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Ensuring Local Access to Contraceptive Supplies through Public-Private Partnership Under a Total Market Approach

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Acronyms

ADP	Alternative Distribution Point
BHW	Barangay Health Worker
BnB	Botika ng Barangay
BSPO	Barangay Service Point Officer
CPR	Contraceptive Prevalence Rate
CQI	Continuing Quality Initiative
CSR	Contraceptive Self-Reliance
DOH	Department of Health
DOH-RO	Department of Health-Regional office
FP-MCH	Family Planning-Maternal and Child Health
ILHZ	Inter-Local Health Zone
LGU	Local Government Unit
MDG	Millennium Development Goal
MNCHN	Maternal, Newborn, Child Health and Nutrition
MWRA	Married Women of Reproductive Age
NDHS	National Demographic and Health Survey
NHTS-PR	National Household Targeting System for Priority Reduction
PHO	Provincial Health Officer
PPM	Private Practicing Midwife
PPP	Public-Private Partnership
PRISM2	Private Sector Mobilization for Family Health-Phase 2
RHU	Rural Health Unit
SDN	Service Delivery Network
TWG	Technical Working Group
UNFPA	United Nations Population Fund

I. About this document

This document is designed to serve as guide for public sector partners committed to increasing local access to contraceptive supplies.

Specifically, it is intended for the following:

1. Staff of the Department of Health-Regional Offices (DOH-ROs) and local government units, i.e., Provincial Health Office or City/Municipal Health Office, in USAID project sites who intend to follow through market stewardship in improving communities' access to contraceptives through public-private partnerships (PPPs) as a total market approach.

2. Staff of USAID development projects as they pursue a partnership with the private sector in the organized provision of family planning supplies. These would include private practicing midwives (PPMs), pharmaceutical companies, *Botika ng Barangay* (BnB) operators and non-government organizations, cooperatives, Barangay Health Workers Federation, and Barangay Service Point Officers Federation

In summary, this technical package contains the following:

- A discussion on the rationale for a PPP approach to securing local access to contraceptives supply

- A description of initiatives to strengthen the stewardship role of DOH-ROs and LGUs over PPPs for contraceptive market development

- Details of the focal initiative on establishing, scaling-up and sustaining alternative distribution points

Also included is a discussion on lessons learned by the USAID PRISM2 project and its recommendations for optimum results based on its experience in working with ADPs.

II. Introduction

Filipino women of reproductive age face serious barriers to contraceptive care due to challenges in accessing quality health care information, products and services.

The pursuit of the Millennium Development Goals (MDGs) is one of the priorities of the Philippine Government being one of the signatories of the international covenant. Among the eight MDGs, family planning is identified as a subset of MDG number 5: Improved Maternal Health.

The practice of family planning has long been accepted as an important intervention that saves mothers' lives. The University of the Philippines Population Institute-Guttmacher Institute[1] study of 2009 estimates that about half of the annual maternal deaths in the country could have been prevented if access to contraceptives was improved.

The 2008 National Health Demographic Survey (NDHS) results showed that only 34 percent of the total market of married women of reproductive age, the equivalent of 4.3 million users, was being supplied with modern family planning methods. Another 39 percent, around 5.2 million women, either use traditional methods or have unmet need for family planning products. Combining current users of modern family planning methods, users of traditional methods and non-users who do not want to be pregnant, the total potential market for modern family planning methods could expand to comprise as much as 73 percent of MWRAs.[2]

The same survey showed that the contraceptive prevalence rate stood at 34 percent, with pills and injectables being the family planning method of choice at 15.7 percent and 2.6 percent, respectively in the overall method mix.

There may be a number of reasons for the persistently high percentage of family planning unmet need. First, many of those who can benefit from contraceptive care do not take advantage of free products due to limited information. Second, family planning products and services may not be easily available and accessible to those who are aware of the benefits. Third, family planning products and services may not be affordable for those who want to use them considering that the cost of transportation to access the family planning supply is more costly than the product. Finally, the government, which has the potential to increase awareness and help provide products and services to meet the need, has limitations.

All these point to the need to organize the provision of contraceptive supplies in the local markets across the country.

A Public-Private Partnership (PPP) Approach to Securing Local Access to Contraceptives Supply

For the past four decades, contraceptive supply has largely been the concern of the public sector. Yet, as mentioned above, unmet need in the country remains high. The NDHS (2008) estimated the unmet need for family planning at 22.3 percent, or in absolute numbers, 3.1 million MWRAs* *(*2007 Census of Population by the National Statistics Office).*

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[1] *Guttmacher Institute News Release. Low Levels of Contraceptive Use Threaten Filipino Women's Health and Undermine their Childbearing Desires. April 29, 2009. NY, USA*

[2] *National Demographic Health Survey, 2008*

Second, although the presence of contraceptives in the public sector (for free) is valuable for the segment of the population that have limited or no means to meet their supply needs due to lack of finances, the same survey showed that a significant number of recipients receiving free supplies are actually willing and able to pay for them. It therefore makes sense for the private sector to come in and offer contraceptive products at reasonable and affordable prices.

Third, relying solely on the public sector for contraceptive supplies has its limitations; lack of political will and bureaucracy sometimes lead to delays and inconsistencies in availability. However, involving the private sector not only offers an opportunity to stabilize the supply of contraceptives in the market, but likewise offers the opportunity to cater to the varying client preferences for contraceptive brands other than those being provided by the public sector.

Fourth, securing local contraceptive supply using PPP has proved that the commercial sector can respond to the market need for contraceptives. This is evidenced by the increased availability of USAID-supported contraceptive products that are for sale (8 low priced brands among 23 available family planning products to date) since the phase out of donated free commodities began in 2003. Furthermore, evidence shows a shift in the source of contraceptives; in 2003, 67.2 percent came from the public sector, which decreased to 46.2 percent in the 2008 NDHS, while the private sector share increased from 32 percent in 2003 to 53.6 percent in 2008.

Lastly, there has been a growing demand for contraceptives sourced from the private sector in the Philippines as evidenced by the 5 percent growth in unit sales of oral contraceptives equivalent to 18,843,881 cycles, while injectables posted a 0.28 percent unit growth, equivalent to 1,422,501 units as of February 2014[3].

Given the above, ensuring long-term sustainable and consistent local access to contraceptive supplies in the local markets should entail expanding the total contraceptive market through public-private partnerships. Such expansion will then directly and positively impact the MDGs.

It should be mentioned, however, that the challenge PPPs face in supplying contraceptives is striking the balance between the interests of the public and private sectors. On the one hand, the DOH's and LGU's interest has generally focused on assuring the availability of contraceptives for free distribution at public sector outlets. On the other hand, the private sector players' motivation is making a decent profit from the contraceptive business. Thus, the challenge is to ensure that moderately priced contraceptives are widely available, and keeping their prices affordable to the communities while generating enough revenue to sustain the business, including marketing and distribution of family planning products.

Collaborating with the private sector

USAID development projects with the DOH-Regional Offices and LGUs can leverage private sector partners in their communities through the following capacities:

- Facilitating a supportive environment (especially policy environment) for provision of a wide range of affordable family planning products
- Tapping into their logistics and distribution infrastructure
- Optimizing sale capacities of local suppliers, pharmaceutical organizations
- Networking with their institutional and extensive base of outlets such as ADPs they service

[3] *IMS Health Philippines February 2014 Moving Annual Total (MAT or 12-month period)*

By leveraging the private sector in the market provision of contraceptives, the market can be optimized towards:

- creating alternatives (such as FP-MCH supply sources like ADPs, procurement options for PPMs, availability and payment schemes) for clients who do not need public sector supplies
- responding to client's demand and resupply needs
- increasing the choices available to communities including those in hard to reach areas, in geographically isolated and in disadvantaged areas (GIDA)

The sustainability of the private sector's contraceptive provisions will be a continuing opportunity in the Philippines as health sector trends, political developments and market dynamics are dealt with. Thus, increasing contraceptive security through the private sector can be a long-term beneficial venture for programs wanting to leverage resources.

Guide to DOH-ROs and USAID Regional Projects

The private sector being diverse, the "one size fits all" approach to expanding their role in providing contraceptives is not applicable. Partnerships can be nurtured even under a PPP environment in the regions, with USAID and regional projects that can collaboratively–

- Advocate for policy and regulatory change to ease up markets and encourage increased private sector participation.
- Increase access to resources and supplies.
- Conduct behavior change communication programs such as *Usapan* series to expand awareness of contraceptive options and to dispel myths and misconceptions.
- Build capacity for sustainability.
- Provide inter-agency technical assistance to identify market opportunities within the different project's initiatives and link with local stakeholders.

III. Developing public sector stewardship over the total market

In order to ensure a steady supply of contraceptives in a given locality, sources from both public and private sectors must consistently have stocks of contraceptives so that if one source dwindles, the other can cover for it. Since access to these maternal, newborn, child health and nutrition (MNCHN) commodities affects public health outcomes and the public good in general, it makes sense that the government should be in charge of overseeing the contraceptive market. The government can harness local private sector by partnering with them in generating demand for contraceptives in the area, actively supporting both public and private suppliers and seeking to continually improve the policy environment to even the market's playing fields.

In this regard, the DOH has the mandate to be the stewards of the PPPs to ensure expanding sources of contraceptives both nationwide, and in cooperation with local LGUs. More specifically, the DOH Regional Offices (DOH-ROs), as the DOH's "arms" in the field, can pursue this role with the following corresponding responsibilities or expectations:

1. Stewardship of Contraceptives Market

    a. Adopt the expansion of the commercial contraceptives market as a family planning program strategy for increasing contraceptive prevalence rate (CPR) – *ideally the indicator showing this has been accomplished is a regional technical advisory that explicitly states that the DOH recognizes that increasing CPR entails expanding DOH's perspective and stewardship role over both the public sector sources of contraceptives supplies and services, and the private sector commercial sources of such commodities and services.*

    b. Monitor the status of contraceptive supply in the public and private sector – this may be directly measured from the public sector perspective by the government-procured and distributed contraceptives (both at national and local levels) and from the private sector perspective through data from IMS Health that accurately measures sales of private sector contraceptives. Below is a sample matrix that can be used based on (incomplete) 2014 data.

