Policy Brief: Effective social contracting for HIV service delivery in Thailand

Despite Thailand's outstanding achievements in reversing AIDS epidemics, to achieve the government's commitment on SDG 3.3; to end AIDS epidemics, several challenges remain particularly in ensuring that key populations (KPs) are key targets for public health interventions.

Background

Civil Society organizations (CSOs) play a vital role in supporting prevention and treatment of HIV/AIDS. They have an advantage over public healthcare providers in reaching out and maintaining connections with KPs.[1] In response to commitment to ending AIDS by 2030, and the transition from Global Fund's funding supports to Thailand as a upper middle income country and very low level of funding support from international development partners (IDPs), the government has allocated an annual budget of 200-million baht (US$ 6.0 million) to the National Health Security Office (NHSO), a public agency which manages Universal Coverage Scheme since 2016 to support public healthcare providers as well as CSOs in providing HIV/AIDS services targeting KPs. The International Health Policy Program (IHPP) conducted this study, aiming to assess the NHSO's financial arrangement in contracting CSOs for HIV/AIDS services, using Reach-Recruit-Test-Treat-Retain (RRTTR) approach as a service package; identify the enabling factors and barriers of CSOs' performances; and recommend the most effective social contracting that is suitable for Thai context.

Methods

The study was conducted between May and December 2019, using a mixed method, with the qualitative data collection as the dominant approach. Document and scoping reviews on social contracting models were undertaken. In-depth interviews were carried out among key stakeholders in selected sites synchronized with the previous costing study conducted by Health Intervention and Technology Assessment Program (HITAP). The in-depth interviews of key informant included 8 domestic and international funding agencies, 12 CSO representatives, 5 regional NHSO/Department of Disease Control (DDC) managers, and 6 public hospital officers. Findings from in-depth interviews were triangulated with relevant documents and other stakeholders.

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Key findings

• Contracting model covers two dimensions. First, 'service delivery' describes who are the service providers and what services are contracted and provided. Second, 'financial arrangement' describes who is the fund manager who makes contracts and issues payments to service providers.

• In Thailand, there are three HIV service delivery models which applied the RRTTR approach, (1) Hospital-based contract with public providers, (2) CSOs provide Reach/Recruit and the remaining activities (Test, Treat and Retain) are provided by public hospitals, and (3) Key population-led health services, where CSOs provide Reach/Recruit and the remaining activities (Test, Treat and Retain) are jointly provided by CSOs and hospitals.

• Two types of financial arrangement were identified: (a) Per capita KP payment based on RRTTR achievement, managed by NHSO; and (b) Project-based payment based on project activities, managed by DDC and IDPs.

Specific financial arrangement findings

Comparing per capita KP payment and project-based payment, key findings are as follows:

Advantages of per capita KP payment by NHSO:

• It is measurable as the number of KP individuals who received HIV services across the RRTTR cascade is counted.

• It encourages wider engagement with all CSOs of all sizes across all provinces.

• The NHSO funding gives more flexibility to create or adjust activities to reach the maximum number of KPs.

Disadvantages of current per capita KP payment system by NHSO:

• Most of the contracting challenges concerned the governance and management system. Also, to date there is no systematic approach to assess capacity of CSOs in terms of technical and organization capacity before they are eligible to apply for the grant.

• Operational challenges require attention, such as slow payments to CSOs from the NHSO reduce the timeframe of the project, and a lack of effective information system, results in duplicated cases of testing.

• The selection criteria for CSOs and a subsequent reporting system are unclear.

• CSO selection via competitive bidding may not be suitable for small or low burden provinces or those with limited competency and availability of CSOs.

• The role of the funding manager is limited, and there is no effective monitoring and evaluation (M&E) system as it is mainly on financial audit. The NHSO does not have mandate and technical capacity to carry out CSO performance audit.

• Funding functionalities are limited; NHSO funding can only be used for service provision.

• A significant number of CSOs are unable to spend all the NHSO funds within the timeframe and need to return the money.

