POLICY BRIEF

Strategic Health Purchasing in Burkina Faso

A Summary of Progress, Challenges, and Opportunities

MAY 2021

STRATEGIC HEALTH PURCHASING FOR UNIVERSAL HEALTH COVERAGE IN SUB-SAHARAN AFRICA

The Strategic Purchasing Africa Resource Center (SPARC), a resource hub hosted by Amref Health Africa with technical support from Results for Development (R4D), aims to generate evidence and strengthen strategic health purchasing in sub-Saharan Africa to enable better use of health resources. SPARC and its technical partners created a framework for tracking progress in strategic health purchasing and are applying it in countries across sub-Saharan Africa to facilitate dialogue on what drives progress and to promote regional learning.

Health Financing Schemes in Burkina Faso

The government of Burkina Faso is accelerating progress toward universal health coverage (UHC) through the *Gratuité* program, which provides free health care for women and children under age 5. In addition to *Gratuité*, which is the main coverage scheme, the government provides direct supply-side financing through grants to public facilities and municipalities. Burkina Faso also has voluntary coverage schemes, and the government is establishing a national health insurance scheme called *Régime d'Assurance Maladie Universelle* (RAMU).

The country's main health financing schemes are:

- ***GRATUITÉ* (NATIONAL FREE HEALTH CARE PROGRAM FOR WOMEN AND CHILDREN UNDER AGE 5).** Tax-financed subsidies cover user fees for free primary and hospital care for these priority population groups at public health facilities and some accredited private facilities.
- ***CRÉDITS DÉLÉGUÉS* (DELEGATED CREDITS).** Tax-financed grants are provided to public facilities to guarantee access to health services for the general population.
- ***CRÉDITS TRANSFÉRÉS* (TRANSFERS TO MUNICIPALITIES).** These are tax-financed grants to municipalities for public facilities within their jurisdiction. Funds are used for infrastructure improvements and equipment.
- ***MUTUELLES COMMUNAUTAIRES* / COMMUNITY-BASED HEALTH INSURANCE (CBHI).** These are voluntary schemes that provide health coverage to informal-sector workers and organized communities. Membership fees are pooled to meet the cost of health services for beneficiaries.
- **OCCUPATION-BASED HEALTH INSURANCE (OBHI).** These are voluntary, nonprofit associations of workers from public or private companies. Membership fees are pooled to meet the cost of health services for beneficiaries.
- ***RÉGIME D'ASSURANCE MALADIE UNIVERSELLE* (RAMU).** This mandatory national health insurance scheme is intended to be the future vehicle for UHC for all Burkinabe. RAMU was officially launched in late 2020 to provide access to health services for the poor.

Table 1 compares the purchasing functions in these schemes.

BURKINA FASO AT A GLANCE

- Population (2019): **20.3 million**
- GDP per capita (2019): **US$787**
- Poverty headcount at $1.90/day (2015): **44%**
- Life expectancy (2018): **61 years**
- Current health expenditure (CHE) per capita (2018): **US$40**
- Domestic government expenditure as % of CHE (2018): **43%**
- Out-of-pocket expenditure as % of CHE (2018): **36%**
- External expenditure as % of CHE (2018): **15%**

