



Photo credit: Ayenew Haileselassie, Abt Associates

Shiromeda Health Center contracts with a private, licensed radiographer to conduct ultrasound exams for patients like Alemnesh, shown here.

Insourcing Private Providers in Public Health Facilities Improves Diagnostic Services

Before 2020, clients of Shiromeda Health Center of Gullele Subcity in Addis Ababa were referred to private diagnostic facilities where they paid up to 400 Birr for an ultrasound exam. This was because Shiromeda lacked institutional capacity to offer ultrasound services in the health center. To address this gap, Shiromeda CEO Mr. Gurmesa consulted the subcity's public service office, finance office, and health office, and the Addis Ababa City Administration (AACA) Health Bureau about hiring an outside provider to make ultrasound services available in the health center. In 2020, with the approval from the subcity's administration, Shiromeda began 'insourcing' a private provider to provide ultrasound services. After soliciting competitive tenders, the health center contracted a licensed private radiographer with a portable ultrasound machine, who provides ultrasound services for a fixed rate of 100 Birr per service to a patient. Shiromeda provides the space, a printer and paper, and other necessary equipment and supplies. It also collects the fee for the service: either clients pay out of pocket, or community-based health insurance (CBHI) reimburses the health center if the client is a beneficiary of a CBHI scheme.

Clients like Alemnesh Alto have experienced the benefits. Alemnesh visited Shiromeda for a prenatal checkup, including the required ultrasound examination. She highlighted that "the price is very cheap

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compared to a private diagnostic center [outside the premises of the health center] where [she] would pay 300-400 Birr [for each examination].”

Mr. Melkamu Tiruneh, director of AACAH Health Bureau Medical Services Directorate, noted that engaging private providers to deliver specialized diagnostic services is a growing practice. Mr. Ebrahim Teka, director of the CBHI Directorate in AACAH Health Bureau, confirmed that the directorate participated in the initiative to make available on-site services that respond to the needs of CBHI members. Mr. Ebrahim stressed that CBHI members frequently voice their dissatisfaction with lack of access to such services during community forums. He remarked that having ultrasound services at health centers has “helped beneficiaries receive the required service within a short period of time...the fees compared to the current medical service cost are cheap and it improves the CBHI beneficiaries’ satisfaction.”

A number of public hospitals in Ethiopia outsource non-clinical services and operate private wings; two health care financing reforms that engage the private sector. The USAID Health Financing Improvement Program and prior USAID investments have provided technical assistance to health bureaus and health facilities in rolling out and institutionalizing these reforms. Insourcing specialized diagnostic services, as a government-led initiative, can be seen as a variation on these two reforms that is showing encouraging results. The initiative warrants further evaluation, refinements to systematize its processes and procedures, policy discussions, and scale-up.

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