



USAID | DELIVER PROJECT

Haryana Findings and Recommendations

Landscape Analysis: Supply Chains for Reproductive, Maternal, Newborn, Child, and Adolescent Health (RMNCH+A)



Clients at a primary health center in Ambli, Ambala District, Haryana

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The Government of India (GoI) Ministry of Health and Family Welfare (MoHFW) asked USAID to help strengthen the supply chains for Reproductive, Maternal, Newborn, Child, and Adolescent Health (RMNCH+A) program commodities as part of ongoing support for the implementation of the RMNCH+A strategy. USAID has engaged the USAID | DELIVER PROJECT (the project), implemented by John Snow Inc. (JSI), to support the expansion of supply chains associated with RMNCH+A and HIV and AIDS commodities, including condoms, and sexually transmitted infection (STI) and opportunistic infection (OI) drugs. To further the goal of comprehensive and integrated health services to mothers, infants, children, and adolescents, the project will support these supply chains at the national level and in six states (Uttarakhand, Jharkhand, Himachal Pradesh, Haryana, Punjab, and Delhi) where USAID is the lead development partner under the Call to Action for Child Survival and Development.

To begin the activity, the project, with guidance from the National Health Mission (NHM), will undertake a comprehensive assessment of the supply chain management system(s) at the national level (for the family planning program only) and in Jharkhand and Haryana states. Findings from this assessment will help identify and document areas of strengths and weaknesses and will form the basis for future interventions designed to strengthen supply chain systems. Based on this assessment, the project will collaborate with national and state-level stakeholders to design and implement a strategic vision and approach for this initiative.



Assessment Objectives

The objectives of the landscape analysis are the following:

- Provide an overview of and insight into the organizational structure and operational capabilities of the supply chains assessed,
- Gather data needed to identify key gaps, challenges, and opportunities for improving the supply chain operations managed by the MoHFW and the NHM,
- Determine a baseline for benchmarking current system performance and measuring the success of future project interventions,
- Inform the quantitative commodity availability assessment on the performance of the same supply chains (conducted in April and May 2014).

Assessment Methodology

To achieve the objectives of the landscape analysis, the project developed a multi-pronged data collection approach based on key informant interviews, focus groups, and workshops. The organizational structure and operational capabilities of the supply chains were mapped and assessed at all levels, where applicable – from the GoI to state, district, and facility levels. The team focused on identifying key gaps, challenges, enabling factors, and opportunities for improving the supply chain operations for RMNCH+A essential medicines in Haryana and for the national family planning (FP) program.

To guide data gathering, the project team customized and used the Logistics System Assessment Tool (LSAT), developed by the project. The tool was used in the landscape analysis to guide discussions in the interviews, focus groups, and workshop settings. It assessed the overall functionality and capability of RMNCH+A and family planning supply chains at all levels.

The team collected data for 11 key components of the supply chain system: organization and staffing, inventory control procedures, warehousing and storage, transport and distribution, product selection, forecasting, product use, procurement, logistics management information system (LMIS), and finance. Data was gathered in each state via facilitated discussions and through key informant interviews with personnel from facility, district, regional, and central levels, as well as other implementing partners and donors who are engaged in the assessed supply chains.

Key informants were selected based on their level of direct involvement and hands-on experience in commodity management, in at least one of the supply chain levels being assessed (e.g. central, state, district, sub-district, essential medicines or FP); and expertise in one or more areas of supply chain focus (e.g. LMIS, forecasting, financing, supervision).

Assessment Findings

Key findings highlighting the main components of the essential medicines and family planning supply chains are described below. It is possible that some findings are applicable only to a specific facility or district visited; caution should be used in generalizing findings for the entire state. The assessment team only visited one health facility per level (i.e., district hospital (DH), community health center (CHC), a primary health center (PHC), and a sub-center (SC)). Sites were pre-selected in collaboration with state government officials based on proximity to the state capital and the good working relationships with the selected facilities. Additionally, in Haryana, Ambala district was not a focus district (a lower performing district requiring additional state focus and resources) and in comparison, Ambala facilities visited were considered relatively

higher performing. Overall, this health facility selection process may under-estimate the range of supply chain needs and challenges in the state.

