

# **Social Franchising Merrygold Health Network (Process, Systems & Learning's from *Uttar Pradesh, India*)**



**By :**

**Dr. Shashank Vikram, IFS  
Spl. Seceretary (MH &FW)**

**Addl. Executive Director, SIFPSA/Addl. Mission Director, NUHM**

**December 4<sup>th</sup> 2013**

# State Profile for selected indicators

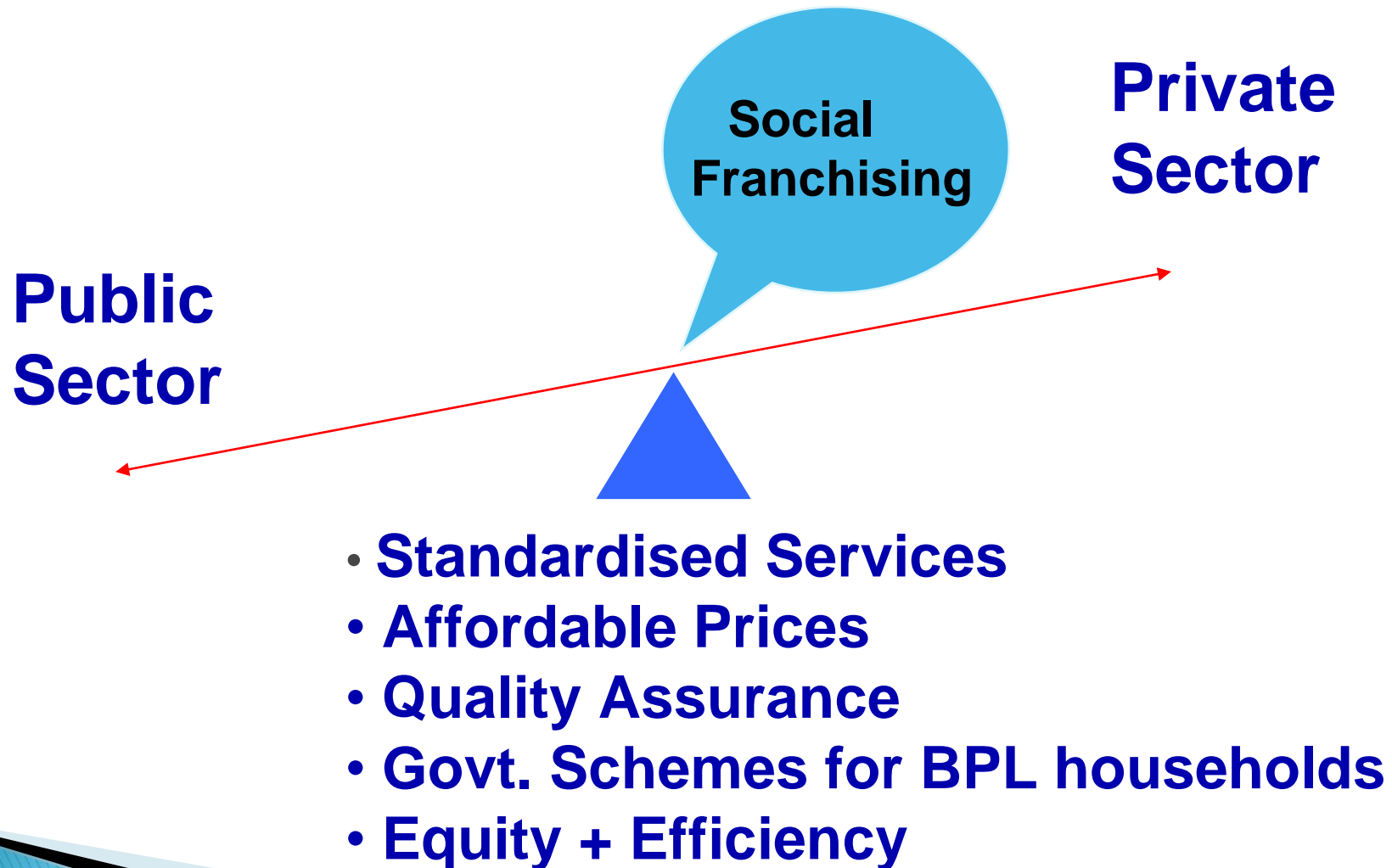
Sr #	Indicators	UP
1	MMR*	300
2	TFR*	3.4
3	CPR*	31.8
4	Received 3 or more ANC in %	29.6
5	Institutional deliveries in %	45.6
	Urban	58.3
	Rural	42.9
	Private Sector	17.7%
	Urban	34.4
	Rural	14.2

