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BUILDING THE FOUNDATION FOR PUBLIC-PRIVATE PARTNERSHIPS FOR INDONESIA'S HEALTH SECTOR

Roadmap, Lessons Learned, and
Future Initiatives to Diversify Health Financing



MARCH 2022

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Abbreviations

BPJS-K	Badan Penyelenggara Jaminan Sosial Kesehatan (Social Health Insurance Administration Body)
HP+	Health Policy Plus
M&E	monitoring and evaluation
MOH	Ministry of Health
PPJK	Pusat Pembiayaan dan Jaminan Kesehatan (Center for Health Finance and Insurance)
PPP	public-private partnerships
RPJMN	National Medium-Term Development Plan
USAID	U.S. Agency for International Development

Background

With 270 million people living on 17,000+ islands, the government of Indonesia recognizes that providing health services to its diverse population will require unique, localized responses and that public sector financial and human resources are limited. With various types of private institutions (faith-based, civil society, nonprofit, and for-profit organizations) already engaged in the health sector in areas ranging from service provision to technology/innovation and manufacturing and supply, the private sector is well positioned to lend its resources and expertise to innovate new service delivery models and expand access through public-private partnerships (PPPs).

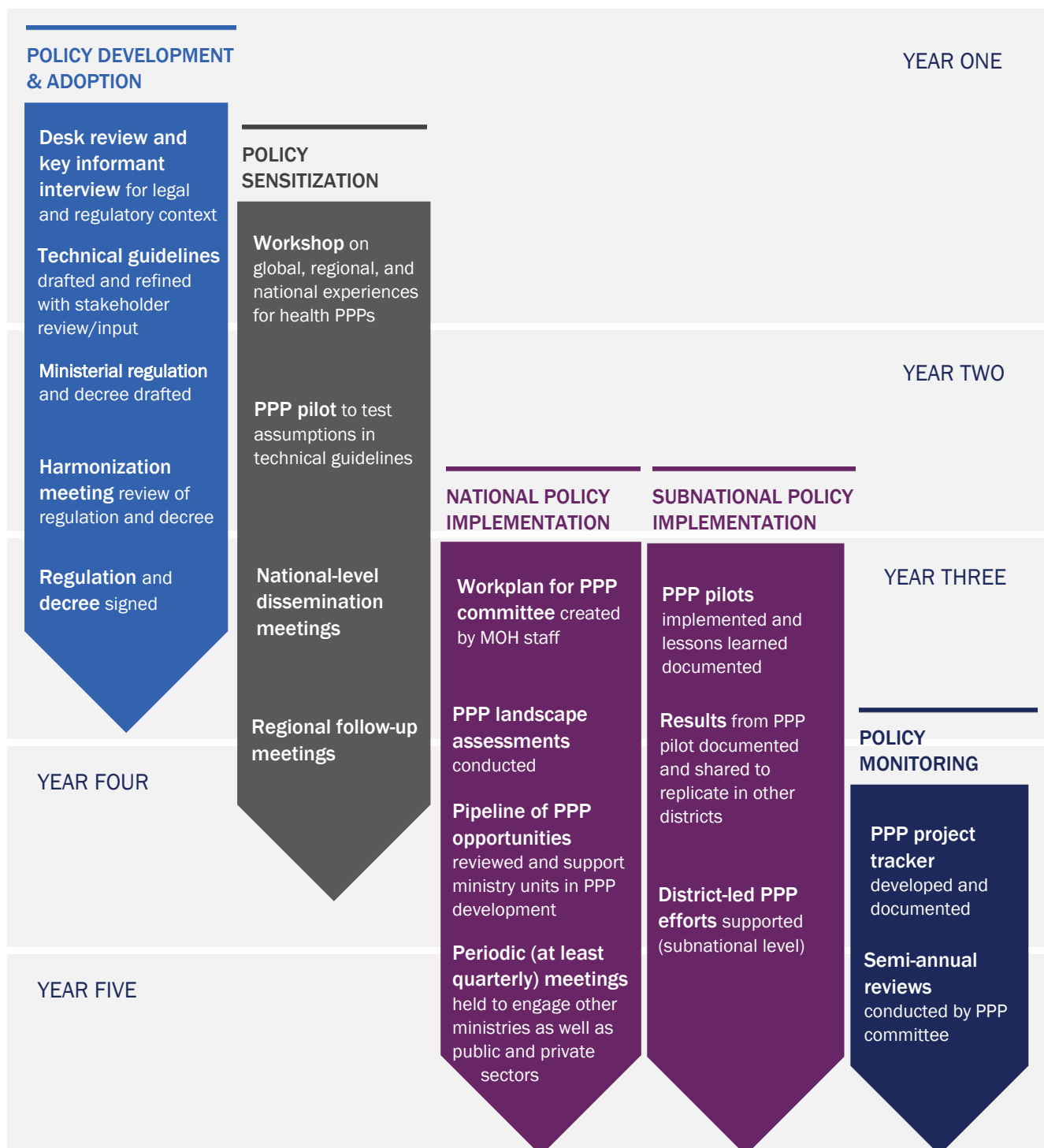
PPPs provide an opportunity to leverage private sector expertise, infrastructure, and resources to address the country's health challenges. In this context, the private sector through various contracting and partnership mechanisms can address government health priorities, which allows for sustainable and equitable scale-up of those services. Blended finance, where government, donor, and other philanthropic resources are combined with private investments, can offer greater access to affordable healthcare and improve health outcomes and sustainability of services.