Contraceptives	Commercial market availability	Donated	DOH procured	LGU procured	Total market availability
Pills	18,843,881 cycles	595,000 cycles	DOH Family Planning Coordinator to update data	To be generated from commodities review and forecasting workshops	Commercial sector + Donated + DOH procured + LGU procured
Injectables	1,422,501 units	340,000			
IUDs		350,000			

    c. Monitor status of demand for contraceptives at community level – *as periodically measured through local community-based surveys or information monitoring systems such as an inventory summary from participating ADPs and other local suppliers.*

2. Ensuring Public Sector Supply

    a. Increase level of funding for free contraceptives - with the current DOH funding and the massive support from the current administration, there is unprecedented possibility for

increasing this funding, primarily for the poorest of the poor under the National Household Targeting System for Priority Reduction (NHTS-PR) or *Pantawid Pamilyang Pilipino Program* (4Ps).

b. Maximize the quantity of contraceptives that can be procured – corollary to increased funding, the quantities for this procurement can likewise be maximized in order to ensure continuing commodities for the poorest segments.

c. Distribute and utilize the available quantity of free contraceptives – this has been a long-standing challenge for the government:
   - getting the commodities to the grassroots where they are needed by the poorest, proportionately, according to the need;
   - getting them there on time and ***before*** expiration;
   - ensuring non-spoilage or loss as these make their way to those needing them; and,
   - ensuring that ***only*** those who truly ***cannot*** afford to buy these commodities actually are provided free contraceptives (market segmentation).

3. Facilitation of Commercial Contraceptives Supply

a. Allow public sector outlets to sell commercial contraceptives – *at the very least, policy support at the DOH-RO level should be sufficient to make this happen, considering the LGUs have local authority to allow these public outlets to engage in private enterprise.*

b. Support demand generation activities in which commercial suppliers can participate and cooperate with commercial suppliers that are promoting and marketing their products – *being careful not to be perceived as favoring one supplier over another, the DOH-RO can make generic statements of endorsements, again through policy statements, that will, at the very least, declare that the DOH-RO is NOT objecting to, nor opposing these demand generation, marketing or promotional activities for contraceptives.*

c. Encourage commercial suppliers to expand their geographic supply coverage as well as to include affordable, moderately-priced contraceptives – *this is the key to expanding access to contraceptives at the local market that will eventually address the quality issue of access; by making affordable contraceptives available especially in hard-to-reach areas, there will be continuing local access.*

Facilitating the DOH-ROs stewardship role

The MNCHN Technical Working Group (TWG) or other regional group tasked with providing support and oversight to the family planning and maternal and child health (FP-MCH) programs in the region is the natural focus for stewardship within the DOH-RO. Details regarding the setting up of such a group within the context of the establishment and strengthening of service delivery networks is detailed in the USAID/PRISM2 document Private Sector-Strengthened Service Delivery Networks for Family Planning-Maternal and Child Health: An Approach to Reducing Maternal and Newborn Deaths". To initiate the stewardship role, it is helpful to present the overall picture for this technical initiative to this group. This would include reviewing the following:

1. the goal is a continuing availability of contraceptive supplies in all FP-MCH service delivery points throughout the country and, in particular, the region under the DOH-RO regardless of whether the sources of such supplies are from public or private outlets;

2. in order for this to happen, the DOH-RO must be aware of the contraceptive market and how it works so that the DOH-RO can competently and confidently take on the role of steward for the contraceptive market;

3. once the DOH-RO is well aware of the contraceptive market dynamics, it will assist the LGUs in appreciating and expanding the contraceptive market by exercising its local stewardship over the contraceptive market – this will mean conducting workshops such as the MNCHN utilization review or LGU contraceptive market orientation workshop;

4. the two most important ways to support the LGUs in the technical initiative are policy support and funding (direct or indirect);

5. as stewards, the DOH-RO has the crucial role to continually monitor the contraceptive market so that it can provide LGUs with technical guidance that will ensure access to contraceptive supplies at the local community is always optimal;

6. likewise, when taking into account that the MNCHN strategy requires that the FP-MCH products or supplies be part of the MNCHN package of core services that must be made available at the community level, the rationale for supporting, establishing, expanding, sustaining and scaling up ADPs becomes even stronger.

Contraceptive market orientation

To further encourage the stewardship role, it is valuable to provide this group with an orientation on the local contraceptive market. As stewards of the regional contraceptives market, regional office program managers need to thoroughly understand the total market approach and its related concepts. They also need to collect, organize and analyze critical market information and map out strategies and key steps that need to be taken following the total market approach. Mastery of the total market concept as well as familiarity with the tools for providing technical assistance to LGUs on operationalization is required of DOH-RO staff. These needs are addressed through the conduct of a contraceptive market orientation for regional office staff. Once the DOH-RO staff have been through the contraceptive market orientation, the next step would be for them to lead a process of cascading this activity to the local, LGU level.

The contraceptive market orientation is aimed at building the capacity of the participants to understand the total market approach to ensure FP-MCH commodity accessibility and availability at the community level. For DOH-ROs, this will shape the development of a DOH-RO technical assistance plan to support the LGUs to ensure availability, thus strengthening the DOH-ROs role as stewards of the contraceptive market expansion. LGUs, consequently, will expand to include private sector partners to ensure such availability and therefore realize their role as the local stewards of both public and private sector health efforts to improve public health outcomes.

Annex A and Annex B provide the activity design and an example of a presentation that can be used in guiding partners through the contraceptive market orientation activity. Broadly, the contraceptive market orientation process is as follows:

a. Introduction – welcome, introduction of participants, presentation of objectives and expected outputs.
b. Presentation - total contraceptive market approach
    - Total family planning use:
        a) Contraceptive demand

    b) Contraceptive supply
    c) Supply gap
  - Key factors affecting contraceptive demand and supply

c. Presentation - expanding the contraceptive market through alternative distribution points in the context of MNCHN service delivery networks
d. Brainstorming
  - *What are the possible next steps that a DOH-RO or LGU can take to support expanding local access to contraceptives that includes the private sector in terms of policy, funding, engagement, etc?*
  - *What are the current challenges, issues and concerns affecting the contraceptive market at the local community levels and how can the DOH-RO help support the LGUs in addressing these?*
e. Two sets of action plans are then presented to participants for comments. The MNCHN PPP TWG will document and ensure that the final action plan agreed upon will be implemented.

As noted above, the contraceptive market orientation should be cascaded from the DOH-RO down to the province or city level. The key audience for this orientation at the local level would likely be the members of the SDN management team, which should include representatives of both public and private stakeholders in the field of FP-MCH.

Commodities forecasting

The USAID Private Sector Mobilization for Family Health-Phase 2 (PRISM2) project has produced a commodities forecasting tool to assist LGUs in more accurately forecasting the family planning commodities that they need to purchase for the poorest in their constituencies. DOH-National Office has its own centralized purchasing system and these supplies must be taken into consideration by the LGUs as well as the other sources of commodities, e.g., UNFPA, so that their LGU budget allocations for the family planning commodities will not be unduly and un-realistically high and, therefore, discouraging. Likewise, forecasting must also consider the updated numbers of current users and potential new users as well as local population growth rates for a more realistic and accurate budget allocation.

To introduce the tool, it is suggested that a contraceptive commodities review and commodities forecasting workshop be conducted. This builds on and is adapted from the DOH initiated MNCHN Utilization Review process, but does not exclusively focus on the performance of the LGUs in regard to the MNCHN Grants, but looks more broadly at local contraceptive procurement.

The suggested activity flow for this one day activity is described in Annex C. The forecasting tool itself is an Excel spreadsheet that will automatically calculate:

- the number of commodity and cost requirements for current pill and injectable users, grouped by income (poor and non-poor)
- the potential requirements based on unmet need goals
- the total demand, taking into consideration the commodity requirements of current and potential pill and injectable users

This simple tool with step-by-step instructions is available from DOH-ROs.

IV. Developing alternative distribution points (ADPs)

Rationale for alternative distribution points

Traditionally, other than government hospitals and health centers or stations that provide family planning services and products for free, drugstores have been the main source for commercial, private sector contraceptives in the country. Needless to say, since these drugstores are commonly located only in major towns and cities nationwide, this situation limits access to much-needed private sector supply of (affordable) contraceptives in rural and hard-to-reach areas. In towns and cities, stocks of free contraceptives often run out, with no other alternatives to offer clients. Thus, clients from either towns/cities or in rural, hard-to-reach areas have limited access to these contraceptives – a situation that eventually contributes to the high unmet need and therefore unplanned pregnancies or, worse, maternal/newborn deaths.

Looking at the contraceptive market as a whole allows men and women with unmet family planning needs and traditional family planning method users who want to shift to modern methods, to access family planning products through facilitated sources or non-traditional sources referred to as ADPs in the communities. The idea is for these ADPs, which may either be private sector outlets or public facilities engaging in private enterprise, to complement or augment public sector outlets supplying contraceptives. This means that any market segment should be able to access family planning supplies from private and/or public sector sources. The institutionalization of ADPs, therefore, is part of a pro-poor strategy that could potentially be a sustainable component of the PPP-total market approach that strengthens the participation of the private sector in ensuring and securing local access to family planning supplies by increasing family planning product choices in the market.

