Performance-based financing pilots

Key messages: **Performance-based financing (PBF) schemes have demonstrated some success in improving coverage of maternal, newborn and child health (MCNH) services.**

1. The experiences in PBF pilot studies by PRRINN-MNCH confirm that PBF schemes can work in Northern Nigeria.
2. The studies provided useful insight into the specific mechanisms and systems required to enable such interventions to function effectively.

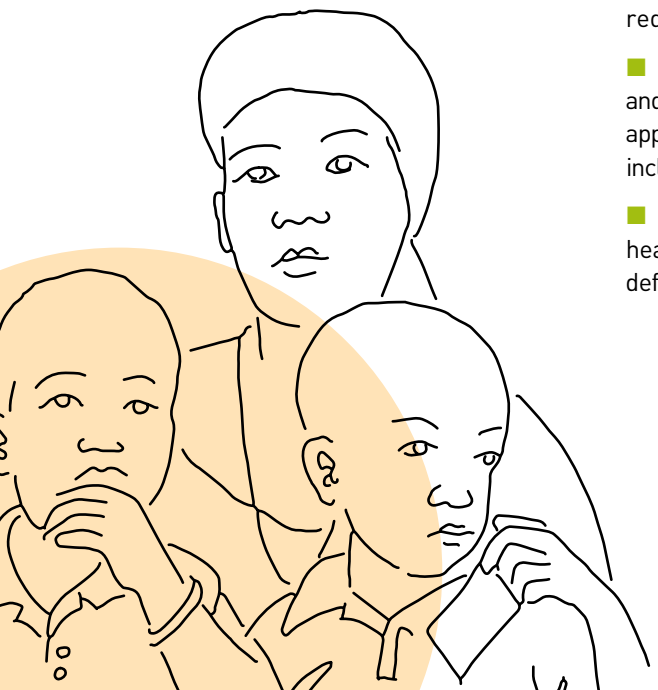
The challenge: need to achieve results

The status of maternal, newborn and child health (MNCH) indicators in Northern Nigeria is among the worst in the world. The factors contributing to this situation are complex and include health system weaknesses, poverty, poor governance, socio-cultural traditions and security issues.

Increasing interest in health financing options which link payment with output or results to improve health system performance is rapidly extending among African policy makers[1]. However, while strong evidence of impact remains scarce[2] it is recognised that the strengths and weaknesses of different PBF approaches need more extensive research and documentation[3].

The response: PBF schemes

The PRRINN-MNCH operations research (OR) team worked with state operations research advisory committees (SORAC) to explore options linking performance incentives with results to improve MNCH in the states of Zamfara, Yobe, Jigawa and Katsina.

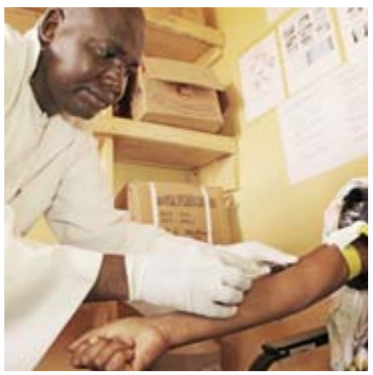


Performance-based financing is the provision of cash or goods against measurable actions or the achievement of pre-defined performance targets.

The mechanism is targeted at solving a pre-determined performance problem and can focus on the supply-side, for example, at health facility level, or on the demand-side to influence individual behaviour.

The PBF schemes were:

- Incentivising women's groups (WISH groups) with cash to increase uptake of MNCH services in Zamfara
- Directly rewarding pregnant women and mothers with cash for antenatal care visits, delivering in a health facility and fully immunising their children in Yobe using vouchers that were redeemed for cash
- Directly rewarding pregnant women and mothers 'in kind' for uptake of appropriate health care in Jigawa: rewards included a baby pack, soap, and cloth
- Incentivising health facilities and health workers with cash to achieve pre-defined performance targets in Katsina



