Strategic Purchasing For UHC:  
The Importance Of Aligned Mixed  
Provider Payment Systems  

The Case of Egypt’s New UHI Law  

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WHO
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Key elements of the new UHI system

- Compulsory (All Egyptians)
- Subsidization (Poor and Vulnerable)
- Competitive Public/private providers’ market
- Single Payer for UHI covered services
- Family based enrollment
- Purchaser/Provider Split

15 Years of Implementation (Geographical expansion)
Step 1. **Current system**

Mapping: overall context, purchasers, providers and payment methods

**Purchasing**
- MOHP
- MOHP Directorates
- PTES
- Programme for the TTT of the poor

**Providers**
- PHC
- MOHP GH & DH
- SMCs
- GOTHI
- CCO
- HIO Hospitals & OPD
- University Hospitals
- Other Ministries Hospitals & OPD
- Private & NGOs Hospitals & OPD

**OOPS (Unregulated) (~60% of CHE)**
Step 1. **Current system**
Mapping: overall context, purchasers, providers and payment methods

Purchasing
- MOHP
  - MOHP Directorates
  - PTES

Providers
- PHC
- MOHP GH & DH
- SMCs
- GOTHI
- CCO
- HIO Hospitals & OPD

Ministry of Higher Education
- Other Ministries & Parastatal

Private insurance Co, firms, Syndicates, etc.

Private & NGOs
- Hospitals & OPD

OOPS (Unregulated) (~60% of CHE)
STEP1. **New system under UHI**  
Mapping: overall context, purchasers, providers and payment methods

**Purchasing**
- MOHP
- UHI Organization
- Ministry of Higher Education
- Other Ministries e.g. MOD.
- Private insurance Co, firms, Syndicates, etc.

**Providers**
- Public Health Services
- Healthcare organization Facilities (For individualized care, mostly Curative)
- University Hospitals
- Other Ministries Hospitals & OPD
- Private & NGOs Hospitals & OPD

**OOPS (regulated cost sharing)**
Step 2.
Assessing incentives created by the mixed payment system and their influence on provider behaviour and UHC objectives

- Both purchaser and Providers will not fall under the application of the Treasury/Budget Law.

**Article (11):**

The authority shall finance the services of the system by contracting treatment systems providers covered by the healthcare authority or authority. This shall be in accordance with the contracting systems approved by the Board of Directors of the authority and the quality standards determined by the accreditation and supervision authority, without being subject to the provisions of enforced government laws.
Step 2. Example 1

Ministry of Health & Population

Preventive
Input-based payment

Curative
Output-based payment

UHIO* AKA New System

Influence on Provider behaviour
- Resource shifting (more attention to curative)

& on UHC Objectives

Efficiency

Quality

*UHIO: Universal Health Insurance organization
Step 2: Example 2

HIO AKA Old System
Ministry of Higher Education
UHIO AKA New System

- Cream Skimming
- Resource shifting

Influence on Provider behaviour & on UHC Objectives

- Equity in access
- Quality
- Financial Protection
### STEP 4.
Assessing governance arrangements and their effects on the mixed provider payment system

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<tr>
<th>New orgs. coexist with old system</th>
<th>Multiple actors &amp; Accountability lines ?? Coordination</th>
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<tr>
<td>No clear specifications on certain purchasing decisions e.g. BP, PPM</td>
<td>MoHP is to maintain its role as a principle regulator and steward of national health policies, <strong>BUT HOW?</strong></td>
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STEP 5.
Developing Policy Options

Specify *through executive regulations* the procedures for determining and reviewing the PPM

Align the funding streams for preventive and promotive care

Consider Personal VS Population Based Rather than Curative VS Promotive

Strengthened role to the MoHP

National high level commission to steer the purchasing market
Thanks