

# ACTIVITY BRIEF



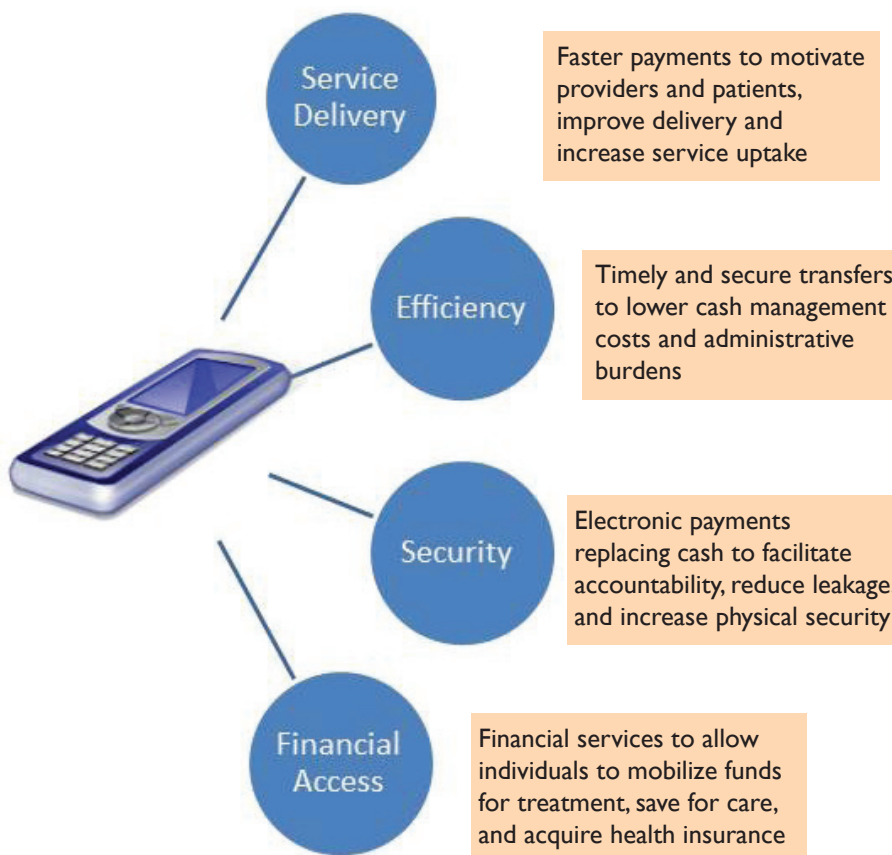
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## Promoting the Use of Mobile Money to Strengthen Health Systems

Through the global, five-year, Health Finance and Governance (HFG) Project, USAID seeks to increase financial access for the poor and strengthen health systems by supporting the use of mobile phone-based payment mechanisms (mobile money) in health programming.

Mobile phones are one of the fastest-spreading technologies; with over 3.2 billion individual subscribers in 2012. They unlock opportunities to reach populations that are otherwise limited by traditional banking and payment mechanisms. Through innovative programming, mobile money can increase the transparency, efficiency, and security of financial transactions at numerous points in the health sector.

### How Mobile Money Can Benefit a Health System



The Health Finance and Governance (HFG) project works with partner countries to increase their domestic resources for health, manage those precious resources more effectively, and make wise purchasing decisions. Designed to fundamentally strengthen health systems, the HFG project will improve health in partner countries by expanding people's access to health care, especially priority health services.

The HFG project is a five-year (2012-2017), \$209 million global project funded by the U.S. Agency for International Development. The HFG project is led by Abt Associates Inc. in collaboration with Broad Branch Associates, Development Alternatives Inc., Futures Institute, Johns Hopkins Bloomberg School of Public Health, Results for Development Institute, RTI International, and Training Resources Group, Inc.



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#### **DISCLAIMER**

The author's views expressed here do not necessarily reflect the views of the U.S. Agency for International Development or the U.S. Government.

## **How Can HFG Assist?**

HFG's Mobile Money to Strengthen Health Systems activity has compiled best practices, challenges, and lessons learned in designing and implementing mobile money solutions. Our team is ready to share this information with missions, partner countries, and other health system stakeholders to drive innovative payment solutions for health systems.

HFG's Mobile Money team can:

- ▶ Develop and review country strategies for integrating mobile money solutions;
- ▶ Identify resources and partners, and collaboratively develop scopes of work for tailored country solutions;
- ▶ Provide technical support in program design;
- ▶ Share information and best practices through country and regional-level workshops.

### **Illustrative Uses of Mobile Money for Health**

- ▶ Collect health insurance premiums
- ▶ Pay health worker salaries and per diems
- ▶ Enable health savings accounts on phones
- ▶ Facilitate conditional cash transfers and pay-for-performance schemes
- ▶ Improve operations of voucher schemes
- ▶ Convert to cashless clinics
- ▶ Provide payment for emergency care transportation

## **Current Examples of Mobile Money Solutions for Health**

Even when health services are available free of charge, the cost of transportation to specialty clinics can be prohibitive for the poor. Comprehensive Community Based Rehabilitation in Tanzania (CCBRT), the largest provider of obstetric fistula services in the country, uses the M-PESA money transfer system to address this barrier to access. CCBRT relies on a network of ambassadors to identify and refer fistula patients for treatment. Once a patient is identified, CCBRT transfers funds via M-PESA to the ambassador, who purchases a bus ticket for her. The ambassador receives a small transfer of money through M-PESA as a sign of appreciation and to encourage more referrals. The use of mobile money has helped CCBRT expand its service coverage to all regions of Tanzania, providing transportation to the facility quickly and cost-effectively.

Managing voucher programs in areas with limited or no access to banks may require claims reimbursements to be paid to facilities in cash. Marie Stopes Madagascar (MSM) addressed the substantial costs and risks of cash payments in their family planning voucher program through the integration of a mobile money system for claims management. Service providers submit a unique voucher code with each claim via text message (SMS), and reimbursements are made through the facility's choice of money transfer systems. The claims reimbursement system also allows MSM to track and monitor the voucher program with up-to-date electronic information and plan for future use more effectively.

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