



VillageReach Mission, Goals & Strategies for Fiscal Years 2016-2019

The Healthcare Delivery Challenge

The world has never possessed such a sophisticated arsenal of interventions and technologies for curing disease and prolonging life. Yet the gaps in health outcomes continue to widen. Much of the ill health, disease, premature death, and suffering we see on such a large scale is needless, as effective and affordable interventions are available for prevention and treatment. The reality is straightforward. The power of existing interventions is not matched by the power of health systems to deliver them to those in greatest need, in a comprehensive way, and on an adequate scale. Margaret Chan, Director-General, World Health Organization (2007)

Governments, non-governmental organizations and the private sector have applied tremendous amounts of time and money to develop new medical products, technologies and treatments directed at the healthcare needs of people in low- and middle-income countries (LMICs). Huge progress has been made, yet the health systems in many of these countries remain ineffective, inefficient and incapable of handling the increases in throughput required to deliver these new interventions, especially to remote, hard-to-reach communities. Over the last few years, however, the global health community has recognized and begun to turn its attention to the challenge of delivery.

For example, by 2020, in-country immunization supply chains must manage twice as many vaccine products as in 2010, with quadruple the volume, and five times the value. This increase will place significant additional pressure on healthcare delivery systems which are already under-performing and underfunded. In response, Gavi, WHO, UNICEF and other global health partners, including VillageReach, have developed and are implementing a global strategy to improve in-country immunization supply chains. Like the immunization community, other areas of global health are beginning to respond to the delivery challenge.

The lowest level of the health system, often called the "last mile" where healthcare is provided, is generally the most difficult and weakest link in healthcare delivery. At this level, the health system and the resources available to it must be spread very thin across vast geographic areas. To deliver quality healthcare across the last mile, it must overcome significant challenges, including:

- human and financial resource constraints;
- absence of information regarding health system operations which is needed to manage for improved performance; and
- lack of infrastructure needed to support healthcare delivery (e.g., energy, transport, information communications technology).

Due in large part to these challenges, the health system and the resources available to it are poorly organized, resulting in low service availability and quality as well as significant operational inefficiencies.

VillageReach

Mission

Save lives and improve health by increasing access to quality healthcare for the most underserved communities

VillageReach was established in 2000, to address the challenges of delivering quality healthcare at the last mile to the most underserved communities. In addition to focusing on a particular segment of the healthcare delivery challenge (i.e., the last mile), VillageReach has narrowed its focus further by working to improve the effectiveness and efficiency of the health system services that support the delivery of healthcare (“healthcare delivery support services,” e.g., human resource development and management, communications, information management, supply chain logistics, asset management, operations management, planning, outsourcing).

To improve healthcare delivery support services at the last mile, VillageReach has built deep and relevant expertise, including the following:

Supply Chain Logistics. VillageReach has more than fifteen years of experience designing, improving and implementing medical commodity supply chain and logistics systems that increase the availability of vaccines, medicines and other medical commodities at the service delivery level.

Information & Communication Technology. VillageReach designs, tests, builds and implements technology solutions ranging from mHealth applications to enterprise-level logistics management information systems designed to support and improve healthcare delivery.

Human Resources for Health. VillageReach excels in designing field-based training opportunities that improve health service delivery while working to ensure health workers and health extension programs have the data and resources needed to provide effective services to patients.

Private Sector Engagement. VillageReach assesses deficiencies in infrastructure and works with the private sector to develop new opportunities to provide the communications, transport, and energy services needed to support healthcare delivery, particularly in remote, rural areas.

Outreach. VillageReach has built and implemented new systems that educate communities, especially those in hard-to-reach regions, regarding available healthcare services and how best to access those services.

Advocacy, Change Management and Technical Support. Across all areas of expertise, VillageReach’s team is experienced in leading the local, national, and global advocacy needed to encourage the adoption of new approaches that improve healthcare delivery. VillageReach also provides the technical assistance, as required, to support ministries of health, global health partners and the private sector as they implement and scale those new approaches.

VillageReach has big ambitions: to develop new approaches to healthcare delivery support services that enable health systems to deliver quality healthcare at scale, to all communities, in an affordable, consistent, ongoing, sustainable manner. Accordingly, VillageReach expertise is applied catalytically, as described below.

