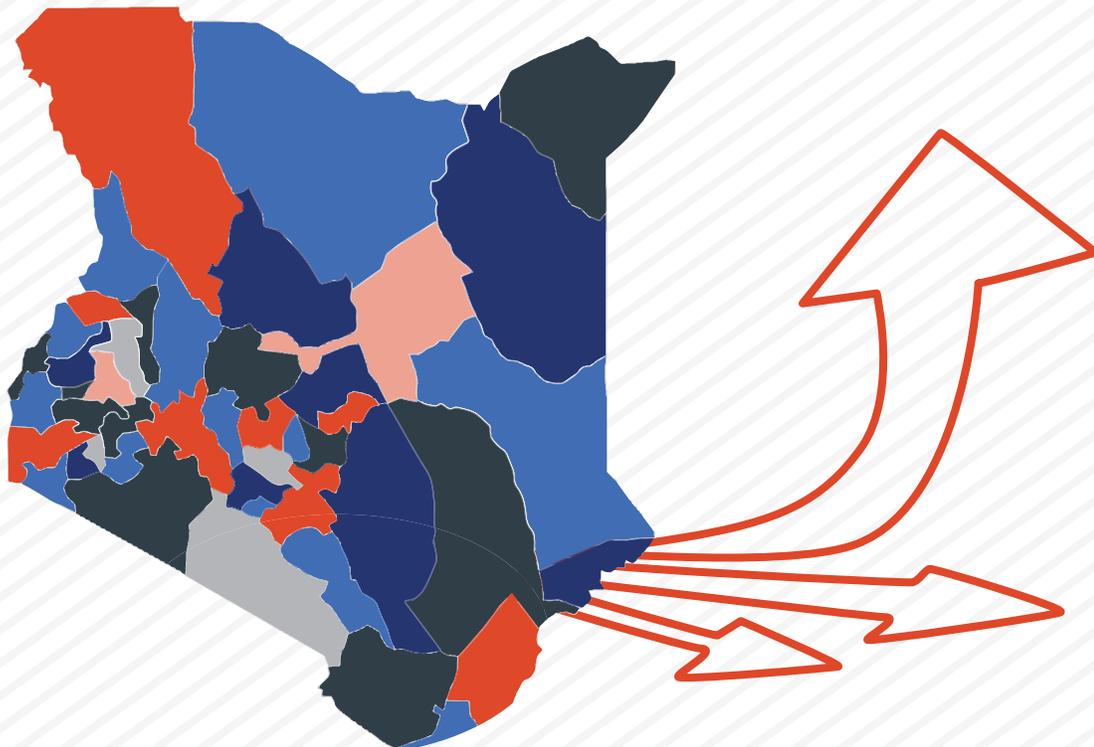




# INNOVATIONS IN HEALTHCARE™

## Primary Healthcare Innovations Work, but How Can They Scale?

Creating an Enabling Policy and Financing Environment to Support  
Sustainable Scaling of Primary Healthcare Innovations in Kenya



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# EXECUTIVE SUMMARY

Primary healthcare (PHC) has been recognized as an integral pillar for the achievement of sustainable development goals (SDGs) and as a driver for the expansion of universal health coverage (UHC).<sup>1</sup> To translate the transformative potential of PHC into lasting impact in Kenya and other low- and middle-income countries (LMICs), it is critical that primary care is backed by policy and financing reforms that embed new delivery models and innovative approaches into the health system. **The COVID-19 pandemic has demonstrated the importance of leveraging changes in health policy and financing to increase health system resilience when faced with new and emerging threats.**<sup>2</sup> Health innovation has also been shown to efficiently bridge health system gaps by enabling LMICs to leapfrog cost-intensive and inefficient intermediate stages of development that higher income countries have passed through and instead move directly to the implementation of proven interventions.<sup>3,4</sup> **Therefore, as African countries continue to commit to revitalizing PHC and bolstering health system resilience,**<sup>5</sup> **it is important to consider how strategic shifts in health policy and financing can support the sustainable scaling and integration of health innovations that improve PHC.**

Strengthening PHC constitutes a policy priority for Kenya given that expanding access to high-quality primary care services is a mainstay of the country's strategy for achieving UHC. Under the guidance of Kenya's Ministry of Health (MOH), the Innovations in Healthcare research team conducted key interviews with regional, national, and global domain experts to understand how policymakers can foster the adaptation and sustainable scaling of innovations that improve PHC in Kenya. The research insights were clustered around **coordinated policy actions that increase the pipeline of health innovations and amplify those that work.** Additionally, interviewees discussed the **role of partnerships in supporting broad adoption and sustainable scaling of health innovations.** Lastly, there were **proposals on creative financing mechanisms for innovations that expand PHC, including at the county level.** This policy brief presents a set of recommendations for how Kenya and other LMICs can create an enabling policy and financing environment to foster sustainable scaling<sup>6</sup> of innovations that advance PHC and improve health outcomes.