Data source: AHS-2010-11, SRS 2012\*,

# Project Development Process

- ❖ **Social Franchising Technical Advisory Group (TAG) set up by SIFPSA**
- ❖ **International workshop to share experiences of various social franchising models**
- ❖ **Request For Proposals in leading Indian newspapers/ SIFPSA website**
- ❖ **TAG finalized the Agency**
- ❖ **HLFPPT selected finally as the franchisor**
- ❖ **SIFPSA plays the role of nodal agency**
- ❖ **USAID provides funding support**

# Model addressing Equity Issues



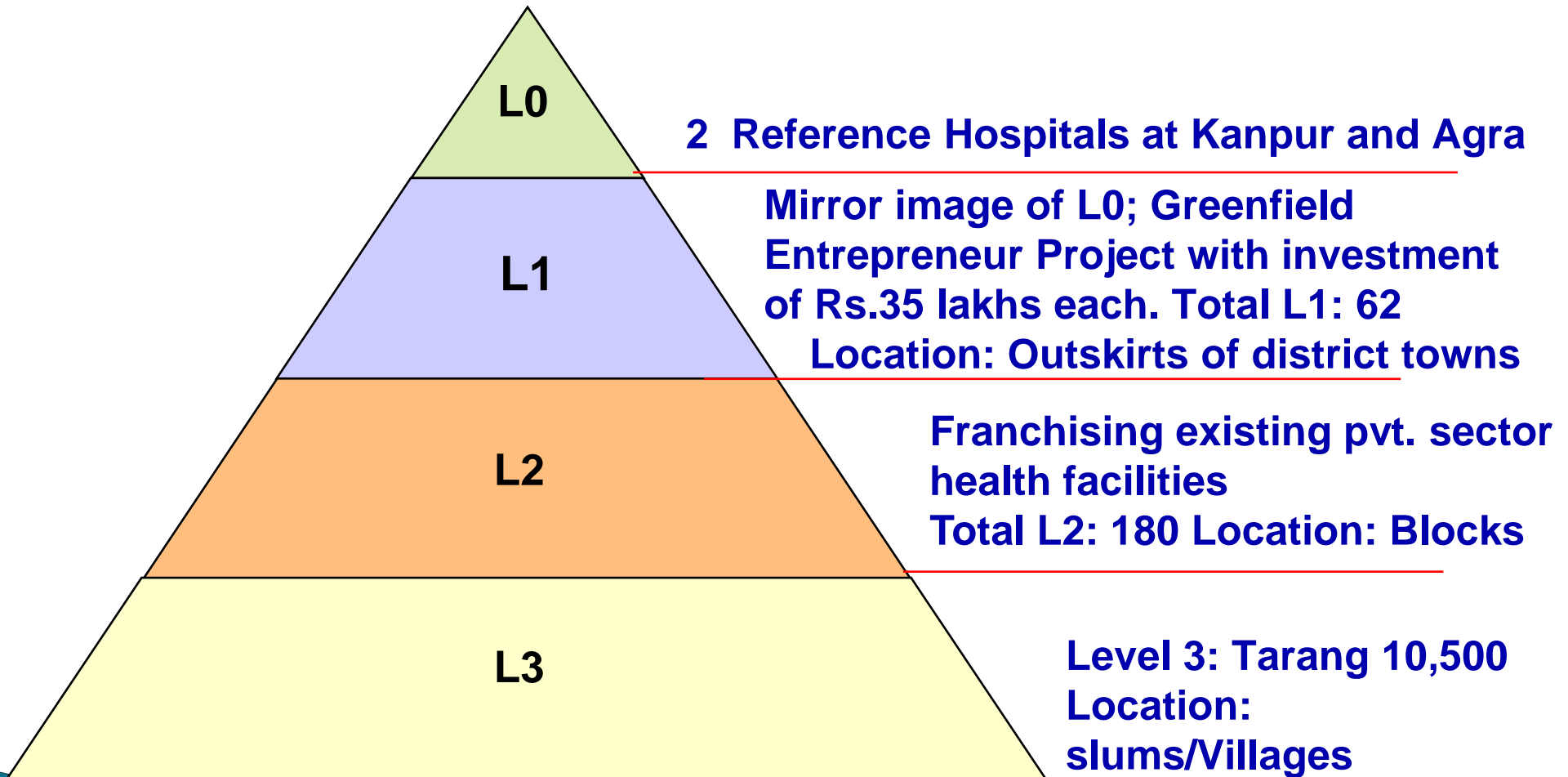


# The Business Model

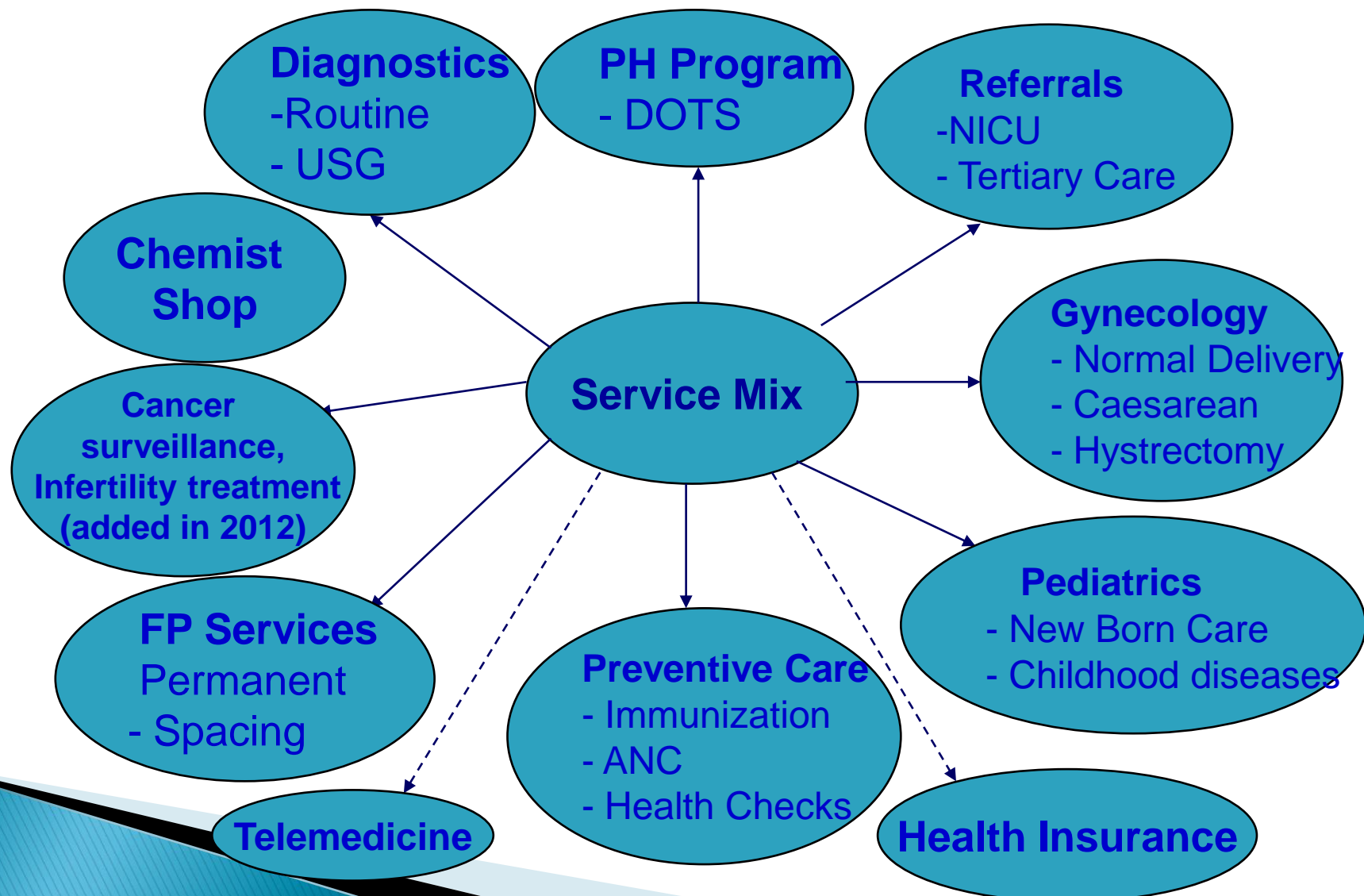
**Objective: Create and sustain a Statewide franchised network of health facilities providing **Affordable** and **Quality** RCH services**

