

Fundación Futuro, Ecuador

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Center for
Health Market Innovations

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Overview of CHMI and Case Studies

The [Center for Health Market Innovations](#) (CHMI) is a global network of partners that seeks to improve the functioning of health markets in developing countries to deliver better results for the poor. CHMI works to accelerate the diffusion of Health Market Innovations, programs and policies—implemented by governments, non-governmental organizations (NGOs), social entrepreneurs or private companies—that have the potential to improve the way health markets operate. These programs and policies enable the transactions between consumers and private healthcare providers to lead to better health and financial protection, especially for the poorest and most vulnerable.

To bridge the existing information gaps about Health Market Innovations and help diffuse promising programs, CHMI engages in three core activities -- Information, Analysis, and Linkages -- linked and integrated through the CHMI website. Users and contributors include program implementers and social entrepreneurs in the for-profit and non-profit private sectors, donors and investors, government policymakers and practitioners, and researchers from academic institutions.

CHMI categorizes programs according to five distinct program types – organizing delivery, financing care, regulating performance, changing behaviors, and enhancing processes. One level of program documentation consists of a standardized web-based template that captures key data points about each program (such as geographic coverage, target population, health focus, numbers served, etc.). In addition to mapping the Health Market Innovations globally, CHMI is conducting in-depth case studies designed to provide a deeper look at the structures, activities, and impact of innovative programs.

In the Andean region, CHMI works with Freedom from Hunger to identify and provide information and analyses of health market innovators in Bolivia, Ecuador, and Peru. The case study of Fundación Futuro’s innovative community health insurance program was chosen out of 15 potential programs as an example of interest for those who want to learn more about health market innovators working the areas of organizing and financing care.

Executive Summary

Fundación Futuro (the Foundation) works with local community organizations in Ecuador to create sustainable health programs systems in underserved rural and urban villages. Since 2000, the organization has created five community health programs in different regions of Ecuador. Each program includes a community health insurance plan, an affiliated health center with primary and specialty care, and health promotion programs. Families can join the health program by paying a \$0.50 monthly affiliation fee, and gain access to general and preventative medicine, dentistry, and obstetrics care, and in some cases natural medicine, physical therapy, and mental health care. Affiliated families pay \$0.50 cents for medical visits, and receive at 15% discount on medicines. Community members who do not pay the monthly affiliation fee may also use the health center, but must pay more for visits and medicine. With this input each community is able to create a mutual fund, administered by an elected community member, which allows their clinics to be self-sustained.

The Foundation, which is supported by the Grupo Futuro Corporation¹, provides economic support to the on-the-ground implementers in each of the health centers. In order to promote sustainability, financial support is gradually decreased over a schedule, so that by the eighth year, the communities pay for all costs other than salaries for medical professionals. Additionally, the community itself provides the physical infrastructure needed for the center.

Fundación Futuro's health promoter program is an especially innovative component of its health programs. Selected community members are trained in health promotion and basic nursing, medical, and dental care so that they can act as medical auxiliaries as well as assist in emergencies. The promoters also provide health education training to different community groups. The promoters organize and participate in special activities, workshops, home visits and community visits.

To support the sustainability of the health program, Fundación Futuro carries out joint community/Foundation economic development programs. These include agricultural and livestock programs, utilizing agricultural technology volunteers. Fundación Futuro has also implemented two savings cooperatives (with initial set-up funding from the Foundation) and microloans to associates with collective guarantees. This service is tied to the health program in that the principal requirement to access credit is to have been affiliated with the health program for at least one year.

¹ Grupo Futuro is an Ecuadorian insurance corporation made up of 5 separate companies, all of which provide support to Fundación Futuro.

