



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

## Performance based financing – the PRRINN MNCH approach and progress

By Health Systems Research Manager-PRRINN MNCH, Kano. Feb 2011

### Introduction

Health Systems Research or Operations Research (OR) is one of the strategic interventions of PRRINN-MNCH project and contributes towards the ultimate objective of improving the maternal and child health status in Northern Nigeria. The purpose of the OR strand of work is not only to generate evidence for health system strengthening (including service delivery) but also to provide information for monitoring and evaluating the impact of project intervention. Learning Local Government Areas (LLGAs) have been set up in 4 states (Zamfara, Jigawa, Yobe, Katsina) as a platform for testing and validating promising innovations to increase utilization and access to quality maternal, neonatal and child health (MNCH) services. In some cases OR activities explore how initiatives, proven to be effective elsewhere, could be replicated within the peculiarities of the Northern Nigerian operational context and environment. OR core project activities include building operations research capacity, conducting research (including piloting innovative performance based financing schemes), and setting up a health and demographic surveillance system site.

Performance based financing (PBF) is the provision of cash and or material goods conditional on taking **measurable** actions or achieving **pre-defined performance targets**. The mechanism is targeted at solving a predetermined performance problem. Payment for performance may target performance problems relating to the service provider's behaviour which could be defined as the behaviour of the individual health worker, the facility, a local government or a Ward Health team. The incentives may on the other hand target communities, households, or the individual. Thus a PBF scheme may target performance problems on both the supply and demand sides of the health systems. Examples of such schemes include cash transfers to women who deliver in a facility and cash and other rewards for facilities where a target number of babies have been delivered.

### *Rationale for exploring feasible PBF innovations*

The status of MNCH indicators in Northern Nigeria is amongst the worst in the world. Maternal mortality rate is about 545 deaths per 100,000 live births but the rates in the North East and North West zones are much higher.<sup>1</sup> According to recent UN mortality estimates, Nigeria has achieved only an average of 1.2% reduction in under-five mortality per year since 1990 and it needs to achieve an annual reduction rate of 10% from now until 2015 to meet MDG 4. Of the 5.9 million babies born in Nigeria every year, nearly one million children will die before the age of five years and one quarter of all under-five deaths are newborns – 241,000 babies each year<sup>2</sup>.

---

<sup>1</sup> NDHS 2008 NDHS

<sup>2</sup> Executive Summary: Saving Newborn Lives in Nigeria. Newborn Health in the context of integrated Maternal Newborn and Child health strategy (Revised second edition 2011).

Most of the maternal, newborn and child deaths occur in the northern states of Nigeria, a region that is characterised by weak health systems, poverty, and some socio-cultural practices that are detrimental to the health of women and children.

Achieving MDGs 4 and 5 in Northern Nigeria cannot therefore be a matter of 'business as usual' but rather innovative ways must be found to quickly increase the coverage and uptake of quality MNCH services. There is some evidence that PBF has improved provider performance and increased service delivery in challenging operational settings with weak health systems, including Afghanistan and Rwanda. The World Bank has suggested that PBF could help increase coverage of some MNCH interventions, strengthen weak health systems, and accelerate progress towards MDGs 4 and 5. It has for example been shown to increase skilled delivery in India, increased the outputs of NGOs in health in Haiti, and increased immunization coverage<sup>3</sup>. There is however the need to more rigorously address issues of cost effectiveness and sustainability, and to look out for and manage unintended adverse effects, including gaming, corruption, demoralising those who did not benefit from payment for performance, and other distortions in health system performance.

## The PRRINN-MNCH PBF approach

The PRRINN-MNCH approach to introducing PBF has been cautious - the design, implementation and monitoring of PBF schemes can be complex, particularly in contexts where it is new and the health system relatively weak. The approach emphasises state level ownership of the research agenda, prioritizes performance problems with MNCH systems and services, and supports states to plan, develop and institutionalize the schemes through pilot schemes which may be scaled up if shown to be effective and affordable.

A preliminary study was undertaken in 2009 to explore the feasibility of a supply or demand side PBF in Yobe state.<sup>4</sup> The study proposed a PBF model for the local government area (LGA) level. The report observed that it was critical to ensure a baseline minimum functionality of the health system order to test the added value and impact of PBF. Obvious health system challenges such as lack of supplies and drugs, availability of human resources, or non release of budgeted funds should be therefore be addressed to allow for minimum functionality. There is also the need to put in place an accountable and transparent financial management system and a monitoring system (or health management information system) that can reliably measure performance. Most importantly the research questions or the performance problems must be determined in a participatory manner to ensure ownership by the state and therefore the likelihood of using the research findings.