Source: World Bank Databank

Table 1. **Purchasing Functions in Burkina Faso's Health Financing Schemes**

	Gratuité	*Crédits Délégués*	*Crédits Transférés*	CBHI Schemes	OBHI Schemes
% of Current Health Expenditure (2015)*	56%			2%	
Main Purchaser(s)	Ministry of Health (MOH) Technical Secretariat in Charge of UHC (ST/CSU)	MOH Directorate of Administration and Finance (DAF)	MOH DAF	CBHI executive boards	OBHI executive boards
Governance	Funds are transferred by the Treasury to MOH DAF, which has the purchasing mandate. Providers have limited autonomy to allocate funds according to guidelines for the use of public funds.	Funds are transferred by the Treasury to MOH DAF, which has the purchasing mandate. Providers have limited autonomy to allocate funds, according to guidelines for the use of public funds.	Funds are transferred by the Treasury to MOH DAF, which has the purchasing mandate. Providers have limited autonomy to allocate funds, according to guidelines for the use of public funds.	Membership fees are pooled by each CBHI scheme, which has the purchasing mandate. A general assembly of members provides oversight. Providers have autonomy to allocate funds received from CBHI schemes. CBHI receives financial and technical support from umbrella organizations (e.g., *Le Réseaux d'Appui aux Mutuelles de Santé au Burkina Faso* and *Association Songui Manegré / Aide au Développement Endogène*).	Membership fees are pooled by each OBHI scheme, which has the purchasing mandate. A general assembly of members provides oversight. Providers have autonomy to allocate funds received from OBHI schemes.
Financial Management	The annual budget is based on the budget circular that guides budget formulation and is approved by the National Assembly as the annual Finance Act. Budget deficits occur and are corrected through amendments to the annual budget and to the Finance Act. Deficits at the end of the year are carried over to the next year.	The annual budget is based on the budget circular that guides budget formulation and is approved by the National Assembly as the annual Finance Act. Budget deficits occur and are corrected through amendments to the annual budget and to the Finance Act. Deficits at the end of the year are carried over to the next year.	The annual budget is based on the budget circular that guides budget formulation and is approved by the National Assembly as the annual Finance Act. Budget deficits occur and are corrected through amendments to the annual budget and to the Finance Act. Deficits at the end of the year are carried over to the next year.	The annual budget is based on projected member contributions. Budget overruns occur and are covered by increasing membership fees and by financial support from the umbrella organization.	The annual budget is based on projected member contributions. Budget overruns occur and are covered by increasing membership fees or using the previous year's surplus.
Benefits Specification	Care during pregnancy, childbirth care and obstetric interventions, care for children under age 5 (except basic treatment for chronic diseases), screening for precancerous cervical lesions, medical evacuations within the country	Detailed list of input items to support health facility operations	Detailed list of input items for infrastructure and equipment	Different for each CBHI scheme; broad categories include consultations, diagnostics, medicines, referrals, and hospitalization	Different for each OBHI scheme; broad categories include outpatient consultations, hospitalization, diagnostics, medicines, and referrals
Contracting Arrangements	Loose agreements with all public providers for services, but selective contracting with private facilities	No specific contracting; loose agreements with all public facilities	No contracting; loose agreements with municipalities	Selective contracting with public and private facilities	Selective contracting with public and private facilities, including pharmacies and laboratories
Provider Payment	Fee-for-service	Line-item budgets	Line-item budgets	Fee-for-service	Fee-for-service
Performance Monitoring	Monthly facility activity reporting on DHIS2; e-*Gratuité* platform built on DHIS2 for claims monitoring, external auditing by national and international nongovernmental organizations, and internal monitoring and auditing by ST/CSU	Monthly facility activity reporting on DHIS2; internal auditing and controls by MOH DAF	Monthly facility activity reporting on DHIS2; internal auditing and controls by MOH DAF	Internal auditing, customer complaints	Internal auditing, customer complaints; sanctions for noncompliance with contractual terms

** Global Health Expenditure Database*

Progress and Challenges in Strategic Health Purchasing

Burkina Faso has made progress in strategic health purchasing in its *Gratuité* program and CBHI schemes by prioritizing services through explicit benefit packages, contracting with providers, and introducing output-based provider payment that links payment to service delivery objectives. Various forms of provider performance monitoring are used, and *Gratuité* involves national and international nongovernmental organizations in auditing provider claims for accountability and transparency.

Highlights of progress and remaining challenges are described below.

