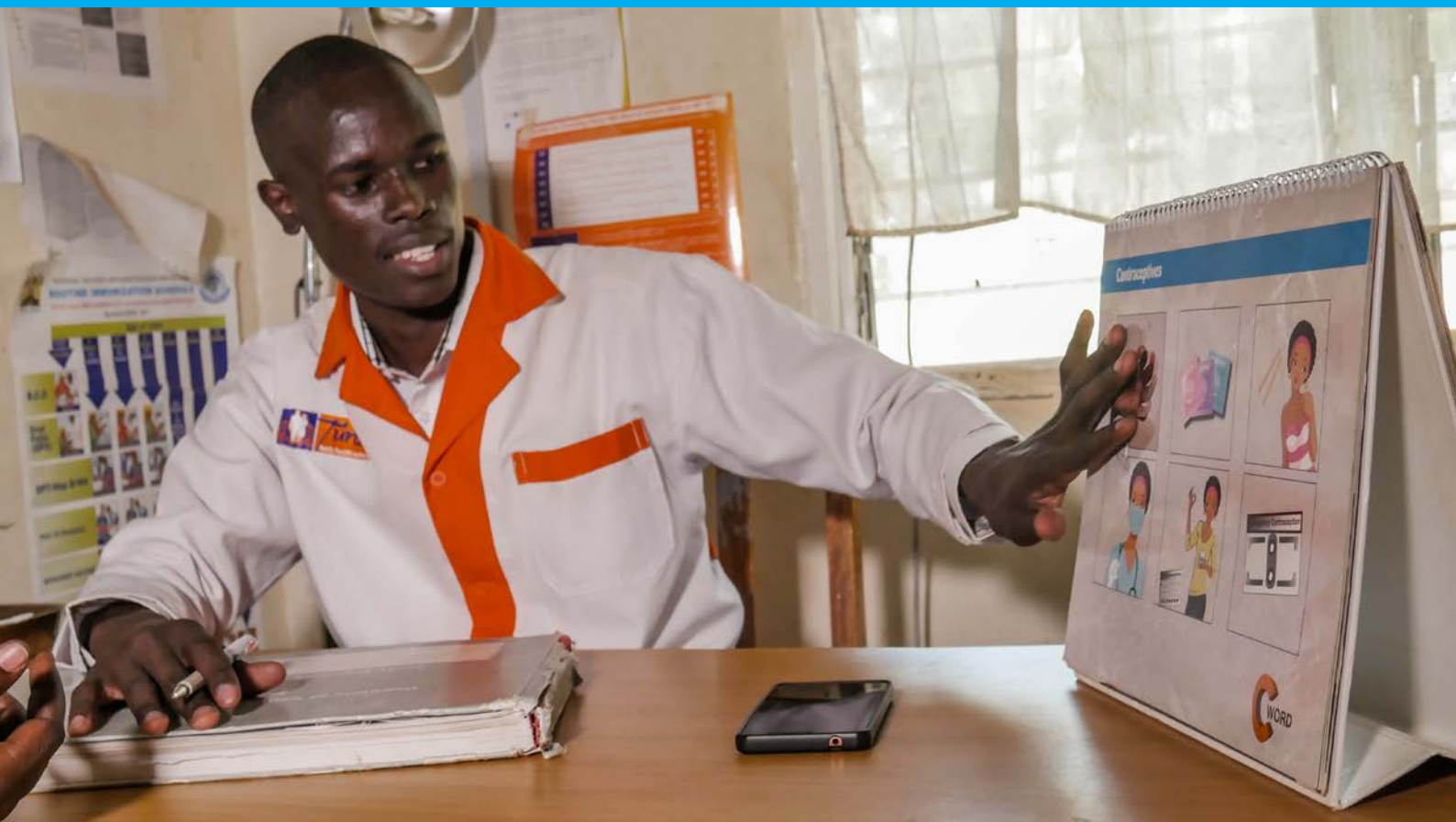


# AHME Technical Brief – Roles and Practices of Health Care Provider Aggregators

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## Acknowledgments

African Health Markets for Equity (AHME) is a six- year project that aims to deliver high quality primary health care, particularly to the poor, through the private sector in Kenya and Ghana. The AHME partnership is led by Marie Stopes International in collaboration with Population Services International and PharmAccess Foundation.

