



Human Development *Africa*

Performance-Based Financing in the Public Health Sectors of Rwanda and Burundi ESMAP conference

Rigobert Mpendwanzi and György Fritsche, AFTHE

7 May, 2012

Outline

- What is PBF?
- Why PBF in the Health Sector of LIC/LMIC?
- PBF health system reforms
- The perception of PBF from the Government side: a personal story

Quantity and Quality are counted...

Service	Number Provided	Unit price	Total Earned
Child fully vaccinated	15	\$2	\$30
Skilled birth attendance	20	\$8	\$160
Curative care <5 years	500	\$0.5	\$250
TOTAL			\$440
Remoteness Bonus	+30%		\$132
Quality Correction	75%		\$429

PBF uses a Quality Checklist and Pays Providers Conditional on Quality.....

10	Essential Drugs Management [max 20 points]	YES	NO
10.1	Staff maintains stock cards for ED showing security stock levels = monthly average consumption / 2	4	0
10.1.1	Supply in register corresponds with physical supply: random sample of three ED		
10.2	Health facility purchases drugs, equipment and consumables from the Pharmaceutical Council of Nigeria certified distributor, approved by SMOH/SPHCDA	3	0
10.2.1	Latest Pharmaceutical Council of Nigeria certified distribution center list for the State available		
10.2.2	Last procurement list is shown which shows the certified distributor which sold the drugs		
10.2.3	All drugs and medical consumables are (i) NAFDAC certified and (ii) Generic		
10.3	Main pharmacy store delivers drugs to health facility departments according to requisition	10	0
10.3.1	Supervisor verifies whether quantity requisitioned equals quantity served		
10.3.2	Drugs to clients are uniquely dispensed through prescriptions. Prescriptions are stored and accessible		
10.3.3	Drugs and medical consumables prescribed, are all in generic form		
10.4	Drugs stored correctly	2	0
10.4.1	Clean place, well ventilated with all drugs on cupboards, labelled shelves		
10.4.2	Drugs and medical consumables stored on alphabetical order, first in - first out basis		
10.5	Absence of out of date drugs or drugs with unreadable labels	1	0
10.5.1	Supervisor verifies randomly three drugs and 2 consumables		
10.5.2	Out of date drugs well separated from stock		
10.5.3	Destruction protocol for out of date drugs available and applied		
Total Points (20)		../20	XXXX

What can be the cause of this?



What can be the cause of this?

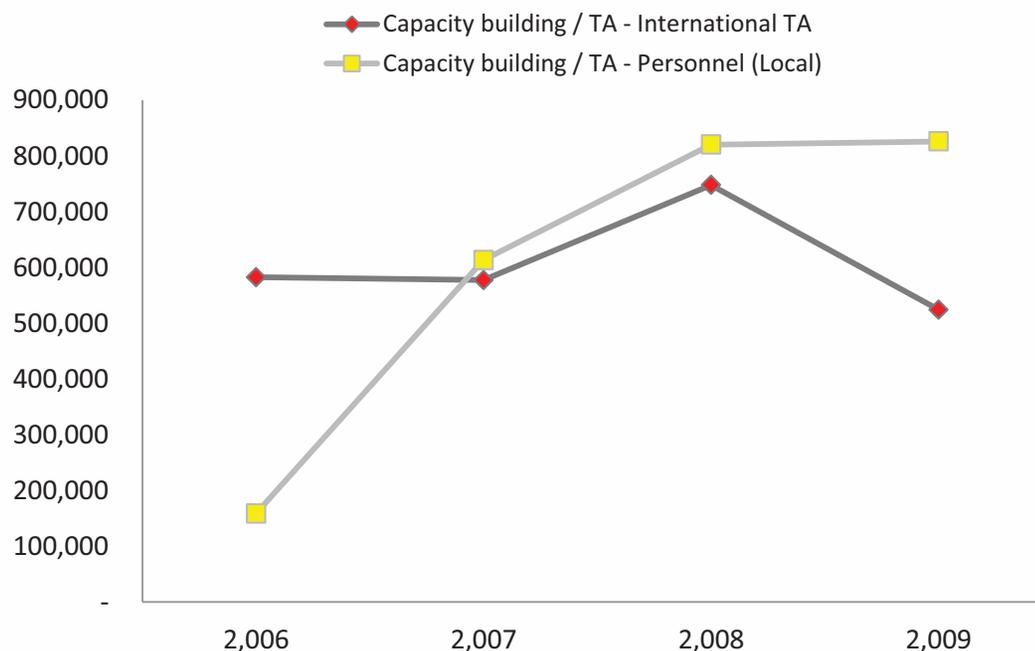


PBF Reforms started with NGO pilots

- Started with NGO implemented pilot projects in Rwanda (2002) and Burundi (2006)
- Scaling-up in Rwanda in 2006 (after 4 years: 40% of health system coverage)
- Scaling-up in Burundi in 2010 (after 3 years 50% covered)
- Moving from a **private purchaser approach** to a **quasi-public purchaser approach**
- PBF are part of **deeper reforms** (increased provider autonomy; CBHI in Rwanda; SFHC in Burundi; HR reforms Rwanda)