GOVERNANCE. Public purchasers have well-defined mandates for carrying out purchasing functions, as defined in legal frameworks and decrees. Providers also have limited autonomy for financial decision-making according to prescribed guidelines, and accountability mechanisms are gradually improving. The schemes have community participation mechanisms such as toll-free numbers, social media, interactive radio broadcasts to inform scheme members about benefits, and suggestion boxes for collecting feedback on service quality and complaints. *Union Economique et Monétaire Ouest Africaine* regional laws govern the formation of CBHI and OBHI schemes. National laws based on these regional laws have been drafted but have yet to be adopted. The CBHI and OBHI schemes generally have well-defined management structures, and a general assembly made up of members provides oversight.

FINANCIAL MANAGEMENT. A defined process is used to set the purchaser's budget, and mechanisms are in place to track budget execution in all of the financing schemes, but budget management remains a challenge. Budget overruns occur in the government-financed schemes and are carried forward as deficits or are covered through supplementary budgets passed by the legislature. The CBHI and OBHI schemes occasionally increase member contributions when faced with budget deficits, and CBHI schemes occasionally get external support from the umbrella organization to cover budget overruns.

BENEFITS SPECIFICATION. Benefit packages across schemes vary, but they generally reflect the health priorities of Burkina Faso and some target priority population groups. *Gratuité* has a clearly defined package of care and services that targets women and children to address high maternal and infant mortality rates. The CBHI and OBHI schemes have clearly defined packages of care and services, but they vary across schemes. OBHI schemes also have processes for regularly reviewing the benefit package through analysis of health care service use and cost data.

CONTRACTING ARRANGEMENTS. Loose agreements are in place between the public purchasers and public providers for the *Gratuité*, *crédits délégués*, and *crédits transférés* schemes. *Gratuité* also has selective contracting with private providers based on well-defined criteria, and private providers can negotiate fees under *Gratuité*. The CBHI and OBHI schemes have selective contracting with public and private providers. OBHI schemes terminate contracts with providers that do not meet contractual obligations or in cases of fraud or poor customer service.

PROVIDER PAYMENT. Some schemes use output-based payment, mainly simple fee-for-service. *Gratuité* has a system of paying providers in advance, referred to as "pre-positioning funds." The pre-positioning is based on service delivery data from the previous quarter, which are used to estimate utilization for the next period and how much funding should be allocated to the providers. The Ministry of Health's Technical Secretariat in Charge of UHC (ST/CSU) adjusts subsequent payments by taking into account actual services delivered, as reported through the e-*Gratuité* platform.

PERFORMANCE MONITORING. Provider performance monitoring is generally rudimentary across the schemes (with the exception of *Gratuité*), with minimal automation and weak linkages to purchasing functions. In the *Gratuité* scheme, the e-*Gratuité* platform, which is hosted on DHIS2, is used for provider monitoring. Providers submit their activity reports and claims through e-*Gratuité*. Nongovernmental organizations verify claims on the e-*Gratuité* platform against physical claims to confirm the accuracy of health facility claims. If providers do not submit monitoring reports for three consecutive months, the Ministry of Health stops payment. If a provider overcharges, the equivalent amount is deducted from the next disbursement to its account.

Table 2 summarizes progress made in strategic purchasing functions along the dimensions of progress defined by SPARC for the main schemes in Burkina Faso. (See the annex for a detailed explanation of how the levels of progress are indicated using ○, ●●, and ●●●.)

Table 2. **Progress Made Across Purchasing Functions in Burkina Faso**

Purchasing Function	Indicators of Strategic Purchasing	*Gratuité*	*Crédits Délégués*	*Crédits Transférés*	CBHI Schemes	OBHI Schemes
Governance	Purchasing functions have an institutional home that has a clear mandate and allocation of functions.	●●	●●	●●	●●	●●
	Providers have autonomy in managerial and financial decision-making and are held accountable.	●●	○	○	●●	●●
Financial Management	Purchasing arrangements incorporate mechanisms to ensure budgetary control.	●●	●●	●●	●●	●●
Benefits Specification	A benefit package is specified and aligned with purchasing arrangements.	●●			●●	●●
	The purchasing agency further defines service delivery standards when contracting with providers.	●●			●●	●●
Contracting Arrangements	Contracts are in place and are used to achieve objectives.	○			●●	●●●
	Selective contracting specifies service quality standards.	○			●●	●●
Provider Payment	Provider payment systems are linked to health system objectives.	●●	●●	●●	○	○
	Payment rates are based on a combination of cost information, available resources, policy priorities, and negotiation.	●●	●●	●●	●●	●●
Performance Monitoring	Monitoring information is generated and used at the provider level.	●●	○	○	○	○
	Information and analysis are used for system-level monitoring and purchasing decisions.	●●	○	○	○	○