MODEL PROFILE

| | |
|---|--|
| Headquarters: | <i>Quito, Ecuador</i> |
| Health Centers: | Planchaloma (UNOCANC), Cotopaxi 2000 Yatzaputzán (COCAP), Tungurahua. 2002 Illagua, Tungurahua, 2006 Plan Piloto, Guayaquil, Guayas, 2008 Isla Trinitaria, Guayaquil, Guayas, 2008 |
| Number Of Clients Served (2010) | <i>14,961</i> |
| Number Of Affiliated Families (2010) | <i>7,198 (Approximately 36,000 Individuals)</i> |
| 2010 Operating Budget (Foundation) | <i>\$405,150</i> |
| Innovative Aspects | Financing care: Micro/community health insurance |
| | Changing behaviors: Provider training, other health awareness/education |
| | Enhancing processes: Mobile health |

MODEL

Background/History

Fundación Futuro began as the social responsibility branch of Grupo Futuro, a prominent Ecuadorian insurance group made up of five companies: Salud S.A., Tecniseguros, Equivida, Metropolitan Turing, and Seguros Equinoccial. It was established in 2000, when a group of university of San Francisco de Quito students from the rural, indigenous town of Planchaloma decided they wanted to find a way to improve their community's access to healthcare. University members then contacted Grupo Futuro with a funding proposal, which inspired the business group to start its own foundation and use its expertise in insurance to create community prepaid health programs. The new foundation then worked with the university to do its first community diagnostic, and ultimately chose the UNOCANC (Union of Rural Organizations in the north of Cotopaxi) organization of Planchaloma to be its first community. In 2002, they created their second community health program in Yatzaputzan, with COCAP (Corporation of Rural Organizations of Pilahuin), followed by a site in Illagua Chico in 2006. In 2008 the Foundation expanded its reach to the coastal region, opening up a health system in Isla Trinitaria and Plan Piloto.

Though a separate entity, Fundación Futuro enjoys a strong relationship with Grupo Futuro, and receives significant financial and in-kind donations from its five businesses. The foundation's current president, Fernando Navarro, is a director and investor of the business group. As well, employees of each of the group's businesses are able to devote work hours to volunteering with Fundación Futuro, as well as provide material goods such as computers and medical supplies. Additionally, Fundación Futuro's executive director meets monthly with the CEOs of the Grupo Futuro businesses to discuss challenges the foundation is facing and to brainstorm solutions.

Target Population

Fundación Futuro operates in five communities across Ecuador. Though each of the communities is unique in terms of population size, make-up, ethnic representation, and health problems, they are all underserved by public and private health systems. Nearly all of Fundación Futuro's clients are poor; in general, affiliated families earn between \$30 and \$150 per month, though most are on the lower end of this range.

Originally, Fundación Futuro looked to work with indigenous rural communities, which are less likely to have access to health services than urban residents. Its first three centers, in the

communities of Illagua, Planchaloma, and Yatzaputzán, are all located in the Andean highlands, at a distance from major cities. In 2008, however, the Foundation opened its first urban health center in Isla Trinitaria, a disadvantaged, primarily Afro-Ecuadorian neighborhood and in the Plan Piloto neighborhood in the coastal city of Guayaquil.

Before entering a community, Fundación Futuro performs an assessment to see if the community has enough families to support a health system; the minimum is 600 to ensure that the insurance system will be financially viable. Another requirement for creating the health system is that there is some type of political organization, and that community members are willing to volunteer through acting as health promoters or building the health center.

Each community health system has an average of 1,440 affiliated families, for a total of 7200 individuals. In 2010, each health center attended to an average of 1,740 patients during the year. An exception is Plan Piloto, which is located in a much more populated area and has attended to 5,387 patients. All of the centers have steadily increased the number of affiliated families over time, in one case by over 600% in less than a decade.

The target population for the rural centers is the entire community. In its nine years, the COCAP site has actually expanded past its original goal as children who grew up with the system marry and enroll their new families in the system. In the Guayaquil centers, the surrounding area has more people than the health center can accommodate, so the target is to provide services to 2400 families each. As these programs are relatively new, they have not yet met their outreach goals, but both have shown steady growth; in 2010 Isla Trinitaria counted 1,686 affiliated families and Plan Piloto had 1,750.

