One Family Health: OFH Health Posts

“I realized that it is really access that is the problem. People talk about building fancy hospitals and tertiary clinics and they’ve got a lovely building with bunsen burners and massive clinics and you go back a year later and it’s empty. **If you get it right at the bottom, it percolates up.** That’s what my issue is. I’ve become a zealot. We’ll be able to provide basic healthcare for between $1.90 and $2.05 per capita per annum. There are no bells and whistles that go with it. This is basic healthcare to treat the conditions that cause 40% of deaths in Africa.”

—Gunther Faber, Founder and CEO

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Description of Innovation

One Family Health (OFH) is a private, not-for-profit U.S. organization, which operates in market as a low-profit (L3C) company. OFH developed and currently manages a franchised network of health posts that function in partnership with the Rwanda Ministry of Health (MOH) to increase access to high-quality, basic healthcare services and essential medications throughout the country.

These franchised clinics act as both a micro-clinic and a pharmacy and are owned and operated by local nurses given access to financing and training in business, clinic operations, and clinical skills. The franchise model catalyzes local nurses to become small business owners while bringing essential goods and basic healthcare to under-served populations, allowing for rapid scaling.

Each OFH health post, serving more than 5,000 people per year on average, combats the most common causes of mortality in Rwanda, while also providing health education and prevention services to local communities. OFH ensures quality of care at each health post by limiting services to a targeted set of health issues and standardizing care.

Coordinated referral systems, integration of national insurance schemes and access to national inventory and logistics management are innovative.

The Iron Triangle of Health Care

OFH increases **access** by developing clinics where the need is greatest.

Franchisees and staff are trained in **quality** management standards (QMS) for every clinic activity.

OFH ensures sustained lower **costs** by implementing a franchise model with replicable, high quality standards, producing economies of scale through replication.
aspects of the organization that have resulted from the strong private-public partnership established between OFH and the Rwanda MOH. In addition, creative use of technology allows OFH nurses to update patient records and maintain accurate stock information in real time using mobile phones, increasing efficiency and ensuring that life-saving medications are always on hand.

OFH was launched in Rwanda in 2012 under a private-public partnership with the Rwanda government. OFH currently operates more than 80 health posts, with plans to grow to 500 by 2017. In the first six months of 2014, OFH health posts provided more than 168,000 patient visits, a testament to the potential for scale.

Providing Value to the Patient, Community, and Health System

The Rwandan government development program, Rwanda Vision 2020, outlines a plan to ensure every Rwandan is within a one-hour walk of basic healthcare services by 2020. In order to meet this goal, the government and OFH projected that 500 health posts would be needed across the nation.

Currently, 90% of Rwandans are covered under the national health insurance scheme *Mutuelle de Santé*. However, this insurance is only accepted at public healthcare facilities and many Rwandans must walk long distances or pay additional transportation costs in order to reach a facility that can accept their health insurance.

Through an innovative public-private partnership, the MOH officially recognizes OFH and the OFH health posts as a formal entry point into the public healthcare system and actively promotes their use. Patients are able to use *Mutuelle de Santé* insurance benefits at OFH health posts to see a nurse clinician equipped to treat the most common diseases for a nominal co-payment fee.

OFH health posts provide health care and treatment for 70% of the most common conditions causing 40% of the deaths in the local communities. OFH health posts also reduce unnecessary referrals to larger, overburdened healthcare facilities by only referring the 30% of cases that cannot be handled at the entry-level clinics. This relieves the MOH of an operational burden and helps them reach their own healthcare access targets, while creating small businesses, and bringing needed healthcare
services to underserved populations.

Engagement at the community level is an important part of OFH operations. Prior to the clinic opening, the OFH team and a senior MOH official meet with local officials, providing an overview of the structure and process of the OFH health posts and the public-private partnership. Communication about what OFH offers the community is key in these meetings. OFH promotes each new clinic with an official opening celebration, featuring local dignitaries, to foster community engagement.

Health System and Policy Context

Rwanda’s healthcare system is being rebuilt after near annihilation during the 1994 genocide. Like much of Sub-Saharan Africa, one of the largest challenges to the Rwandan public healthcare system is a shortage of healthcare workers. The Rwanda MOH is aggressively trying to remedy this situation by rapidly training a generation of healthcare workers and educators through partnerships with nineteen United States universities. In the meantime, OFH hires only grade A2 nurses to prevent drainage of A1 (higher-trained) nurses from district and teaching hospitals. This policy may change as more A1 nurses move through the college system.

Another characteristic of the health system in Rwanda is the pay for performance system, introduced in 2005. To create incentives to improve maternal and child health outcomes, health centers are paid bonuses for services such as family planning and immunizations. This system also provides a valuable incentive to keep nurses working in rural areas. At present, OFH does not provide immunizations and offers family planning services only on a fee-for-service basis so as to not reduce the opportunity for nurses currently working in community health centers to receive these incentives. As the number of trained healthcare workers increases and retention of community nurses is less critical and OFH health posts may have an opportunity to expand their services to include immunizations and to provide family planning services.

OFH health posts are entry-level clinics into the public healthcare system, and expansion of the OFH network is guided via demand from communities and district officials and endorsement by the central MOH. To establish a new cluster of health posts, an initial request must come from the local district, indicating prioritization of healthcare within the district and a willingness to direct resources to this aim. Local
communities contribute the physical space and necessary maintenance for each OFH health post. The positioning of new health posts is based on a simple formula of how long a person has to walk to get to a healthcare facility, starting in districts with a three-hour (or longer) walk.