# CONTEXT

Kenya is committed to the 2018 Astana Declaration<sup>7</sup> on revitalizing PHC. In 2020, the country launched a PHC strategy that unveiled a new delivery model—the primary care networks (PCNs). Through PCNs, the country seeks to shift toward better-integrated primary care services that are delivered by multidisciplinary teams and prioritize preventive and promotive care. Kenya’s PCN implementation guidelines place emphasis on research and innovation as drivers for improved and expanded primary care with specific chapters outlining how health innovations can be identified and scaled within the PCNs.

While Kenya has been identified as a hub for technological and healthcare innovation, questions remain about how the MOH and its partners can identify promising innovations and support them to scale. Also unclear are the strategies through which the public sector can fully maximize health policy and financing as levers to support sustainable scale and integration of innovations to drive forward PHC expansion and meet the country’s UHC goals.

## SCALING FRAMEWORK AND KEY DEFINITIONS

This paper uses the Six Stages of Scaling Innovation framework developed by the International Development Innovation Alliance (IDIA),<sup>8</sup> which includes the following key terms:

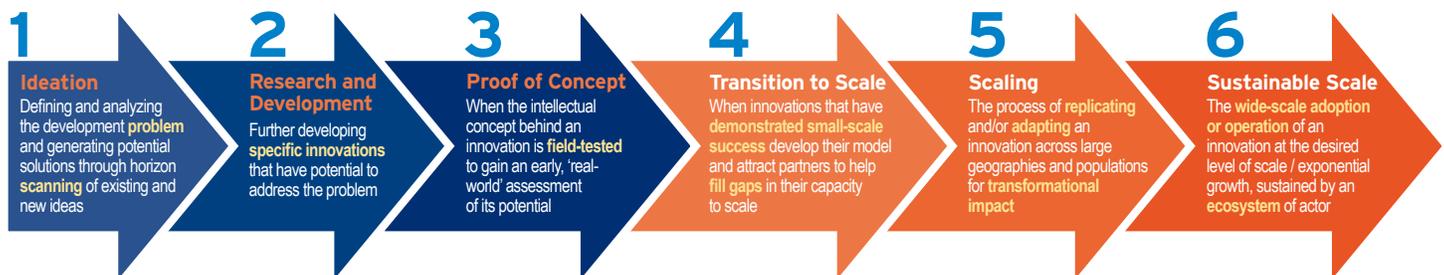
- **Scaling:** The process of replicating and/or adapting an innovation across large geographies and populations for transformational impact.
- **Sustainable scale:** The wide-scale adoption or operation of an innovation at the desired level of scale or exponential growth, sustained by an ecosystem of actors.
- **Transition to scale:** The process whereby innovations that have demonstrated small-scale success develop their model and attract partners to help fill gaps in their capacity to scale.

## METHODS

As part of this qualitative study, the research team held semistructured interviews with regional, national, and global experts whose domain expertise spans public health, innovation, and public policy. The informants were identified through recommendations by the MOH’s committee of experts on PHC as well as Innovations in Healthcare’s innovation community and related networks. The team also received referrals to other experts from the interviewees. The research team used thematic analysis to identify the key insights emerging from the research.



## IDIA Six Stages of SCALING INNOVATION\*



This brief focuses on these stages (4, 5, and 6)

\* See full paper here - <https://static1.squarespace.com/static/5b156e3bf2e6b10bb0788609/t/5b1717eb8a922da5042cd0bc/152824010897/Insights+on+Scaling+Innovation.pdf>

# RESEARCH INSIGHTS

## HOW DO KENYA'S POLICIES ON PHC INTERSECT WITH HEALTH INNOVATION?

Against this backdrop, the informants noted several trends impacting PHC in Kenya and worldwide. Globally, there has been a **strong linkage between PHC strengthening and advancing UHC outcomes**. This is mirrored in Kenya where PHC has been recognized as a pathway to deliver on the SDGs and national development priorities. Another global trend reflected in the Kenyan PHC landscape is an increasing focus on health promotion and preventive services as evidenced by the resources allocated to these areas. With regard to finance, the fact that increased funding for UHC has also resulted in expanded PHC resourcing marks a trend reflected both globally and in Kenya. Innovative financing mechanisms have also been increasingly deployed in LMICs, and these have supported PHC expansion. Moreover, respondents highlighted the increase in innovations focused on easing health financing and increasing efficiency of payment for health services, including some that piggyback on innovations within Kenya's dynamic mobile money transfer sector.