ADPs can help bridge the supply gap by facilitating access as community-based supply points for family planning products in communities through:

- Provision of an array of available family planning products at different formulations and price points to meet users' needs and preferences in the public and private sector
- Active marketing, promotion and distribution of family planning products logistically supported by private companies
- Making a range of contraceptives available in all provinces, cities and municipalities
- Growing the contraceptive market to match the growing number of potential users, including those in the market segment categorized as sexually active women of reproductive age who are not necessarily married

ADPs may be purely private outlets or public outlets engaged in economic enterprise and may therefore include, but are not limited to any of the following possible sources of family planning products:

- lying-in clinics/birthing homes
- company clinics
- campus-based clinics
- cooperatives
- mobile pharmacies
- NGO-operated distribution outlets (e.g., Barangay Health Workers Federation)
- health maintenance organization (HMO) clinics
- Rural health units (RHUs) operating as economic enterprises (cost recovery mechanism, i.e., user's fee)
- dispensing physicians in private hospitals or clinics

- community-based hospitals hosting MNCHN funded pharmacies
- cooperative-operated village pharmacies or local *Botika ng Barangay* (BnBs) including those operating in Inter-Local Health Zones (ILHZs)
- community-based social franchise outlets (e.g., Health Plus, ACCESS by Alphamed)
- hospital clinics (DOH-retained hospital family planning clinics, private doctors' or midwives' clinics)
- hospital pharmacies (DOH-retained hospitals and private hospitals)
- community-based distributors recognized by RHUs or private sector organizations

From the list of possible ADPs above, market stewards may want to prioritize the following for development as ADPs:

a. Lying-in clinics/birthing homes and private practicing midwives
b. Community based volunteer workers
c. RHUs operating as economic enterprises (cost recovery mechanism, i.e., user's fee)
d. Community-based hospitals hosting MNCHN funded pharmacies
e. Cooperative-operated village pharmacies or local *BnBs* including those operating in ILHZs

Private practicing midwives as ADPs

PPM clinics or birthing homes serve captive markets for family planning commodities. PhilHealth, the national health insurance program, has recognized the strategic importance of commodity availability in accredited PPM birthing homes, prompting the agency to specify that facilities seeking accreditation for the maternity care package should have ready supplies of family planning commodities. The new DOH licensing guidelines for birthing homes likewise echoes this requirement, pointing to the viability of ADP operations in PPM clinics. Commodity sales also contribute to clinic revenues. For these reasons, it makes good sense to establish ADPs as adjuncts to PPM clinics.

Community based volunteer workers

The role of community-based volunteer workers, particularly Barangay Health Workers (BHWs) and Barangay Service Points Officers (BSPOs), in the promotion of family planning had been recognized since the 1970s and, since devolution, their role in stimulating family planning a the grassroots level continued to grow. As the supplies of free contraceptive dried up in government health centers, the BSPOs and BHWs started procuring contraceptive products themselves, using their personal resources. These supplies were then re-sold or re-supplied to their continuing family planning acceptors. BSPOs and BHWs have proven to be crucial partners in ensuring the availability and accessibility of all family planning methods. Continuing to develop their role as ADPs has potential to reach greater numbers of people, particularly within marginalized sectors in geographically isolated and depressed areas.

Hospital-based ADPs

The DOH recognizes the role of hospitals in the making available family planning services. However, funding for such services, including the procurement of contraceptive supplies, has not been sustained. By developing hospitals as ADPs and linking them to pharmaceutical distributors, family planning commodities can be made available in hospitals, enabling hospitals to provide an immediate response to the family planning commodity needs of their clients. This approach is possible in both public and private hospitals.

A specific MNCHN Pharmacy models has been developed whereby district hospital based pharmacies are stocked by the Provincial Health Office (PHO) through pooled procurement made on behalf of the district hospitals. This procurement practice allows the PHO to get better terms and prices and thus

enables the MNCHN pharmacies to pass on the benefit, in the form of lower commodity prices, to hospital-based family planning clients and re-sellers of these commodities such as RHUs and private midwife clinics. The operation of these MNCHN pharmacies is sustained through its fee-based service to a growing number of hospital-based clients/ends-users and re-sellers or sub-dealers all over the province

Botika ng Barangay

A *Botika ng Barangay* (BnB) is a drug outlet managed by a legitimate community organization, non-governmental organization or the LGU, with a trained operator and a supervising pharmacist. BnBs receive a special license to operate to sell, distribute and make available low-priced generic home remedies, over-the-counter drugs and two selected antibiotics. To complement this, DOH-ROs in some regions (for example ARMM and Region XI) have issued orders that have expanded the range of drugs that BnBs can carry to include family planning commodities, making the ADP an applicable and viable business enhancement model for BnBs in these areas. See Annex D for an example of the guidelines issues to support BnBs to carry additional health products.

ADP operators training

In order to equip existing and prospective ADP operators with knowledge and skills needed in the establishment, management, and expansion of ADP operations, the PRISM2 project designed a basic course on the subject which DOH-RO or LGU program managers can organize and conduct. Entitled, "ADP Operators' Training," this basic course can be run in one day and consists of the following modules:

1. The market situationer
2. The financial perspective
3. The growth perspective
4. The customer's perspective
5. The internal business perspective
6. The sustainability perspective

Some of these modules could also be handled by external partners, such as successful ADPs, pharmacy operators or trained personnel of commodity distribution companies operating within the locality of the training. A training manual and participants' manual for the ADP Operators Training has been developed by PRISM2 and has been distributed to the DOH-ROs and other USAID partners.

After or during the ADP Operators' Training, it is important to link-up the facilities and individuals with private sector pharmaceutical suppliers. This will assist with:

a. Getting discounted or special prices on family planning products that can be procured on-the-spot
b. Making follow through arrangements for:
    - Installment payments
    - Re-orders
    - Partnerships on promotional activities such as *Buntis* Parties, etc.
c. For personalized mentoring and coaching which should ideally come from the stewards of the local market, but for which the private sector is more adequately equipped and knowledgeable
d. For future resources as speakers or trainers in subsequent training courses.

After three to six months, the DOH-RO or LGU TWGs or representatives should set up a monitoring visit to the trained ADP operators to determine a course of action to ensure implementation of the knowledge gained from the training.

ADP Forum

ADP fora serve as regular, usually quarterly meetings, to enable trained ADP operators to gather to monitor the implementation of their start-up plans and receive additional inputs and guidance to ensure the growth and sustainability of their ADP operations. It also serves as an opportunity for ADP operators to experience and act as a venue for operators to purchase products from pharmaceutical companies who would be invited to the forum.

This activity would usually be a half to one-day activity, and it should be tailored to the specific needs of the ADPs in the region, taking into account the type of facilities that have been developed as ADP. Some of the topics that could be included in the agenda for an ADP forum include:

- Identifying issues and concerns and suggesting possible solutions.
- Discussing the role various types of facilities as ADP operators.
- Discussing strategies for ADP sustainability.
- Refresher re-orientation on specific identified components of the ADP training.
- Matching of ADP operators with sources of clients such as cooperatives.
- Sharing success stories.
- ADP supplies sourcing from invited pharmaceutical companies.

An example of a presentation that was developed for use at one ADP Forum facilitated by PRSIM2 and local partners in the Visayas is included here in Annex E.

V. Key lessons learned and recommendations

ADPs are vital to the effectiveness of the SDN for MNCHN in preventing maternal and neonatal deaths in any given locality. It ensures that at the local community level, FP-MCH supplies and products are always available and accessible to couples who need them. This is made possible because both public and private sectors are now working together as sources of these supplies and also complement each other. This results in continuing access which, in terms of quality of care, is a basic right of the client that service providers must meet at all times.

It is, therefore, incumbent upon the local SDN management team, whatever it may be called, to oversee the SDN's Continuing Quality Improvement (CQI) in the area, ensuring local access to contraceptive supplies through ADPs. The SDN management team accomplishes this by regularly putting discussions about the ADPs in its regular management meeting agendas, assessing their functionality, determining issues and concerns, drafting recommendations and calling on all ADPs in the SDN for a conference to discuss these recommendation, get feedback, finalize agreements, and follow-up on compliance in two or three months. In this way, ADPs will be part of the CQI cycle in the SDN.

1. Procurement bottlenecks can result in stock-outs and shortages in essential supplies[4]. This is one vital lesson learned, especially at the LGUs level, and is usually caused by the bureaucratic competitive bidding system. This can be resolved through a number of ways, ranging from pooled procurement to emergency purchases. A collaborative practice may be implemented wherein the public sector stakeholders, as market stewards, identify these bottlenecks, while the private sector can become a sustainable partner for efficient distribution and logistics system management to unblock these same bottlenecks.

2. Through proper and strict market segmentation, augmented by the identification of the really poor through the NHTS-PR program, the public sector can be relieved of the burden of committing limited resources for procurement of family planning supplies. As market stewards, the LGUs and DOH-ROs can direct those segment of the market with capacity to pay to acquire their commodities from ADPs.

3. An empowered SDN management team at the local level can be an authoritative source or venue to disseminate relevant procurement-related information in working through bottlenecks to secure local access to contraceptives supply.

4. Strong policy support, primarily from the DOH national and DOH-RO levels, are crucial to the sustainability and stability of local contraceptive self-reliance and continuing access to commodities. This includes advocacy for ADPs and for activities that promote private sector sources of commodities.

5. ADPs must have a strong presence as crucial partners in the SDNs for MNCHN. Long-term undertakings should include strengthening the ADP referral system for contraceptive needs among constituents of the SDN.

6. Pricing plan supportive of the existing community-based distribution system can be initiated by both the public and private sector to achieve better economies of scale and use more efficient procurement practices.

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[4] *USAID-Project Deliver on "Addressing Public Health Procurement Bottlenecks-Lessons learned from the Field", July 2013.*

7. Instill behavior change through capacity strengthening programs among PPMs and BnB operators as DOH-supported and LGU-recognized ADPs in terms of business planning, tracking and record keeping of their family planning commodities procurement and resupply practices.

8. Adapting technologies, such as commodity forecasting tools and digital ADP maps for easier location of supply points in a particular LGU, can help streamline processes and improve supply chain efficiency.

9. As mentioned above, regular SDN management team discussions regarding ADP issues and concerns, coupled with regular ADPs conferences to resolve these issues, will result in continuing improvement in local access to contraceptives.

VI. PRISM2 experiences

Negros Occidental. With the support of sugar cane farm owner, Aurelio Valderrama, Jr., who signed a Deed of Usufruct, and the Sugar Industry Foundation, Inc. (SIFI) which provided counterpart funds for the construction of the Ladngon Health Post, hacienda workers now enjoy FP-MCH and other medical products and services right in their community center. The barangay midwife delivers FP-MCH products to the health post three times a week. She conducts family planning and pre-natal counseling aside from offering family planning products like condoms, pills and injectables. Thanks to the health post, clients no longer have to walk seven kilometers to the nearest barangay health station just to get their FP-MCH supplies and products.

