



Redefining Global Health Care

- Moderator: **Michael E. Porter**, *Bishop William Lawrence University Professor*
- Panelists: **Paul E. Farmer**, *Founding Director, Partners In Health*
Jim Yong Kim, *François Xavier Bagnoud Professor of Health and Human Rights, Harvard School of Public Health; Professor of Social Medicine and Medicine, Harvard Medical School*

Overview

Global health care efforts tend to focus on tools, technology (i.e., drugs), the need for knowledge of what works, and funding. Yet they often overlook the health care delivery system. The reality is that technology and funding exist, as does the knowledge of what works; the key barrier to refining global health is an effective system to deliver care.

Collaborative efforts by Harvard's Business, Medical, and Public Health Schools are underway to create a body of knowledge about the delivery of health care in resource-poor locations. These efforts have yielded a framework for refining the delivery of global health care. This framework consists of: creating care delivery value chains for specific medical conditions; creating a shared delivery infrastructure; aligning the delivery of care with the external context; and leveraging health delivery for economic development. Where this framework has been used, it is producing positive results.

Context

Dr. Kim provided an overview of the state of global health delivery. Professor Porter shared his thoughts on refining the delivery of global health care and offered a framework for it, and Dr. Farmer provided a real-world case study.

Key Takeaways

- **The barrier to global health care delivery is not funding or knowledge of how to deliver health care; it is the ability to implement.**
Each year over 10 million needless deaths occur globally, a majority of them among children, from conditions that the medical community knows how to treat in a safe and affordable way. In general, the issues are not:
 - *The science.* While newer, better drugs are needed to treat some diseases, science is not the key barrier. There are vaccines, drug therapies, and adequate scientific knowledge to address many of the health issues affecting people in developing countries.
 - *The funding.* We live in an unprecedented golden era of funding for global health. In 1996, there was \$300 million available to support HIV/AIDS treatment and prevention in the developing world. In 2003, the U.S. government allocated \$5 billion per year for HIV/AIDS globally, and that figure has been increased to \$10 billion per year over the next five years.

Since 2001, over \$85 billion in new funding has been available to support global health. For those in the world of global health, this funding level was previously unimaginable. The contributions from the Gates

Foundation, which include funds from Warren Buffett, have changed the game. The grants from the Gates Foundation initially focused on vaccines but have now moved upstream to fund drug discovery in areas where it is needed.

The problem in delivering health care in developing countries is an implementation challenge (termed by Dr. Kim "the implementation bottleneck"). The challenge is how to take advantage of the scientific knowledge and funding that exists to actually deliver health care. (As funding from the Gates Foundation results in new drugs and programs, the implementation challenge will become even worse.)

"The issue is a failure to deliver. We have the money and the ability . . . the problem is an implementation bottleneck."

— Jim Yong Kim

Some of reasons for the challenges associated with delivering health care globally include:

- *Siloed delivery.* Countries and districts within countries often deliver health care in isolation.
- *Execution is "project based" but not systemic.* Many experimental pilots take place but they rarely scale. In fact, many in the global health care world don't think seriously about or know how to scale these projects.
- *Competition among implementers.* The implementation of global health care is incredibly fragmented, with thousands of NGOs involved, essentially creating "cottage industries" in the delivery of global health care. Dr. Kim shared an example from Tanzania which showed dozens of different entities involved in health care delivery, with a complex web of relationships. Just in Rwanda, there are more than 50 different U.S. government contractors. The competition among implementers and lack of coordination is a major barrier.
- *Absence of measurement.* Often results are not measured. When they are, the measures tend to be process measures (e.g., the number of people vaccinated) as opposed to outcome measures (e.g., the number of lives saved).
- **The health care delivery problems in resource-poor countries are similar to those in developed countries.**
The core issue is a failure to focus on and design health care delivery systems to maximize value. Value is defined as "patient health outcomes per dollar spent." Among the symptoms of not focusing on value are:
 - *Focusing on treatment and not health.* The product of the health care delivery system in both developed and



developing countries is getting a patient treated; not getting them healthy.

- *Measurement of volume of service, not value.*
- *Focus on silos versus integration.* Today's system is one of fragmented specialists who deliver discrete interventions as opposed to coordinated and integrated care.

"The core issue in health care is the value of health care delivered . . . redefining global health care is about designing health care systems that dramatically improve value."