The health programs attract clients in several ways, though primarily through the health promoters. In the rural sites, the community organizations hold monthly meetings, which provide an excellent opportunity for the health promoters to attend and encourage affiliation and use of the health program. In the first few months of operations, the health center staff also went on weekly medical brigades to demonstrate the types of services and benefits that community members could receive from the health system. The urban communities do not have these same types of community meetings, so health promoters conduct door-to-door campaigns, often utilizing monthly health themes, to attract families to the program. Frequent initial medical brigades also play a role in advertising the health center and bringing in clients.

In addition to Fundación Futuro's general target population of poor and underserved communities, the organization pays special attention to the health of children and the elderly. In order to help parents get into the habit of taking their children for regular doctor's visits,

infants under one year are exempt from the \$0.50 consult fee. Adults over age 65 are also exempt in order to improve the status and health of this overlooked population.

Business Model

Fundación Futuro works with existing community organizations to alleviate the chronic lack of affordable, quality healthcare in poor, underserved rural and peri-urban communities. Its mission is to create capacity, prevent illness, and improve access to health care. In each of the five communities where Fundación Futuro operates, health programs include a health center, a financing approach using community health insurance, and a robust health promoter program. All of these components are part of a cohesive package that work together to sustainably prevent disease and improve availability and access to medical services.

Health center and community insurance

The community health insurance and affiliated health center is the basis for the health program. Families pay \$0.50 per month, and can visit the health center for \$0.50 per consult. As well, members are entitled to a 15% discount on medicines. Non-members may visit the center, but pay \$2-3 per consult and do not receive a discount for medicine. Additional fees are charged for dental procedures, for example, members pay \$1.50 for a tooth extraction and non-members pay \$5.

The health center is the focal point of the community health program and is a joint venture between the community and Fundación Futuro. Communities are responsible for providing a site and constructing the clinic building and the Foundation provides financial and in-kind support, gradually decreasing its support along an 8-year schedule. For the first five years, the Foundation pays 100% of all health center-related costs, including utilities, supplies, medicines, and medical personnel salaries. In the sixth and seventh year, the community and Fundación Futuro each pay for 50% of all costs, with the exception of salaries, which the foundation continues to pay in full. In the eighth year, Fundación Futuro only pays for salaries, and the community is expected to be fully self-sufficient in other areas.

Each health center starts out with a general medicine physician and nurse, adding on services such as dentistry, obstetrics, and laboratory services, and in some cases, psychiatric care, physical therapy, and natural and indigenous medicine. The hours and days of service vary by center, and are decided by community members. In general, the health center is open five days per week for eight hours each day. General medicine and nursing are available every day and specialists are available one day per week. Health staff will also make occasional house calls for patients who are unable to get to the center.

In addition to on-site medical care, the health center medical team makes regular trips to outlying communities through medical brigades, generally around once per month. Volunteer physicians from Grupo Futuro's healthcare branch, Salud SA, also participate in medical brigades, often with medical specialties not available at the health centers. During these brigades, staff utilize "laboratories in a backpack" designed and donated by the program Beyond Traditional Borders from Rice University in Houston, Texas, which allow the physicians to diagnose problems in the field, without requiring a separate trip to the health center.

When patients present with a health problem or emergency that cannot be treated at the health center, they are referred to the closest public hospital, which generally provides services for free. At the UNOCANC center, the community has access to an ambulance for most of the week, through a partnership with the ministry of public health.

Health promoters

The health promoter program is one of the most innovative elements of Fundación Futuro's work. Three of the communities (COCAP, Isla Trinitaria, and Plan Piloto) have an average of four health promoters who each serve 2-3 communities. Promoters undergo a careful selection process before being chosen to serve. Each promoter must be a resident of one of the communities they represent, and must be approved by each of the communities. After being approved by the individual communities, they go before the community organization's general assembly, where any member can present a question or concern. Only after the general assembly's approval the promoter can be officially recognized and begin volunteering. This process is entirely run by the community organizations with no input from Fundación Futuro. Illagua and Planchaloma do not currently have health promoters but are looking to develop this service.