The Ministry of Health (MOH) has prioritized PPPs to mobilize and deploy resources effectively and efficiently to improve access and quality of care across the country. While partnerships have existed in the past, they have been ad hoc and small scale, without clear reporting lines or structures. In addition, many government units and local government officials are apprehensive about private sector engagement and unsure whether it is legal to use public funds in collaboration with the private sector. The MOH's Center for Health Finance and Insurance (Pengusaha Pengurusan Jasa Kepabeanan or PPJK) spearheaded the effort to clarify the policy framework for PPPs, create an enabling environment, and catalyze collaboration across public and private sectors to improve healthcare. Since 2019, the Health Policy Plus (HP+) project, funded by the U.S. Agency for International Development (USAID), has supported PPJK in this effort. This report summarizes the policies, systems, and partnership mechanisms supported by PPJK and HP+ between 2019–2021 and recommends next steps in advancing and implementing PPPs in the future.

From Policy to Implementation: Roadmap to Building a Foundation for PPPs in Health

Policies can have long-term and wide-ranging impact on a population's health status when governments effectively follow through with policy development to implementation and monitoring. This can be a long and intensive process. For over two years, HP+ supported PPJK in spearheading the policy development, adoption, and sensitization process for development of an MOH regulation on non-infrastructure PPPs, establishing the sustainable foundation for policy implementation (see Figure 1).

Figure 1. Pathway to PPP Policy Development and Adoption, Sensitization, and Implementation



Policy Development and Adoption

Given the number of stakeholders involved and the complex nature of the process, the policy development and adoption process for the non-infrastructure PPPs took several years. The first step in the policy development process was to conduct a comprehensive legal and regulatory review, which was critical for understanding government priorities and existing legal and regulatory requirements such as the MOH's existing regulation (No. 40/2018) on

how to implement PPPs focused on infrastructure. This regulatory review process was led by an HP+ consultant in close consultation with PPJK.

HP+ then supported PPJK in developing a ministerial regulation for non-infrastructure PPPs, which provides the legal framework, institutional arrangements, and reporting requirements for health PPPs. The regulation includes six chapters that describe the operational definition of PPPs and the overall objectives, the type of scope of the partnership process and procurement required, how to manage the PPP process, different sources of funding for PPPs, implementation, and monitoring (see Box 1). In addition, the regulation includes an annex with technical guidelines, which provides additional explanation about key concepts and how to implement the PPP.

Box 1. MOH Regulation for Non-infrastructure PPPs

- Chapter 1: General Description
- Chapter 2: Implementation of PPPs
- Chapter 3: Management of PPPs
- Chapter 4: Financing of PPPs
- Chapter 5: Monitoring and Evaluation
- Chapter 6: Closing Statement

The draft of the regulation then underwent technical review by the MOH, additional ministries, and private sector stakeholders to solicit additional input. As part of the MOH's technical review, the Law Bureau ensured that the regulation did not contradict any existing legislation or policies. Finally, the regulation was presented to the Ministry of Law and Human Rights via an official harmonization meeting before it was signed by the minister. Annex A includes a summary of the overall policy development process.

Policy Sensitization

To sensitize government and nongovernmental stakeholders, PPJK and HP+ hosted a series of workshops and webinars to build awareness and create interest for PPPs in health. The webinar series was held while the PPP policy was being developed so that key stakeholders better understood the basic concepts of partnership, overall regulatory environment, program management, communication with the private sector, due diligence, and risk mitigation, as well as lessons learned from global, regional, and local experiences. Workshops also provided hands-on experience for public and private sector representatives to share their excitement, concerns, as well as innovative ideas around PPPs in health. A roleplaying session on co-creating partnerships helped participants to look at collaboration from the partners' perspectives, established new ties across the sectors, and strengthened their ability to create a win-win solution to a public health challenge. This public-private dialogue and face-to-face collaboration helped to break down barriers between the two sectors. To further build capacity of government officials, HP+ supported selected government representatives to participate in a multi-week course on PPPs for health organized by Gadjah Mada University in partnership with the Asia-Pacific Network for Health Systems Strengthening.

Policy Implementation

While the non-infrastructure PPP regulation was being developed, PPJK recognized that having a partnership to showcase would be critical to advocating for and building the institutional capacity to develop and implement PPPs. Thus, HP+ supported PPJK in identifying and vetting a variety of PPP opportunities, such as partnerships to support health information technology and reporting efficiency (e-Kohort expansion), research and development and technical training (centers of excellence and human resources for health

training), and specific health areas such as vaccinations and nutrition. PPP opportunities were evaluated based on their alignment with government health priorities, expressed or expected political will to support them, suitability of the private sector partner (due diligence), availability and alignment of resources, alignment with private sector's mutual interests, and perceived health impact and potential risks. PPJK supported these efforts by assessing alignment with national targets, linking partnership ideas with the appropriate technical units within the MOH, and ensuring that financing mechanisms were aligned with the relevant regulatory mechanisms. In some cases, the government identified priority health needs for which a private sector solution was sought. In other cases, the private sector came forward with a partnership idea that aligned to their business capability and interests with government priorities.

Box 2. PPP Selection Criteria

- ✓ Alignment with national health priorities and political will
- ✓ Interest by specific MOH unit
- ✓ Due diligence (partner vetting)
- ✓ Availability and alignment of resources
- ✓ Alignment with private sector's mutual interests
- ✓ Potential health impact

Among the identified opportunities, the concept of a PPP to strengthen management of maternity waiting homes gained traction among both public and private stakeholders. Such homes are usually funded and operated by the district government with earmarked allocation for maternal health services. They are designed to host pregnant women, especially those with high-risk pregnancies and those who live far from health facilities, prior to their due date to ensure that they are able to deliver at a well-equipped health facility.