Despite these areas of progress, a number of weaknesses and limitations in Burkina Faso's health purchasing arrangements impede progress toward strategic purchasing. Fragmentation of schemes reduces purchasing power and undermines incentives to providers to target priority populations with good quality health services. In most schemes, purchasing is carried out by institutions with weak capacity to carry out the purchasing functions. The publicly funded supply-side financing schemes, *crédits délégués* and *crédits transférés*, must adhere to public financial management rules, which are often quite restrictive and use line-item budgets that limit flexibility to develop output-based payment systems. The various information systems that collect patient, facility-level, and financial management data are not integrated. Fragmented data management systems lead to administrative challenges for providers and a high reporting burden.

Opportunities to Improve Health Purchasing

Burkina Faso may improve strategic purchasing by reducing fragmentation of public schemes and pooling public resources within fewer purchasers to increase purchasing power and provide coherent incentives to providers. The proposed RAMU scheme may provide an opportunity for Burkina Faso to make purchasing more strategic through more streamlined health financing and purchasing, a more complete separation of functions between the purchaser and providers, improved incentives for service delivery through more effective provider payment methods, and integrated data and performance monitoring systems. The country may further develop the strategy for implementing RAMU and determining how the public schemes will fit into the vision for a single health insurance agency.

Even without RAMU, however, opportunities are available to improve strategic purchasing in Burkina Faso. The *Gratuité* program has provided a platform for improving purchasing functions and could continue strengthening this role through a shared definition and understanding of strategic purchasing across all entities in the health sector, improving implementation of purchasing functions, implementing an efficient, integrated health information system that can support strategic purchasing decisions, and implementing a single monitoring and evaluation system to ensure quality of care and to link payments to performance.

SPARC and its technical partners view strategic purchasing as a way to improve resource allocation, provide coherent incentives to providers, and improve accountability for health resources. As next steps, SPARC's partners in Burkina Faso—Recherche pour la Santé et le Développement *(RESADE)—will validate the SPARC findings with Burkinabe stakeholders and determine appropriate actions to make further progress in strategic purchasing as a way to achieve UHC in Burkina Faso.*

