

OUR MISSION IS TO MAKE THE HEALTH CARE.



#### **Outsourcing Logistics**

Initial thoughts

• Who are we?

• Why are we here?

What have we learned?

#### **Initial Thoughts**

 Riders for Health is just one example of outsourcing – private, not for profit (social enterprise)

System design must include maintenance!

Riders is a not-for-profit social enterprise that manages transport operating in African health systems.

Systems approach: Focused on providing reliable, scalable, cost-efficient and appropriate transport solutions

**Emphasis on rural access** and experts in difficult terrain

Partner with ministries of health (MoHs) and other health partners in 8 countries



#### Strategic priorities

- 1. Transport enables people to be reached routinely and reliably direct Riders' management of vehicles
- 2. Managed transport is prioritized and integrated advocacy on last mile and appropriate/timely budgeting and planning
- 3. Effective health delivery is commonplace broaden the reach by spreading and sharing the Riders' concept

#### Our principles: Systems approach

- Offer outsourced end-to-end transport solutions to the MoH and other partners to improve efficiency/coverage of health services
- Upfront planning using measurable and budgeted costs
- Training and procurement
- Preventive maintenance on an outreach basis



#### Riders' services

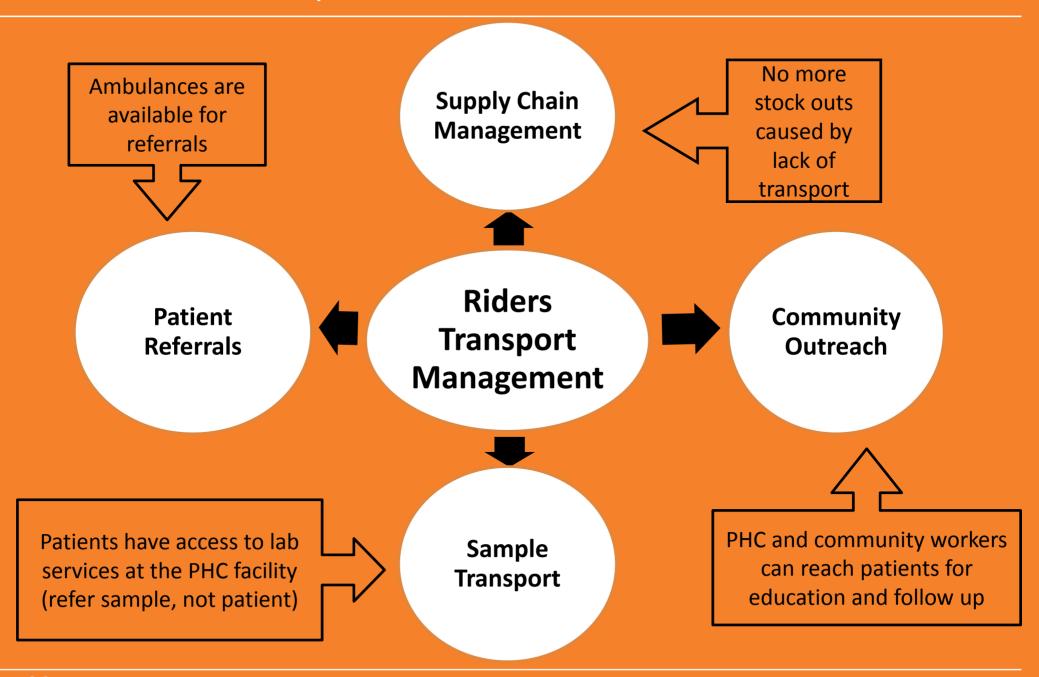
Riders work in eight countries in sub-Saharan Africa providing ongoing contracted transport services with MoHs and health partners at a not-for-profit fee

- Fleet management and maintenance
- Sample Transport
- Supply chain distribution
- Emergency referrals

Outside of our current footprint, we can also offer one-off services and consultancy:

- Fleet and logistics planning and budgeting from procurement to asset disposal/replacement
- Fleet assessments
- Procurement of vehicles, protective clothing and equipment
- Training
- Checking of fleet/transport plans and budgets

#### Riders' role in health system



#### Link to immunisation supply chain

## Management of transport and logistics systems focused on (but not limited to) the last mile

- Distribution of supplies to primary facilities and community-level
- Mobilisation of clinical teams and individual health workers to deliver immunisations on outreach