Despite global evidence showing the impact of these homes on reducing maternal mortality, and support by the Indonesian government, the management and use of maternity waiting homes in rural districts have had limited success due to competing priorities and resource constraints. HP+ engaged in Gowa, a priority district for both the MOH as well as USAID due to its high maternal mortality rates, to improve management and efficiency of the district's maternity waiting home coupled with community outreach with private sector support. The concept was adopted by the Gowa district government to contribute their own public infrastructure resources and private sector partners came onboard to support upfront investment, facility management, and program implementation. This innovative partnership co-shares risks, costs, and benefits with the private sector. The pilot enhanced maternity waiting home services with activities such as outreach for prevention and mitigation for high-risk pregnancies, as well as comprehensive birth preparedness. The pilot has raised significant interest around maternal and newborn health, community outreach, and nutrition and wellbeing among private sector actors, and there is interest in replication of the PPP model across other districts.

Engaging Private Sector Partners in Health

Early engagement with private partners in the health sector suggests that they are generally open and interested in PPPs. Some of the considerations that are top-of-mind for them include ensuring that the partnership meets their social objective and mission as well as complements their business and/or branding goals, including whether the partnership will help to grow the overall market for their product/service. Private partners are also interested in efficiency and scale; multinational or national companies may inherently be interested in larger partnerships, although companies with a physical presence in a particular region, e.g., manufacturing or distribution plant, may be interested in subnational partnerships that can

be tailored to a specific geographic region. Private partners are also interested in ensuring that the partnership mechanism has clear, transparent, and coherent procedures that allow them to allocate resources effectively. Some issues that may inhibit or deter the interest of private partners include lack of specific information regarding the government's health goals/priorities and lack of clarity on who to contact to initiate a partnership or develop a partnership, both at national and district levels.

Another element of private sector engagement is recognizing the different characteristics of national versus subnational partnerships—and the types of private partners that are best suited to achieve partnership goals. Multinational or national companies may be most interested in partnerships with the potential for scale—or partnerships where there is a specific geographic or vested interest by the company. National-level partnerships may be best suited for initiatives related to information/education campaigns, supply chain/commodity accessibility, digital tools, and capacity building/training. Given the decentralization of Indonesia's health system, district-level partnerships may focus on service provision/referrals, workplace initiatives, information/education, community outreach, and district-sponsored events.

Lessons Learned Along the Way to Developing a PPP Policy

Several challenges, opportunities, and lessons learned emerged during the various stages of policy development, sensitization, and implementation as described in this section.

PPPs that rely on government resources will require that national, provincial, and district governments integrate PPP budgeting into their normal cycles, given these institutions initiate their planning and budgeting process 6–9 months before the fiscal year starts. As government counterparts develop clearer ideas on how PPPs can support their health goals, they must also ensure that resources are available and earmarked for that program to support the partnership. Up to now, there has been limited funding by the government of Indonesia to support PPPs; this is, in part, due to challenges with matching government planning and budgeting cycles with the co-creation of partnerships. Several early potential partnerships were limited by this constraint. On the other hand, PPP mechanisms may be used to help provincial and district governments increase their level of health spending. The relatively low level of health spending at the provincial level (e.g., 12.7 percent of budgets spent in the first half of 2021¹) and most spending strictly on government staff salary indicates an opportunity for the local government to innovate in how they optimize and utilize their funding.

Given that much of the decision-making and funding for health service delivery is handled at the district level due to Indonesia's decentralization, PPPs that deal with the provision of health services will likely need to focus on the district level. This governance structure means that it may make it less favorable for large-scale national or regional private partners to align their investments to a single district, given the time it takes to develop partnerships. Nonetheless, there may be opportunities to promote partnership models that can be easily replicated in other geographic areas and even with

¹ Santoso, Y.I. 2021. "Menkeu sebut serapan belanja pemerintah daerah belum optimal mendorong ekonomi." *Kontan*, May 25, 2021. Available at: <https://nasional.kontan.co.id/news/menkeu-sebut-serapan-belanja-pemerintah-daerah-belum-optimal-mendorong-ekonomi>.

different private sector partners. The national or provincial government can facilitate knowledge sharing and partnership promotion to reduce redundancies and cost of designing partnerships. For example, the partnership design of the PPP maternity waiting home can be disseminated nationally through the national-level PPP committee, and other districts can replicate the partnership by slotting in national and local partners to similar roles established under the PPP pilot in Gowa.

While the MOH regulation provides a framework for PPPs focusing on health, there are other government of Indonesia regulations that are complementary and provide further direction for provincial- and district-level collaboration with third parties. The Ministry of Home Affairs rolled out Ministerial Regulation No. 22 in 2020 on mechanisms of cooperation between regions and third parties, which encourages local government to engage third parties (i.e., the private sector) to improve the quality of services in their locations. The health sector has been encouraged to be part of this cooperation. Ongoing collaboration between the MOH and the Ministry of Home Affairs with aligned messaging and technical assistance to subnational governments to promote partnerships will increase likelihood of adoption by provincial and district governments and ensure institutionalization and sustainability of these partnerships.