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Photo: Tunza provider explains family planning choices available  
Credit © PS Kenya

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# Contents

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**04 Project Summary**

---

**04 Introduction**

---

**05 Purpose**

---

**05 What we learned**

---

**06 Recommendations**

---

**07 References**

## List of acronyms

|      |                                   |          |                                   |
|------|-----------------------------------|----------|-----------------------------------|
| AHME | African Health Markets for Equity | NMO      | Network Management Organisation   |
| HMI  | Healthcare microinsurance         | PSI      | Population Services International |
| MSI  | Marie Stopes International        | PS Kenya | Population Services Kenya         |
| NHIF | National Health Insurance Fund    | R4D      | Results for Development           |

# Project Summary

The African Health Markets for Equity (AHME) program, aims to deliver high quality primary health care, particularly to the poor, through the private sector in Kenya and Ghana. The project seeks to improve the functioning of the health system in terms of quality, access, security of supply, sustainability and equity in ways that benefit the poor. The AHME partnership is led by Marie Stopes International (MSI) in collaboration with Population Services International (PSI) and PharmAccess Foundation (PAF).

The AHME partnership identified five conditions that must be met for markets financed through national health insurance schemes to work for the poor. These five conditions underpin AHME's intervention strategies (Figure 1):

- 1. The poor are enrolled**
- 2. Key primary healthcare services are covered.**
- 3. Accessible facilities are contracted.**
- 4. Accessible providers offer quality services.**
- 5. Providers run viable businesses.**

Figure 1: AHME Market conditions



# Introduction

This technical brief summarizes desk research on the roles and functions of health care provider aggregators, to inform the development of a network management organisation (NMO) by Population Services Kenya (PS Kenya). In 2014, PSI's operation in Kenya transitioned to an independent Kenyan entity with local registration called PS Kenya.

The research was conducted by Results for Development (R4D), under the Africa Health Markets for Equity (AHME) program. The brief summarizes four informational products<sup>1</sup> on the role of (comparable) provider aggregators in the areas of:

- accreditation<sup>2</sup> and empanelment<sup>3</sup> of health facilities
- claims processing and payment
- use of technology in community engagement activities, and
- the implementation of commercial health care microinsurance (HMI) programs.

## Background

PS Kenya plans to establish a NMO to serve as an aggregator of private health care providers, partner with public and private purchasers at scale, and efficiently deliver quality services to communities. Under this model, the "Tunza Platinum NMO" will facilitate health care purchasers, such as Kenya's National Hospital Insurance Fund (NHIF) as well as private insurers, to efficiently engage private facilities by easing provider accreditation, contracting, claims processing, and monitoring functions. For providers,

PS Kenya also aims to implement modalities for pooled procurement, support training and quality assurance activities, introduce electronic information systems, and carry out community-level demand generation. The PS Kenya team is currently developing these value propositions for purchasers, providers, and communities; sensitizing and obtaining commitments from insurers and facilities; and researching and testing technologies for procurement, payment, and community engagement.

## Purpose

The purpose of the desk research and findings were tailored to:

- Capture and describe diversity in all four topic areas across national settings, network models, and aggregator roles and practices.
- Delve into important assumptions underlying planning for key components of the NMO value proposition.

- Note salient prerequisites in capacity, scale, and enabling environment for the NMO to successfully deliver its value proposition to providers, payers, and communities.
- Identify early implementation steps for developing and delivering the NMO value proposition in each topic area.

## What we learned

Specific learnings have been framed in relation to the roles and functions that PSK envisaged an aggregator to play and are presented in Table 1. Overall, the desk research demonstrated that provider aggregators may or may not already support the envisioned NMO functions; play varying roles in relation to providers, purchasers, and communities when they do; and look different based on the context

and function (e.g. a franchisor, a managed or accountable care organization, a voucher management agency, or a faith-based provider network). Envisaged roles and functions also necessitate specific technical and human capacities, require regulatory and policy enablers, and, ideally, would build upon existing structures and interventions.

Table 1. Findings from desk research

| Roles   | Envisaged functions   | Findings  |
|---|---|---|
| Accreditation and empanelment of NMO providers for purchasers | <ul style="list-style-type: none"> <li>- Support network providers to meet the accreditation requirements for empanelment as outlined by the payer</li> <li>- Track and follow-up on the application status on behalf of the provider</li> <li>- Support contract processes/negotiations, and manage provider contracts</li> </ul>                | <ul style="list-style-type: none"> <li>- Accreditation/empanelment is time and resource intensive</li> <li>- There is often a lack of understanding between providers and purchasers; building trust is vital</li> <li>- Contract negotiation may prove to be difficult – potential for purchaser and provider dissatisfaction</li> <li>- The NMO may risk damaging the provider-purchaser relationship if clear systems and channels for communication are not established and utilized</li> </ul>   |
| Institute an e-claims system for provider payments            | <ul style="list-style-type: none"> <li>- Enhance claims processing and operational efficiency</li> <li>- Minimize fraudulent claims submission – institute stronger vetting and verification processes</li> <li>- Improve provider understanding of e-claims processes and systems</li> <li>- Support provider e-claims implementation</li> </ul> | <ul style="list-style-type: none"> <li>- There are significant costs associated with developing well-functioning, interoperable claims systems</li> <li>- There is need to build technical and financial capacities and expertise</li> <li>- There is need to support providers to appropriately and efficiently use the system</li> <li>- Establish and maintain open lines of communication on claim queries/disputes and payment disbursements to preempt problems</li> <li>- Secure financial commitment from a public purchaser for the sustainability of e-claims</li> </ul>  |
| Implement private sector HMI schemes                          | <ul style="list-style-type: none"> <li>- Establish or facilitate access for NMO providers to HMI schemes</li> </ul>   | <ul style="list-style-type: none"> <li>- HMI models are not typically mediated by (NMO-type) provider aggregators</li> <li>- It is not common for public sector payers or funding to be part of commercial HMI schemes</li> <li>- There are similarities in the client profile targeted by HMI products and NMO providers</li> <li>- HMI products suffer from a serious solvency challenge; commercial revenue does not typically wholly offset claims and administration costs (some of which can be addressed through technology)</li> <li>- Managing providers and clients presents a crucial and discrete set of challenges in implementing microinsurance schemes</li> </ul> |