Cebu. In 2011, Gertudis Calzada, president of the Integrated Midwives Association of the Philippines Cebu Midwife Clinics, Inc. (ICMCI), was introduced to Alphamed Pharma Corporation, a local pharmaceutical company that partnered with USAID in a grants project that reached out to small distribution outlets in hard-to-reach villages. ICMCI gained access to large quantities of low-cost contraceptives for distribution to member clinics. As a result of ICMCI's ability to secure bulk-purchase prices for products, midwives are able to provide a steady supply of contraceptives to their clients while supplementing their fee-for-service income. The ICMCI clinics are now receiving referred clients from four RHUs and supplying contraceptives to 51 cooperatives, other midwife associations, and company and NGO clinics in the city and nearby provinces.

Luzon. The Kaunlaran ng Manggagawang Pilipino, Inc. (KMPI) which is also a licensed distributor of pharmaceutical products, trained 102 PPMs to become alternative distribution points for FP-MCH products. As a result, 48 birthing homes now procure commodities and supplies directly from KMPI. PPMs recognize the additional income derived from offering a broad range of family planning services and products to complement their traditional maternal health services.

Annexes

Annex A: Contraceptives Market Orientation Activity Design

CONTRACEPTIVES MARKET ORIENTATION

Activity Design

The contraceptives market orientation is an approach that integrates commercial market-IMS with the public sector market.

Objectives:

- To move DOH-ROs critical role as stewards of the contraceptives market forward,
- To capacitate the PPP team by understanding the basics of the private sector contraceptives market, and
- To demonstrate a total market approach through integration of the private and public sector market for contraceptives that will be valuable for DOH-ROs in developing/strengthening their support plan, specifically contraceptives market stewardship.

Participants: DOH-ROs core Public-Private Partnership (PPP) team and other identified participants relevant to the region's efforts to strengthen local availability and community access to contraceptives, particularly pills and injectables.

Expected Output: DOH-ROs support plan to adapt and roll out contraceptives market stewardship

Implementation Approach (Program of Activities for Contraceptives Market Orientation Workshop)

Session 1 – Opening Activities

- Introduction of DOH-RO participants
- Background, objectives, and flow

Session 2 – Understanding the Hormonal Contraceptive Market

- Family Planning Use in the Region
  - Share of Women Benefiting from Modern Family Planning Methods
  - Profile of Women Wanting Benefits of Modern Family Planning
  - Potential Benefits of Modern Family Planning
- Contraceptive Demand
  - Current Demand
  - Potential Demand
  - Estimated Commodity Requirements of Current and Potential Users of Pills and Injectables
- Contraceptive Supply
  - Contraceptive Supply Sources and Distribution Structure
  - Trends in Users Source: Public and Private

  - Public Sector Supply: Sources of Funding for FP Products at Public Sector Facilities, Who Determines Resupply of FP Products at Public Sector Health Facilities?
  - Private Sector Supply: FP Products by Use/Formulation, FP Products at Retail Market, Willingness to Pay vs. Average Price Point, Commercial Sector Served - Pills and Injectables, What Total Available Contraceptives Supply Means
- Supply Gap
- Key Factors Affecting Demand and Supply of Contraceptives
  - Existing Policies on Family Planning – Maternal and Child Health (FP-MCH)
  - Access/Distribution Points
  - Community Demand Generation
  - Problems in Mothers Accessing Health Care
  - Revisiting Maternal, Newborn and Child Health, and Nutrition (MNCHN) Approach
- Expanding the Contraceptive Market by Scaling Up Alternative Distribution Points
- Expanding the Service Delivery Network Market
- Desired Features of Contraceptive Market
  - What Should DOH-ROs look for in their Region's Contraceptive Market?
  - Pill and Injectable Sales in the Region
  - Market Share of Pills and Injectables in the Region

Session 3 – Workshop

- What will DOH-ROs do to move forward the market stewardship in the region?
- Identifying contraceptive market challenges/gaps
- Development of action steps to address them
  - Agreements on Private Sector Engagement Process (What Activities will the Public Sector-DOH/ROs Initiate to Start the Engagement of the Private Sector?)
  - Agreements on Coordinating Mechanisms Who Will Comprise the Core Team within the DOH-ROs in-charge of leading the Initiative?
- Integration of the Agreed Upon Action Plan into DOH-ROs Support Plan for Market Stewardship

Annex B: Contraceptives Market Orientation PowerPoint Presentation

CONTRACEPTIVES MARKET ORIENTATION
PowerPoint Presentation

USAID | PHILIPPINES
FROM THE AMERICAN PEOPLE

Contraceptives Market Orientation: An Integration Approach for CHD7

24 August 2011

OBJECTIVES

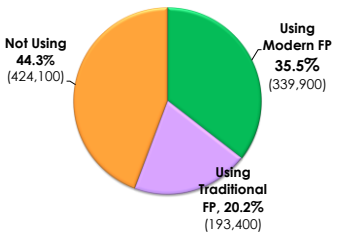
- To move forward CHD7's critical role as steward for contraceptives market
- To capacitate CHD7's PPP team through understanding of the basics of private sector contraceptives market
- To demonstrate a total market approach through integration of private and public sector market for contraceptives that will be valuable for CHD7 in strengthening their support plan for market stewardship

Flow of Activities

Time	Activity
9:00 –9:30	Opening activities • Introduction of participants and organizers • Background, objectives, and flow
9:30 – 12:00	Understanding the Hormonal Contraceptive Market • FP Use in Central Visayas • Contraceptive Demand • Contraceptive Supply • Supply Gap • Key Factors Affecting Demand and Supply of Contraceptives • Desired Features of Contraceptive Market
12:00 – 1:00	Lunch Break
1:15-2:30	Continuation: Understanding the Hormonal Contraceptive Market
2:30-4:30	Workshop: Identifying contraceptive market challenges/gaps and development of action steps to address them
4:30-5:00	Synthesis and closing

FP Use in Central Visayas

Share of Women Benefiting from Modern FP Methods: Central Visayas

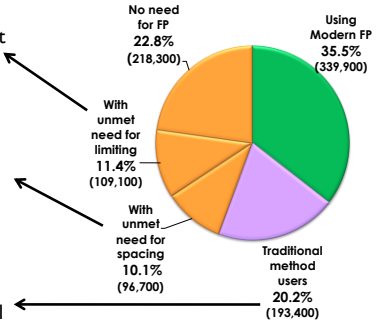


2011 MWRA Estimates: 957,407

Data Source: 2008 NDHS, NSO

More Women Wanting Benefits of Modern FP

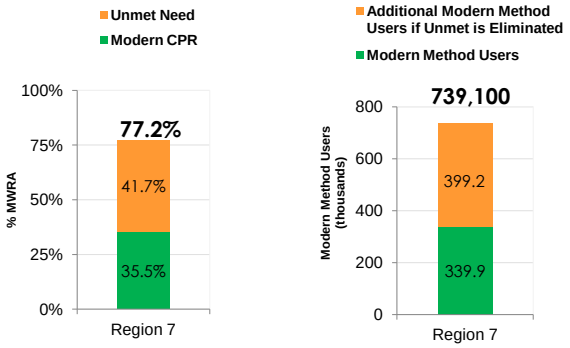
- No longer want any more children but not using modern FP
- Want to postpone next pregnancy but not using modern FP
- Using traditional methods (rhythm, withdrawal, folk remedies) likely to fail



Central Visayas: 2011

Data Source: 2008 NDHS, NSO

Potential Availment of Modern FP Benefits If All Who Want to Use Actually Use: Central Visayas



10 Essential Local Improvements to Increase CPR and SBA

1. Information provision on FP-MCH
2. **Contraceptive supply availability**
3. Providers competencies in FP
4. Providers of LAPM
5. Hospital-based FP-MCH services
6. Providers competencies in MCH
7. Use of FP-MCH benefits of NHIP
8. Professional midwife practice
9. M&E on FP-MCH
10. Local stewardship of total FP-MCH market

Contraceptives Technical Initiatives

Module 1	Module 2	Module 3
Stewardship of contraceptives market 1. Adopt expansion of commercial contraceptive market as an FP program strategy for increasing CPR 2. Monitor status of contraceptive supply at public and private sectors 3. Monitor status of demand for contraceptives at community level	**Ensuring Public Sector Supply** 1. Increase level of funding for free contraceptives 2. Maximize the quantity of contraceptives that can be procured 3. Distribute and utilize the available quantity of free contraceptives 	**Facilitation of Commercial Contraceptives Supply** 1. Allow public sector outlets to sell commercial contraceptives 2. Support demand generation activities in which commercial suppliers can participate; Cooperate with commercial suppliers that are promoting and marketing their products 3. Encourage commercial suppliers to expand and deepen their supply coverage

Moving Forward
Stewardship of contraceptives market in Region 7

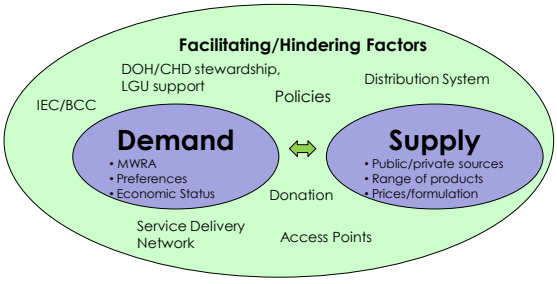
1. Adopt expansion of commercial contraceptive market as an FP program strategy for increasing CPR

