
Case study: Social Entrepreneur of the Year

This award recognises owners of social enterprises that demonstrate financial sustainability at the same time that the enterprises' products and services contribute to measurable and verifiable social or environmental benefits.

Ilara Health

Founding date	2019
Geography	Kenya
Sector	Health
SDGs	3 [good health and wellbeing]
Web	https://www.ilarahealth.com/

Background

Africa's healthcare system is unable to adequately respond to the rapid population growth and rise in non-communicable diseases projected over the next decades. Currently, more than 500 million people across the continent struggle to access a simple blood test. In Kenya, 56% of the population has never checked their blood pressure and 66% of diabetic patients are undiagnosed. The health financing gap affecting care facilities is particularly acute, at \$66bn annually. More than 55% of the time, clinical guidelines are not followed for common conditions, contributing toward poor quality of care.

Limited access and poor quality of public facilities has resulted in most patients paying out-of-pocket for health expenses, with less than 1.5% insurance penetration among Africa's population. At the primary care clinic level, the private sector has grown to address unmet demand. This has led to a hyper fragmented primary care ecosystem that is largely unregulated. Providers face many challenges in delivering high quality care, including financing difficulties that limit their ability to purchase diagnostics, medical equipment and consumables. They also lack affordable and quality medication due to an opaque supply chain and high cost of medication. Clinic operations are typically inefficient and operated manually, maintaining medical records, inventory and sales on paper.

Originality of design

Ilara Health is creating a network of technology-enabled primary care centres across the African continent. The company partners with and supplies primary care centres with a bundle of products and services called "clinic-in-a-box" to improve healthcare outcomes for underserved and low-income populations. This bundle includes digitisation, lab and diagnostics, therapeutics, clinical and utility equipment, and patient payment support.

Meeting unfilled needs

Ilara Health has developed a proprietary electronic medical record system to support clinicians in making better decisions and managing clinic operations. The company also finances next-generation diagnostic tools, quality medication and clinical and utility equipment for its partners. Additionally, Ilara Health plans to launch patient financing support this year.

Ilara Health has already partnered with 1,400 primary care clinics over the past three-and-a-half years, serving more than 3 million patients and generating more than \$50m in revenue annually. The company has generated \$4m in leased contract value with an average lifetime value of \$36,000 and a low default rate of 2%.

Theory of change

If Ilara Health partners with and supports primary healthcare providers on the continent, then Africa's primary healthcare sector will be equipped with the necessary knowledge and resources to respond adequately to the continent's growing healthcare needs.

Impact thesis

As already stated, Ilara Health is building a network of technology-enabled primary healthcare clinics delivering affordable, quality healthcare to Africa's low-middle income demographics. The company does this by financing the deployment of essential equipment and consumables within existing underequipped clinics across the continent and digitising these facilities using its software tools. Ilara Health's model has so far focused on providing essential diagnostic tools to primary healthcare clinics across Kenya to bridge prevailing diagnostic gaps. All this is done to improve access to and the quality of healthcare on the African continent.

Linkages to global frameworks



Where possible, impact measurement metrics have been aligned with the United Nations Sustainable Development Goals (SDGs) and Impact Reporting and Investment Standards (IRIS) to demonstrate adherence to global standards. They have a clear alignment to SDG 3 (good health and wellbeing).

Impact

Metrics that track Ilara Health's progress towards increased capability and capacity as means to strengthen the primary care ecosystem include:

- Total medical devices and/or services deployed (2,118).
- Facilities locations split into sub- and peri-urban (61%) and rural (39%).
- Percentage of facilities located in low to lower-middle income areas (91%).

Ilara Health also tracks metrics that measure its impact in increasing accessibility to and affordability of healthcare tools for providers:

- Percentage of facilities able to meet financial obligations to Ilara Health (93.7% to date).
- Number of tests administered through devices financed by Ilara Health (c.200,000) with nearly 12,000 tests performed monthly.
- Disease areas addressed through diagnostics (maternal health, diabetes, hypertension, sickle cell disease, cardiac disease and infectious diseases).

- Total number of facilities actively using electronic medical records (EMR) (123).
- Average number of patient encounters digitally recorded per day (514) with more than 100,000 patient cases documented in Ilara Health's EMR.

Financial performance

Ilara Health and its partners have been generating more than \$50m in revenue annually. The company has generated \$4m in leased contract value with an average lifetime value of \$36,000 and a low default rate of 2%. Ilara Health's annualised revenue is currently more than \$2m.

Potential for replicability

The use of technology to provide solutions to healthcare challenges renders the model replicable in different markets and sectors. That Ilara Health has already partnered with 1,400 primary care clinics highlights the model's potential for replicability. The model has a particular potential to be replicated in global emerging markets including Latin America and South and Southeast Asia.

Risks

The overall business environment continues to remain challenging and this has an effect on overall demand of the company's products. The company's strategic focus is to enhance sales growth while maintaining profit margins, the success of which remains dependent on overall market conditions.

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