

# Pahal

Partnerships for Affordable  
Healthcare Access and Longevity

## Action Meet

**Catalyzing Market Systems Innovation for Health of India's Urban Poor**

March 17, 2017

## Outcome Report



IPE Global Limited in partnership with United States Agency for International Development (USAID) and the PHD Chamber of Commerce and Industry (PHDCCI) hosted an Action Meet to catalyze market based health systems to promote "Equitable Health for Urban Poor". The Action Meet was organized as part of Project 'PAHAL' (Partnerships for Affordable Health Access & Longevity), managed by IPE Global with technical and financial assistance from USAID and brought together over 100 delegates representing a diverse mix of expertise, experience and passion of Health Practitioners, Inclusive Healthcare Businesses, Innovators, Financial Institutions, Development Partners, Corporates, Thought Leaders etc. The Action Meet connected and moderated a dialogue to catalyze the market based health partners and identify actionable solutions that have a potential to improve access to affordable and quality healthcare for the urban underserved communities.

### Genesis of Pahal

Pahal responds to global and national priorities of reducing morbidity and mortality among women and children among urban poor communities and is committed to help the Government build strategic purchasing and shared value partnership with the private sector with specific emphasis on global indicators of maternal and infant mortality and family planning. Pahal pivots on 4 strategic pillars that aims to scale up market-based health systems to improve access to affordable and quality primary healthcare; these include:

1. Leverage Resources to converge and catalyze a mix of private, public, philanthropic capital.
2. Engage Communities through effective outreach, community-focused demand-side financing, mechanisms, and deployment of appropriate technologies and innovations that improve health seeking behavior.
3. Accelerate Scale-up of Inclusive Healthcare Business through financial, managerial and strategic advisory and assistance.
4. Deploy Innovative Solutions that help reduce cost, improve access to patient-centric quality care and provide innovative health financing solutions.

## Opening the Action Meet

### The Action Meet opened with insights and inspirational speeches by a powerful plenary of thought leaders of healthcare ecosystem

*"An immense opportunity for governments to leverage the presence of private sector in urban areas to increase coverage of affordable and quality healthcare for the urban poor under the strategic purchasing mechanism".*

Marietou Satin



**Marietou Satin, Deputy Director, Office of Health, USAID** in her keynote address recognized and applauded the improvements made in maternal and child health indicators along with a five fold increase in resources allocation by the Indian government. However, she admitted that despite progress there is an immense scope and need for accelerating the efforts as there are still over 40 million people in India get pushed to poverty every year due to catastrophic increase in healthcare spending. She emphasized among a lot of other strategic interventions, a key will be to foster and encourage greater participation of the private sector especially in urban communities. She shared that USAID is committed to support strategic initiative like Pahal, which aims to engage the private markets, empower the consumers with information and tools to access quality and affordable healthcare and strengthen private market systems which can synergize efforts with the government.

**Harpal Singh, Mentor and Chairman Emeritus, Fortis Healthcare** provided the required context and set the direction for the proceeding of the Action Meet. With his robust statistics and information he illustrated the current trends affecting the urban poor communities- with a cohort of over 10 million citizens of the country moving from rural to urban areas each year, the 2-3-4-5 phenomena, which makes the urban poor the fastest growing cohort; lack of affordable healthcare and global factors of global warming which makes this cohort marginalized and extremely vulnerable. He provided key Action Points relevant while programming for urban poor:

- Addressing livelihood through sustainable growth for all including the urban poor, powerful focus on prevention which empowers the poor in a way that he doesn't fall sick.
- Larger focus on public health which assures of quality water, sanitation, air, etc.
- Need to build good evidence and information which enhances the ability for health systems to plan and diagnose and implement.
- Innovation to improve cost and access and finally each Individual to be contributor of the solution.