PBF reforms: NGOs are intensively and purposefully used by Gov

- Scaled-up systems: heavy use of NGO's for fund holding, technical assistance and capacity building: estimated **21%** of total PBF expenses 2006-2009 in Rwanda



Quasi-Public Purchaser Approach

- Purchasers are:
 - **Public Institutions** (Central MOH Rwanda: with District Mayors signing on behalf of the Minister), or
 - **Quasi-Public Institutions** (Burundi: CPVV at provincial level: signing on behalf of the MOH)
- PBF for public and FBO health facilities
- PBF for public administration and supervision
- Separation of functions: purchaser-provider split; internal market mechanisms
- Pay once per quarter (Rwanda) or monthly (Burundi)

Contracts and MOUs are used intensively to make clear the new rules of the game



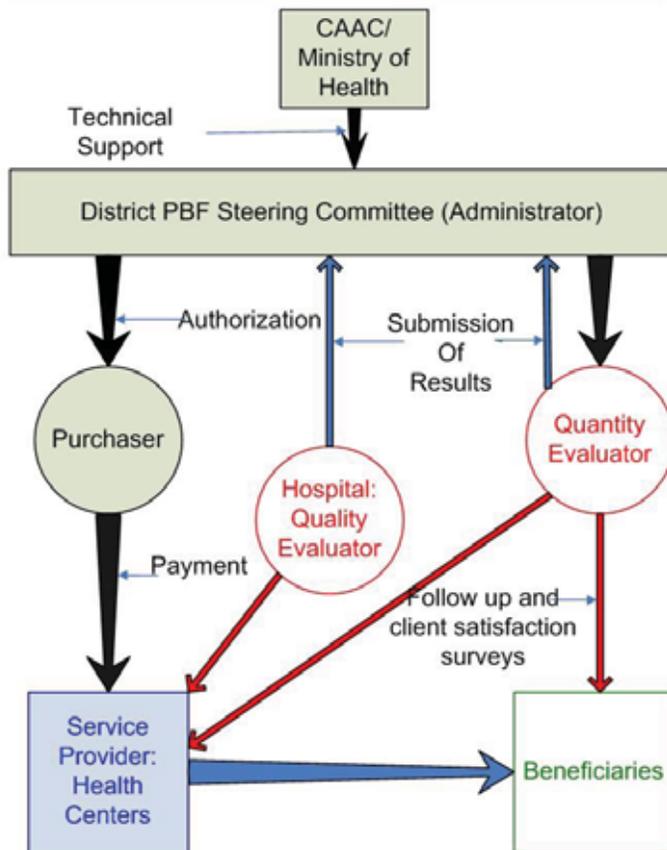
Dense Verification Activities

- Ex-ante quantity (once per month) and
- Ex-ante quality verification (once per quarter)
- Ex-post verification (once per quarter)
- Mix of internal and external verification mechanisms