— Michael E. Porter

▪ **A framework for global health care delivery has been developed for resource-poor settings.**

The focus on global health care delivery has resulted in establishment of a joint project involving Harvard Business School, Harvard Medical School, and the Harvard School of Public Health. The first step in this project has been to create a body of knowledge about the delivery of health care in resource-poor settings; this body of knowledge has been missing. The body of knowledge is taking the form of cases, as cases best capture the richness and complexity of the managerial problems associated with delivering care in these settings. From this work, the following framework for global health care delivery has emerged:

- *Care delivery value chains for medical conditions.* To maximize value, every medical condition (i.e., HIV/AIDS) needs an integrated value chain that lays out and aligns the specific steps in the delivery of care. This changes care from being delivered in silos for discrete events to being delivered holistically and systemically.
- *A shared delivery infrastructure.* While the value chain should be thought of in terms of specific medical conditions, the infrastructure for delivering care in resource-poor settings needs to be shared. For instance, the infrastructure of tertiary hospitals, district hospitals, labs, clinics, and community health workers should be shared in caring for HIV/AIDS, tuberculosis, malaria, etc.
- *Aligning delivery with the external context.* Health can't be achieved and health care can't be delivered without recognizing the other factors that affect the context in resource-poor countries. This means factors such as nutrition or access to clean water must be considered because they have a significant effect on the delivery of health care. Second-order contextual factors include jobs, transportation, housing, and education.
- *Leveraging the health delivery system for economic and social development.* An accepted belief is that better health enables economic development, as health enables people to work and raises productivity. In addition, societies are benefited economically not just from healthier citizens, but from better health systems. A health system provides employment, results in procurement of local goods/services, and requires development of infrastructure (such as electricity and cell towers) that economically benefits the surrounding community.

The vision of this framework is creation of a health system, using care delivery value chains and a shared infrastructure, which takes the external context into account and which helps drive economic development. The result is greater value and social justice for society.

▪ **The experience of Partners In Health illustrates the practical application of this framework.**

Partners In Health has experience working to improve the health care delivery systems in resource-poor countries, such as Haiti and Rwanda. Dr. Farmer described aspects of the organization's experience in Rwanda.

- *Care delivery value chains.* The implications of a care delivery value chain for patients with HIV/AIDS include early diagnosis, evaluation and treatment, and a forestalling of disease progression. The care delivery value chain also focuses on improving drug compliance.
- *A shared delivery infrastructure.* A shared infrastructure for treating HIV/AIDS includes integrating screening into a primary health care setting and providing maternal and child health care services to reduce the incidence of new cases. Among the key elements of the shared infrastructure are health clinics and community health workers who improve compliance with treatments while simultaneously addressing other conditions.
- *Aligning delivery with the external context.* Addressing contextual factors, such as nutrition and transportation, are critical in caring for patients with HIV/AIDS. Community health workers play a major role in overcoming these issues.

"It is possible to break the cycle of disease and poverty."

— Paul E. Farmer

- *Leveraging health delivery for economic development.* The prospect of economic development is what interests political leaders in resource-poor areas to support refinements in health care delivery. Political leaders may agree with the idea of health care as a public right, but this alone is unlikely to be compelling enough to make it a priority. Linking health delivery with economic development can help make it a priority.

The experience in Rwinkwavu, Rwanda, shows it is possible to create and deliver health care there for \$25 per person per year. This includes funding for labor (including community health workers which represent just 5% of total costs and deliver tremendous value), capital investments, supplies, transportation, nutritional support, and more.

Other Important Points

- **Pharma assistance.** The pharmaceutical industry has taken great strides to assist those in resource-poor countries who need access to their drugs. For example, HIV/AIDS treatments, which cost \$12,000 per patient per year in the United States, are being made available for \$90 per year in some developing markets.



Speaker Biographies

Michael E. Porter, MBA 1971, Ph.D. BE 1973 (Moderator)

Bishop William Lawrence University Professor

Michael Porter is the Bishop William Lawrence University Professor, based at HBS. The author of 17 books and over 125 articles, he is a leading authority on competitive strategy; the competitiveness and economic development of nations, states, and regions; and the application of competitive principles to social problems such as health care, the environment, and corporate responsibility. In 2001 HBS and Harvard University jointly created the Institute for Strategy and Competitiveness, dedicated to furthering his work. Porter teaches the MBA elective Microeconomics of Competitiveness, open to graduate student from all parts of the University. He also created and chairs the New CEO Workshop, an HBS program for newly appointed CEOs of the largest corporations.

Competitive strategy is the main focus of Porter's research. His first book, *Competitive Strategy: Techniques for Analyzing Industries and Competitors* (1980), has been translated into 19 languages. *Competitive Advantage: Creating and Sustaining Superior Performance* (1985) is in its 38th printing. *On Competition* (1998) includes a series of articles on strategy and competition, including his 1996 award-winning *Harvard Business Review* article "What Is Strategy?"

Porter's second major focus addresses the competitiveness and economic development of nations, regions, and cities. *The Competitive Advantage of Nations* (1990) presents a new theory of how nations compete and their sources of economic prosperity. He has also published books about national competitiveness in New Zealand, Canada, Sweden, Switzerland, and Japan.

Porter's third main research focus is the relationship between competition and society. He has conducted extensive research on economic development in America's inner-city neighborhoods, beginning with the 1995 *Harvard Business Review* article "The Competitive Advantage of the Inner City." He founded and chairs the Initiative for a Competitive Inner City, a nonprofit, private-sector organization that works to catalyze inner-city business development across the country.