The pathway to increased public-private sector collaboration requires a shift in mindset by both public and private sector stakeholders to embrace new ways of partnering. The private sector has primarily been involved in health through corporate social responsibility, and early in the policy development process, PPPs were seen by many as simply a different term for corporate social responsibility. Furthermore, governments are often skeptical about the private sector's motivation while corporations often feel their upfront investment in collaborating with the government is not a worthwhile prospect that will lead to sustained business growth. There is apprehension even among private foundations about using their funds to have private businesses implement programs, rather than donating it to public sector or local nongovernmental organizations that may not have the necessary resources or management capacity. Without a trusting relationship, there is a tendency for all partners to heavily weigh the "lose-lose" scenario. HP+ and PPJK have invested significant time to build the bridge between the public and private partners, and it will take more time to embed this new paradigm and collaboration model. Continued sensitization, especially by showcasing successful partnerships are critical in this process.

Next Steps: Recommendations for PPP Policy Implementation

The MOH's non-infrastructure PPP regulation has been reviewed and endorsed by both public and private stakeholders and is ready for the minister's final adoption. Institutionalizing PPPs as a mechanism for diversifying resources and accessing private sector expertise and infrastructure will take time and effort to build knowledge, awareness, and capacity among all players. To ensure successful implementation of the PPP policy, the government of Indonesia in collaboration with the private sector and development partners may consider the next steps outlined in this section.

Follow-Up on the PPP Regulation

Sensitize other ministries and private stakeholders on the new regulation. After signing of the new regulation by the minister of health, PPJK would lead sensitization of the

regulation and technical guidelines to other key stakeholders, including the private sector, professional associations, and other relevant ministries such as the Ministry of Home Affairs, Ministry of Finance, and Ministry of National Development Planning.

Finalize the ministerial decree to designate a PPP committee. To ensure implementation of the regulation, the minister of health will need to sign the decree for formation of an appointed PPP committee. Aligned with the MOH PPP regulation, the decree outlines the responsibilities of the PPP committee as: (1) assessing the needs for PPPs from program units, (2) identifying and selecting potential partners from the private sector, and (3) establishing and monitoring PPP implementation. To institutionalize the principles and practice of PPP implementation, the PPP committee should assess program unit needs with the national health targets exemplified in the strategic plan of the MOH. The PPP committee also needs to develop a work plan with clear goals and indicators to assist in achieving the targets set by the minister. Funding for the committee comes from the MOH's annual budget, ensuring its sustainability. The decree also mentions the need to establish a secretariat to run and manage daily operations of the PPP committee.

Follow-Up on the PPP Committee

Once the PPP committee is established via ministerial decree, the following next steps are recommended.

Staff and create a workplan for the MOH's PPP committee. Once the PPP committee is established, convene the committee, supported by a professional facilitator and expert advisors as appropriate, to agree on its day-to-day operating arrangement and to outline workplan priority activities. Key components of the workplan may include establishing the type and frequency of engagement meetings with various ministry units, other ministries, and the private sector; conducting a landscape assessment to identify and review the pipeline of PPP opportunities; and setting up monitoring systems, roles, and responsibilities. Annex B is a sample PPP committee workplan developed in collaboration with PPJK.

Conduct a capacity assessment of the PPP committee. Based on the activities outlined in the workplan, the committee can assess its current staffing capabilities and programmatic needs to determine approaches to fill technical capacity gaps. The committee should seek and source appropriate resources to support workplan activities, ensuring that long-term sustained capacity development is the foundation to implementing its activities, rather than sourcing consultants to implement the work on the committee's behalf.

Identify PPP opportunities through ministry units and subnational engagements. The PPP committee, in coordination with PPJK and the Ministry of Home Affairs, should implement a strategic sequence of workshops with other ministry units and subnational governments to sensitize them about the PPP policy, disseminate partnership success stories and lessons learned, and facilitate these entities to identify opportunities for PPPs in health services. For concepts that gain traction among other government units, the PPP committee can provide support to further refine the partnership concept and source private sector partners.

Strategically engage with other ministries to identify additional financing opportunities for PPPs. There are priority areas set within that ministries of finance, home affairs, and industry that are effectively aligned with the PPP policy. The resources available through these ministries may be applied to health PPPs in addition to resources

deployed through the MOH. Through engagement with these ministries, the PPP committee and the government overall can be more proactive in identifying funding resources that could be mobilized for specific concepts in the PPP pipeline.

Host periodic meetings with public and private sector stakeholders to share PPP ideas and source partners for potential opportunities. The series of public-private engagement meetings held over the course of the PPP policy development revealed that both sectors still have much to learn about each other's strengths and interest in finding innovative ways to collaborate. The PPP committee can organize these types of engagement meetings at least quarterly to ensure the private sector is aware of the government's ongoing priorities and to ensure the public sector is aware of new innovative business initiatives that may align with the government's priorities.

Establish and rollout a PPP project tracking and monitoring system. In alignment with the Ministry of National Development Planning's government-wide PPP reporting framework, the PPP committee can create and execute a process for tracking health PPP projects. Specific PPP committee members may create a sub-committee around monitoring, supporting responsible technical units/subnational governments to document impacts and lessons learned in creating and implementing partnerships.

Hold semi-annual PPP committee reviews to ensure workplan execution, policy refinement, and dissemination of successes. Drawing insights from the variety of activities highlighted in this section, and especially through the lessons learned from PPP implementation, the PPP committee can hold semi-annual meetings to review how they are performing against the workplan and how the enabling environment for PPPs could be further improved. These meetings can involve external experts (potentially national or regional) to gain insights on how PPP committees in other countries may be addressing these challenges. Ultimately, these semi-annual reviews will provide a system for continuous improvement of the committee and PPP policy implementation.