- ▶ Franchise a 20–25 bed format in 6000 sq ft
- ▶ Multi tier transparent pricing with essential obstetric, ANC and FP services in general wards priced at 50% less than the market
- ▶ Increased volume and specialization of health care facility to drive down costs and better patient outcome
- ▶ Franchisee will turn cash positive in 18 months and franchiser in 4 years

# The Network Design



# Merrygold Basket of Services





# Present Franchisee Terms

Level	Licensing Fee		Royalty		Infrastructure
	Old Fee	Current Fee	Old Rate	Current Rate	
Merrygold Urban	Rs.3.0 L	Rs. 4.5 L	3%	1st yr - Rs.10000/- 2 <sup>nd</sup> yr - Rs. 12000/- 3 <sup>rd</sup> yr –Rs.14000/-	10-20 bed OT+ Personnel for Emoc, placed in urban area.
Merrygold Rural	-	Rs.2.25 L	-	1st yr - Rs.3000/- 2 <sup>nd</sup> yr - Rs. 4000/- 3 <sup>rd</sup> yr –Rs.5000/--	10-20 bed OT+ Personnel for Emoc, placed in Rural area.
Merrysilver	Rs. 1000	Rs.15000	-	Rs. 1500 monthly	5 beds + MBBS/Lady Ayush+ Asst Community Connect



# Role of Franchisor

- ❖ **Franchisee Selection**
- ❖ **Communication and Branding**
- ❖ **Training and Capacity building**
- ❖ **Ensuring Standardised services**
- ❖ **Partnerships for Support services and**
- ❖ **Networking with the Government**

# Communication and Branding

## Ob I: Brand Equity

### Hospital branding

#### Mass Media

- Television
- Local Radio Channel
- Advt. in Daily newspaper

#### Media Advocacy

#### Local Media

- Wall painting, hoardings, tin plates, Kiosk,

#### POS/Print

- Pamphlets, banners, name plates, Brand Posters, newsletter, etc

## Ob II: Franchisee support Communication

#### Rapport building

- 4 monthly / biannual meet for L1, L2 & L3

#### Promotional Activity

- Inauguration of L1 hospital
- Annual best awards for L1/ L2 and L3

#### New Franchisee Development

- State/ District level meeting FOGSI and other prospective franchisees

## Ob III: Client Load

### Community based activity

- Home visits
  - Health Camp
  - Inter sectoral meetings
  - Celebration of 'Godhbharai' for PW
  - Incentive based schemes
- ### Facility level activity
- Special day celebration



# Human Resource

**Funder level:** Programme management experts, Evaluation, finance and audit experts

**Franchisor level:** Group of technical experts in the field of brand building, management and marketing experts, technical clinical trainers, financial experts, architects, IT and MIS experts.

