

SHOPS Plus supports health financing interventions that enable countries to advance toward UHC through greater engagement with the private sector. Examples include:

Insurance – expand public and private health insurance programs that increase financial risk protection and enable greater access to priority health services, particularly from private providers

Vouchers – implement voucher programs that remove financial barriers for low-income clients to access reproductive, maternal and child, and other health services from private providers

Contracting – build capacity of private health providers, especially small and medium practices that serve low-income clients, to contract with public and private purchasers of health services

Results-based financing – support the design and implementation of results-based payment mechanisms that incentivize private providers to improve efficiency and quality of health care

Private sector resource mobilization – enlist and provide technical support to private sponsors to finance and deliver workplace health programs

Global Financing Facility – advocate for private sector participation in developing investment cases; provide technical support to execute facility-funded private sector activities



Jeanna Holtz

Find Us

shopsproject.org/plus   

Contact Us

info@shopsplusproject.org

Sustaining Health Outcomes through the Private Sector (SHOPS) Plus is a five-year cooperative agreement (AID-OAA-A-15-00067) funded by the United States Agency for International Development (USAID). The project strategically engages the private sector to improve health outcomes in family planning, HIV/AIDS, maternal and child health, and other health areas. Abt Associates implements SHOPS Plus in collaboration with the American College of Nurse-Midwives, Avenir Health, Broad Branch Associates, Banyan Global, Insight Health Advisors, Iris Group, Marie Stopes International, Population Services International, Praekelt Foundation, and William Davidson Institute at the University of Michigan.

This fact sheet is made possible by the generous support of the American people through USAID. The contents are the responsibility of Abt Associates and do not necessarily reflect the views of USAID or the United States government.



4550 Montgomery Avenue
Suite 800 North
Bethesda, MD 20814 USA
Tel: +1.301.347.5000

September 2016