Conclusion

Indonesia's MOH has taken a bold step forward in developing and adopting the non-infrastructure PPP regulation to promote increased private sector collaboration, and this regulation aligns well with the MOH's new vision and structural transformation. The finalization of the regulation and technical guideline sets the foundation for new and innovative partnerships with the private sector. Furthermore, the institutional arrangement established through the ministerial regulation and the PPP committee ministerial decree ensures that there is an entity responsible for and empowered to orchestrate PPP development, implementation, and monitoring for the health sector. The extensive consultative process undertaken by PPJK in developing both the ministerial regulation and the ministerial decree will ensure that the PPP committee has sufficient buy-in across ministry units and across ministries to facilitate start-up and implementation. Stakeholders with vested interest in the success of PPPs must continue to maintain the momentum around policy implementation to sustain and scale up the government's and private sector's commitment to partnerships.

Annex A. Indonesia's Non-infrastructure PPP Policy Development Process

1. Stakeholder consultation to gather input on experiences and relevant regulations on non-infrastructure PPPs (4–6 months)
 - a. Output: A legal and regulatory review; preliminary draft of the policy
2. Stakeholder consultation on the draft contents of the policy (6–9 months)
 - a. Ministry of Health internal review
 - b. Inter-ministerial review
 - c. Private sector stakeholder review
 - d. Output: Final draft of the technical guideline for Law Bureau review
3. Law Bureau preliminary review (2 months)
 - a. Output: Refined language and structure of the technical guideline; draft ministerial regulation associated with the technical guideline
4. Ministry of Health technical review of the regulation and technical guideline (1–2 months)
 - a. Clause by clause review of the document
 - b. Output: Final draft of the regulation and technical guideline ready for wider review and final feedback
5. Inter-ministerial and private sector review and “ground truthing the guideline” (1–2 months)
 - a. Inter-ministerial final review and endorsement
 - b. Private sector review and endorsement
 - c. Simulation of the guideline process with key stakeholders
 - d. Output: Regulation and technical guideline endorsed by stakeholders for adoption
6. Official ministerial adoption process (1–2 months)
 - a. Presentation of the regulation and technical guideline to the Law Bureau and Secretary General
 - b. Presentation of the regulation and technical guideline to the Ministry of Law and Human Rights
 - c. Official approval by the ministry for adoption

Annex B. Workplan of the Committee on Public-Private Partnership in Health Non-infrastructure²

Background

As mandated by law number 25/2004 on the national development planning system, the government of Indonesia has developed several health development programs and established a set of health development targets, which are outlined in long-term and medium-term development plans, as well as in strategic plans derived from the National Medium-Term Development Plan (RPJMN). Following the policy direction set by the 2020–2024 RPJMN, and the Ministry of Health's (MOH) 2020–2024 strategic plan, health system strengthening is established as a priority and increased health financing is one of the performance indicators that will be measured.

The Law on Health number 36/2009, article 3 states that the goal of health development is for every individual to have increased awareness, willingness, and ability to lead a healthy life and to recognize improved public health status as an investment in human resource development so that individuals are socially and economically productive.

One strategy that will be applied to increase funding for the health sector is implementation of the MOH's Regulation on Public-Private Partnerships (PPPs) of Non-infrastructure in the health sector. Within the context of national health system reform, the use of PPPs is a highly relevant concept for creating a more diverse health financing subsystem. PPPs can diversify health financing by mobilizing funds from a variety of sources, from government and nongovernment parties, the public and private sectors, philanthropy, corporations through corporate social responsibility schemes, and others.

The MOH has developed two mechanisms for PPPs. The first, *kerjasama pemerintah dengan badan usaha*, which focuses on physical construction or health infrastructure, is regulated in the Guideline on Partnership between the Government and Business Entities for Provision of Health Infrastructure (MOH No. 40/2018). The second PPP mechanism was approved by the MOH in 2022 and outlines different opportunities for leveraging private sector resources and funding through various collaborative activities, including through corporate social responsibility, joint venture schemes, or in the form of partnership with a philanthropy/donor agency. The mechanism strengthens the private sector's role and contribution to health sector development in Indonesia and accelerates the achievement of health development goals. The regulation also provides the legal foundation and technical guideline that can be used as a reference in developing partnerships that align with rules and regulations. The MOH regulation on PPP non-infrastructure also stipulates the roles of the PPP committee, which will be responsible to assess needs within MOH units as well as to identify and select potential private partners.

² This is a translated version of the PPP Committee Workplan. The PPP Committee Workplan was developed by an HP+ consultant in consultation with senior officials from the Center of Policy for Health Financing and Decentralization (Pusjak PDK), Bureau of Law (Biro Hukum dan Organisasi), Bureau of Planning and Budgeting (Biro Perencanaan dan Penganggaran), and Bureau of Financing (Biro Keuangan), Ministry of Health. The document is intended to be used by the PPP committee for its first year of operation. A revision is expected in the second year as the needs and requirements of the PPP committee may evolve.

Objective

The PPP workplan will serve as a reference guide for the PPP committee, the MOH, particularly units that manage technical programs, and private sector individuals or organizations in matching the PPP scheme with suitable health programs to accelerate the achievement of health development targets.