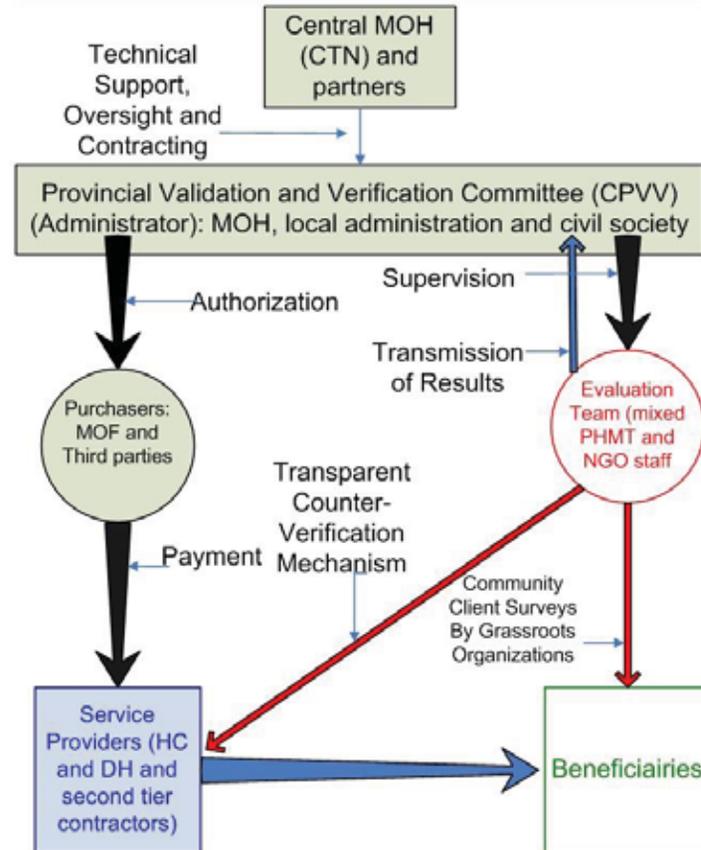


Decentralized Governing Board for Transparent Decision making

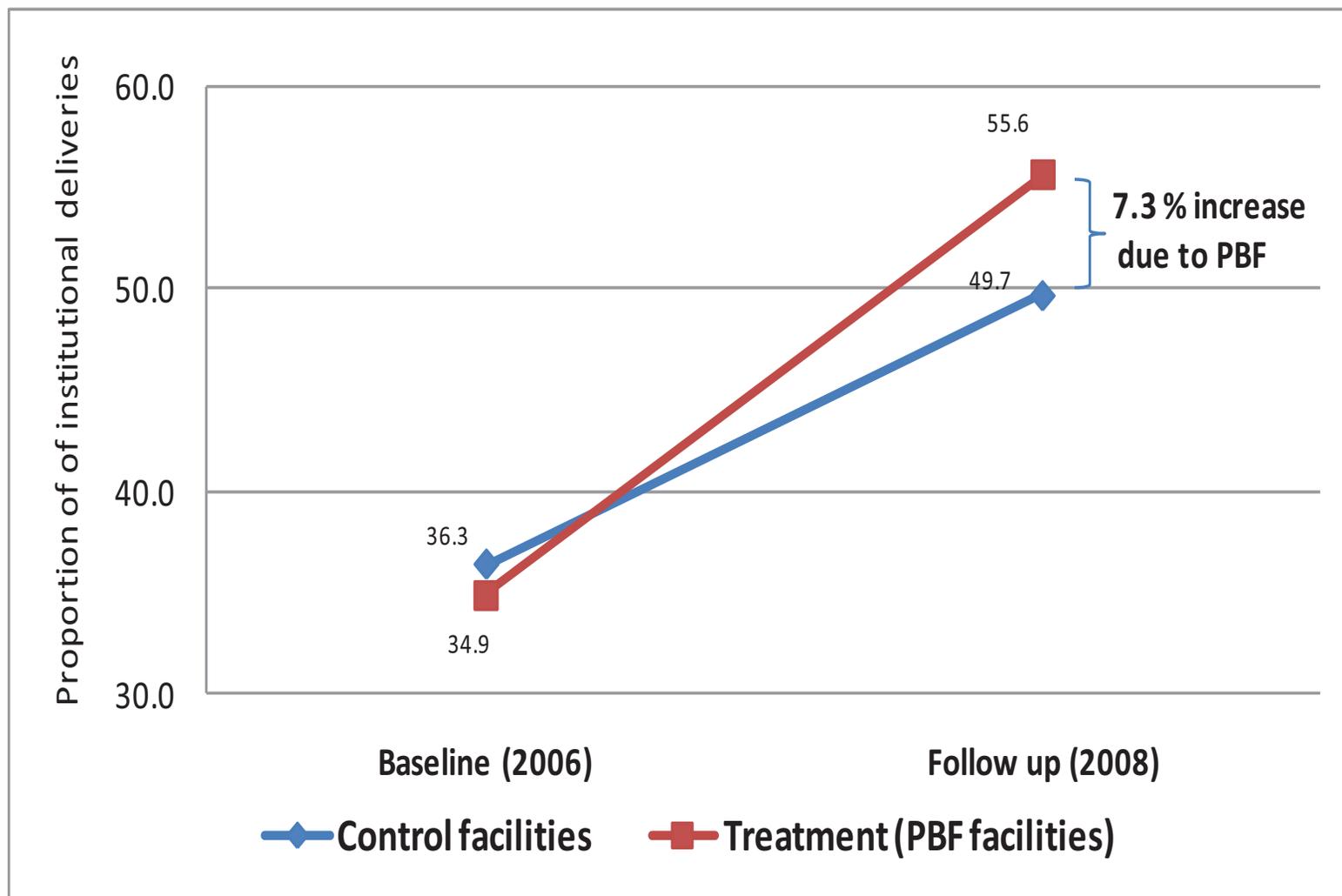
Health Center PBF Administrative Model 3/11/2008