However, there is a **gap between policy and implementation**, with interviewees noting that delays in disseminating key policies to decentralized levels and frontline health teams result in care delivery that does not always reflect new policy priorities or global evidence. Additionally, policies are not sufficiently adapted to reflect specific contexts at the county level, even though counties are charged with the provision of PHC. Some respondents also noted that it has been difficult for PHC improvements to be coordinated centrally given the devolved mandate for service delivery. Interviewees also reflected on how **Kenya's decade-long journey toward devolution of the health sector has impacted access to and quality of primary health services**. While most counties have managed to steward service provision, there remain challenges in coordination among counties, which limits the potential to standardize models of care and share learning. Therefore, Kenya faces a risk of creating or worsening health disparities based on the differential resources allocated to PHC by different counties.

Interviewees noted that policies in Kenya's health sector are generally supportive of health innovation. Based on its policy statements, the national government is open to adopting health innovations. However, **innovation often outpaces policies, and there is a need to update national policies** in order to effectively support the systematic identification, testing, and adoption of evidence-based health innovations. In addition, the regulatory environment in the country increases the transaction costs of scaling innovations due to the numerous licensing fees and processes needed to obtain endorsement across various government departments. Respondents proposed that for PHC innovations to successfully scale, it may be necessary to have a team dedicated to supporting their integration into Kenya's health system.

Despite these policy gaps, interviewees remarked that **counties are actively testing new approaches and being flexible to adopt promising interventions**. The innovation examples cited by counties solve for challenges across the healthcare value chain, such as strengthening linkages in the referral system and promoting health seeking for maternal and newborn health services. Although counties could articulate the innovations they are implementing, respondents noted the challenge in packaging these approaches for broader dissemination among peers (i.e., other counties) and nationally.

Even though much can be learned from PHC implementation across Kenya, **there are limited mechanisms to support the translation of implementation lessons into policy change**. Respondents noted that there is no systematic process for the collection and collation of data on PHC improvements and innovation. Additionally, there are no standardized processes to evaluate what is working in a specific context or guidelines on how to adopt promising interventions that have worked elsewhere. Given that the MOH does not have a unit focused on health innovation, it is difficult to coordinate the identification of innovations suitable for transition to scale, leading to challenges in accurately matching the public sector's demand with suitable health innovations. As a result, interviewees observed that Kenya's public sector may not be consistently invested in scaling of healthcare innovations, including those that enhance PHC delivery.

## WHAT ARE THE OPPORTUNITIES IN KENYA'S PHC INNOVATION POLICY AND FINANCING ENVIRONMENT?

To truly harness the transformative impact of PHC innovations, these interventions need to be implemented at sustainable scale with the aim of integrating proven, evidence-backed approaches into national health system processes. While the impact of PHC transformation will likely only be clear in the medium to long term, it requires foundational investments today. How does a country like Kenya go about reconfiguring and reimagining the way in which primary care is governed and financed? To draw out these insights, the research team posed a thought-provoking question to the domain experts interviewed: **What are the critical elements of an ideal policy and financing environment that nurtures scaling of PHC innovations?**

Most interviewees agreed that Kenya requires **policies and guidelines that expand the pipeline of available PHC innovations while also rigorously selecting only those innovations that work for additional scaling investment.** To do this, Kenya's health sector needs to deepen partnerships, including those with academia, that provide opportunities to identify PHC innovations suitable for transition to scale. Counties and other partners need guidelines on how to validate early-stage innovations coupled with clear processes on how to channel promising PHC innovations to funders and other intermediaries that support transition to scale and scaling. Scaling support from the public sector must move beyond validation of an innovation to significant commitment of human resources and other materials to enable the innovation to operate at sustainable scale.

**Stronger coordination from the public sector at the national and county levels will provide an environment that fosters critical and honest discussions on how to achieve sustainable scale of proven PHC innovations.** The government's role as a convenor will help bring together different stakeholders and resources that innovators and implementers require to move innovations from validation toward scaling. Additionally, respondents noted the need for closer coordination between national and devolved health systems to reduce duplication and provide an efficient mechanism through which PHC innovations that are working in one region are identified, adapted, and scaled across the country.