All promoters undergo comprehensive and ongoing training, in keeping with Fundación Futuro's focus on capacity-building. Initial training consists of learning about the health system and center, how it functions, and its benefits for families and the community. Promoters learn about common health problems affecting the community and methods to maintain health, as well as training on public speaking and teaching. Next, promoters begin participating in health internships with the health center staff. Through hands-on training with physicians and nurses, all promoters become trained to work as medical assistants in the health center as well as provide first aid and triage services to their communities. Promoters first learn nursing skills then move to general medicine, where they learn to provide first aid, suture, and some basic treatments. Next is dentistry training, in which the promoters learn to identify and prepare instruments, and in some cases how to clean teeth or provide treatments. Promoters also have the opportunity to learn to use the laboratory equipment, and female promoters may train in obstetrics. These internships are ongoing; promoters spend one week per month training with

the different providers. During times when the health center is closed or during emergencies, promoters have been able to provide medical services, such as stitches or dental care, that would otherwise be unavailable.

Promoters work approximately 25 hours per week, spending one week at the health center and three weeks in the community. Their responsibilities include: giving health talks in schools and at community meetings, promoting the use of the health system and collecting monthly insurance payments, organizing and promoting medical brigades, making monthly house calls to check on sick patients or provide one-on-one health promotion, providing first aid, and accompanying patients to hospitals. All promoter activities, particularly home visits, are documented and added to clients' medical records. Promoters receive modest monetary incentives; however the main attraction of the program is the opportunity for extensive training that would ordinarily be unavailable. Fundación Futuro's close ties to existing community organizations are also very important in recruiting health promoters. The intensive selection process and inclusion of community voting lends prestige to the position, another incentive for the health promoters.

Non-health programs

Though health is the primary focus of Fundación Futuro, the organization has been working with its community partners on economic development projects. These services, which include microfinance and agricultural improvement initiatives, increase the communities' earning potential and thus improve their ability to sustain the health program. In addition to economic development, the foundation assists its community partners with technical assistance in other arenas, such as education and community development, for example setting up libraries and distance learning programs for adults.

Program Operating Principles

One of the hallmarks of Fundación Futuro's program is capacity-building. Included in every component is a push to improve the communities' ability to run, finance, and improve their own health services. From the beginning, the organization has focused on making the health programs belong to the communities, rather than to the Foundation. Fundación Futuro does not directly implement any of the projects; instead they provide training, financial, and managerial support. As well, the Foundation enters each community with an established "exit plan", in order to reinforce the idea that the health programs that are created belong to the communities and that they are eventually expected to be mostly self-sustaining.

Another focus is on providing high-quality, personal attention. Center administrators and health promoters are from the communities they serve, and all staff put an emphasis on knowing patients by name. Interviews with customers and staff all highlighted the personal attention that clients receive, particularly in comparison to public health facilities, which were described

as crowded and impersonal. In addition to creating a warm, comfortable atmosphere, having such close ties to the community helps the health system be more responsive to local health problems and develop creative solutions. For example, when data showed that dermatologic problems were extremely common in one community, the promoters and Fundación Futuro began putting together plans to create skin creams from botanical products found in the community to serve as an affordable, culturally-acceptable remedy.

A third principle that the organization holds is the importance of prevention. Through the health promoter program, the communities are making strides in adopting healthy behaviors such as vaccination, hand-washing, and nutrition. As well, the health centers offer free annual check-ups to help underscore the importance of proactive, preventative health.

Human resources

Fundación Futuro is a relatively small organization, with only four full-time employees based in Quito. With this team they oversee all projects, and coordinate with the community organizations. Staff includes the president, who provides long-term strategy and leadership, and coordination with Grupo Futuro. The executive director manages the day-to-day operations of the Foundation and all of its projects, and is assisted by a project coordinator and accountant.

Health centers are staffed by a general medicine physician who also acts as the center's director, an administrator, a nurse, and the medical specialists, who work one day per week. All health center staff are direct employees of the community organizations, though Fundación Futuro provide the resources to the community to cover salaries and benefits during initial years of operation. Hiring decisions are also left up to the community organization, with Fundación Futuro providing guidance in creating job descriptions and conducting interviews. It has been difficult at times to attract medical personnel to the rural locations where the health centers are located, due to the distance, climate, and working conditions (for example, lack of hot water). The organization works to attract physicians by emphasizing the ability to impact a community, develop close relationships, and improve patients' lives.