*"Innovation is key to deliver the quantum jump in Progress required- CSR to be the catalyst to produce sustainable new ideas, demonstrate proof of concept and facilitate scale up".*

Harpal Singh  
Guest of Honor



*"Need to inform Corporates that CSR and Sustainability are good business as it enhances image of the company in the eyes of the community"*

Ajay Poddar

**Ajay Poddar, Chairman - CSR Committee, PHD Chambers of Commerce**, in his special address highlighted the need to recognize poor as clients and not beneficiaries, which will make commercial and social logic to private health care. He shared challenges of deploying the innovations but at the same time these will be game changers in reducing the cost, especially in preventive and promotive healthcare and will take services to the last mile.

**Gayatri Subramaniam, Convener and Chief Programme Executive, National Foundation for Corporate Social Responsibility, Indian Institute of Corporate Affairs (IICA)** elucidated on her experiences on the roll out of the CSR legislation of the Company's Act, 2013, and initial lack of awareness among the corporates on how to program the CSR funds and what returns to expect from these investments. She highlighted that a lot has been achieved since 2014 and the Act has converged and brought over ten thousand companies under the ambit and mobilized an annual spend of close to 12 thousand crores, with health becoming the second priority after education. Her recommendations were that Corporates are interested in new ideas and innovations which are sustainable and can create impact.



*"Social Return on Investments through CSR which can be leveraged by corporates for building brand equity, mental satisfaction and inclusion".*

Gayatri Subramaniam



*“Getting a blend of right capital and partnerships between government and private sector could possibly lead to not only social return on investment but also economic return on investment”*

Ashwajit Singh

Ashwajit Singh, Managing Director, IPE Global Limited concluded the inaugural plenary and elaborated on the need to work as a catalyst and investing in ideas and innovations. He emphasized that with increased availability of financial resources with the government, the private sector has to work closely with government and provide capacity building, technical advisory, operational efficiencies which can improve availability of affordable healthcare. The focus and priority of IPE Global through Pahal is to accelerate social enterprises to grow and connect with communities, deploy innovations through sustainable business models, align efforts of Government, Private Players, Donors, Academia to accelerate Health Market System Innovations. IPE intends to launch Health Knowledge platform called LEAD to encourage network of stakeholders to come together to ideate, share evidence based models and sustain efforts beyond Project Pahal.

## Catalyzing Market Systems Innovations for Health of India's Urban Poor

The high powered panel moderated by LM Singh, Project Director, Pahal, he set the context by highlighting that while innovation is necessary to ensure efficient utilization of resources and offer customers value, private players are limited by risk capital, hence there is a larger need to align private, donor and government resources to catalyze market systems for Innovation. The Innovation can be in the form of a product, process or service offering that leads to a commercially viable business model which is sustainable, scalable and most importantly delivers value to the customer.



Tejal Patil, Legal Counsel GE India; Sabahat Azim, CEO, Glocal Healthcare; Uttam Garodia, Vice President, Public Finance, Janalakshmi Financial Services; Christopher Adams, Field Investment Officer, USAID/INDIA; Anil Khaitan, Senior Vice President PHD Chamber, Chairman & Managing Director, Sunil Healthcare Limited; Aditya Sharma, Director, Lok Capital; Sharad Agarwal, CEO, Hindustan Latex Family Planning Promotion; Manoj Gopalakrishnan, CEO, HCL Healthcare; Miniya Chatterji, Chief Sustainable Officer, Jindal Steel and Power Group of Companies

## Issues and Challenges for Inclusive Healthcare Business

- Low health-seeking behavior, consumer spend and lack of health financing mechanisms for preventive healthcare makes private primary healthcare delivery models very difficult to sustain.
- High catastrophic out of pocket expenditure on healthcare drives poverty, with 3.5 percent population below the poverty line highlighting the high need for affordable health solutions.
- Unorganized private healthcare markets and void between tertiary hospitals and standalone individual clinics.
- Limited availability of resources, with \$ 60 (per capita expend on health) high need to renovate, develop and deliver a healthcare model which can deliver at that price point.
- Need to develop high quality assets in form of innovative products and social business which can create impact. Impact investors are actively looking for such business models.
- Need to direct increased financial and technical resources towards innovation in the form of private capital, donations, CSR funds etc.