2. Monitor status of contraceptive supply at public and private sectors

3. Monitor status of demand for contraceptives at community level

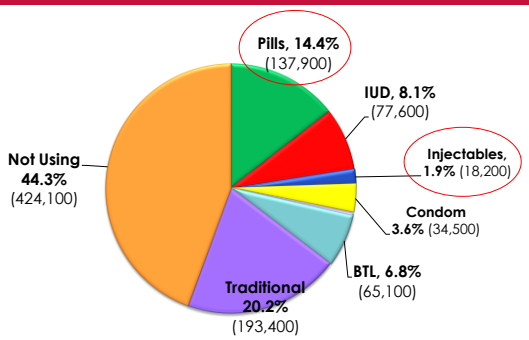
Understanding the Contraceptive Market

Key Elements of the Contraceptive Market



Contraceptive Demand

Current Demand for Pills and Injectables: Central Visayas

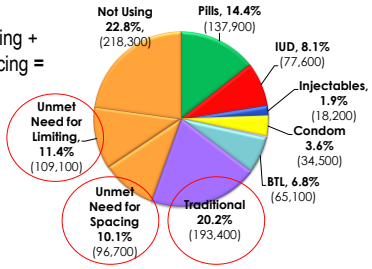


2011 MWRA Estimates: 957, 407

Data Source: 2008 NDHS, NSO

POTENTIAL Demand for Pills and Injectables: Central Visayas

Potential Users:
Traditional users +
Unmet need for limiting +
Unmet need for spacing =
41.7% or 399,200 MWRA



2011 MWRA Estimates: 957,407

Estimated Commodity Requirements of Current and Potential Users for Pills and Injectables: Central Visayas, 2011

	Commodity Requirements*	
	Pills (in cycles)	Injectables (in vials)
Current Users	2,121,767	82,767
Potential Users	5,428,079	211,743
Total	**7,549,846**	**294,510**

* CYP for pills = 15.39 cyles; injectables = 4.55 vials

Estimated Commodity Requirements of Current and Potential Users for Pills and Injectables (in Peso Value): Central Visayas, 2011

	Commodity Requirements (in PhP)*		
	Pills	Injectables	Total
Current Users	58,348,595	5,379,909	63,728,504
Potential Users	149,272,173	13,763,326	163,035499
Total	**207,620,768**	**19,143,235**	**226,764,004**

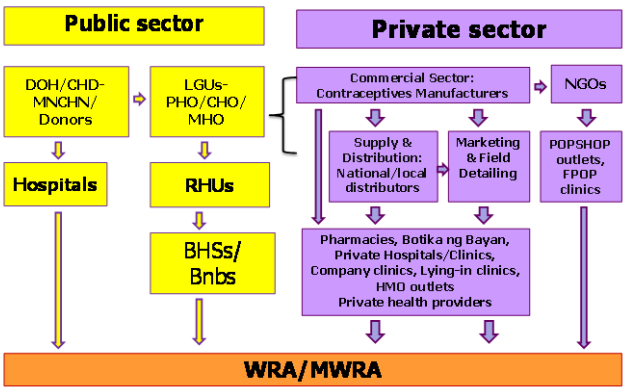
* Pills = Php27.50 per cycle; injectables = PhP 65 per vial

KEY POINTS

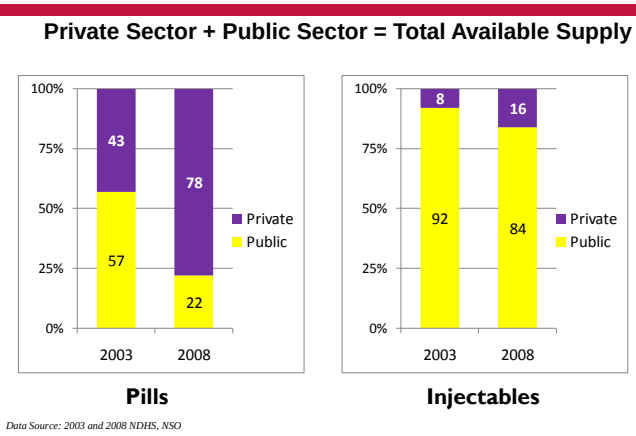
- Contraceptives (pills and injectables) are used by large number of WRAs and account for large share of FP use.
- Pills and injectables are gateways to other FP methods.
- Unmet need for FP in the region is high
- Potential demand for pills and injectables is substantial
- Current market for pills and injectables can still expand
- Commercial market can respond when free contraceptives are limited

Contraceptive Supply

Contraceptive Supply Sources and Distribution Structure



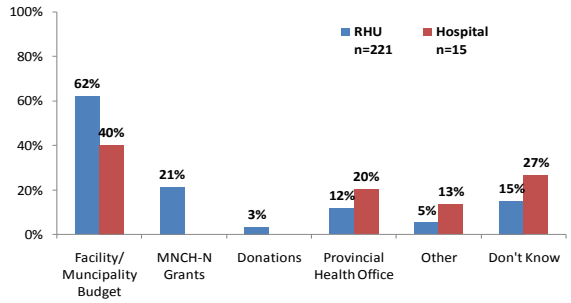
Trends in Users' Source of Pills and Injectables; 2003-2008



Data Source: 2003 and 2008 NDHS, NSO

Contraceptive Supply from Public Sector

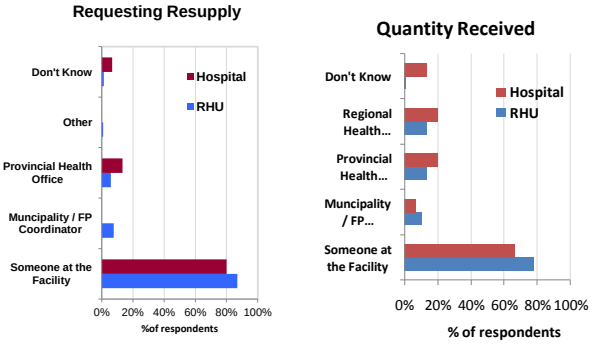
Sources of Funding for FP Products at Public Sector Facilities



Data Source: Phil. Public Sector Stock Status Survey- HealthGov as presented by JSI July 21, 2011)

*Sum of the results is might be over 100% as some respondents reported more than one type of funding

Who Determines Resupply of FP Products at Public Sector Health Facilities? (According to Health Facility Personnel)



Data Source: Phil. Public Sector Stock Status Survey- HealthGov as presented by JSI July 21, 2011)

Contraceptive Supply from Private Sector

23 BRANDS available from Commercial Sector (20 brands – PILLS, 3 brands – Injectables)

FP Method	COMPANY/DISTRIBUTOR				
	DKT	Bayer Schering		Dyna Drug	Alphamed
Pills	Trust Pill	Yasmin	Marvelon 28	Micropil	Famila 28
	Lady	Gynera	Exluton	Micropil plus	
	Daphne	Sief Pill	Mercilon		
	Charlize	Meliane	Gracial		
	Althea	Logynon	Cerazette		
		Yaz			
		Dianne			
Injecta-bles	Depotrust				Norifam
	Lyndavel				

FP Products by Use/Formulation

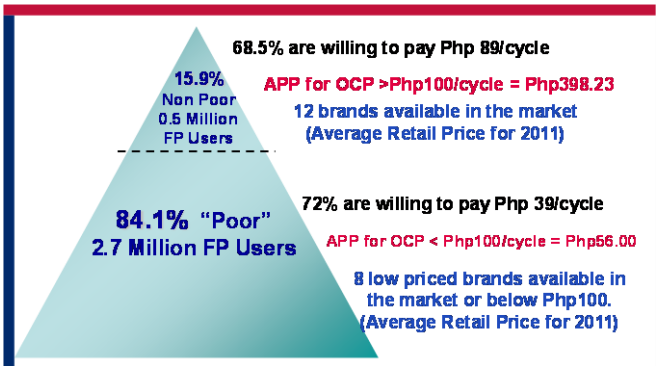
Pills	• Combined Oral Contraceptives (COC) – provides progestin and estrogen in fixed dosage
	• Progestin Only Pill (POP) – contain a low, uninterrupted daily dose of a progestin and no estrogen (Exluton, Daphne,Cerazette)
Injectables	• 3-months: DMPA - Depot medroxyprogesterone acetate (Depotrust, Lyndavel)
	• 1-month: Norethisterone enanthate (Norifam)

FP Products at Retail Market

	Retail Price	
	< PhP100	> PhP100
Pills**	• Famila28 – 27.00 • Lady – 33.50 • Trust Pill – 40.50 • Micropil – 44.00 • Seif – 63.50 • Marvelon28 – 77.50 • Micropil Plus – 80.00 • Charlize – 82.00	• Daphne – 115.00 • Nordette – 60.00 • Exluton – 167.75 • Logynon – 353.00 • Meliane – 408.00 • Gynera – 508.50 • Cerazette – 532.25 • Mercilon – 452.00 • Gracial – 556.00 • Yasmin – 729.75
Injectables*		• Lyndavel – 150.00 • Depotrust – 150.00 • Norifam – 150.00

** Injectable retail price includes administration fee*
*** Mercury price*

Willingness to Pay vs. Average Price Point (APP)



Commercial Sector Served PILLS & INJECTABLE Central Visayas; 2010

Province/City	Sales for Pills		Sales for Injectables	
	No. of Cycles	% Share	No. of Units	% Share
Bohol	159,343	10.7%	7,680	16.8%
Cebu	253,818	17.0%	6,241	13.7%
Cebu City	825,667	55.2%	25,443	55.7%
Lapu Lapu City	31,151	2.1%	1,462	3.2%
Mandaue City	177,214	11.9%	3,860	8.5%
Negros Oriental	48,273	3.2%	984	2.2%
Siquijor	3	0	0	0
TOTAL	**1,495,469**	**100%**	**45,670**	**100.0%**

Data Source: December MAT 2010; IMS Intelligence Applied

What TOTAL Available Contraceptives Supply means? PILLS (in cycles)

Province/City	Public				Private (IMS) 2010	Total
	MNCHN		Dona-ted	LGU Purchased		
	Planned	Actual				
Bohol	2009 – ? 2010-47,000	15,000			159,343	
Cebu	2009-? 2010-?	2,100 53			253,818	
Cebu City					825,667	
Lapu Lapu City					31,151	
Mandaue City					177,214	
Negros Oriental	2009-0 2010-10,000	12,000			48,273	
Siquijor					3	
TOTAL					**1,495,469**	

What TOTAL Available Contraceptives Supply means? Injectables (in cycles)