Organizational Structure and Capability

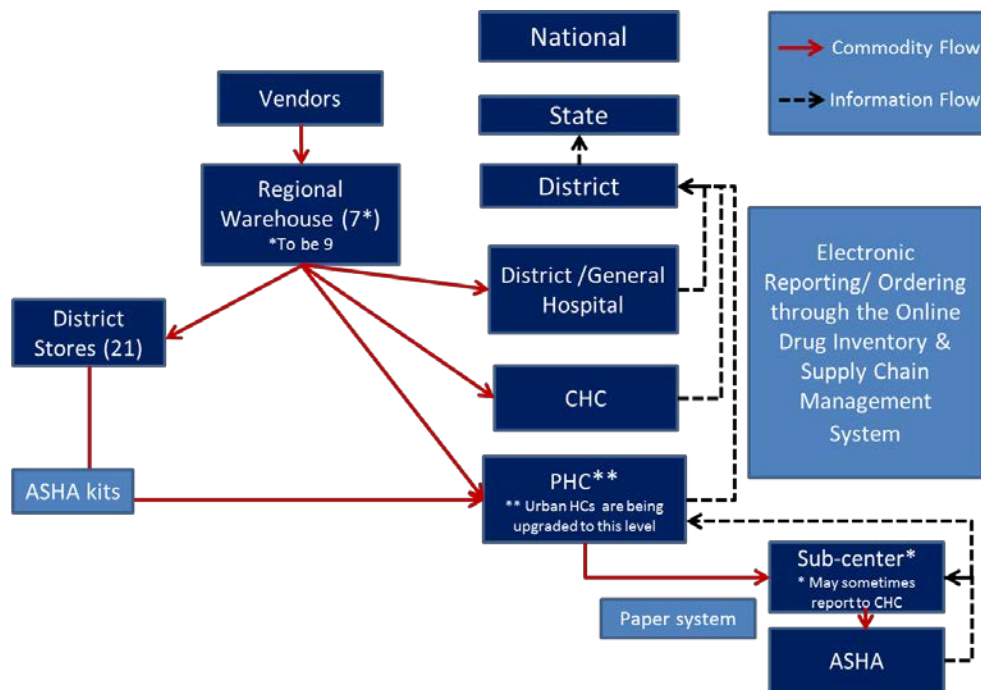
Commodity and Information Flow for RMNCH+A/Essential Medicines

In Haryana, RMNCH+A commodities and essential medicines are sent directly from the vendors to regional warehouses. From the seven regional warehouses (soon to be nine), the commodities are picked up or delivered to the 21 district stores, DHs/GHs, CHCs, and PHCs. The guidelines for distribution from the regional warehouse to these lower levels are not formalized and method of delivery and receipt of goods is ad hoc. Sub-centers pick-up commodities from PHCs, and community health workers (known as ASHAs) pick up products from the sub-centers.

Reporting on logistics information for RMNCH+A and essential medicines begins with ASHAs reporting to sub-centers, which aggregate data from all ASHAs affiliated with the sub-center in monthly reports. Those reports are sent to the PHCs. PHCs, CHCs, and DHs/GHs send data independently to the district office. Once the district aggregates all lower level reports, they are sent to the state.

The following figure captures the flow of RMNCH+A/Essential Medicines commodities and information.

