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Health Systems 20/20 and Performance-Based Incentives

The Challenge

Billions of dollars have been poured into health programs in low- and middle-income countries over the past decade. More money for health has done much good, but despite the political and financial big push, scores of serious health woes persist.

At the facility level, low, fixed salaries with raises that are not tied to performance may lead to low productivity, absenteeism, poor quality, or lack of innovation. Reimbursement for expenditures can encourage providers to focus on inputs to service delivery rather than on expanding coverage, promoting preventive and primary care services, or solving systemic inefficiencies. User fees can lead households to prioritize curative care over preventive care, further reducing provider motivation to promote preventive services, and resulting in limited accountability for or responsiveness to population needs.

Many governments and their donor partners, aware that they are unlikely to achieve the health Millennium Development Goals unless something changes drastically, are looking for innovative ways to improve the delivery and use of priority health care services, and more broadly, to strengthen health systems.

The Health Systems 20/20 Approach

Performance-based incentive (PBI) programs, which transfer money or material goods conditional on taking a measurable action or achieving a predetermined performance target, are gaining currency in policy circles. PBI, also called pay-for-performance and results-based financing, is increasingly viewed as a way to tackle weaknesses in the health system: to motivate the health workforce; focus attention on (and provide demonstrable evidence of) measurable results; strengthen information systems; build local capacity to manage and deliver health services; and, of course, improve health outcomes.

As well as providing incentives – to patients when they take health-related actions (such as having their children immunized); to health care providers when they achieve performance targets (such as immunizing a certain percentage of children in a given area); or to health managers at district, provincial, and national levels, conditional on such things as timely and accurate reporting – PBI schemes aim to enable individuals to act on their intrinsic motivation by providing,



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Brief

for example, increased supervision, support, and empowerment to health facilities and managers.

Applying Our Approach

Health Systems 20/20 provides global leadership in the PBI field, including building knowledge about what works (and what doesn't), and providing technical assistance to individual countries as they develop their own schemes.

Tools and other documents about PBI produced by Health Systems 20/20 include the following:

- A PBI scheme must be designed and implemented carefully to elicit the desired behavior change. To this end, Health Systems 20/20 developed the *P4P Blueprint Guide*. Intended for government ministries, nongovernmental organizations, and donor health program managers, the guide offers a framework to structure and document the thought process, rationale, and decisions made when designing a PBI scheme and alerts users to factors that can influence scheme success. Completing the steps in the guide results in a “blueprint” for PBI. Health Systems 20/20 has used the guide in workshops in Asia and Africa.
- A Health Systems 20/20 case study series reviews 12 country-specific PBI experiences. The series offers sample tools, such as guidelines, contracts, voucher claim forms, and job descriptions, that can be used as templates for other countries and schemes.
- Health Systems 20/20 developed the *Performance-Based Incentives Primer* for USAID Missions, to provide guidance to USAID Missions considering support for PBI initiatives.

“Had [Greenstar] not convinced my mother to enroll my wife in the voucher scheme, today I might have lost my wife and child.”

Pakistani man commenting on Greenstar PBF voucher program for pregnancy-related services, featured in Health Systems 20/20 PBF case study series (www.healthsystems2020.org).

- To overcome the misconception that PBI should not be applied to increase use of family planning methods, Health Systems 20/20 developed *Performance-Based Incentives: Ensuring Voluntarism in Family Planning Initiatives*, which offers guidance for incorporation of voluntary family planning within USAID funding environments in ways that are consistent with the Tiahrt Amendment.
- Health Systems 20/20 works with global task teams and supports the Inter-Agency Working Group on Results Based Financing, a group of donors that support PBI programs globally.

Health Systems 20/20 is providing technical assistance to the following country governments:

- Senegal, to design a PBI pilot program that will be launched in three districts in late 2011. Health Systems 20/20 has helped the Senegalese PBI technical working group consider design options, develop indicators and payment mechanisms, and create tools that will enable a successful launch.
- Mozambique, to design a PBI program aimed at improving maternal and child health results by strengthening service delivery, district-level support, and the supply chain.
- Democratic Republic of the Congo, to identify best practices from the many PBI models that have been implemented to strengthen service delivery and increase utilization of essential health services, including HIV/AIDS services, to inform scale-up of a national design.
- Afghanistan, to evaluate a GAVI Alliance PBI pilot that provides cash incentives to community health workers and to women for immunizing children and delivering babies in health facilities.

Health Systems 20/20 is USAID's flagship project for strengthening health systems worldwide. By supporting countries to improve their health financing, governance, operations, and institutional capacities, Health Systems 20/20 helps eliminate barriers to the delivery and use of priority health care, such as HIV/AIDS services, tuberculosis treatment, reproductive health services, and maternal and child health care.

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