**Franchisee level:** Gynecologist doctors, pediatricians, paramedic, hospital management experts etc.

# Training and Capacity Building

- ❖ **Three days training to staff of L1/ L2**
  - Infection prevention
  - Hospital Waste Management
  - Basic Newborn Care
  - EMoC
  - Clinical protocols on FP
  - SOP for nurses/ paramedic
- ❖ **One day orientation to members of Merrytarang Network**
- ❖ **New protocols developed for in fertility treatment, new born care and cancer surveillance**

# Ensuring Quality standards

- ❖ **Developed and trained on quality protocols**
- ❖ **Medical audit on standard checklist used for Quality assurance monitoring of franchisees**
- ❖ **Hospital Information Management System**
- ❖ **Exit interviews for client satisfaction**
- ❖ **ISO certification**



# Monitoring and Evaluation

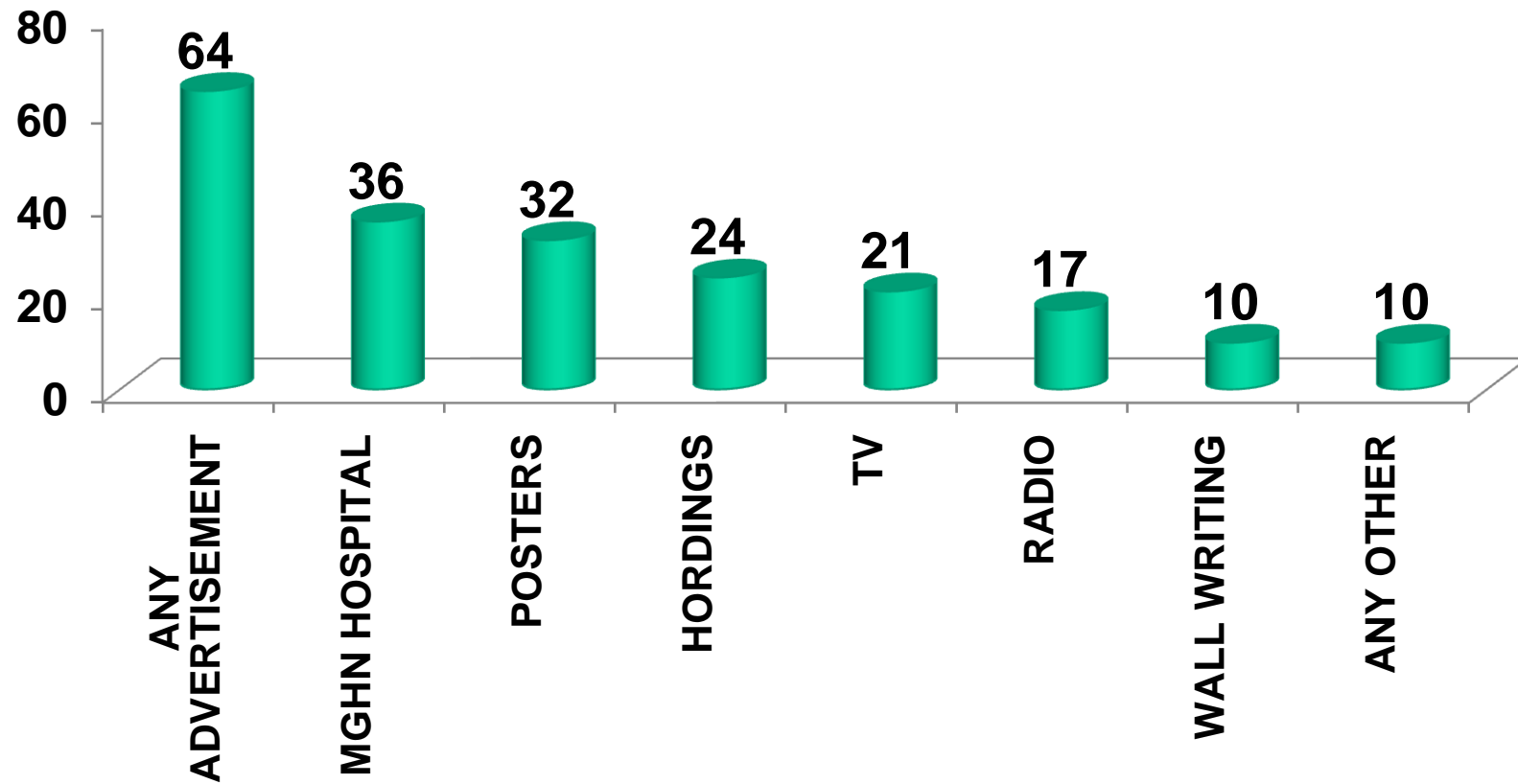
- ❖ **Regular monitoring by funding agency ie. SIFPSA**
  - **Field visits/verifications**
  - **Review meeting by TAG**
  - **Monitoring monthly reports and work plans**
  