Province/City	Public				Private (IMS) 2010	Total
	MNCHN		Dona-ted	LGU Purchased		
	Planned	Actual				
Bohol	2009 – ?	2,500			7,680	
	2010- 2,350					
Cebu	2009-?	450			6,241	
	2010-?	35				
Cebu City					25,443	
Lapu Lapu City					1,462	
Mandaue City					3,860	
Negros Oriental	2009-0	3,000			984	
	2010- 6,000					
Siquijor					0	
TOTAL					**45,670**	

KEY POINTS

PUBLIC SECTOR

- Public sector supply for contraceptives is limited
- There is limitation in relying to public sector (budget and political limitation, reasons for preference)

PRIVATE SECTOR

- Point of sale is not equal to point of use.
- Demand for commercial contraceptives is strong (sales growth, unit sales)
- Private sector share as source of pills and injectables is rapidly increasing

KEY POINTS

- There is still room for growth for both public and private sector:
  - Clients are discontinuing because supplies are not available in the public sector
  - There are unserved and underserved provinces
    - Communities looking for free contraceptives that are not available?
- Many would have used pills and injectables if they have known better
  - With the right information
  - price is affordable
  - there's actual supply

Supply Gap in Hormonal Contraceptives

Estimated Commodity Requirements of Current and Potential Users for Pills and Injectables: Central Visayas, 2011

	Commodity Requirements*	
	Pills (in cycles)	**Injectables** (in vials)
Current Users	2,121,767	82,767
Potential Users	5,428,079	211,743
Total	**7,549,846**	**294,510**

* CYP for pills = 15.39 cyles; injectables = 4.55 vials

Demand Served by the Commercial Sector: Central Visayas; 2010

Province/City	Sales for Pills		Sales for Injectables	
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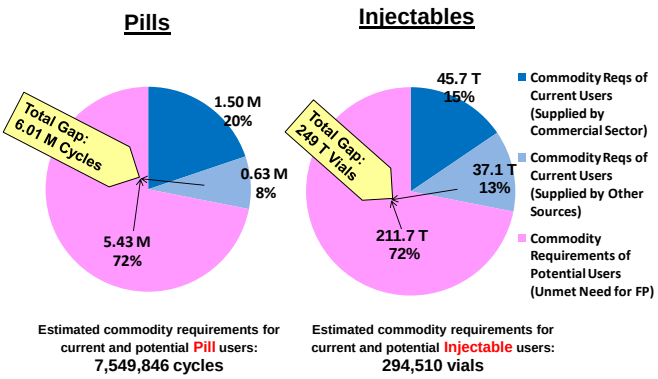
Mandaue City	177,214	11.9%	3,860	8.5%
Negros Oriental	48,273	3.2%	984	2.2%
Siquijor	3	0	0	0
TOTAL	**1,495,469**	**100%**	**45,670**	**100.0%**

Data Source: December MAT 2010, IMS Intelligence Applied

Supply GAP for Pills and Injectables in Central Visayas Considering Demand from Current and Potential Users



Estimated commodity requirements for current and potential Pill users: **7,549,846 cycles**

Estimated commodity requirements for current and potential Injectable users: **294,510 vials**

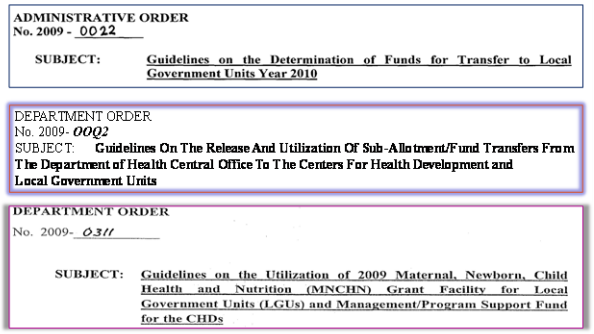
Key Factors Affecting Demand and Supply of Contraceptives

- Existing policies on FP-MCH
- Access/distribution points
- Demand generation at communities
- Problems in accessing health care by mothers

Existing Policies on FP-MCH

- RA 6675 (Generics Act of 1988)
- AO 23-As (Promotes BnBs, 1996)
- AO144, 2004 (Guidelines for establishment of BnBs and Pharmaceutical Distribution Networks- PDN)
- DOH 2010-0152 allowing FP products in Health Plus operated outlets
- MNCHN

DOH-CHD Policy and Guidelines – MNCHN in support of FP-MCH

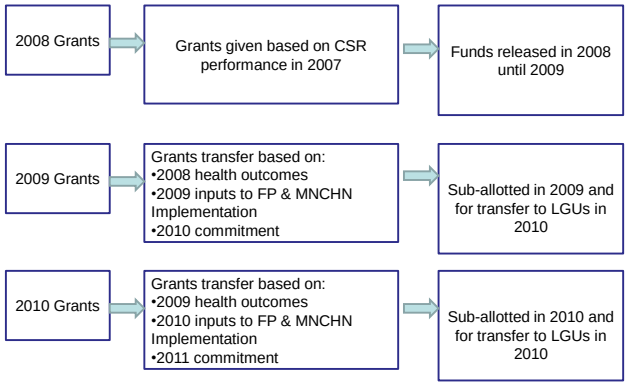


ADMINISTRATIVE ORDER
No. 2009 - 0022
SUBJECT: Guidelines on the Determination of Funds for Transfer to Local Government Units Year 2010

DEPARTMENT ORDER
No. 2009- 0002
SUBJECT: Guidelines On The Release And Utilization Of Sub-Allotment/Fund Transfers From The Department of Health Central Office To The Centers For Health Development and Local Government Units

DEPARTMENT ORDER
No. 2009- 0311
SUBJECT: Guidelines on the Utilization of 2009 Maternal, Newborn, Child Health and Nutrition (MNCHN) Grant Facility for Local Government Units (LGUs) and Management/Program Support Fund for the CHDs

MNCHN Grants can facilitate Public Sector Supply Availability



Revisiting MNCHN approach

- Grants are given to LGUs for achieving a certain level of performance → DOH's indicators of performance
  - Leverage improvements in overall institutional capacity and performance
  - Grants support health sector plan as stated in the PIPH/AOP

DOH-CHD's stewardship started with how MNCHN are allocated?

- Available resources are allocated based on equity → poor MWRA
- Funds transferred by DOH is meant to ***augment and not replace*** resources of LGUs for providing MNCHN services → local counterparts

Expanding Contraceptive Market by Scaling Up Alternative Distribution

Traditional Distribution Points	Alternative Distribution/Access Points
• Public sector health facilities (hospitals, RHUs, BHSs) • Pharmacies/ Drugstores	• Midwives - lying-in clinics/birthing facilities (i.e. ILCI, ICMCI) • Company clinics/pharmacies • NGOs, COOPs network • Botika ng Bayan, Botika ng Brgy. • HMO clinics (i.e. PRIME Care) • Social franchise outlets (Health Plus, POPshops, HealthPlus-Bnbs) • Hospital-based pharmacies • Mobile pharmacies • Private hospitals/clinics • Health providers entreprene

Expanding Contraceptive Market in Central Visayas

Current & Potential users among WRAs in workplaces	CHD7 & LGUs partnership in expanding market
• Companies, SMEs, cooperatives, as service points for wider access to FP-MCH services, information and PRODUCTS	• Through strengthening of service delivery network • Companies, coops, SMEs, NGOs, PPMs, pharma – relevant partners to respond to supply gap

Demand Generation in Communities

- PRISM2 grantees collaborating with PPMs, NGOs (i.e. BHW Federation, ICMCI), community-based organizations, health facilities, workplaces
- PRISM2 grantees partnering with CHD7 and LGUs
- CHD7's IEC/BCC activities

Local market dynamics – Hindering Factors/Problems in accessing health care by mothers *

Problem	Region7	Phil
Getting permission to go for treatment	11.0	8.4
Getting money for treatment	**71.3**	**55.1**
Distance to health facility	**30.7**	**27.4**
Having to take transport	**29.0**	**26.5**
Not wanting to go alone	**23.6**	**19.8**
Concern no female provider available	24.8	17.3
Concern no provider available	**65.9**	**36.8**
Concern no drugs available	**83.5**	**47..2**
At least one problem accessing health care	**96.2**	**74.6**

*Refers to mothers with children under five years. Source: NSO and ORC Macro, 2008 NDHS, 2009

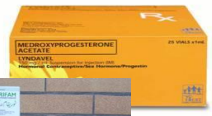
Data source: 2008 NDHS

Desired Features of Contraceptive Market

What should CHDs look for in their region's contraceptives market

- Array of contraceptives available at different formulations and price points to meet users' preferences
- FP products actively supported by companies with marketing, promotion and distribution
- Range of contraceptives present in all provinces/cities in the region
- Contraceptives market growing in terms of total unit sales and growing faster than growth in total potential client population






Sales for Pills by Formulation - POP and COC Central Visayas: 2010

Area	Sales for Pills-POP		Sales for Pills-COC		Total Sales	
	No. of Cycles	% Share	No. of Units	% Share	No. of Units	% Share
Bohol	8,805	5.5%	150,538	94.5%	159,343	100%
Cebu	11,540	4.5%	242,278	95.5%	253,818	100%
Cebu City	57,946	7.0%	767,721	93.0%	825,667	100%
Lapu Lapu City	1,052	3.4%	30,099	96.6%	31,151	100%
Mandaue City	10,691	6.0%	166,523	94.0%	177,214	100%
Negros Or	5,046	10.5%	43,227	89.5%	48,273	100%
Siquijor	0	0.0%	3	100.0%	3	100%
Total	**95,080**	**6.4%**	**1,400,386**	**93.6%**	**1,495,466**	**100%**

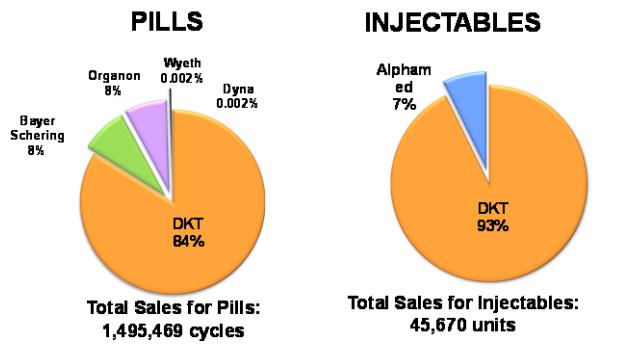
Data Source: December MAT 2010, IMS Intelligence Applied