Because PHC leads to social and economic development across diverse sectors, **a multisectoral approach is required to reduce legal and regulatory barriers encountered by innovations growing to scale.** Sustainability for PHC innovations will also benefit from resources and support from other areas such as the technology, legal, and financial services sectors. The health sector should therefore develop guidance on how to engage other sectors that benefit from PHC improvement in order to deepen the resource pool necessary to support sustainable scaling of innovations.

Resources to aid in scaling of health innovations are often scarce due to competing priorities, especially in the public sector. **Strengthening impact measurement systems allows for countries to have an evidence base that supports decisions on promising PHC innovations.** Kenya requires robust evidence of improvement in health outcomes in order to make informed choices about which innovations to back and how to best use national resources to support scaling. Sustainability is also tied to the ability to attract consistent resources over the period needed for an innovation to be adapted and implemented at scale. Innovations that demonstrate evidence of improving health outcomes are more likely to receive consistent backing for iteration and growth. Developing a culture of evidence generation and knowledge sharing will help implementers, frontline healthcare teams, and policymakers as they seek to learn what works and how to support innovations at scale.



## WHERE DOES THE PRIVATE SECTOR FIT IN?

Kenya has a dynamic private sector that is involved in service provision, financing of healthcare, and deployment of medical technologies. While several health innovations originate from the private sector (both for-profit and nonprofit), the pathways for scaling and integrating these innovations into the public sector can often be unclear. Respondents provided three ways in which Kenya can harness its private-sector collaborators to support sustainable scaling of PHC innovations.



First, the private sector often has a higher tolerance for risk than the public sector. Therefore, interviewees proposed **establishing mechanisms that allow for testing of innovations within the private sector in collaboration with the MOH**. Private-sector structures and processes are flexible and dynamic to boost the ability of private actors to compete in uncertain markets. Some interviewees therefore highlighted collaboration models that reduce the high risks of failure associated with early-stage innovations. For example, private health facilities or donor-funded implementation projects can serve as test beds for early-stage innovation testing and iteration, with nonfinancial support such as provision of human resources or medicines coming from the public sector. This risk-sharing approach can increase the number

of evidence-based innovations suitable for scaling while reducing the time needed to identify interventions that will receive further public-sector support.

Traditionally, public-private partnerships (PPPs) have been viewed primarily as a means for the private sector to provide funding to the public sector. **Broadening the definition and scope of PPPs will allow Kenya to maximize the benefit from partnerships with the private sector**. Respondents noted that the private sector is an important knowledge partner that can share lessons from other regions and foster the adoption of PHC innovations that have worked in other settings. The private sector can also support the strengthening of existing innovations as opposed to duplicating efforts to redeploy similar interventions. This is especially important for donor-funded implementation projects where knowledge sharing can incentivize support for scaling growth-stage innovations. Some interviewees therefore recommended a review of Kenya's PPP Act (2013) to reflect this broader scope of partnership.

Finally, **the private sector is an important resource partner for scaling of PHC innovations**. While private-sector funds have historically taken the form of investment capital for profit-making ventures or capital to deploy new technologies in LMICs, respondents noted that the private sector can offer a broader variety of resources. For example, corporate foundations offer grant funding that supports the experimentation and iteration required to adapt innovations for implementation at scale. The rise of corporate social responsibility programs among Kenya's small and mid-sized businesses means that counties could benefit from corporate volunteers or subsidized technical and logistical support. Academia and research institutes number among the other partners that could be leveraged to support the identification of early-stage innovations and incubate these innovations until



they have sufficient evidence of impact. Facilitated dialogue is therefore needed to explore new partnership models and new groups of private-sector partners, especially those operating in non-health sectors.

## HOW CAN PHC INNOVATIONS BE FINANCED AT SUSTAINABLE SCALE?

Once health innovations have demonstrated the ability to improve care delivery and contribute to better health outcomes, the next challenge becomes how to scale these innovations sustainably. This sustainability challenge exists whether the innovation is deployed by a for-profit venture or a nonprofit organization but takes on a different magnitude when a country such as Kenya is considering how to scale promising PHC innovations nationally. Respondents detailed several factors to consider when deciding how to finance PHC innovations.

**To tap into multiple funding sources to scale PHC innovations, policymakers need to understand the incentives of different partners.** Once there is clarity on each partner's interests, the public sector plays a key role in aligning incentives across different players. One way to manage this is by developing a business case for the investment that is aligned to a national policy priority (such as UHC) or a global priority (such as the SDGs). While some partners provide funding for philanthropic reasons, others tend to be impact sensitive or seek a return on capital. A clear business case that illustrates how a specific set of PHC innovations contribute to improved health outcomes and increased efficiencies in the health system would help coalesce a community of aligned funders. Conversely, this would also help the government develop an understanding early in the negotiation process of funding partnerships that may not be aligned with its priorities and goals.