Fundación Futuro supplements its staff and clinic staff with volunteers from multiple organizations. The biggest source of volunteer hours is from Grupo Futuro, whose employees are able to devote a certain amount of work hours to volunteering. One ongoing volunteer project is an upgrade of the medical records system to an online, electronic management system. Computer technicians from Salud SA have adapted a system that will enable the different centers to share information and facilitate more rapid analysis and response to medical problems.

The organization has also hosted volunteers through partnerships with universities and maintains a posting on volunteer website idealistas.org. In the past, they have recruited volunteers to work on education projects, as well as the agricultural economic improvement projects. Though volunteers must provide their own transportation to the sites, communities provide housing and meals for volunteers.

Financial Resources and Performance

In 2010, the Foundation's annual budget was \$405,150, which included costs of the central office, financial support to the communities for their health programs (in accordance with the subsidy schedule), and some other minor projects not related to health. Operation costs for each health center are approximately \$50,000 per year. Medical personnel salaries are the most expensive cost for the foundation,

Funds to cover the budget are donated by four of Grupo Futuro's companies (Tecniseguros, Salud SA, Equivida, and Seguros Equinoccial), each of which donates a percentage of their after-tax profits. The exact percentage depends on the year; companies that had a better year donate a larger amount. Additionally, the companies have donated material goods, such as furniture and computers as needed. The company directors then work together with Fundación Futuro's leadership team to create the yearly budget and identify any additional needs. Currently, the organization does not receive financial resources from any other source.

Each of the centers has its own mutual fund that covers part of its direct costs, made up of earnings from monthly affiliation payments, fees for consults and procedures, and pharmacy sales. Pharmacy sales are the most profitable, bringing in slightly over 50% of all revenues. The size of these funds depends on how long the center has existed as well as the size of the community. Planchaloma, as the oldest health program, has to date earned \$71,205 over 11 years; the Plan Piloto site, due to the size of its community, has earned \$31,614 in only three years. These funds begin to be used in year six, to pay for half of the program's costs, except for salaries, and then in year eight for all costs. All five of the programs are currently on track with the 8-year payment schedule.

Impact

The current monitoring system, which has been in place since the Foundation's beginning in 2000, is partly manual, partly computerized. Each month, medical personnel at each center fill in a monthly report detailing the number of patients they saw and the types of medical problems presented. Health promoters also submit monthly forms detailing their promotion work, home visits, and presentations given. Staff and promoters can also submit any problems they have experienced, in order to identify solutions. These reports are then compiled by the center's administrator, and picked up monthly by someone from the central office, generally

the program coordinator. Once these paper reports are back at the central office, the data is entered into an excel spreadsheet and analyzed.

Currently, the organization is in the process of converting to an online record management system, which will streamline reporting and statistical analysis. Additionally this will enable the different centers to share information so that patients can be seen at multiple centers.

Each center is generally analyzed individually. The most important indicators include: the number of families affiliated, number of patients seen, the most common illnesses, and the types of programs that are utilized the most (such as dentistry, obstetrics, etc.). These indicators are tracked longitudinally since the inception of each center, so as to understand what type of impact the centers are having and how they are growing.

To date, Fundación Futuro's health programs have shown impressive results. In Isla Trinitaria, for example, acute diarrheal disease went from being the second-most common disease in 2007 to disappearing from the top five, and in the Plan Piloto area, gastrointestinal illness went from being the most frequent disease in 2008, with 622 cases, to disappearing from the top five, with fewer than 190 cases. Fundación Futuro credits the health promoters with being instrumental in lowering the rates of these preventable diseases, largely due to behavioral changes adopted after health promotion campaigns.

The health centers have also been able to positively impact maternal and infant health. When the Foundation first entered into the rural communities, infant mortality was extremely common, with upwards of 30% of infants dying before their first birthday. Fundación Futuro did an investigation, and discovered that poor infant feeding and vaccination practices were major factors. The medical team and health promoters embarked on a campaign to promote proper infant nutrition and within two years infant mortality had dropped to 0%. In the Illagua and COCAP communities, the health centers also succeeded in reducing maternal mortality by creating sharing and learning sessions for the communities' traditional midwives and the centers' obstetricians. In this way, the midwives learned about safe birth practices and emergency management in a way that respected their traditions, and created an atmosphere in which the midwives felt comfortable referring difficult births to the health centers.