- ❖ **Mid-term assessments / evaluations/ studies for qualitative and quantitative assessment conducted by external agencies like ORG, E&Y and DRS.**

# **Key Findings-client perspective**

**(DRS evaluation 2013)**

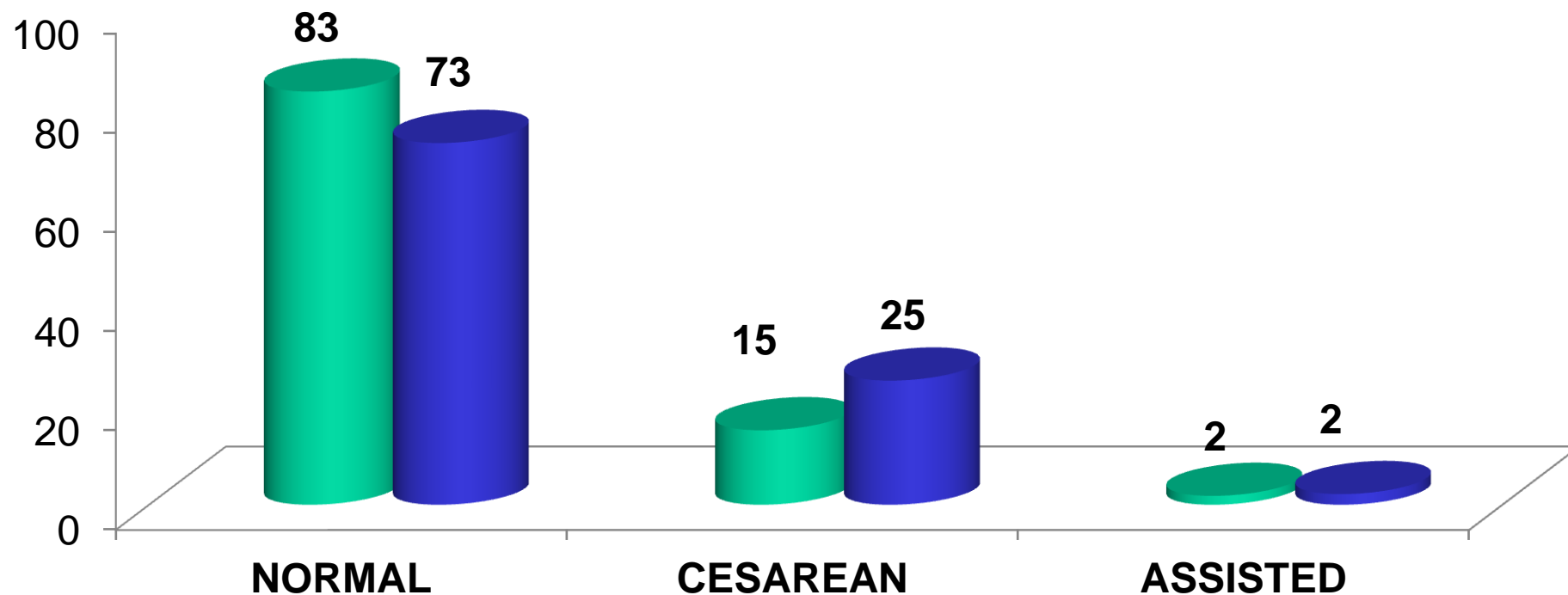
# Branding and Publicity

Advertisement of MGHN Seen at (%)