Most respondents observed that **while governments have policies that are supportive to health innovation, they often do not match this policy commitment with adequate financial resources.** Interviewees noted that for Kenya to sustainably fund PHC innovations at scale, the government needs to set aside dedicated public-sector resources for scaling. Often, the public sector will commit nonfinancial support such as human resources and subsidized health products. In addition to these non-fiscal resources, though, the public sector should introduce dedicated budget lines that fund scaling of health innovations in the public health system. Public funding for health innovation would show that governments have a willingness to take risks on advancing innovation, which in turn could potentially provide a strong incentive for co-investments from the private sector.

Given their limited resources, governments in LMICs such as Kenya need a means to screen the health innovations that will receive public funding. Respondents remarked that **the MOH should develop a funding thesis that supports investing in proven, evidence-based interventions.** Funding what works signals to innovators and other actors in the health system that the government considers evidence of health impact an important criterion for supporting scaling of health innovations. This may then create incentives for innovators to use their own resources to build an evidence base, even during implementation of early-stage innovations. Additionally, embedding an emphasis on evidence and impact throughout the innovation cycle will contribute to clear criteria to screen which innovations receive further scaling support. Ultimately, this clarity will help the health sector integrate evidence-based innovations and approaches that support national health priorities.

Many respondents noted one other pathway to finance the scaling of health innovations: Kenya should **optimize the use of current resources** by seeking more efficient resource allocation and reducing mismanagement of funds allocated to the health sector. Some ideas for increasing efficiency include better coordination between national and county units as well as among counties to ensure that resources are allocated to proven approaches. Additionally, interviewees proposed greater investments in preventive and promotive health services as this leads to lower costs across the population. Some respondents advocated for investment in the community health system, which has been shown to benefit PHC expansion in other LMICs.

# POLICY RECOMMENDATIONS

## THE WAY FORWARD

Moving forward, Kenya should consider implementing the following recommendations to foster a policy and financing environment that promotes sustainable scaling of PHC innovations:

- 1** Develop policies that facilitate **systematic testing and validation** of innovations to increase the pipeline of PHC innovations. The MOH, with support from its partners, should provide actionable guidance on how to identify and test promising PHC innovations. This will help surface the innovations that impact primary care delivery and require public-sector scaling support.
- 2** **Increase coordination across all levels** of the health system to fast-track the implementation of innovations and new models of care. Leaders at national and devolved levels need to integrate scaling of health innovations into the existing policy dialogue to ensure that this topic receives adequate focus during national priority setting.
- 3** Align incentives across stakeholders to **unlock new financing** and **enable investments in PHC**. Cultivating a focus on shared objectives will help actors across the health innovation ecosystem collaborate toward achieving common impact goals and create scaling support mechanisms for a broader range of PHC innovations.
- 4** Leverage the **private sector to add value** and iterate on PHC innovations to be scaled in the public sector. Identifying new partners and partnership models will enable the health sector to embrace a multisectoral approach to scaling health innovation.
- 5** **Promote learning and strengthen feedback loops** to enable counties and implementers to share experiences on what works and how to adapt innovations for different contexts. Platforms that facilitate dialogue and experience sharing will help amplify innovations that have evidence of impact. Conversely, counties can learn from their peers about approaches that have had limited success to avoid duplication and encourage efficient use of scarce resources.



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## ABOUT THE PROJECT IMPLEMENTERS AND FUNDER

**The United Nations Sustainable Development Goals Partnership Platform–Kenya** (UNSDGPP) is a UN development assistance platform spearheaded by the Kenyan government with the support of the UN system in Kenya. UNSDGPP aims to take leadership on the overarching facilitation and coordination of public-private collaboration, demonstrating how it can effectively translate sustainable development goals (SDGs) into action on the ground and thereby guide and accelerate innovations and impact, maximize investments, and optimize resource utilization in support of the realization of Kenya Vision 2030 and the “Big Four Agenda” which focuses on developing universal healthcare, manufacturing, affordable housing, and food security.

**Innovations in Healthcare** (IiH) is a nonprofit organization hosted by Duke University and founded in 2011 by Duke Health, McKinsey & Company, and the World Economic Forum. IiH seeks to improve healthcare worldwide by supporting the scale and impact of promising innovations. The nonprofit collaborates with and receives support from a global and diverse group of organizations, including corporations and foundations that are committed to strengthening and increasing the scale of healthcare innovations.

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