Challenges

One of the biggest challenges that Fundación Futuro has faced has been the expansion of public health centers. In 2009, the Ministry of Public Health opened several health posts near Fundación Futuro's partner communities; in the case of Isla Trinitaria, the post is one block away from Fundación Futuro's center. These centers provide free basic health care and medicines, thus competing with the Fundación Futuro's centers, which are unable to provide

these services for free. In 2009, several of the centers saw a drop in patients and related revenue, since members did not want to pay the monthly insurance fee if they had visited a public center instead. However, by 2010, many of the patients had returned.

An additional, and related challenge, is the Foundation's ability to be included in government health programs. In addition to the public health centers, the ministry of health has health programs for vaccinations, maternal and child, and reproductive health. In the past, Fundación Futuro partnered with the public vaccination program and received vaccines that it could offer for free in its community centers. However, this arrangement only lasted one year; since then the Ministry of Health has been unwilling to allow the Foundation to participate in these programs.

Though the free public centers and lack of government cooperation do present a challenge, Fundación Futuro's leadership remains confident that the reliability, quality, and friendliness, as well as the multiple types of services available at the health centers will continue to attract community members. The organization continues to reach out to the government and hopes to be able to offer joint services in the future.

Another challenge that Fundación Futuro's has faced in some of its centers is with recruiting health promoters. The Planchaloma community group, UNOCANC, has had contact with multiple international donors who have paid higher financial incentives for community members to volunteer in other program than what Fundación Futuro has been able to pay. This makes it more difficult to recruit in these communities.

Growth Plans and Replicability

With five communities, Fundación Futuro is not currently looking to expand to new communities, but to instead offer continued high-quality services to its existing community partners. Having created and staffed the health centers, the organization is now looking to expand the type of services offered, including additional medical services as well as economic activities. The Planchaloma center is hoping to provide surgery and become a reference center for surrounding communities. In the Guayaquil communities, Fundación Futuro anticipates creating additional health centers so as to support the larger number of families. As the health programs and community organizations continue to grow and become more self-sufficient, Fundación Futuro plans on slowly ending its supporting role in order to facilitate the communities' ability to self-sustain and self-govern their health systems.

Fundación Futuro's health programs have been successful due to a variety of factors, but several aspects have been particularly important. The organization takes several steps to ensure that the health programs will be sustained over the long term by the communities. For

example, the organization's decision to work with established community groups has been a way to ensure community ownership and shared responsibility. Additionally, Fundación Futuro does not seek out communities; the communities come to Fundación Futuro, a process which further affirms commitment and a real desire for sustainability. From the beginning of the partnership, Fundación Futuro requires that the communities invest in the program through the provision of the land and clinic building.

Another factor for success is the personal nature of the health program and its services. When faced with competition from the Ministry of Health health posts, the Fundación Futuro health programs were still able to attract patients due to the personal attention and competence of the staff, which many of the public health centers lacked. Employing community members as staff and volunteers also contributes to maintaining a warm and welcoming environment.

A final important factor is the emphasis on capacity-building. Though Fundación Futuro provides financial and technical support to the five health programs, the management staff is adamant that the communities must make their own decisions, from which medical staff to hire, to what types of economic projects to undertake. By fostering leadership and providing extensive training, Fundación Futuro further develops the communities' ability to sustain and run their own systems.

Interviews conducted with:

Dr. Maria Alicia Mata H, Executive Director

Ángel Punina, President of COCAP (Yatzaputzán) and Health Promoter

Eva Azas, Health Promoter, COCAP

Elena Ayala, Nurse, COCAP

Humberto Tuqueeres, Client, COCAP

Dr. Mónica Salazar, Physician, UNOCANC (Planchaloma)

Lcda. Lorena Bravo, Nurse, UNOCANC

Nicolás Castro, Administrator, UNOCANC