Scope

PPPs can be used in a range of health non-infrastructure initiatives including:

- Provision of promotive, preventive services and implementation of other health programs
- Implementation of interventions to promote public behavior change in support of health development programs
- Development of health support resources and identification of additional resources
- Provision of services during a disaster/health crisis
- Response activities to an unusual health event/disease outbreak or a public health emergency
- Technology-based health service delivery/healthcare digitalization
- Health research, development, and evaluation

Committee Structure

The PPP committee is based within the MOH and will lead PPP implementation based on MOH regulation (pending). The committee consists of the following:

- Technical implementation team
- Procurement team
- Monitoring and evaluation (M&E) team

The technical implementation team, the procurement team, and the M&E team represent different units from within the MOH based on their functions. Members can be recruited following a selection process by the MOH secretary general and inspector general based on a list of candidates proposed/recommended by a primary unit or technical units of the MOH. Committee members are officially appointed through a Ministry of Health decree (pending), for a maximum term of five years.

Tasks

The initial tasks of the PPP committee are envisioned to include the following, with additional tasks that may arise during the design and implementation of PPPs:

- Steward, monitor, and ensure effective implementation of the MOH regulation on PPPs for health non-infrastructure.
- Identify, select, and determine priority programs to be funded through a PPP scheme.
- Conduct procurement process and select a qualified collaborating partner that meets the requirement for PPPs, financed through the state budget.
- Perform periodic evaluation on the contribution of PPPs toward achievement of health development targets and the potential sustainability of PPPs.
- Report on the implementation of PPPs to the minister of health.

Alignment of PPPs and the Health Transformation Agenda

Activity	Transformation Pillar					
	Transformation of primary healthcare by intensifying promotive preventive activities that can increase the number of healthy individuals, improving health screening and bolstering the service capacity of primary health facilities	Transformation of referral service through improvement of healthcare quality and provision of uniform access to health services across Indonesia	Transformation to ensure the health system remains resilient in the face of global health threats, including programs related to domestic manufacturing and distribution of pharmaceuticals and medical devices	Transformation of the health financing system to facilitate easy and equal access to health services for the poor	Transformation of human resources for health by ensuring uniform distribution of healthcare personnel across Indonesia including to disadvantaged, border and outermost island regions	Transformation of health technologies through utilization of information technology and biotechnology in the health sector
Provision of promotive and preventive services	<p>Screening of noncommunicable and communicable diseases in the community in an independent manner</p> <p>Mobile medical check-up unit and mobile lab</p> <p>Scale-up services that aim to increase the fitness level of individuals</p>			<p>Expand coverage by BPJS-K (Social Health Insurance Administration Body) for workers in both the formal and informal sector</p> <p>Expand BPJS-K partnership with health facilities</p>	<p>Deploy doctors/health workers</p>	
Behavior change intervention in the community	<p>Health promotion at the community level to encourage adoption of a healthy lifestyle</p>	<p>Expand access to referral health consultation (mental health, drug dependence, and nutrition)</p>				
Development of health support resources and identification of additional resources		<p>Move hospital; deploy doctors</p>	<p>Expand medical device and drug manufacturing centers</p>		<p>Deploy doctors/health workers; move hospital</p>	

Activity	Transformation Pillar					
	Transformation of primary healthcare by intensifying promotive preventive activities that can increase the number of healthy individuals, improving health screening and bolstering the service capacity of primary health facilities	Transformation of referral service through improvement of healthcare quality and provision of uniform access to health services across Indonesia	Transformation to ensure the health system remains resilient in the face of global health threats, including programs related to domestic manufacturing and distribution of pharmaceuticals and medical devices	Transformation of the health financing system to facilitate easy and equal access to health services for the poor	Transformation of human resources for health by ensuring uniform distribution of healthcare personnel across Indonesia including to disadvantaged, border and outermost island regions	Transformation of health technologies through utilization of information technology and biotechnology in the health sector
Disaster/health crisis services	Strengthen the capacity of primary health facilities (<i>puskesmas</i>) to respond to a disaster/health crisis	Strengthen the capacity of referral health facilities to respond to a disaster/health crisis				
Disease outbreak or public health emergency response	Improve facilities and infrastructure; build skills of personnel at the <i>puskesmas</i> level to respond to unusual health events/disease outbreak	Improve facilities and infrastructure; build the skills of personnel to respond to disasters				
Technology-based health service delivery/healthcare digitalization	Use telemedicine in primary healthcare	Use telemedicine in referral healthcare	Expand network	Expand the collaboration between BPJS-K and telemedicine/telehealth service providers		
Health research, development, and evaluation			Strengthen research capacity and improve the facility, infrastructure, and competence of research personnel			Strengthen the capacity for biotechnology research in the health sector

Workplan

The PPP committee carries out its tasks based on an established workplan, described below.

Activities related to selecting a project to be conducted through a PPP

No	Activity	Year 1												Responsible Team in the PPP Committee	
		1	2	3	4	5	6	7	8	9	10	11	12		
1	Develop the criteria to select a project within the MOH's program units or directorates that is eligible to be funded through the PPP scheme.	X	X												Technical implementation team (TI); procurement team (P); M&E team (M)
2	Develop the selection criteria for potential partners that will be offered to collaborate with the program units	X	X												TI, P, M
3	Identify and assess the MOH programs and available resources (through the state budget) that are suitable for a PPP scheme based on the approved criteria and alignment with the MOH's health transformation agenda			X	X										TI, P, M
4	Request all program units in the MOH submit PPP proposals as per the assessment result			X	X										TI, M
5	Review the list of proposed PPP projects and select the PPP scheme that will be applied to a program unit				X										TI, P
6	Develop terms of reference for the PPP based on the program proposed by the proposing unit				X										TI, P
7	Conduct the selection process of potential partners				X	X	X								TI, P
8	Submit selection results to the respective program units						X								P
9	Implementation, monitoring, and assessment of the sustainability of the PPPs							X	X	X	X	X	X		TI, M

Activities related to the PPP mechanism, capacity building, and developing a support system for PPP implementation

