



Exploring the Use of Mobile Money to Strengthen Health Systems

Case Study: Marie Stopes International



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Background

Marie Stopes International (MSI) is a non-profit organization that is one of the leading providers of reproductive health services in the world. In 2010, **Marie Stopes Madagascar (MSM)** launched a voucher program to subsidize care for family planning services, with a particular focus on reaching poor women in remote and hard-to-reach areas. The program aims to help Madagascar reach its national target to increase access to reproductive health services and use of contraceptives among women –particularly among the poor –by reducing financial access barriers to care. MSM offers reproductive health vouchers to prospective clients through community-based delivery channels for about \$US.10USD. Each voucher has a unique code and can be redeemed at one of 118 different health facilities in 12 regions of Madagascar, in exchange for reproductive and contraceptive health care services.

The number of vouchers sold in the MSM program has increased at an impressive rate; more than 37,000 vouchers have been sold since the start of the program, and this number continues to grow. The high number of vouchers sold represents increased access to family planning services for poor women in Madagascar, which is the main objective of the MSM voucher program.

Mobile Money

MSM integrated a mobile money system in an effort to improve the efficiency of voucher management to reduce barriers to accessing family planning (FP) and further increase availability of voluntary FP across Madagascar, as well as reducing inefficiencies and risks associated with reimbursing providers with cash payments in both urban and hard-to-reach rural areas of Madagascar. Support for developing a mobile money platform for MSM’s voucher reimbursement scheme initially came from USAID as part of the Strengthening Health Outcomes through the Private Sector project, followed by funding from Strengthening International Family Planning Organizations.

MSM partners with the three largest mobile phone operators in Madagascar —Telma, Orange, and Airtel—all of which have SMS-based money transfer systems and a network of mobile

Use of mobile money: voucher claims management

Date launched: 2010

Scale: Fully operational

Size: provider network of 150 facilities of which 118 are accredited to voucher program

Areas of the country: 12 regions of Madagascar

Key partners: Mobile operators (Telma, Orange, and Airtel)

money agents in kiosks across the country. Health facilities register to receive and send payments with the mobile phone operator of their choice. They can then receive cash payments through their phones, and “cash out” at local kiosks the mobile network provider’s agent network. When a client comes to the social franchise with a voucher, the provider counsels the client on a range of voluntary FP methods. If the client chooses to take up a method, they are provided with the method of their choice free of charge and the provider then sends in the voucher code to MSI where MSI validates it and sends a reimbursement back to the provider via SMS. To submit claims, the providers send a unique voucher code with each claim by text message and receive the reimbursement by mobile phone payment.

From a programmatic perspective, MSM has experienced improved financial and administrative efficiency due to the availability of real-time data on service provision and redemption through the mobile money program, ultimately making more resources available for other activities. The use of mobile money in this program also provides access to current data on service provision (number and type of service), which has been very helpful for overall program management. Mobile money has also contributed to improved service delivery among providers. Service providers are reimbursed within a few days, instead of weeks or months, and their satisfaction with rapid and direct claims reimbursements has increased their motivation to comply with quality checklists around counseling and service provision in order to increase their client base.



Lessons Learned

- **Invest in program start-up.** Some key challenges faced by MSM with its use of mobile money came when setting up the payment system, fixing “bugs,” and ensuring that the SMS-based payment system was fully functioning. MSM invested time in the initial startup phase of the project and scaled up the use of mobile money slowly and systematically in order to address operational and technical issues as they arose.
- **Working with donors:** There was strong donor support for the mobile money component, to improve the operations of the MSM program which ensured voluntary and informed choice for a broad range of FP methods and appropriate care to meet reproductive health needs.
- **Ensuring timely payments to obtain buy-in from users:** The MSM accredited social franchise network providers were already familiar with FP voucher reimbursements, so the integration of mobile money only changed the payment system for the program. Providers were familiar with mobile money transactions and were very eager to work with MSM to develop a mobile money payment system for voucher reimbursements. Once developed and tested, the mobile money system was fairly easy to explain to providers, there was enthusiasm around the efficiency and quick turnaround of reimbursements for services provided. The mobile money system was accepted and advocated for wider use very quickly. While the providers initially took a bit of time to send the voucher codes for reimbursement via SMS, MSI Madagascar consistently reimbursed the provider within 7 days and once accepted, transaction efficiency improved. MSI Madagascar receives claims for reimbursement via their centralized server and a voucher manager cross checks the claims before issuing an electronic reimbursement.
- **Ensuring convenience for users.** MSM had initially planned to work with the biggest supplier of mobile money in Madagascar, Telma, but quickly realized that they needed to work with all three mobile network operators to ensure that health service providers could rapidly access their

payments at locations nearer to them. MSM engaged local network providers at the inception of the program to understand their needs and develop an SMS reimbursement system that would be useful for providers. A challenge around working with multiple network providers was the variation in the rate of SMS transfers and varying network coverage across the 12 regions MSI works in. In an effort to reduce financial barriers and expand access to FP regardless of network provider or financial ability, MSI deliberately chose to collaborate with multiple providers to increase access to FP across network.

Challenges

- **Streamlining provider payments:** MSM reimburses every provider for each voucher claimed, which leads to a high volume of transactions. MSM is working with mobile operators to identify solutions for reducing the overall number of transactions to providers while still reimbursing voucher claims in a timely manner. This is particularly challenging given that there are currently 118 providers across the country that have different network coverage.

Looking Forward

MSI is currently exploring opportunities to expand the use of mobile money payments in its programs in other countries to replace cash flows. In some places, uptake of mobile money payment systems is happening organically; program staff at Marie Stopes Kenya (MSK) began using mobile money transfers to rapidly transfer money using M-Pesa to send cash advances to cover medical costs and payments for last minute travel costs. MSK is now integrating a mobile payment system to pay community health workers and youth peer educators monthly stipends and to cover costs for trainings and other activities.

Sources:

- Interview in July 2013 with Judy Gold, formerly Marie Stopes International.
- Interview in July and October 2013 with Lalaina Razafinirinasoa, Projects, Evidence and Innovations Director, Marie Stopes Madagascar (+261 (0) 20 22 403 04; lalaina.razafinirinasoa@mariestopes.mg)
- <http://www.mariestopes.org>

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About HFG:

A flagship project of USAID’s Office of Health Systems, the Health Finance and Governance (HFG) Project supports its partners in low- and middle-income countries to strengthen the health finance and governance functions of their health systems, expanding access to life-saving health services. The HFG project is a five-year (2012-2017), \$209 million global health project. The project builds on the achievements of the Health Systems 20/20 project. To learn more, please visit www.hfgproject.org.

The HFG project is led by Abt Associates 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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