Figure 1 - Flow of RMNCH+A/ Essential Medicines Commodities and Information

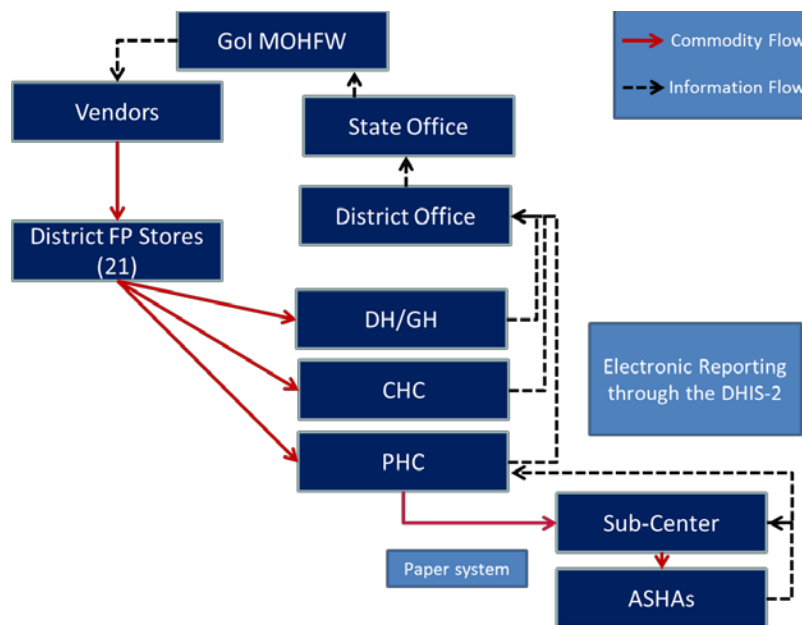


Commodity and Information Flow for Family Planning

For family planning commodities, vendors send orders directly to the 21 district stores dedicated to the family planning program. These products are then delivered to the District/General Hospitals, CHCs, and PHCs. PHCs then deliver commodities to the sub-centers where ASHAs pick up their products. Reporting is the same as for RMNCH+A essential medicines commodities. It begins with ASHAs reporting to sub-centers which aggregate data from all the ASHAs associated with the sub-center. SCs send aggregated data to the PHCs through their own monthly reports. PHCs, CHCs, and DHs/GHs send data independently to the person in-charge of family planning program at the district office. Once the district aggregates all lower level reports, a consolidated district report is sent to the state. Similarly, the state completes a monthly state report, consolidating all district level data into one report and submitting to the national level.

The following figure captures the flow of family planning commodities and information.

Figure 2 - Flow of Family Planning Commodities and Information



Procurement

- All family planning commodities are procured at the national level and sent to the states. Once commodities arrive in Haryana, the state is then responsible for management and distribution of family planning commodities.
- Procurement of essential medicines is based on last year's requirements, consumption, plus a buffer.
- There is no comprehensive document outlining all processes for procurement. Existing written guidelines are kept in multiple locations and not easily accessible.
- Procurement for essential medicines is done at the state level through an online portal.
- Since January 2014, all service and medicines are provided free-of-charge for residents of Haryana. The state intends to compensate facilities for lost user fees, but funding is a challenge, and the feasibility of this solution remains to be seen.

Logistics Management Information System (LMIS)

- For all products for family planning and RMNCH+A programs, there is poor to no visibility of stock position from the central level to the lower level health facilities, including primary health centers and sub-centers, where most products are dispensed. Health Management Information System (HMIS) data is collected to monitor service provision, and does not capture key logistics information for all commodities.
- Online reporting of logistics data begins at the PHC level, but only includes bulk stock-on-hand figures and limited information on expiries. Neither losses and adjustments nor consumption data is captured here.

Warehousing and Storage

- In general, facilities pick up from warehouses based on a staggered timetable.
- Commodities are tracked through an online system; however, connectivity is a challenge, and no paper-based stock cards are currently used.
- Space and infrastructure challenges exist, at all levels of the system.
- There are no formal guidelines or written procedures for organization of commodities or for handling the often lengthy quality assurance process (at the warehouse level).

Product Selection/ Forecasting/ Quantification

- A quantification to estimate total demand is not conducted, and there is no formalized approach to the forecasting process.
- All procurement ultimately depends on available budget. No analysis is done to calculate the gap between the total estimated demand and quantities actually procured.

Organizational Support/ Human Resources

- No formal logistics training has been provided to staff involved in supply chain management.
- There is significant shortage of pharmacists and information assistants, i.e. staff whose primary responsibilities are commodity and data management.