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STRATEGIC PURCHASING AFRICA RESOURCE CENTER

RESULTS FOR DEVELOPMENT

RESADE
Recherche pour la Santé et le Développement

Annex. **Strategic Purchasing Progress Indicators**

Governance	**Purchasing functions have an institutional home that has a clear mandate and allocation of functions.**	○	An agency or agencies have responsibility for carrying out one or more purchasing functions, but mandates are not clearly defined and capacity is weak.
		●●	An agency or agencies have responsibility for carrying out most or all purchasing functions and capacity is improving, but some overlaps and gaps in responsibilities remain. Mechanisms are in place for stakeholder engagement.
		●●●	An agency or agencies have responsibility for carrying out all purchasing functions, capacity is strong, and there are no overlaps or gaps in responsibilities. There is inclusive and meaningful stakeholder engagement.
	Providers have autonomy in managerial and financial decision-making and are held accountable.	○	Public providers have no autonomy or extremely limited autonomy to carry out financial and managerial functions, and they have limited ability to respond to financial incentives created by provider payment systems.
		●●	Public providers are given a larger degree of financial and managerial autonomy, but accountability mechanisms are weak.
		●●●	Public providers are given a large degree of financial and managerial autonomy, and accountability mechanisms are effective.
Financial Management	**Purchasing arrangements incorporate mechanisms to ensure budgetary control.**	○	A defined process is used to set the purchaser's budget, and mechanisms are in place to track budget execution/spending, but these mechanisms are not well enforced.
		●●	A defined process is used to set the purchaser's budget, and mechanisms are in place to track budget execution/spending. These mechanisms are enforced, but budget overruns routinely occur.
		●●●	A defined process is used to set the purchaser's budget, and mechanisms are in place to track budget execution/spending. These mechanisms are enforced, and budget overruns rarely occur.
Benefits Specification	**A benefit package is specified and aligned with purchasing arrangements.**	○	A benefit or service package is defined and reflects health priorities, but it is not well specified, is not a commitment, and/or is not aligned with purchasing mechanisms.
		●●	A benefit or service package is defined, reflects health priorities, and is a commitment, but it is not well specified and/or not aligned with purchasing mechanisms.
		●●●	A benefit or service package is defined, reflects health priorities, is a commitment, is well specified, and is aligned with purchasing mechanisms, and a transparent process for revision is specified.
	The purchasing agency further defines service delivery standards when contracting with providers.	○	The purchaser defines some general standards for delivering services in the package (e.g., for gatekeeping), but enforcement through contracts is weak.
		●●	The purchaser defines some general service delivery standards and some specific service delivery standards (e.g., number of prenatal care visits) that are enforced through contracts.
		●●●	The purchaser defines general service delivery standards and specific service delivery standards in line with national service delivery policies and clinical protocols, and service delivery standards are enforced through contracts.
Contracting Arrangements	**Contracts are in place and are used to achieve objectives.**	○	Loose agreements are in place between the purchaser and public providers for specified services in exchange for payment instead of or in addition to input-based budgets. Formal agreements may be in place with some private providers.
		●●	Formal agreements are in place between the purchaser and public providers for specified services in exchange for payment or in addition to input-based budgets. Formal agreements may be in place with some private providers.
		●●●	Formal agreements are in place between the purchaser and public and private providers to help achieve specific objectives, and they are linked to performance.
	Selective contracting specifies service quality standards.	○	The purchaser has loose, nonselective agreements or contracts with all public providers and selective contracts with some private providers based on some definition of quality standards.
		●●	The purchaser contracts at least somewhat selectively with public and private providers based on accreditation or some other definition of quality standards.
		●●●	The purchaser contracts selectively with public and private providers based on uniformly applied quality standards.
Provider Payment	**Provider payment systems are linked to health system objectives.**	○	Some output-based payment is used.
		●●	Output-based payment is used, and payment systems are linked to specific service delivery objectives.
		●●●	Output-based payment is used and is linked to specific service delivery objectives; payment systems are harmonized across levels of care, and they allow purchaser budget management.
	Payment rates are based on a combination of cost information, available resources, policy priorities, and negotiation.	○	Provider payment rates are determined based only on the purchaser's available budget.
		●●	Provider payment rates are determined based on the purchaser's available budget and at least one other factor (e.g., cost information, priorities, or negotiation with providers).
		●●●	Payment rates are based on a combination of cost information, available resources, policy priorities, and negotiation.
Performance Monitoring	**Monitoring information is generated and used at the provider level.**	○	Some form of monitoring happens at the health provider level (e.g., supportive supervision visits, monthly activity reporting, claims audits, quality audits).
		●●	Provider-level monitoring is at least partially automated and is used for purchasing decisions.
		●●●	Provider-level information is automated, fed back to providers, and used for purchasing decisions.
	Information and analysis are used for system-level monitoring and purchasing decisions.	○	Some form of analysis is carried out at the system level (e.g., service utilization, medicines prescribed, total claims by service type).
		●●	System-level analysis is automated and carried out routinely.
		●●●	Information and analysis are used for system-level monitoring and purchasing decisions.