### **ABSTRACT**

## Background

Ministry of Health and Sports (MOHS), Myanmar, has implemented a national health plan (NHP) to achieve Universal Health Coverage (UHC) by 2030. According to NHP, the practice of strategic purchasing has been introduced to engage with different health providers such as public, private, ethnic health organizations and non-government organizations for the achievement of basic Essential Package of Health Service (EPHS) coverage on the whole country. Population Service International (PSI) has been implementing Strategic Purchasing pilot project in two peri-urban townships in Yangon region, Myanmar by practicing multiple provider payment system (MPPS) since 2017.

### **Objectives**

## **General Objective**

To assess the changes of the health service utilization of the beneficiaries enrolled in PSI project between the first year (2017-2018) and the second year (2018-2019) after implementing a blended payment mechanism (i.e. capitation and performance-based payments by PSI and copayment by healthcare users) and find the factors influencing on the health service utilization.

# **Specific Objectives**

To assess the changes in utilization of a defined core package of health services per a beneficiary per year in PSI project between the first year (2017-2018) and the second year (2018-2019) after implementing a blended payment method

To find the factors influencing on the utilization of this defined core package of health service by building on Anderson's Behavioral Model for the utilization of health services

### Method

This study is the secondary data analysis method. Paired t-test analysis was done to examine the health service utilization per a beneficiary per year in PSI Strategic Purchasing pilot project between 2017-2018 and 2018-2019. To identify the influencing factors on health service utilization in this pilot project, multiple linear regression analysis was done with significant level p < 0.05.

#### Results

The geometric mean difference of the utilization of a defined core package of health services per a beneficiary per year between 2017-2018 and 2018-2019 is 0.3721 visit per year, t(3673) = 13.2, p < 0.001. This result shows that the health service utilization has increased in 2018-2019 compared to 2017-2018. According to the result of the multiple linear regression, the need factors (comorbidities) are the most significant influencing factors on the health service utilization and the education level, the occupation, and the economic status also influence on the utilization to some extent.

### Conclusion

In PSI Strategic Purchasing pilot project, each provider payment is likely to be aligned and this blended provider payment generates a set of coherent incentives to make the providers' behaviors conducive. However, 49 % of the beneficiaries who have never utilized the health services is a challenge for this project. Both the competitive environment for the providers and the elimination for the dependents are still of the essence with this project. The need factors (comorbidities) are the most important factor on the health service utilization and important for the risk adjusted rate for capitation.