Sales for Pills and Injectables by Price Central Visayas: 2010

Note: Low Price = PhP < 100; Moderately Priced = PhP 100-150; High Price = Php >150

Data Source: December MAT 2010, IMS Intelligence Applied

Market Share for Pills and Injectables by Company Central Visayas: 2010



Data Source: December MAT 2010, IMS Intelligence Applied

Sales for Pills and Injectables: Central Visayas; 2010

Province/City	Sales for Pills		Sales for Injectables	
	No. of Cycles	% Share	No. of Units	% Share
Bohol	159,343	10.7%	7,680	16.8%
Cebu	253,818	17.0%	6,241	13.7%
Cebu City	825,667	55.2%	25,443	55.7%
Lapu Lapu City	31,151	2.1%	1,462	3.2%
Mandaue City	177,214	11.9%	3,860	8.5%
Negros Oriental	48,273	3.2%	984	2.2%
Siquijor	3	0	0	0
TOTAL	**1,495,469**	**100%**	**45,670**	**100.0%**

Data Source: December MAT 2010, IMS Intelligence Applied

BENEFITS to CHD7 on Stewardship of Contraceptives Market

- **Significant impact in the lives of mothers and children in the region**
- **Major contribution in improving Region 7's CPR through the region-wide availment/use of pills and injectables**
- **Can strengthen the region and field team's current efforts towards increased availability and access of women to FP-MCH products.**

Moving Forward CHD-7 Role as Contraceptive Market Steward

Workshop:

- What specific activities will CHD undertake as steward of the contraceptive market?
- In relation to contraceptive market stewardship, what are the possible venues of application (e.g. PIR, AOP, P/CIPH, etc.)?

Annex C: Contraceptive Commodities Review and Commodities Forecasting Workshop Activity Design

CONTRACEPTIVE COMMODITIES REVIEW AND COMMODITIES FORECASTING WORKSHOP
Activity Design

Setting the Background

Since the onset of Contraceptive Self-Reliance in early 2000, most DOH-ROs have assisted the provinces in their respective regions. Clusters of LGUs develop local responses to ensure continued availability of contraceptive and other MNCHN commodities in local markets. To further support LGUs along this direction, the Department of Health has made MNCHN grants available, which can be used to procure FP and MNCHN commodities to complement procurement by LGUs using local funds.

In spite of these efforts, a number of issues and challenges confront the DOH-ROs and LGUs in their efforts to fully meet the FP and MNCHN commodity requirements of women and families in these provinces.

This activity will serve to revisit local CSR plans and MNCHN grant implementation, identify issues and challenges encountered, and map out workable solutions to effectively meet local commodity requirements using all available means and resources.

Workshop Objectives:

- To generate responses from LGUs on how they will address local FP/MNCHN commodity requirements
- To review LGU use of DOH MNCHN grant funds in ensuring commodity security
- To identify issues and challenges confronting DOH-ROs and LGUs in efforts to ensure contraceptives security in the province
- To learn how realistically forecast using evidenced-based references (unmet need data, current requirements, potential requirements, total demand both current and potential, population growth rates, among others)
- To develop a support plan to address issues and challenges and to ensure MNCHN commodity security in provinces/LGUs in target year_____.

Suggested Activity Flow: *(next page)*

ENSURING MNCHN COMMODITY SECURITY IN REGION/PROVINCE/CITY/MUNICIPALITY

8:00AM – 5:00PM

Program of Activities

2012	ACTIVITY	Responsible Person
08:00 – 09:00	Registration of participants	
09:00 – 09:30	➢ Opening Ceremony ➢ Invocation ➢ Introduction of Participants ➢ Welcome Address	DOH-RO Regional Director
	Overview of the Meeting and Objectives	Head of Technical Services
09:30 – 9:45	Session 1. Ensuring MNCHN Commodity availability in the region/province	Provincial/City Health Officer/ FP Coordinator
9:45 – 10:15	Session 2. The Importance of Commodity Availability in Realizing the MNCHN Strategy	DOH-RO FP Coordinator
10:15 – 10:45	Session 3. Total Market Approach – Increasing Access of Communities to FP-MCH Supply in Public & Private Sectors Orientation on the Recommended Commodity Forecasting Tool	DOH-RO Representative (previously oriented on contraceptive market)
10:45- 12:00	**Workshop 1**. Forecasting LGU Commodity Requirements	All participants
	LUNCH BREAK	
01:00 – 1:30	Session 4. Highlights of LGU Forecasts and Current Procurement/Availability: Identification of Issues	
1: 30 – 3:00	**Workshop 2**. Developing LGU-level Responses to Address Issues	Workshop Facilitators:
3:00- 4:00	Plenary Presentation on LGU Responses (per LGU)	DOH-RO/City Health Officer
4:00-4:45	Synthesis, Agreements, Next Steps	
4:45-5:00	Closing	DOH-RO: Regional Director/Assistant Regional Director

Suggested Workshop Mechanics:

- Group participants into clusters according to the LGUs they represent
- Assign a work station at the workshop venue for each group of LGUs
- With the guidance of DOH-RO, PHO, USAID-Cooperating Agency, each LGU should be given 10 minutes to work on the worksheets at the work station to complete the forecasting exercise.
- Workshop 1: Use PRISM2-developed Family Planning Calculator available from the DOH-RO to:
  - Calculate the number of commodity and cost requirements for current pill and injectable users, grouped by income (poor and non-poor)
  - Calculate the potential requirements based on unmet need goals
  - Calculate the total demand, taking into consideration the commodity requirements of current and potential pill and injectable users
- Workshop 2: Developing LGU Responses to Address Issues:
  - Assign facilitator and documenter
  - Identify applicable issues
  - Discuss local situation/context/background of issues to generate ideas on possible responses
  - Determine most appropriate and workable responses and fill-in template
  - Formulate ILHZ/LGU-specific responses to address issues
  - Determine the resources needed, time frame, and support from PHO and DOH-RO for each response
  - Use output as reference for Annual Operational Plan
  - To harmonize and integrate inputs, use recommended Workshop 2 template:

Issues	Action	Resources Needed	Time Frame	DOH-RO, PHO Support Needed
Commodities Forecasting				
Mobilizing Resources				
Procurement				
Distribution and Delivery				
Monitoring and Tracking				

PHO, DOH-RO and participating development partners (technical assistance provider such as USAID-Cooperating Agency staff collect the electronic outputs for monitoring of actual implementation of action points.

Annex D: Guidelines for Selling Other Health Products in the BnB

Republic of the Philippines
Autonomous Region in Muslim Mindanao
DEPARTMENT OF HEALTH
Office of the Regional Secretary
Tel. Nos. (064) 4216145 / 4217703 / 4213988 Fax No. (064) 4216842

Nagmamahal
DOH-ARMM

May 10, 2012

MEMORANDUM CIRCULAR
No. 000476 series of 2012

TO : Provincial Governors, Municipal/City Mayors,
Provincial/City Health Officers,
Municipal/District Health Officers,
Barangay Captains, and BnB Operators – ARMM

SUBJECT : Guidelines for Selling Other Health Products
in the Botika ng Barangay (BnB)

I. RATIONALE

It is the policy of the state to protect the right to health of the people. Particularly, the state, under the 1987 Constitution, "is mandated to adopt an integrated comprehensive approach to health development which shall endeavor to make essential goods, health, and other social services available to all the people at affordable cost.

Meanwhile, Republic Act 6675 or the Generic Act of 1988, prescribes that it is the policy of the state "to ensure the supply of drugs with generic names at the lowest possible cost.

Recognizing the importance of the operation of the Botika ng Barangay, there is a need to provide measure to sustain its operation in the Autonomous Region in Muslim Mindanao (ARMM). It is a fact that the Botika ng Barangay (BnB) promotes equity in health by ensuring the availability and accessibility of affordable, safe and effective, quality essential drugs to all, with priority for marginalized, underserved, critical and hard to reach areas.

With this, the DOH – ARMM has formulated a local guideline to include health products, aside from the list of the BnB drugs and medicine that are allowed to be sold in the botika ng Barangay per Department Memorandum No. 31, series of 2001. The inclusion of other health products would in one way sustain the operation of the BnB's in the ARMM areas.

II. OBJECTIVE

This memorandum Circular aims to set forth the guidelines for inclusion of other health products that may be allowed for sale at the Botika ng Barangay (BnB) in the ARMM area.

III. GUIDELINES

1. The DOH – ARMM authorized the selling of the other health products to the Botika ng Barangay subject to strict implementation of these guidelines.

2. Specifically, the Botika ng Barangay (BnB) is authorized to sell the following over the counter health products that do not require prescription from medical practitioners, viz:

   • Family Planning – Maternal and Child Health Commodities

Republic of the Philippines
Autonomous Region in Muslim Mindanao
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Nagmamahal
DOH-ARMM

IV. MONITORING

The Food and Drug Regulatory Officers (FDROs) and DOH – ARMM representatives assigned to the different provinces and cities, under the immediate supervision of the Office of the Regional Secretary shall be responsible for the strict monitoring of the dispensing protocol under this order and shall include such activity other that their regular work.

V. SOURCE OF FUNDS

The regular fund for the Botika ng Baarangay shall not be used for procurement of the above-mentioned health products. Hence, other source of capital is encouraged such as: community – source fund, individual contributions, and barangay officially-sourced funds.

VI. PERIODIC REPORTS

Periodic report on fund utilization and sales shall be separated for this purpose as provided under DOH Memorandum 31. Only drugs and medicines proceeds/sales shall be reported to the DOH – ARMM, while record of sales of newly-included products shall be kept at the BnB for monitoring and future references.

VII. EFFECTIVITY

This Memorandum Circular shall take effect immediately.