In the first year of operation, OFH faced some challenges to scaling, including low reimbursement rates from the Mutuelle de Santé insurance, lack of urgency and coordination within the structure of the MOH, and miscommunication involving the respective responsibilities of the district, OFH and the MOH in setting up new OFH health posts. OFH has implemented a comprehensive communication strategy to address and prevent these issues going forward.

Operating Model
OFH operates a franchise model to standardize and scale basic healthcare delivery across Rwanda. Offering a focused and standardized set of products and services aimed at the most common, preventable and treatable diseases ensures ease of clinical diagnosis, streamlines the use of protocols, simplifies drug regulation, and leads to more consistent quality of services. New nurse franchisees are given two weeks of orientation and training in the OFH model and receive three manuals (operations manual, treatment protocols, and essential medications reference guide) to ensure consistency of care and optimal performance. Regular compliance checks confirm that services are aligned with these manuals. Nurse franchisees also receive continuing education and regular newsletters and updates from the OFH Training and Compliance Manager.

The OFH health posts are managed through a hub-and-spoke design, whereby Technical Representatives each oversee approximately 20 OFH health posts. When needed, the Technical Representatives complete supply distribution from the regional offices using a motorbike that can traverse rough terrain.

OFH contracted with IPIHD Network Innovator LifeQube, a South African software design firm (and division of the LifeSense Group), to design a disease management and data collection platform that could be easily used by OFH health post staff. This platform enables OFH franchisees to collect data using simple and inexpensive mobile phones. The software
platform assembles the data into electronic health records (EHR) for each patient, updated in real time by the nurses. The system also allows real-time monitoring of each clinic’s finances, drug utilization, stock control, and disease management and supports health insurance claims processing. The franchise manager uses the system to review each franchisee’s supply order, making sure the order matches demand planning forecasts to ensure stock availability and to prevent overstocking.

OFH uses the government’s Consumables and Equipment Central Procurement Agency (CAMERWA) for procurement, customs clearance, storage and distribution of supplies. For items unavailable at the central pharmacy, OFH health posts currently use two additional suppliers but OFH is investigating other sourcing options, as a single supplier would be preferred.

**Business Model**

OFH health posts use a fee-for-service revenue model. As 90% of Rwandans are covered through the national health insurance scheme, most payments are collected in the form of insurance reimbursements. Reimbursement rates for clinical services are set by the MOH for different procedures, medications, and supplies. For each visit, patients with insurance pay a small co-pay (200 RWF, or $0.31 USD). Those without insurance pay the entire service fee ($3 to $6 USD) out of pocket.

OFH health post franchises operate on a for-profit basis. OFH collects a mark-up on medication orders as well as a royalty and marketing fee on total clinic sales to fund the services provided by the franchise. To reach profit targets, clinics need to see approximately 15 patients per day (to date, the network average is 17 patients per day). OFH expects to break even at 300 health posts.

With a down payment, franchisees qualify for an OFH-sponsored loan to cover the remaining start-up costs of remodeling, furnishings, inventory, licenses, staff wages, and utilities. Funding for the loans is provided by Ecobank and guaranteed by GlaxoSmithKline.

OFH is currently focused on managing and scaling the network of OFH health posts, but plans to create additional revenue streams in future. Once the network has reached scale, OFH will explore the addition of front-end sales of consumer healthcare products. This would increase the range of products available to people living in rural areas, as well as...
create additional revenue for franchisees. OFH will also work with mobile phone network supplier to sell airtime through the OFH health posts, generating additional revenue through a fee per minutes sold. Finally, they will explore building capacity to expand their MOH partnership to include immunization services, which would include an investment in cold chain.

Impact Metrics
OFH is developing a plan to monitor and evaluate their impact, primarily using data captured through their mobile technology software platform. OFH is particularly interested in tracking their impact on Millennium Development Goals four, five and six (reduce child mortality, improve maternal health, and combat HIV/AIDS, malaria, and other diseases). The following is an illustrative list of indicators.

Quality
- Number of repeat visits for same condition
- Compliance with checklist used by technical managers during observation visits

Access and utilization
- Number of patients per day, week, and month per health post
- Diagnoses made
- Medications prescribed and dispensed
- Services provided
- Comparisons across franchisees and over time

User satisfaction:
- Level of patient satisfaction (based on data from independent third party surveys and patient interviews by a technical representative)

Achievement of positive health outcomes
- Morbidity and diagnostic information provided to MOH monthly to contribute to public health outcomes tracking

Cost and sustainability
- Monthly profit and loss statements (P&Ls), including net profit per franchisee
Goals for Scaling and Replication

1. Open 500 CFW Health Posts in Rwanda by the end of 2017
2. Investigate expansion beyond Rwanda to countries with reasonable political and economic stability and a gap in care at the base of the public health system and presence of a national health insurance scheme
3. Explore expansion of model to include a rudimentary provider-driven subsidized micro-health insurance fund for countries without national health insurance

External Support Required for Scaling and Replication

1. Access to investment capital and potential investors
2. Access to industry leaders for networking and mentoring purposes
3. Connections with potential collaborators and partners
4. Technical assistance with logistics and supply chain efficiency

“I have a strategic plan looking at 11 countries. If I had the money, we would have over a period of maybe 8 years at least 2,000 clinics open, handling about 20 million people a year. In Rwanda, with 500 clinics up and running, we will be seeing 2.4 million people a year.”

Gunther Faber, Founder and CEO

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One Family Health provided the source data for this document and is responsible for the accuracy of the content.