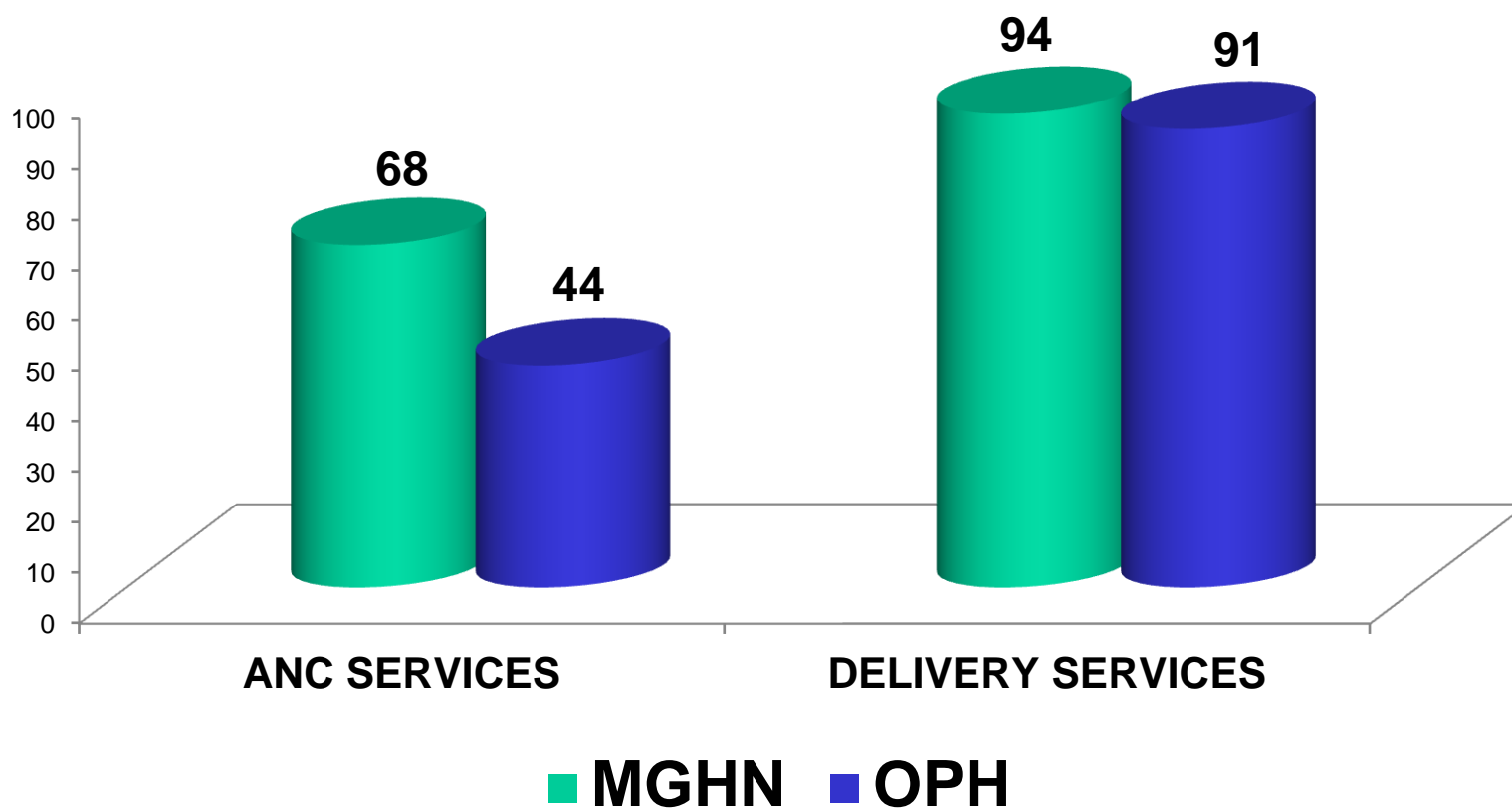
## Type of Deliveries (in %)