Since 2001, Porter has devoted much attention to a fourth research area, competition in the health care system. His work, with Elizabeth Teisberg, is helping to catalyze health care reform in the United States, Holland, Germany, and the United Kingdom. Their 2006 book, *Redefining Health Care: Creating Value-Based Competition on Results*, received the American College of Healthcare Executives James A. Hamilton award for the outstanding health care book in 2007.

Porter received a BSE with high honors from Princeton University in 1969, an MBA with high distinction (Baker

Scholar) from HBS in 1971, and a Ph.D. in business economics from Harvard University in 1973.

Paul E. Farmer

Founding Director, Partners In Health

Medical anthropologist and physician Paul Farmer is a founding director of Partners In Health, an international nonprofit organization that provides direct health care services and undertakes research and advocacy activities on behalf of those who are sick and living in poverty. Farmer's work draws mainly on clinical practice. He is an attending physician in infectious diseases and associate chief of the Division of Global Health Equity at Brigham and Women's Hospital (BWH) in Boston and medical director of a charity hospital, the Clinique Bon Sauveur, in rural Haiti. He focuses on diseases that disproportionately afflict the poor. With his colleagues at BWH, in the Program in Infectious Disease and Social Change at Harvard Medical School, and in Haiti, Peru, and Russia, Farmer has pioneered novel, community-based treatment strategies for AIDS and tuberculosis (including multidrug-resistant tuberculosis). He and his colleagues have successfully challenged the policymakers and critics who claim that quality health care is impossible to deliver in resource-poor settings.

Farmer has written extensively about health and human rights and about the role of social inequalities in the distribution and outcome of infectious diseases. He is the author of *Pathologies of Power* (2003), *Infections and Inequalities* (1998), *The Uses of Haiti* (1994), and *AIDS and Accusation* (1992). He is also the coeditor of *Women, Poverty, and AIDS* (1996) and *The Global Impact of Drug-Resistant Tuberculosis* (1999).

Farmer is the recipient of the Duke University Humanitarian Award, the Margaret Mead Award from the American Anthropological Association, the American Medical Association's Outstanding International Physician (Nathan Davis) Award, and the Heinz Humanitarian Award. In 1993 he was awarded a John D. and Catherine T. MacArthur Foundation "genius award" in recognition of his work. He is the subject of Pulitzer Prize-winner Tracy Kidder's *Mountains Beyond Mountains: The Quest of Dr. Paul Farmer, a Man Who Would Cure the World* (2003).

Farmer received his bachelor's degree from Duke University and his MD and Ph.D. from Harvard University. He is the Presley Professor of Medical Anthropology in the Department of Social Medicine at Harvard Medical School.

Jim Yong Kim

François Xavier Bagnoud Professor of Health and Human Rights, Harvard School of Public Health; Professor of Social Medicine and Medicine, Harvard Medical School

Jim Kim is the François Xavier Bagnoud Professor of Health and Human Rights at the Harvard School of Public Health and professor of social medicine and medicine at Harvard



Medical School. He is chief of the Division of Global Health Equity at Brigham and Women's Hospital, director of the François Xavier Bagnoud Center for Health and Human Rights, and chair of the Department of Global Health and Social Medicine at Harvard Medical School. Kim is leading a new Harvard University-based initiative in global health delivery, which is designed to discover and widely share knowledge about the effective implementation of health programs in poor countries.

Kim returned to Harvard in December 2005 after a three-year leave of absence at the World Health Organization (WHO). While on leave, he was director of WHO's HIV/AIDS unit, a post he was appointed to in March 2004 after serving as advisor to WHO's director-general. Kim oversaw all of WHO's work related to HIV/AIDS, focusing on initiatives to help developing countries scale up their treatment, prevention, and care programs, including the "3 by 5" initiative designed to put 3 million people in developing countries on AIDS treatment by the end of 2005.

Kim has 20 years of experience in improving health in developing countries. He is a founding trustee and the former executive director of Partners In Health, a nonprofit organization that supports a range of health programs in poor communities in Haiti, Peru, Russia, Rwanda, and the United States. An expert in tuberculosis, Kim has chaired or served on a number of committees on international TB policy. He has conducted extensive research into effective and affordable strategies for treating strains of TB that are resistant to standard drugs. While at WHO, he was responsible for coordinating HIV efforts with the TB department.

Kim trained dually as a physician and medical anthropologist. He received his MD and Ph.D. from Harvard University. He is the recipient of a number of professional awards, including a 2003 MacArthur Fellowship. He was a contributing editor to the 2003 and 2004 *World Health Report*, and his edited volume, *Dying for Growth: Global Inequity and the Health of the Poor*, analyzes the effects of economic and political change on health outcomes in developing countries.