No	Activity	Year 1												Responsible Team in the PPP Committee	
		1	2	3	4	5	6	7	8	9	10	11	12		
10	Sensitize agencies/parties outside the MOH about the PPP program and identify parties that can be involved in each PPP program	X	X	X	X	X	X								TI, M
11	Develop a PPP committee handbook that contains technical guidelines and a code of conduct for the committee	X	X	X	X										TI, M
12	Develop a PPP information system that will track the planning, selection of partners, implementation, and monitoring of the PPP	X	X	X	X	X									TI, M
13	Conduct specific training for PPP committee members in the areas of PPPs, project management, negotiation skills, and alternative financing for development				X				X				X		TI, M

PPP Scheme at the Central and Subnational/Local Level

As outlined in the MOH regulation on PPPs for health non-infrastructure, PPPs can be implemented in the form of service contracts and management contracts. These types of collaboration can be developed at the central as well as at the subnational level, depending on the type of program and the programmatic targets that will be implemented and achieved.

- At the **central level**, PPPs are recommended for national-level programs that have broad coverage with multiple intersectoral benefits.
- At the **local/sub-national level**, PPPs can involve the central government, the local government, and the private sector (tripartite collaboration). The partnership can also be derived from central-level PPPs.

Sustainability Strategy

Health programs that have been implemented using the PPP model are expected to be sustainable. Strategies to ensure sustainability include:

1. Applying a PPP scheme for medium-term programs or programs that continuously provide essential health services, such that the scheme provides benefits to the public, the government, and the private sector.
2. Establishing national and local regulations as a legal foundation for utilizing PPPs in program implementation.
3. Selecting a partnership mechanism that can provide sustained benefits to the government and the private sector.

The PPP committee can promote broader implementation of PPPs at the subnational level by:

1. Sensitizing local governments and disseminating information about successful PPPs in the health sector.
2. Consulting with local governments to encourage application of PPPs in local health programs.
3. Encouraging the Ministry of Health and local governments to publish a joint regulation for implementation of several medium-term PPP programs.
4. Mentoring regions that would like to implement PPPs, especially non-infrastructure PPPs that align with an MOH program or is part of a larger PPP with the MOH (umbrella contract).

Monitoring and Evaluation

Monitoring and evaluation of health non-infrastructure PPPs are carried out as follows:

1. Periodic monitoring and evaluation is carried out to ensure that the health non-infrastructure PPP achieves its objectives.
2. Monitoring and evaluation of health non-infrastructure PPPs within the Ministry of Health can involve the PPP committee.
3. Monitoring and evaluation is guided by a set of success indicators that are established and mutually agreed upon by the government and its partners. Success indicators include the following:

- a. The ability of a PPP to facilitate successful implementation of MOH priority programs/activities, such as mobile health screening and telemedicine service scale-up.
- b. The ability of health programs and its PPP model to contribute to the achievement of the RPJMN/strategic plan/workplan targets, for example, to reduce stunting or decrease morbidity.
- c. The percent reduction in state budget funds needed for the implementation of health programs.

Human Resources

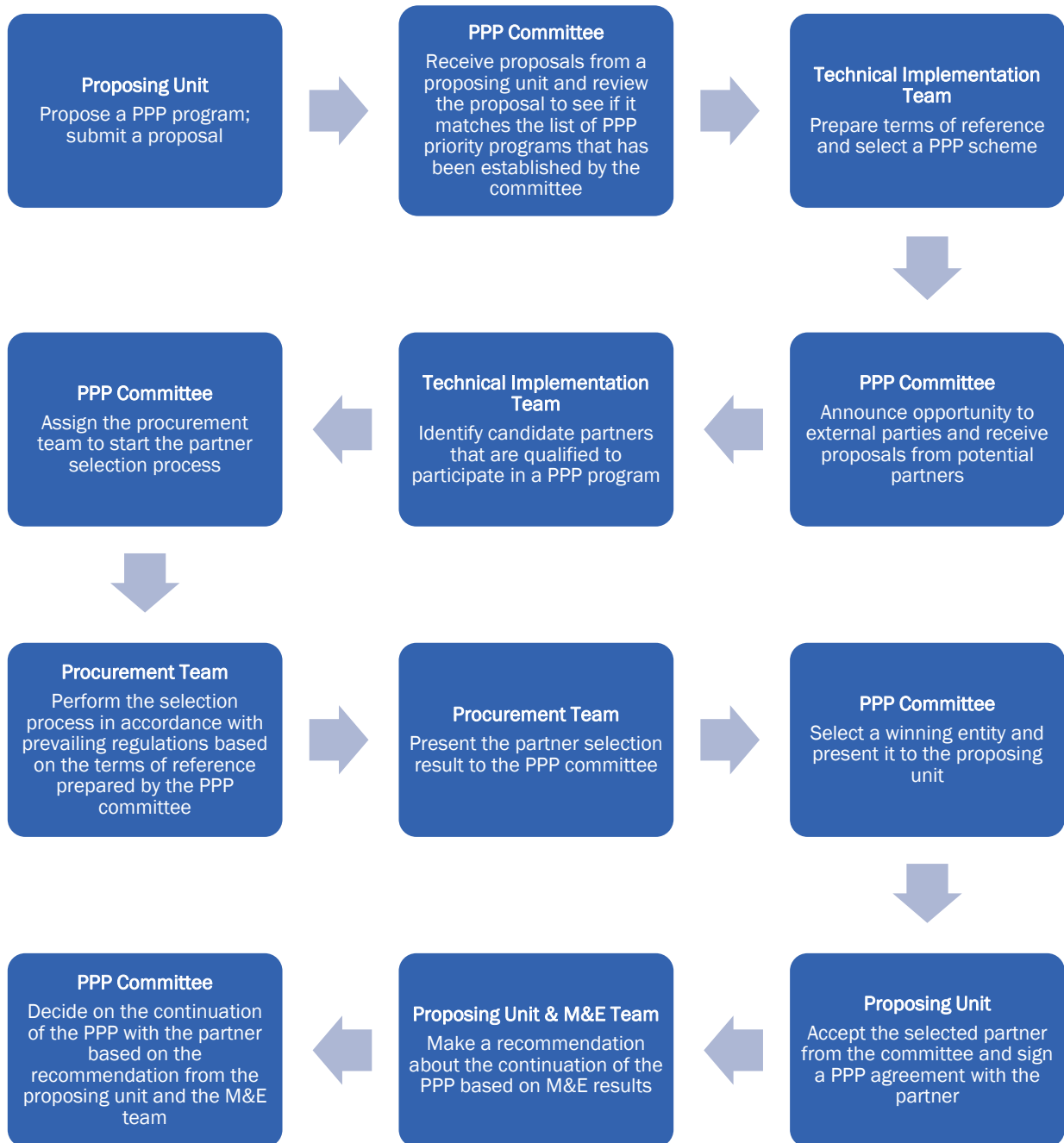
Human resources who will be involved in implementation of a PPP scheme follow the list of personnel included in a pending Ministry of Health decree regarding the Management Committee of Public-Private Partnership in Health Non-infrastructure (Appendix I).