Transport and Distribution

- Essential medicines are delivered directly from the vendors to the seven regional warehouses.
- DHs/GHs, CHCs, and PHCs pick-up essential medicines directly from the regional warehouses. However, this places additional burden on lower level facilities to find their own transportation for picking up commodities. The state has expressed interest in floating another tender for a transportation vendor to ensure consistency and efficiency in delivering commodities to the lower levels.
- There are no formal guidelines or routine routes for the transportation and distribution of FP and RMNCH+A commodities.

Inventory Control System

- There are no documented guidelines for an inventory control system. All levels of the supply chain are expected to maintain stock based on previous three months consumption plus a buffer, which can range from 10-15 percent; however, it was not evident during site visits.
- Health facilities do not maintain a minimum stock level or follow a schedule for reordering supplies; instead they order commodities on an as needed/available basis.

Finance and Coordination

- Since January 2014, all health services and medicines are provided free of charge for Haryana State residents. However, ensuring sufficient funding is available to keep up with the demand may become challenging.

Recommendations

The following recommendations are based on the findings highlighted above, and meant to help Haryana NHM address some of the gaps that currently exist in the essential medicines supply chain. Haryana NHM, in collaboration with the USAID | DELIVER PROJECT, can prioritize these recommendations based on the state's immediate needs and the project's ability to support implementation.

Procurement

- Include (if feasible) information on stock position for GoI programs (e.g. FP products, vaccines) in the procurement portal.
- Develop SOPs/formal guidelines for the procurement process, individual job responsibilities, and the online portal.
- Train/hire staff with experience in supply chains to specialize in the local procurement process, instead of clinicians.

Logistics Management Information System

- Ensure that the Online Drug Inventory and Supply Chain Management System (ODISCMS) includes data on stock losses/adjustments and expiries by product to better monitor stock status throughout the state and to better inform decisions for resupply and/or stock transfers.
- Increase functionality of ODISCMS so that health workers can create logistics reports to help with supply chain management.
- Standardize LMIS forms and make available at all levels, including forms for sub-centers and ASHAs such as stock registers, issue registers/vouchers, and ASHA payment registers.
- Provide carbon copy books at the sub-centers for the NHM Health Department Monthly Format.
- Include ASHA kit information in indenting forms.

Warehousing and Storage

- Ensure that in addition to the online reporting mechanism, regional warehouses and facility stores fully utilize ODISCMS and bin cards.
- Disseminate written storage requirements and guidelines for best storage practices for all levels of the system.
- Continue existing infrastructure improvements at all levels of the system.
- Document quality assurance responsibilities and procedures (particularly for regional warehouses).
- Provide written documentation for guidance on the disposal/destruction of expired or damaged product.
- Develop an indicator in the performance improvement plan to measure the time of the warehouse-level quality assurance check.

Product Selection/ Forecasting/ Quantification

- Develop a systemized approach for forecasting, using logistics data such as consumption, issues, and service statistics.
- Develop formal guidelines for the systemized approach on forecasting.

Organizational Support/ Human Resources

- Create a Logistics Management Unit at the state level and a Logistics Officer position at the District/General Hospital level to emphasize supply chain management as an important component of commodity management.
- Develop and conduct a supply chain course for relevant staff at all levels with a focus on procurement, forecasting, LMIS, and warehousing.
- Assess workloads of data assistants and pharmacists to determine what types of staff need to be hired for data entry and whether or not more should be hired.

Transport and Distribution

- Conduct transportation optimization to assess transportation needs and options upon selection of a transportation vendor.

Inventory Control System

- Identify parameters (e.g. a maximum-minimum inventory control system, or a just-in-time (JIT)) to efficiently manage inventory.
- Develop guidelines for an inventory control system to manage RMNCH+A commodities.

Finance and Coordination

- Assess the financial gap that would occur if the state were to provide districts with full supply of all RMNCH+A commodities.

The authors' views expressed in this publication do not necessarily reflect the views of the U.S. Agency for International Development or the United States Government.

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