• Local CSOs are currently not inclusive to discuss about the national target for the HIV response whether or not the proposed target set at the national level is appropriate for local implementation areas.

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Other findings

- Some CSOs, especially the small ones, struggle with resource mobilization to support their work, apart from NHSO funding support.
- No CSOs in the study areas (either big or small) can maintain their organisations with only one source of funding.

Conclusions

The NHSO budget is the largest domestic and sustainable source of funding for RRTTR activities delivered by Thai CSOs. The RRTTR approach is a key policy instrument and effective approach to achieve the commitment to end AIDS by 2030. Under present rules and regulations, payments to CSOs based on a successful RRTTR per capita KP and managed by the NHSO is both measurable and more accountable when compared with project-based payment. It holds both funding agency and contract providers accountable.

Despite facing several limitations, the NHSO has demonstrated that it supports public providers and CSOs in local communities to work synergistically and reach out to more KPs. Both public providers and CSO are indispensable partners in the path towards ending AIDS through this RRTTR approach. It is important to improve the performance of the NHSO in its vital role as a source of domestic funding to help maximize CSO contributions in combatting HIV/AIDS. The NHSO should solve operational challenges sooner rather than later.

Building CSO capacity is also important. Thailand needs greater numbers of qualified and competent CSOs to deliver work on HIV/AIDs in the longer term. Therefore, CSOs need capacity building support in both technical capacity and funding mobilization and management. This support could come through a domestic funder (DDC) and international funders (GF and USAID). Networks and alliances where larger CSOs can assist the small ones are also important.

Recommendations

To end AIDS by 2030, the Thai government needs to ensure adequate budget for the NHSO so it can continue its crucial role of contracting with CSOs. This will demonstrate Thailand's commitment to address HIV/AIDS, in the context of the Global Fund's curtailment of financial support in the near future.

Evidence from this study suggests that effective social contracting model suitable for Thailand should follow these characteristics.

1. Clearly identified national targets with involvement of all related partners, including DDC (or MOPH), NHSO, CSOs, and other identified partners to discuss and reach consensus on

a) annual targets of KP to detect and be treated;

b) total annual budget required for RRTTR approach and contracting CSOs and public healthcare facilities to deliver these services;

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Recommendations

c) appropriate distribution of the budget in relation to per capita KP identified as well as geographical locations; and

d) role and responsibility of each key stakeholder in terms of supporting effective social contracting in Thailand e.g. financial support, M&E, and capacity building in both technical capacity and organizational management.

2. Clear and transparent selection process in order to have competent CSOs for working.

3. Pre-assessment of CSOs' capacity to ensure their competency in providing quality service delivery and achieving targets.

4. Effective, transparent, and timely payment system to provide funding to CSOs.

5. Monitoring and Evaluation of CSOs' performances as well as capacity building to ensure quality of work. As NHSO does not have technical capacity on HIV/AIDS, particularly RRTTR approach, and capacity building is not its legal mandate, it is necessary to seek support from other organizations. There is a need for NHSO to clarify its institutional mandate to CSOs, that CSO cannot expect NHSO to conduct performance audit and capacity building. This prevents false expectation by CSOs. NHSO needs to clarify the rigid interpretation by the State Audit Office on use of NHSO resources outside its mandate.

6. Competent national contracting project manager to ensure good governance of social contracting processes and oversight of CSOs' performances.

Table 1: Recommended key characteristics of an effective social contracting for Thailand

Key characteristics and options
1. Clearly identified national targets with the involvement of all related partners, including DDC (or MOPH), NHSO, CSOs, and other identified partners to discuss and reach consensus on: a) Annual targets of KPs to be detected and treated; b) Total annual budget required for RRTTR approach and the contracting of CSOs and public healthcare facilities to deliver these services; c) Appropriate distribution of the budget in relation to per capita KP and geographical locations; and d) Roles and responsibilities of each key stakeholder in terms of supporting effective social contracting in Thailand such as financial support, M&E, and capacity building in both technical capacity and organisational management. **Pro** : Create mutual understanding and agreement **Con** : None