#### Current main projects and activities

- The Gambia end-to-end in-country transport system in PPP with MoHSW covering distribution and immunisation clinics to community level
- Lesotho current project delivering more immunisations on outreach
- Nigeria, Kenya, Malawi, Zambia, Zimbabwe mobilise outreach health
- workers (EHTs, CHEWs, etc.) who are responsible for many community-level health interventions and education



#### Experience in outsourcing

| Country    | Service                       | Contract Mgr.             | Funding Source                   | Scale                              |
|------------|-------------------------------|---------------------------|----------------------------------|------------------------------------|
| The Gambia | Full fleet management         | МоН                       | МоН                              | National                           |
| Lesotho    | Motorcycle fleet mgmt. and ST | МоН                       | MoH / Global Fund / CDC Partners | National                           |
| Liberia    | Full fleet mgmt.<br>and ST    | МоН                       | USG / Private funding            | National (rollout currently)       |
| Malawi     | ST                            | CDC implementing partners | CDC                              | 2/3 national with full scale plans |
| Zimbabwe   | ST                            | The Union                 | USAID                            | 2/3 national with full scale plans |
| Nigeria    | Distribution, fleet mgmt.     | Mixed                     | Mixed (all non-<br>gov't)        | Multiple states                    |
| Kenya      | Motorcycle fleet mgmt.        | NGO partners              | Mixed                            | Provincial level                   |
| Zambia     | Full fleet mgmt.<br>and ST    | Not really a contract     | Riders brought outside funds     | Two provinces                      |

#### Financing of vehicle procurement and programme set-up

- Riders approached Nigeria-based Guaranty Trust (GT)
  Bank to provide \$2.2 million loan at low interest rate
  through credit guarantees from the Skoll Foundation.
- Through Skoll's guarantees and assumption of foreign exchange risk, Riders secured capital for fleet procurement and programme setup, paid back by MoHSW over time to overcome annual budget constraints.



## 153 new four-wheeled vehicles and motorcycles distributed by MoHSW throughout the country



#### Riders' CPK payment method aligns incentives in the PPP.



- Assumes asset risk
- Paid when vehicles are functional
- Consistent stream of funding

- Major social impact
- One-time investment is repaid

#### **PPP**

**GTBank** 

- Consistent loan repayment
- Profitable loan with guarantee



- Universal health coverage
- Only pay for kms travelled
- Reduce unnecessary trips

#### Transport: a useful tool in the health system

#### Riders' transport is used by the MoHSW to:

- Conduct outreach clinics used to deliver pre- and post-natal care to women in rural areas
- Carry out mass immunisation campaigns
- Mobilise outreach health workers on motorcycles to reach patients with medicines, supplies (e.g. bed nets), and health education
- Complete emergency referrals from minor health centres to major health centres and hospitals
- Supervise health workers and programmes.

## Just two negligent breakdowns in over 10 million kilometres travelled.

Health workers spend 50% more time doing outreach work. This means they can visit 3 times more villages each week.

76% of outreach health workers reach villages they were previously unable to reach due to distance or terrain, potential to see 5,000 extra people every week.

## Number of outreach clinics cancelled has been reduced by 63%. No outreach clinic has been cancelled due to transport or fuel constraints.

(Previously 32% cancellations)

## 11% more referrals from health centres to hospitals are completed.



# Better access to health care for 1.7 million men, women and children across The Gambia.

## Employment of 195 staff members, including a female technician apprenticeship, all Gambian Nationals

#### **Outsourcing requirements**

- Although we have been doing this work for over 25 years, we only work in 8 countries. Why?
- Gov't buy-in and ownership
- Contracting with government in terms of on-time/in-full payments, contract length and capacity/capability for contract management
- Aligning different partners/stakeholders around a common, integrated goal
- Governance/policy issues on payment of private service providers and devolution/decentralisation of payments
- Mistrust of the private sector (even if it's not for profit) or idea of government to directly implement
- Few private sector options at the last mile

#### **Closing Thoughts**

- Other resources: Guidance document from UN Commission on Life Saving Commodities
  - PRIVATE SECTOR ENGAGEMENT: A Guidance Document for Supply Chains in the Modern Context
  - http://www.lifesavingcommodities.org/ in Knowledge
     Library, under Tools, Guidelines and Job Aids