Sustainable Delivery of Quality Healthcare at Scale: Theory of Change, Methodology

Programmatic Goals

An increasing number of last mile system innovations, proven to increase access to quality healthcare, are accessible to health systems in low- and middle-income countries

Proven health system innovations reach scale and sustainability through adoption by ministries of health, other global health institutions and the private sector

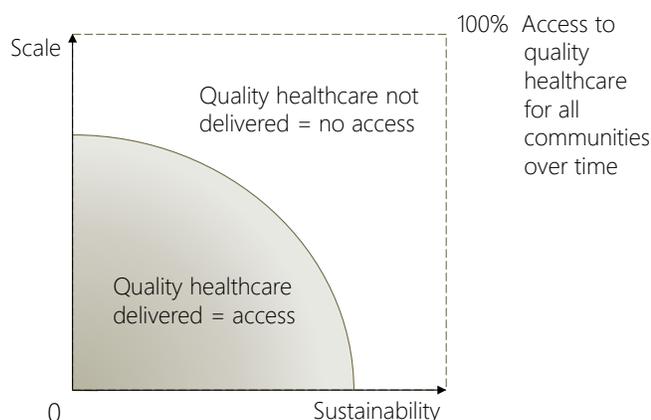
Programmatic Strategies

Identify, develop, test, refine and prove in the field a portfolio of last mile health system innovations

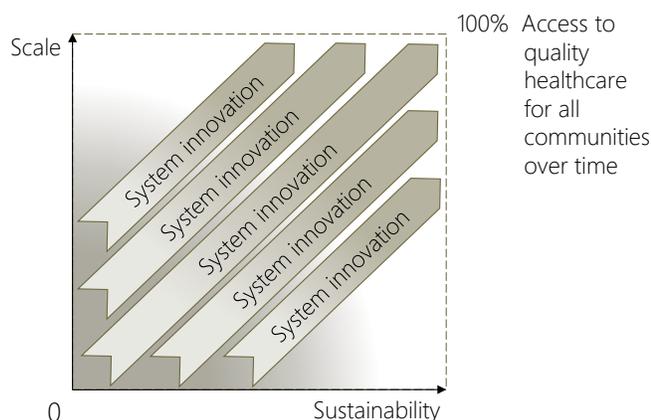
Drive selected innovations to scale and sustainability through advocacy and collaboration with global health partners and the private sector

VillageReach's programmatic goals and strategies are based on VillageReach's theory of change and the methodology it uses to produce the desired change.

Theory of Change. The world's collective health systems currently fall far short of providing access to quality healthcare for all communities over time. Quality healthcare does not reach the many communities (i.e., it is falling short of 100% scale); and often the healthcare that does reach communities is not available in a consistent ongoing manner which is affordable to the patients, governments and/or donors paying for that healthcare (i.e., it is falling short of 100% sustainability). The first diagram represents this failure. The collective ability of health systems worldwide to deliver quality healthcare (represented by the green quarter circle) falls short on scale and sustainability which means 100% access is not achieved. With rare exception, the poorest, hard-to-reach communities fall in the white space with no access to quality healthcare – a significant contributor to the cycle of poverty.



Some of the main reasons for this failure are the challenges at the last mile outlined above. These challenges are exacerbated by the lack of effective and efficient healthcare delivery support services deployed by health systems in LMICs. More and more funding, assuming it's available, can potentially overcome this shortcoming, but the more responsible approach is first to find new approaches or "system innovations" that

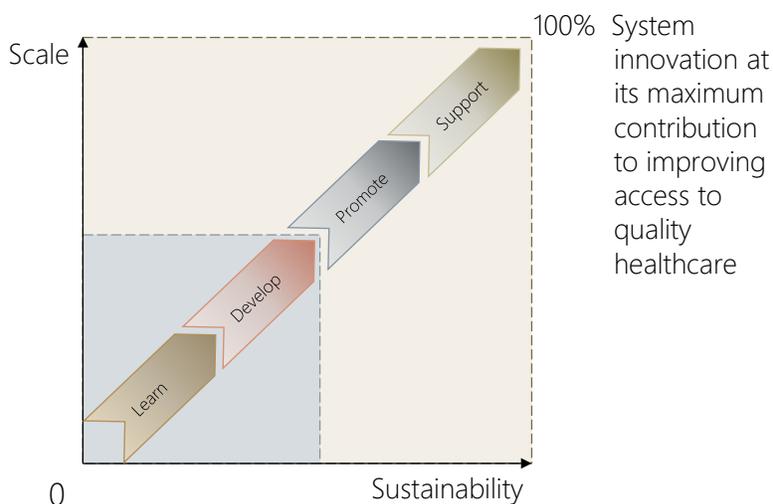


maximize the utilization of the resources currently available to LMIC health systems for healthcare delivery. Over the past fifteen years, VillageReach has shown that the introduction of a series of proven system innovations targeted at the lower levels of health systems, can dramatically improve sustainable access to quality healthcare at scale, especially for the most underserved communities. For example:

- VillageReach’s redesign of the immunization supply chain in Cabo Delgado province, Mozambique increased the percentage of children under five years of age who are fully vaccinated against childhood disease from 68% to 95%, and at a 20% reduction in government operating costs per dose delivered;
- VillageReach’s launch and support of a new, state-of-the-art, open source logistics management information system has enabled supply chain managers in five countries to see and manage their medical commodity supply chain operations and thereby increase medicine availability and reduce waste; and
- VillageReach’s development and implementation of a new training program for pharmacy assistants have placed qualified pharmacy personnel in health centers in Malawi for the first time, which has significantly increased the quality of medicine dispensing and the related advice provided to patients.

Given the extremely low levels of resources currently available to LMIC health systems, it is likely that even with highly effective and efficient healthcare delivery support services, additional financial resources will be needed to reach universal access to quality healthcare for all communities over time. A highly effective and efficient health system, however, will require less additional funding to reach that goal and is more likely to attract it than the ineffective and inefficient health systems currently in LMICs.

Methodology. Through years of field-based testing, measuring, refining and proving system innovations that improve access to quality healthcare, then advocating for their adoption by governments, global health partners and the private sector, VillageReach has developed a methodology for change. Building on a deep understanding of the challenges on the ground and a multi-disciplinary team, VillageReach creates and validates new, high-impact solutions, and then mobilizes multiple partners at the global, national and local levels to implement and sustain them for more effective and efficient healthcare delivery support services at scale. VillageReach’s methodology for successful system innovation contains four components: Learn, Develop, Promote and Support. The Learn and Develop steps occur first, at a smaller scale usually in a demonstration project with local partners. Here, VillageReach is able to exert direct influence over the design, implementation and impact of each system innovation (represented in small blue area). The Promote and Support steps involve VillageReach encouraging



others (e.g., governments, global health partners and the private sector) to adopt and implement a proven system innovation across broad geographic areas and even across multiple countries. In this area of activities (represented in larger tan area), VillageReach has the opportunity to produce sustainable improvements in access to quality healthcare at scale through the actions of others. Although all four steps require high levels of VillageReach collaboration with government, non-government and private sector partners, the need for VillageReach to collaborate closely with multiple partners is especially high in the Promote and Support steps where VillageReach has only indirect influence over how, and the extent to which, the system innovations are deployed by others.



The Learn and Develop components of VillageReach's methodology are designed to produce a series of high-impact system innovations that have been proven to increase access to quality healthcare. VillageReach follows a number of key principles:

Contextually appropriate. To consider any change to an existing health system, a deep understanding of the environment in which the health system operates, its challenges, available resources and objectives is essential. VillageReach deploys most of its employees in the field at the regional and local levels where they can learn from and partner with the workers who deliver healthcare at the last mile. Field knowledge is enhanced through assessments and research.

Multi-disciplinary, multi-cultural approach. To enable new thinking to long-standing challenges, VillageReach teams bring many different perspectives to the problem (e.g., rural, global health, technology, public policy, private sector and research).

Rigorous field testing and refinement based on data. VillageReach relies heavily on data to drive refinements and create an evidence base that will determine whether a new approach is in fact a high-impact system innovation.

Locally appropriate yet globally applicable. VillageReach creates innovations that are proven to work in one environment, but are expected to work across many countries. Although adjustments for each local environment are likely, VillageReach focuses on high-impact system innovations that can address health system challenges in multiple countries.

Document the results. Having a solid, well-documented evidence base of actual field results for each system innovation is essential for the next step of promoting the adoption of a system innovation by others. VillageReach often partners with academic institutions and other independent evaluators to create a high quality, well-documented evidence base for each system innovation.

Measuring Success: Learn, Develop. The success of the Learn and Develop components of VillageReach's methodology is determined by whether VillageReach activities create health system innovations that have been proven to increase access to quality healthcare. Experience has shown system innovations that achieve the following will improve access to quality healthcare:

Increase health worker *Productivity and Capacity*. LMICs face significant challenges regarding the limited number of available health workers and retention of the current workforce. While VillageReach may in certain cases develop new approaches to increase the number of trained health workers, most of VillageReach's activities are directed at increasing the productivity and job satisfaction of existing health workers through system innovations that improve the infrastructure, supplies and services required to provide quality health services.

Improve *Cost-Efficiency* and *Effectiveness* of health systems. By streamlining and integrating processes in existing health systems and programs, VillageReach strives to develop system innovations that improve the overall cost-efficiency and effectiveness of the system, thereby reducing waste and freeing up scarce resources for investment in other health services.