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Key characteristics and options
2. Clear and transparent selection process in order to have competent CSOs for working. **Option 1**: Simplified procedure based on local context The NHSO currently applies this method by inviting all available CSOs to have a contract according to their certain capacity and readiness. **Pro** : Suitable for the current Thai context, particularly small/low burden provinces as it appears that there are limited numbers of local CSOs with good track records in each province. **Con :** 1) Available CSOs, either strong or not so strong, will receive the grant to work with the NHSO; however, there is a risk of non-performing CSOs, where close monitoring is recommended. 2) Lack of competition may lead to a lack of motivation or efforts to improve the performances of less strong CSOs. **Option 2:** Competitive bidding via an open call for proposal **Pro :** 1) Can be suitable for densely populated and high burden provinces with more numbers of competent CSOs. 2) Creates competition - each CSO has to put more effort into writing a good proposal as well as improving its capacity and reputation in order to win the bidding. 3) May indirectly push smaller CSOs to work together as a network (either with several small CSOs or with bigger CSOs) in order to increase their capacity and power to compete with other organisations. **Con** :1) Likely that only larger CSOs with higher capacity and good track records (history of good levels of performance/experiences determined by any funders) will win the bids, while small CSOs are unable to compete with them. 2) Not suitable for provinces with specific KPs of interest, and limited number of competent CSOs working on that issue such as PWID.

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Key characteristics and options
3) Seems difficult for certain small CSOs with their own unique profiles to work with or form alliances with other organisations. 4) Some CSOs may require assistance in writing a proposal (e.g. India invites CSOs from the shortlist of potential organizations to participate in a proposal-writing workshop before contracting). **Option 3:** Simplified procedure and competitive bidding via an open call for proposals **Pro** : This option can be applied to different provinces with different contexts by maintaining the strengths of Option 1 and Option 2. **Con** : N/A
3. Pre-assessment of CSOs' capacity to ensure their competency in providing quality service delivery and achieving targets. **Option 1:** The NHSO conducts the pre-assessment process before contracting (e.g. USAID practice could be used as an example) **Pro** : Having qualified CSOs available for working **Con** : 1) The NHSO has to invest time and money to create this structure within its organisation by hiring a person or team to do this job. However, the outcome of assessment and accreditation may last for a few years before another assessment. 2) Good planning is required to prevent delayed contracting as the assessment must happen before selection process.

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Option 2 : Establishment of an accreditation organisation for CSO registration and accreditation (only certified CSOs will be contracted by the NHSO) **Pro :** 1) Having qualified CSOs available for working. 2) The NHSO can comfortably select a qualified CSO certified by this organisation. **Con :** 1) Need to identify the responsible organisation for initiating/processing its establishment. 2) It would take some time to have a good, trustworthy accreditation organization to register adequate number of qualified CSOs.
4. Effective, transparent, and timely payment system to provide funding to CSOs. **a) Responsible unit for payment** **Option 1:** Payments managed by regional NHSO office **Pro :** CSOs receive an advanced budget of 50% immediately after signing the contract with a 12-month period of working **Con :** None. BUT there are several things that must be improved as follows - Start the selection process and/or call for proposals three to six months in advance (which means decision making process about country targets also needs to be planned in advance) - Reduce paper work/documents to be sent back and forth between central and regional NHSO offices - Transfer 50% of budget to CSOs immediately upon signing the contract