Burundi PBF Administrative Model 4/26/2010

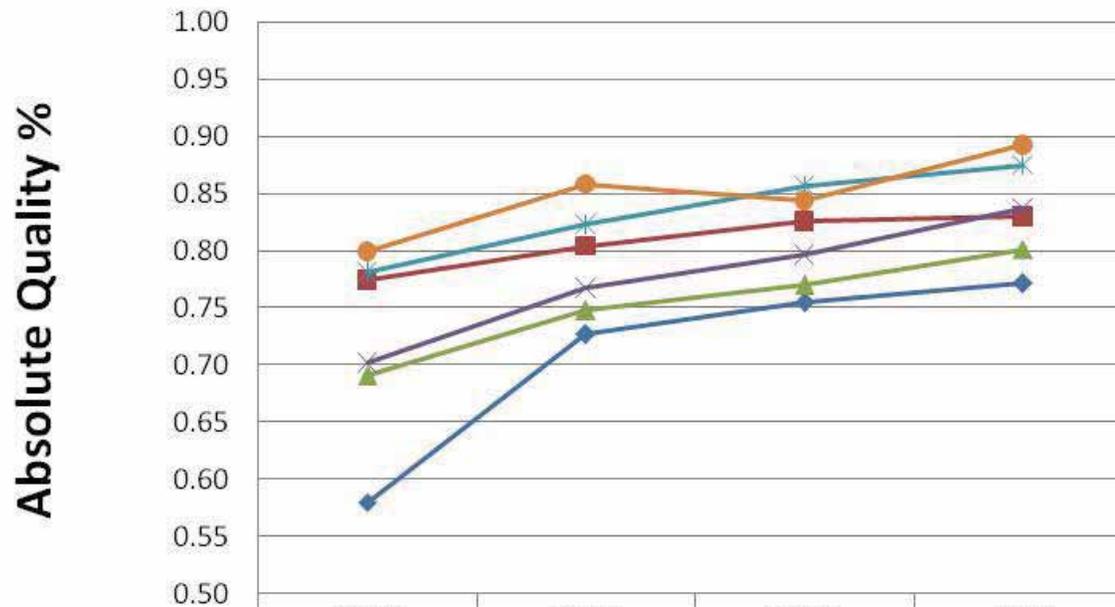


Results: e.g. Impact on deliveries (Rwanda)



Results: quality improved (Rwanda)

Quality Improvements in HC Services 2008-A



	1Q08	2Q08	3Q08	4Q08
◆ 1. General Organization	0.58	0.73	0.75	0.77
■ 2. Hygiene	0.77	0.80	0.83	0.83
▲ 3. Ext Consult & Inpatient	0.69	0.75	0.77	0.80
× 4. Delivery room	0.70	0.77	0.80	0.84
* 5. ANC	0.78	0.82	0.86	0.88
● 6. FP	0.80	0.86	0.84	0.89

...but we had quite a few challenges!

- Bad impression: this was an NGO business, and this perception led to a delayed understanding and delayed ownership by the national system;
- There was a gap in knowledge and understanding: very experienced NGOs with MOH staff that had much less understanding of the issues and were supposed to lead the scaling-up;
- Differing designs of the three pilot models: various champions advocating for their models: conflicts on design (indicators; M&E) the role of quality...difficult to find consensus on a unified approach....

Difficult start, with the MOH under Pressure

The first meeting between development partners, international experts and the MOH was steeped in controversy!!

Many endless meetings without any clear progress...



At first we took a backseat and let them fight it out...

After an initial neutral position, the MOH took the lead...



The Rwanda PBF Extended Team to support the nationwide roll-out...

**The
creation
of the
'extended
team'
was
welcome
and a real
success...**



PBF-ET for capacity development...

Monthly meetings...



Capacity building and capacity transfer...



When I personally started seeing the value of PBF...

- Before PBF, I worked in the Information Management System (HIS), I was accustomed to the different problems related to data quality, collection, processing and use of health data and information
- When I was posted in the coordination team of PBF, my first feelings were really negative : surely because of lack of technical knowledge on the subject, and reading the literature and existing theories seemed to me so incoherent!

When I personally started seeing the value of PBF...

- One day I began to philosophize to understand what is hidden behind the PBF theory. I simply asked some questions about each of the various main functions in the implementation of PBF:
 - **Using a contract** means a commitment to do certain things and in a certain way
 - **Verification** leads to ensure the effectiveness of achievements, and a normal man would have a different behavior if he knows he will be judged on the basis of his acts
 - And finally, if I have money and a need to satisfy, with the choice between paying before or after meeting the need, what would be my first choice? (...) it was after this that I started to see things differently!

When I personally started seeing the value of PBF...

- From theory to practice: when I saw the dynamism and competitiveness which followed the PBF in the health system, each wanting to create his good image and, above all make lots of money, I confirmed that the strategy has the forces that can't be easily detected without implementation (...)

Similar events in Burundi...

Burundi benefited from the Rwandan experience and from many experts...



Discussion between members of the CTN and the WB..



Murakoze Cyane!