## Action Agenda

- Utilize emergence of innovations and technology to aggregate the health workforce and infrastructure which can improve reach to the urban poor communities.
- Tap into innovative financing solutions by Financial Institutions such as Janalakshmi which provide public financing to social enterprises and business; funds for working capital and loans to the urban poor communities for their personal needs including healthcare and education.
- Multisectoral partnerships with institutions such as the USAID Development Credit Authority (DCA) provides collateral comfort to lenders to strengthen their ability to provide loans to businesses thereby promoting private enterprise and expanding markets to make them efficient.
- Develop impact driven, sustainable and innovative projects to leverage the CSR investments.
- Engage and garner interest of market based financial institutions to develop of health financing products for underserved communities which will increase the paying capacity of the communities to access healthcare.

## Innovative Strategies and Solutions for Engaging Communities

Shailesh Kumar, moderated an exciting session with the experts and practitioners of community processes, market shapers for demand side financing, innovators and CSR Partners to identify solutions to increase the coverage for the urban poor for quality primary healthcare and reduce out of pocket expenditure on healthcare.



Vijaybhasker Srinivas, Head - Process Control, LifeSpring Hospitals; Dipanwita Chakraborty, Lead CSR and Corporate Affairs, Cargill India; Lysander Menezes, Chief of Party, Health Finance and Governance, Abt Associates; Abhishek Sen, Co-Founder, Biosense; Pavitra Mohan, Director, Basic Health Services; Sanjay Gooty, Co-founder and COO, E-Sahai



## Issues and Challenges of Engaging Communities

- Issues of mobility of communities is an important factor-large migratory population of over 18 crores in the country, which is in a flux who have the economic life in urban areas and social life in rural areas, which is extremely vulnerable and needs to be viewed holistically.
- Rapid changes in disease burden with 60 percent of deaths due to non-communicable disease hence need to increase awareness and early diagnosis.
- Need for an integrated approach to social mobilization, which addresses livelihood, financial inclusion, health, sanitation than just on standalone issues and has a long term vision and investment.
- Difficult to establish a business model for bottom of the pyramid as there is no paying capacity at that level and will require public spending and hence government has to be buyer for innovative services.

## Action Points

- Use technology and point of care diagnostics to increase availability of point of care information and services. Opportunities in decentralizing the diagnostics and creating platform which connects the consumers and the health care delivery systems.
- Mobilize resources and strategies of prolonged engagement with the communities which over a period of time empowers them and creates a demand for services.
- Development of innovative products such as mutual health insurance which engages the communities, increases their ability to negotiate and embeds an element of risk reduction at the design stage.
- Initiate and increase partnerships with CSR to align resources.

## Scaling Partnerships

**Glocal Healthcare** has become one of the fast growing chain of affordable and sustainable hospitals, in tier II and III cities and towns and filling the niche gap for emergency and critical care. Over last 6 years, Glocal Healthcare has created a sustainable model for primary healthcare delivery which combines artificial intelligence based diagnostic and management tools, video conferencing and digital dispensary that provides a point of care diagnostics and 108 generic medicines delivering quality healthcare at affordable prices.



**Merrygold Hospital Network**, through social franchising, has aggregated the market of highly fragmented private sector hospitals on one platform, making it the largest social franchise network in India which has been recognized by donor and governments as one of the most successful examples of public private partnerships.

**LifeSpring**, through its network of affordable maternity care centers, have stood for their core values of care, compassion and dignity to the pregnant women.



**5.8 Accelerator Program of GE Healthcare** estimates that 5.8 billion people across the globe do not have access to affordable healthcare. The Program partners with social impact investors, global health startup who have a product which is potentially commercially scalable up and provide market information, IP assessment, marketing and development skills, strategic funding and creates a social impact.

## Quotes

“ Social Change is a long process and will take time, in India more toilets have been built than houses, however the change in behavior to use these has not happened ”

*Pavitra Mohan*

“ One needs to establish services within the community systems, treat urban poor as consumers and break the barrier between consumers and service providers ”

*Vijaybhasker Srinivas*

“ We have introduced standardization of ambulances, medical taxis, more of a non- emergency transportation for pregnant women, physically challenged to address the increasing issue of mobility ”

*Sanjay Gooty*

## The Pahal Team



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