Extend the *Reach of health services*. A significant percentage of LMIC populations live in rural areas with the least developed healthcare delivery infrastructure. VillageReach focuses on system innovations that strengthen the last mile of the healthcare delivery (i.e., from province to district to health center to communities) and enable healthcare services to reach communities more effectively and efficiently. By focusing on rural and other remote health centers, VillageReach develops system innovations that strengthen the system from the “bottom-up,” thereby extending the reach and reliability of primary healthcare services.



Success is judged not only by producing system innovations that have been shown to improve access to quality healthcare, but by the number of communities positively affected over time. Because of the scope of the problem it seeks to address, VillageReach must find ways to leverage its work such that others take the system innovations to scale and then sustain them. Key elements of VillageReach’s Promote and Support activities include:

Open Solutions. To make its system innovations readily available to others, VillageReach pursues an “open solutions” approach. The knowledge, intellectual property and other components needed by others to implement VillageReach system innovations are made freely available to others.

Advocacy. VillageReach has taken an active role in global health community dialogue through, publication of papers and participation in technical working groups, speaking engagements and other activities. In addition, because global policy, guidelines and best practice have substantial influence over how health systems in LMICs operate, VillageReach is actively engaged in policy change, as needed, to create an environment that is receptive to change. With these efforts and the documented results coming from its Learn and Develop activities, VillageReach is able to promote broad adoption and replication of proven system innovations by others.

Change Management, Technical Support. Health systems, particularly those operated by the public sector, are risk adverse and highly resistant to change. Through many years of working with governments and other large health institutions, VillageReach has developed the expertise, methodologies and tools to partner with these institutions and help them manage change. VillageReach also provides ongoing technical assistance, as required, to build capacity in health systems that have implemented VillageReach system innovations.

Measuring Success: Promote, Support. Measuring VillageReach’s Promote and Support activities is highly contextual and must be done innovation by innovation. For each innovation the task is to identify the target audience and then determine that audience’s level of receptivity, adoption and action in response to VillageReach’s Promote and Support activities. Measurements used include the extent to which the intended audiences are aware and supportive of a particular system innovation; whether sufficient information exists so the barriers to implementation are clear (e.g., policy, financial); and whether stakeholders are aligned around specific plans to implement and sustain the system innovation.

Organizational Expertise and Stability

Organizational Goal

VillageReach is the recognized global expert in health system strengthening at the last mile and thereby maintains and enhances a sustainable business model

Organizational Strategy

Build last mile health system strengthening expertise and a diverse, but relevant, funding model for VillageReach to support projects in different stages of maturity

VillageReach's organizational goal and strategy are based on building industry-leading expertise in an area for which system innovation will have high impact and is of growing interest for global health institutions, funders and the private sector.

With expertise that is the subject of rapidly growing demand, VillageReach has been able to grow quickly while being increasingly selective in the types of work and funding it pursues. This situation has enabled VillageReach to build a broad portfolio of mission-relevant work with many different funders and partners. The primary funding model for VillageReach falls into two categories:

Self-defined programs. To continue to produce proven system innovations, VillageReach must allocate a portion of its time and resources to self-defined programs where it has the ability to try new approaches. With these programs VillageReach is directly responding to the key healthcare delivery challenges at the last mile. These programs are funded by strategic donors which are targeting specific changes in healthcare delivery that align with VillageReach priorities, expertise and activities.

Mission-related engagements. As larger global health organizations and private sector companies seek last mile expertise, VillageReach takes paid engagements to perform services that are specified by another organization, but consistent with VillageReach's mission. These engagements enhance learning, contribute to financial stability, develop greater expertise, broaden exposure, and build relationships that enable VillageReach to promote its system innovations.

Measuring Success: Organizational Expertise and Stability. The depth and relevancy of VillageReach expertise and organizational stability are the subject of ongoing monitoring by its Board of Directors and management. Key elements of this monitoring include:

Employee development, retention. The collective expertise of VillageReach employees is its most valuable asset. Accordingly, VillageReach works to exceed organizational benchmarks for employee turnover through smart hiring, progressive employment practices, mission-oriented success and funding stability.

Financial stability. By developing a growing and diverse revenue stream, VillageReach seeks to maintain, at pace with its organizational growth, at least a four-month operating reserve of unrestricted cash and unrestricted net assets.

Practical Application: Next Steps

VillageReach's Mission, Goals and Strategies for Fiscal Years 2016-2019 will be applied in practice as described in the annual operational plans and budgets developed by VillageReach staff each fiscal year.