Standard Operating Procedures

1. The PPP committee provides general and specific guidance and coordinates and synchronizes the execution of tasks with the technical implementation team to accomplish all required tasks and maintain an effective and efficient work relationship.
2. In performing their tasks, and in working with the management committee and other technical implementation teams/units, the technical implementation team leader will adhere to the principles of coordination, integration, and synchronization.
3. Every technical implementation team leader must implement an internal control procedure within their respective unit to ensure public accountability, which is achieved through integrated planning, implementation, and performance reporting.
4. The technical implementation team leader is responsible for leading, overseeing, coordinating, and guiding the execution of each task.
5. In the case of any violation, the management committee and the technical implementation team leader are required to take necessary actions in accordance with prevailing laws and regulations.
6. The management committee and the technical implementation team leader through the management committee are required to submit periodic reports to the minister of health in a timely manner. A copy of the report can be sent to the director of the collaborating partner.
7. The role of the PPP committee is to coordinate the PPP development process within the Ministry of Health. This includes:
 - a. Receive proposals for possible PPP programs from a work unit and review the proposed PPP to see whether it matches the list of PPP priority programs that has been established by the committee.
 - b. Prepare terms of reference based on a work unit proposal, with support from the technical implementation team.
 - c. Announce to external parties the planned PPP program.
 - d. Receive proposals from interested private entities.

- e. Identify candidate partners who are qualified to engage in a PPP based on the standard criteria that the committee has established with support from the technical implementation team.
 - f. Assign the procurement team to start the partner selection process in accordance with prevailing regulations.
 - g. Receive recommendations from the procurement team based on the partner selection result.
 - h. Decide on the entity that will be involved in the PPP based on the procurement team's recommendation.
 - i. Present the entity that will be involved in the PPP program to the technical implementing team leader/work unit that initiates the PPP proposal.
 - j. Terminate/continue partnerships based on evaluation results and as recommended by the work unit and PPP M&E team.
8. The role of the proposing work unit includes:
- a. Propose a program that will utilize a PPP scheme.
 - b. Prepare a PPP proposal.
 - c. Sign a PPP contract with a partner.
 - d. Recommend to the committee to terminate/continue the partnership based on results of monitoring and evaluation by the M&E team.
9. The role of the procurement team includes:
- a. Carry out the partner selection process in accordance with prevailing regulations, as assigned by the committee.
 - b. Recommend a winning entity as a suitable partner for a PPP.
10. The role of the M&E team includes:
- a. Monitor the partner selection process.
 - b. Monitor the implementation of the PPP.
 - c. Recommend to the committee to terminate/continue the partnership based on results of joint monitoring and evaluation with the work unit.

Workflow of the PPP Committee



Secretariat

To enable the PPP committee to perform its duties effectively, a PPP committee secretariat is required and should be part of the primary task and function of one of the work units under the secretariat general. The PPP committee secretariat will be placed under the Bureau of Planning and Budgeting or the Bureau of Procurement of Goods and Services. The tasks of the PPP committee secretariat include:

1. Facilitate the compilation of PPP proposals from work units.
2. Facilitate the compilation of PPP proposals from interested parties for forwarding to the management committee and further processing.
3. Forward proposals to the management committee.
4. Facilitate committee meetings.
5. Forward PPP proposal selection results from the management committee to the procurement team.
6. Facilitate the M&E team in monitoring the PPP process.
7. Facilitate the activities of the PPP committee, for example hold sensitization meetings about health programs that are implemented using a PPP scheme.
8. Document the process of program selection, partner selection, monitoring and evaluation, etc.

Budget

In alignment with the organization of the PPP committee, the budget of the committee will come from the work unit that manages the PPP secretariat. This work unit will also be responsible for the administration process, budgeting, and ensuring accountability. Activities of the PPP committee that should be included in a budget are:

1. PPP committee meetings
2. Honoraria for committee members
3. Program sensitization activities
4. PPP secretariat activities

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