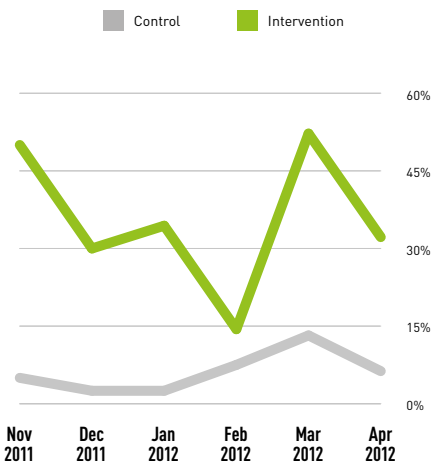
The results: improved services

Some, though not all, of the studies demonstrated a main effect in terms of improved provision or use of desired services.

For example, in Yobe, antenatal care visits and assisted deliveries increased significantly in intervention areas compared to control areas (Figs 1 and 2).

Fig 1: Comparison of the 4th antenatal care visit by PBF pilot study, Yobe state

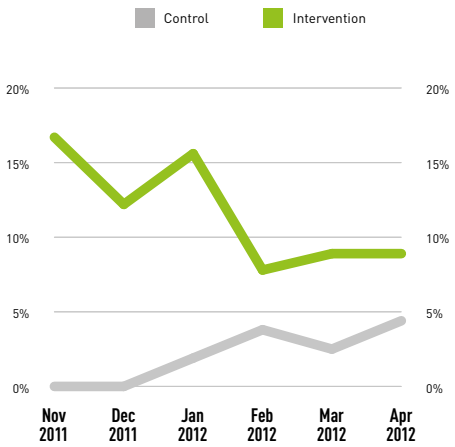
% of population



Access to ANC increased significantly.

Fig 2: Comparison of women with skilled assistance at delivery by PBF pilot study, Yobe state

% of population



Births with the assistance of a skilled birth attendant increased greatly.

Similarly, the 'in kind' intervention in Jigawa demonstrated a positive effect in terms of first and fourth antenatal visit and attended deliveries.

By contrast, with interventions where the incentive was less directly related to the desired behaviour, no main effect was observed, as was the case in the WISH groups, where the incentive went to the group not the individual. Similarly, perhaps for reasons complicated by breaks in the vaccine cold chain, as well as outside factors such as the strikes, elections and Boko Haram, incentives associated with immunisation coverage in Katsina also failed to demonstrate a main effect.

In general, therefore, there was a more positive effect with interventions where there was a direct relation between incentive and desired results.

Policy implications

Beyond 'proof of principle' that PBF interventions can work in Nigeria, insight was generated into the mechanism and system requirements necessary for these approaches to work: this knowledge will be helpful for policy-makers deciding how to scale up such schemes.

In general, if the basics are not in place – qualified human resources, adequate supply chain, etc – PBF schemes will likely have a limited positive effect and given the general state of the health management information system (HMIS) there are also challenges related to data capture and reporting. To establish the 'segregation of responsibility' necessary for PBF schemes to function, there are capacity constraints, particularly in the rural north.

The SORAC participation was vital to ensure the legitimacy of any results or innovations among stakeholders, though there were challenges in reconciling the preferences of stakeholders with prevailing theory and evidence.

Conclusion

Taken as a whole, the studies provide 'proof of principle' that PBF schemes can contribute to improved use of MNCH services. They also shed light on the circumstances under which such initiatives might work. Of equal importance, the studies provided useful insight into the environmental determinants and the mechanisms, systems and key capabilities necessary for PBF interventions to realise their promise in practice.

References:

1. Africa Health Forum 2013: Finance and Capacity for Results. The World Bank

2. Evaluation of the Health Results Innovation Trust Fund, Norad, June 2012

3. Hitting the Target? Evaluating the Effectiveness of Results-Based Approaches to Aid. Eurodad, September 2012

PRRINN-MNCH

Partnership for Reviving Routine Immunisation in Northern Nigeria; Maternal Newborn and Child Health Initiative

The PRRINN-MNCH programme works with federal, state and local governments and local communities to improve the quality and availability of maternal, newborn and child health services.

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