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## Recommendations

Building on learnings from the desk research, the following recommendations have been formulated. While these have been tailored to PS Kenya envisaged NMO aggregator role in Kenya, they are relevant for other programs and contexts, where such roles may be beneficial to the health market.

### **Accreditation and Empanelment of NMO providers for purchasers**

- Convene interactions, where purchasers and providers can build trust and freely communicate. Institute mechanisms for joint feedback and gauging satisfaction to better address the needs of NMO providers.
- Integrate quality assurance activities to increase the NMO value proposition to purchasers and providers, leverage NMO experience, systems and tools to improve service delivery quality.
- Develop a financial strategy for the NMO to facilitate accreditation and empanelment, such as NMO membership fees and charges for accreditation services.
- Gain support for fee structure through modelling provider cost-savings and efficiency gains for purchasers and providers (e.g. reduction of transaction and administrative costs through 'block' empanelment of providers).

### **Institute an e-claims system for provider payments**

- Co-develop and implement a pilot with the purchaser (in the Kenya context, the NHIF). Early engagement, on-going monitoring and deliberate learning from the pilot should promote satisfaction and address the discrete needs of public and private sector providers.
- Use claims data to make strategic decisions about how to evolve the NMO into a more effective intermediary and achieve sustainability.

### **Use of technology in community engagement activities**

- Leverage existing eHealth initiatives to promote health services, register clients, and collect service delivery information (there are many in the Kenya context).
- Build technical and management expertise to help supervise, monitor, and support the eHealth initiatives.

### **Implement private sector HMI schemes**

- Create an advisory group to further unpack the specific HMI value proposition for the NMO, define implementation steps, and detail financial and data requirements in Kenya's context.
- Gain implementation experience by supporting service delivery under an external HMI scheme rather than building a bespoke HMI product.
- Carefully consider the risks posed by an HMI scheme to NMO reputation and brand, such as from unmet expectations on part of clients and providers, potential damage to relationships with key actors like private health insurers and telecoms, and threat of financial losses.



## Aggregation in action

Marie Stopes Kenya (MSK) and PS Kenya demystified the empanelment process for their respective social franchisees and supported providers with National Health Insurance Fund (NHIF) empanelment. MSK worked with the NHIF and negotiated a contract that ultimately eliminated a fee to be paid by providers for in-patient accreditation.

In Kenya, the Reproductive Health Output-Based Aid voucher project piloted a claims processing system that tracked technical and financial information from claims, and linked claims data with reimbursements and voucher distribution data. The entire e-claims system was also connected to a fraud monitoring system which aided staff in detecting

and eliminating fraud. The successful implementation and management of the system allowed voucher beneficiaries to receive high-quality care, enabled providers to receive timely payments, and minimized administrative burdens for the voucher financiers.

Financial intermediaries dealing with individual clients – such as Kenya Women’s Finance Trust – may package HMI products with microfinance loans on a pilot basis or limited scale, but examples of provider aggregators initiating HMI schemes or supporting with claims processing, accreditation, and community outreach were not readily observed from the literature.

### Image

Tunza provider takes client blood pressure.  
© PS Kenya



<sup>1</sup> Roles and responsibilities of Health Care Provider Aggregators

<sup>2</sup> Accreditation is a formal, third-party recognition of a facility’s achievement of standards set and defined by the accreditation organization and/or national government.

<sup>3</sup> In Kenya, empanelment refers to the process by which facilities meet defined criteria to join the NHIF and participate in its coverage scheme. Empanelment may, however, also refer to a process (such as in the US) that assigns care for individuals and populations to specific health care facilities, teams or providers.