KADIL M. SINOLINDING, JR., MD, DPBO
Secretary of Health – ARMM

Annex E: Sample PowerPoint Presentation for an ADP Forum

Base of the Pyramid (BoP)
Value to PPMs-ADP's Sustainability

Base of Pyramid (BoP)
a significant market for PPMs, BHWs

- By sheer numbers, low-income households in the Philippines constitute a sufficiently large domestic market for:
  - all types of consumer goods
  - Telecom utilities
  - **Health products and services**

Photo courtesy of Beracah Pharma

Which of these 9 features/capacities do you have as a Private Sector Market Player critical to gain BoP market?

1. Distribution logistics (ICMCI, ILCI, Beracah Pharma, Dyna Drug)
2. Promotion (PPMs, CHTs, BHWs)
3. Credit & Financing (COOPs, Micro-finance org)
4. Post-Sale Services (all key players)
5. Information (BoP market info)
6. Contact (market network in Region 7)
7. Business Matching (PPMs networking with BHWs, Coops?)
8. Negotiation (among partners)
9. Sustaining the BoP business in Region 7

Midwives in Visayas change the standard

- The success of the first ILCI spurred the interest of some 200 member-midwives of IMAP-Bohol.
- Since 2009, 11 more lying-in clinics were established to attend to the needs of mothers. In 2011, three more ILCI clinics were established in Bohol.
- From 2007-2011, the birthing clinics attended to about 6,000 deliveries.
- By March 2012, ILCI branched out and established seven clinics in nearby Negros Oriental province.

Featured in USAID website: Success Stories: Corazon Paras, Midwife, President ILCI President IMAP, Bohol Chapter

IMCI – servicing PPMs network & Cebu communities
Teody Calsada, Sustainability Personified

- Nanay Teody, a midwife with more than 40 years of experience
- Has trained 55 midwives and helped accredit 27 birthing clinics.
- Currently operating a sustainable distribution network supplying other PPMs as ADPs , coops, and LGUs in Cebu

Base of Pyramid (BoP), opportunity market for Region 7 PPMs, BHWs

- High density communities in Region 7 have become a magnet for the poor.
- Are accessible, conscious on value offers they can avail, connected and eager for new products that can benefit them.

Pricing Plan

Cost Plus pricing

- **Takes the cost of producing your product or service and adds an amount that you need to make a profit**
- **Usually expressed as a percentage of the cost**
- **Operate in markets dominated by competition on price.**

Value-based pricing

- **focuses on the price you believe customers are willing to pay, based on the benefits your business offers them.**
- **you have clearly-defined benefits that give you an advantage over your competitors, you can charge according to the value you offer customers.**

Guide to Pricing MNCHN products in your clinics-ADPs

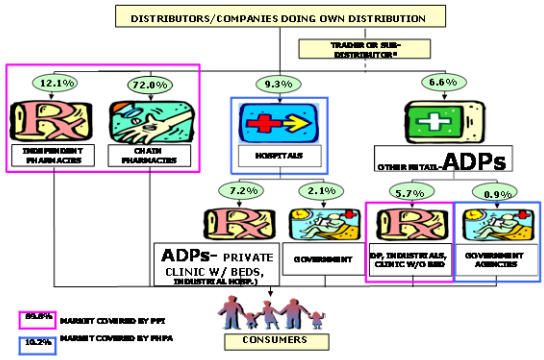
- Step 1: Find the costs of your products, services
  Itemized, transpo/shipping cost, acquisition price
- Step 2: Identify your general operating costs
  - Salaries of staff, time you spent on clinic
- Step 3: Identify your minimum selling price
  purchase price + allocate a proportion of general operating cost
- Step 4: Compare your minimum price to your competitors - Difference bet your price and competitors
- Step 5: Make yourself stand out
  Why would clients pay more for yours?

A simple Pricing Plan
Star Birthing Home, Cebu

Services	Price		Products	Price	
Delivery			Famila 28 (pills)		
FP Counseling			Norifam Depofemme (Injectables)		
IUD insertion			Clotrikam V (v. suppository		

Networking Opportunities for PPMs & BHWs in Community-based Distribution

ADPs (14% share) - one of the emerging channels of distribution in Philippines



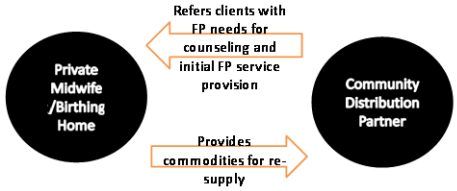
ADPs – pro-poor initiative

- Alternative Distribution Points – non-traditional outlets that make FP commodities available in underserved, grassroots communities and may be any of the following:
  - lying-in clinics/birthing homes
  - company clinics
  - cooperatives
  - NGOs (e.g. BHW Federation operated distribution outlets)
  - RHU operating as economic enterprise (cost recovery mechanism, i.e. user's fee)
  - social franchise outlets
  - **Community-based distributors recognized by RHUs or private sector organizations**

Midwives in Community-based Distribution Indonesia experience* (*Village Midwife Program 1989)

- **Program objectives:**
  improve accessibility and utilization of FP services
  enhance the mix of contraceptives available
- Midwives increased odds of injectable use
- Community women's switching behavior indicates that the program succeeded in providing **additional outlets** for resupply
- This approach to contraceptive distribution has been effective and could have been sustained in increasing access to contraceptives, if midwives can reach more communities in between their practice

Typical Relationship Patterns Between Private Midwife/Birthing Home and Community Distribution Partner



Reaching More Communities in Region 7 thru a network - CBDs

- a socioeconomic activity by which groups of like-minded businesspeople recognize, create, or act upon business opportunities*
- PPMs and BHWs in community-based distribution can be a business network
- May agree to meet weekly or monthly with the purpose of exchanging business leads and referrals with fellow members

*Wikepedia

Critical Elements for an Expanded Community-based Distribution as a business network

•A broader service regimen
•Involvement of partners already immersed in the communities
CBD volunteer selection and deployment is critical
•CBD volunteer training and supervision

•CBD is more sustainable with other private sector organizations – BHW Federation, Pharma cos, other PPMs network, faith-based organizations-SDA)

Barangay Health Workers Source: Wikepidia

- R.A. 7883-BHW Act mandated these hard working volunteers as a category of health care provider
- They live in the communities they serve
- Act as change agents in their communities
- BHWs provide information, education and motivation services for primary health care, maternal and child health, child rights, family planning and nutrition.
- May administer immunizations and regular weighing of children.
- **BHWs often assist midwives.**

14,000 BHWs in Central Visayas

Emerlinda Abadiano, President of the National Confederation of BHWs

- Cristina Suemith, a mother of three, has served as a health worker in Argao for 32 years. For 14 years, she did not receive any honorarium. Now she receives a minimal Ph750.00*
- At 19th Convention of Central Visayas BHWs, then Rep. Cynthia Villar commended BHWs for their dedication to serve*
- *Cebu Sun Star, July 8, 2012

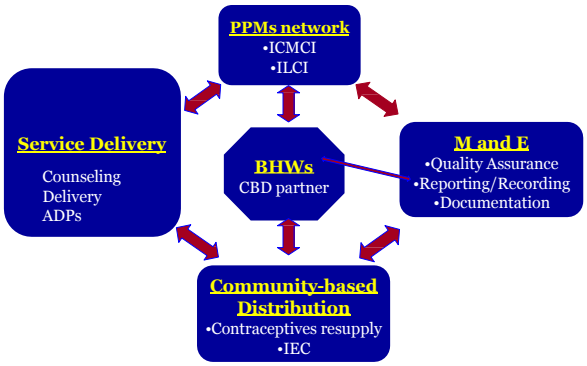
A BHW on training in a special session with FP Coordinator, Apr 2013

Photo courtesy: Beracah Pharma

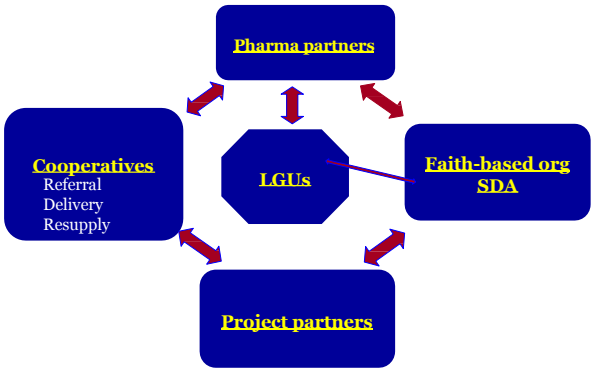
Scaling up PPMs tie up with BHWs:
An Option to Community-based Distribution

- PPMs as ADPs help improve access to contraceptive supply and use, given their intimate relationships with clients before, during and after childbirth.
- Community-based distribution of contraceptives has emerged as a means of extending access of FP services
- CBD relies on non-clinical community-based family planning workers (or volunteers) and can engage communities.
- **As CBD partners, BHWs in Region 7 can benefit from such partnership**

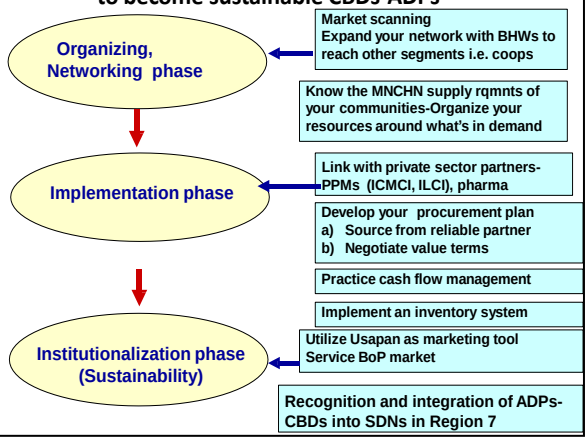
Redefining local relationships in Community-based Distribution



Networking Opportunities for PPMs with BHWs as marketing arm in Community-based Distribution



Guide for PPMs tie up with BHWs to become sustainable CBDs-ADPs



Expanding Community-based Distribution (CBD) in Region 7

- PPMs tie up with BHWs is one approach to integrate ADPs into the community based distribution
- CBD is a viable personalized delivery option that can easily warm up BOP market acceptance and facilitate access to resupply

"Nielsen says - Filipino consumers are apparently the most optimistic in the whole Southeast Asia, and second most in the world, a study claims".