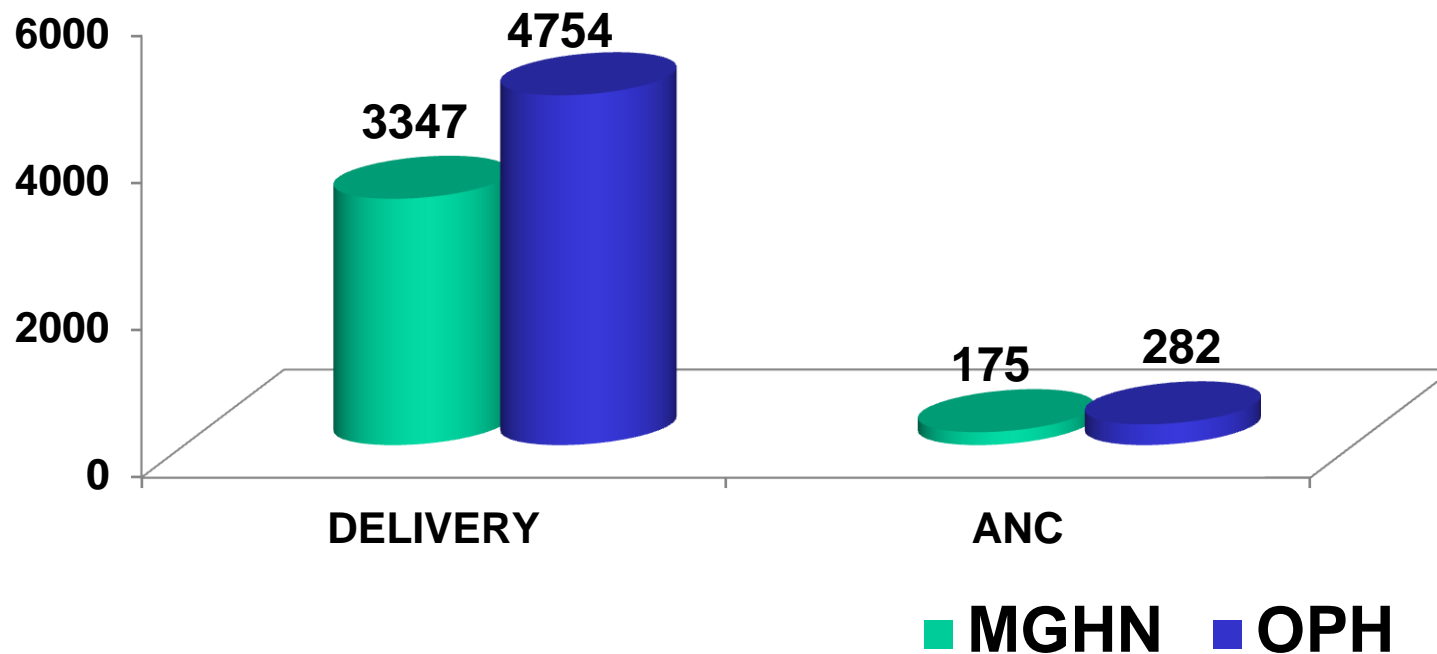
DRS evaluation: 2013

■ MGHN ■ OPH

### Level of fully satisfied clients (in %)



**Average service cost for Delivery Care and ANC (In Rs.)**



**Average market rate for delivery services  
at start of project Rs. 7820/case : Economic times Intelligence  
Group survey report**

# Networking

- ❖ **Voucher Scheme for poor integrated with MerryGold Health units as partners.**
- ❖ **Accreditation of MerryGold hospitals under govt. health schemes for Pvt. Sector- RSBY and FP services**
- ❖ **Two model L0 hospitals developed as PPIUCD training site for private providers**
- ❖ **ICTC accreditation with NACO**

# Cost effectiveness and sustainability

## Key drivers to cost effectiveness and sustainability:

- Using existing hospitals
- Saves investment on infrastructure, human resource and equipment cost.
- Leveraging with other programmes
- Adding new services

# Challenges and Issues

- ❖ **Finding sufficient partners i.e. L1/L2 hospitals**
- ❖ **Availability of gynecologists/ doctors/ paramedics in some districts**
- ❖ **Sustaining the interest of franchisees**
- ❖ **Slow progress on business profitability of MerryGold hospitals**
- ❖ **Ensuring sustained quality/clinical protocol**
- ❖ **Convincing franchisees for payment of Royalty fee and renewal fees**



# Future Plans....

## Scalability and replication:

**Expansion of Social Franchising scheme in remaining 35 to 40 districts of UP.**

- **It is planned to expand this programme in the entire state through NRHM funding.**
- **Designing a new PPP model - Rural MerryGold hospitals as FRUs for delivery services**



**THANK YOU**