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Key characteristics and options
Option 2 : Payments managed by central NHSO office **Pro :** CSOs receive an advanced budget of 50% immediately after signing the contract with a 12-month period of working. **Con :** 1) Need to provide a clear role and responsibility of the regional NHSO office; for example, will it still need to set up a meeting with provincial stakeholders? 2) Need establishment of an accreditation organisation for pre-assessment of CSOs (refer to the recommendation no. 5 below) as the NHSO will sign a contract with CSOs that have been certified only. 3) It would take some time to have a good, trustworthy accreditation organisation to register an adequate number of qualified CSOs. **b) Payment methods** **Option 1 :** Input-based payment (CSOs receive money to work based on line item or lump sum, but line items are much more common than lump sums.) **Pro :** Most commonly used – Governments are comfortable with this payment method as it is easier for them to control total amount of budget. **Con :** 1) Does not promote more service delivery or higher quality. 2) It is fairly rigid – does not promote innovation (e.g. ways to increase positive case findings, ART initiation, and retention). **Option 2 :** Output-based payment (It is performance-based financing e.g. fixed price paid to a contractor for a specific service such as an HIV test or number of KPs completing the RRTTR activities) **Pro :** 1) Easier to use for services that are easy to define and measure. 2) Could be used to incentivise lagging services e.g. finding HIV+ cases, putting people on ARVs, ensuring HIV viral load is suppressed.

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Con : CSOs may focus on reimbursable activities only, which progressively narrowed the focus from working towards long-term social and political change and offering comprehensive HIV education and prevention services to performing ever-greater numbers of HIV tests. **Option 3 :** Mixed methods of payment (both input and output) **Pro :** More flexible - could be adjusted based on different circumstances. **Con :** 1) Requires specific regulation and/or different types of documents and reports to ensure achievements. 2) Possibly create some confusion for NHSO officers due to different details of measurement before payment.
5. Monitoring and evaluation of CSOs' performances **as well as capacity building** to ensure quality of work **Option 1:** Performance monitoring and capacity building by DDC, MOPH which has technical expertise on HIV/AIDS. **Pro :** CSOs can improve their performance or the quality of their services **Con :** Requires policy dialogue between all relevant stakeholders to reach consensus on different roles of stakeholders based on their comparative advantage, avoid duplication, and ensure synergies.

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Option 2: Performance monitoring and capacity building by DDC, MOPH and other international development partners, such as USAID (while they are still in the country). **Pro** : CSOs can improve their performance or quality of their services. **Con** : Requires policy dialogue between all relevant stakeholders to reach consensus on different roles of stakeholders based on their comparative advantage, avoid duplication, and ensure synergies.
6. **Competent national contracting project manager to ensure good governance** of social contracting processes and oversight of CSOs' performances. **Option 1:** The NHSO recruits an experienced project manager to work specifically on social contracting. **Pro :** More effective contracting processes are expected as this person does not have to work on something else and so is more focused on this. **Con :** 1) Requires budget to hire this person, which could mean deducting from the budget to be used for social contracting, or the NHSO's central management budget could be used. 2) Need to set up transparent process for recruitment of a competent manager. 3) A manager cannot work alone, but needs to build a team for effective management.

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Option 2: The NHSO outsources an experienced organisation that already has a competent teamwork. **Pro:** 1) More effective contracting processes are expected. 2) No need to waste time in building up management capacity as the outsourced agency should be ready to work. **Con:** 1) Requires budget to outsource this person or agency, which could mean deducting from the budget to be used for social contracting; or else use the NHSO's central administrative budget. 2) Need to set up transparent process for recruitment of a competent manager.

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Acknowledgements

This study received funding support from the World Bank and UNAIDS. We thank all colleagues for their contribution and valuable advice, including:

USAID: Ravipa Vannakit, Marisa Sanguankwamdee

TRCARC: Nittaya Phanuphak Pungpapong

FHI360: Dr.Stephen Mills, Sutinee Charoenying, Kanya Benjamaneepairoj

Independent expert: Petchsri Sirinirund

NHSO: Rattaphon Triamwichanon, Kantinan Rungtanatada

UNAIDS: Patchara Benjarattanaporn

World Bank: Sutayut Osornprasop, Nicole Fraser-Hurt, Sarulchana Viriyataveekul

We would also like to thank the following community based organizations for providing valuable and insightful information for this study; MPLUS Foundation, MFRIEND Foundation, Service Workers in Group (SWING) Foundation, Rainbow Sky Association of Thailand (RSAT), The Planned Parenthood Association of Thailand (PPAT), Raks Thai Foundation, Ozone Foundation, and Sisters Foundation.