The concept of PBF was then introduced to the states during the process of state OR agenda setting. The states bought into the concept and adopted it as a component of the state operations research agenda.

The next phase of the approach was the provision of technical support to the project states to identify MNCH relevant performance problems, set feasible targets for performance, determine



“Think BIG but  
start small.  
Learning by doing”  
- underpin PRRINN  
MNCH approach to  
PBF scheme set up



<sup>3</sup> Eichler R, Levine R. 2009. A Brief on Performance incentives for Global Health: Potentials and pitfalls. Centre for Global Development.

<sup>4</sup> Giorgio Cometto, Patrick Okonjie (2009). PRRINN MNCH Report on the Design of protocols for supply side and demand side performance based financing research.

appropriate incentives and rewards, and put in place the management structures critical to a successful management of a PBF scheme, including a the fund holder and monitoring agent (or controller). All the states are now developing PBF schemes. Some have PBF schemes integrated into larger OR studies whilst others have developed PBF pilots as a standalone research protocols approved by their state OR Advisory Committees.

## Progress of work on emerging schemes

Figure 1 below provides an overview of the PBF work in each of the 4 states:

STATE	LEVEL	UNDERLYING PERFORMANCE PROBLEM	PBF SOLUTIONS
<b>YOBE</b>	Sub-LGA	Low uptake of ANC and delivery services and low immunization services coverage	<b>Reward women</b> who will attend the 1 <sup>st</sup> ANC clinics and again when they attend the 4 <sup>th</sup> time. <b>Reward parents</b> whose pre-school child received DPT3 and an additional reward when the child is fully immunizes
<b>KATSINA</b>	LGA level	Inadequate provision of maternal and child health services	<b>Reward health facilities</b> that are able to achieve pre-set target for child immunization, ANC clinic attendance, Outpatient attendance, U5 outpatient attendance, skilled birth attendance, post natal clinic attendance Reward TBAs and Women Savings group that facilitate facility deliveries
<b>ZAMFARA</b>	Sub level	LGA No significance corresponding improvement in SBA compared with ANC attendance and EPI coverage following project interventions.	
<b>KATSINA</b>	Sub level	LGA Inequalities in access to MNCH services	Reward CHEWS for working in remote underserved communities and for achieving pre-set targets for service delivery (multiple MNCH indicators on a sliding scale). Reward women for 1 <sup>st</sup> and 4 <sup>th</sup> ANC attendance and facility delivery Reward parents for child receiving Measles vaccination again when Fully immunized

### *Update Yobe state*

Yobe state is piloting a demand side PBF scheme. The principal performance problem identified is the low uptake of maternal and child health services, specifically antenatal care service, delivery services, and child immunization. The pilot will therefore conditionally transfer money in cash or kind to women who attend the 1<sup>st</sup> and 4<sup>th</sup> antenatal visits and those who deliver in a health facility with the help of skilled birth attendant. Parents of children who receive DPT3 vaccination will also be rewarded and again when the child is fully immunized.

The PBF study is integrated into the MNCH outreach services pilot scheme and the baseline survey in the intervention and control areas have been completed. The Fund holder and the monitoring agent have been constituted and their terms of reference outlined. The village development committee which will represent the interest of the community members has also been constituted. The next steps are the orientation of these management structures, agreement with the communities, costing, implementation and monitoring of the PBF scheme.

### *Update Katsina state*

Katsina state is piloting a standalone supply side PBF scheme in the Zango learning LGA. The performance problem identified is the low coverage of MNCH services. In fact, some of the health facilities in the Zango LLGA do not provide delivery service.

The relevant performance indicators selected for the Katsina scheme are: the number of children fully immunized, number of children vaccinated with DPT3, number of women attending ANC 1<sup>st</sup> visit, number of children attending ANC 4<sup>th</sup> visit, total out patients consultations, Total Outpatient consultations for children under five years of age, number of deliveries at the facility, number of post natal visit. Performance targets are yet to be set.

Mapping and assessment of health facilities revealed inequalities in staffing. Health management in the state and LGA have been requested to ensure equity in the distribution of available human and other resources in the health facilities in the study and control areas to avoid bias. Consultative meetings have been scheduled with communities to collect information of community perception of quality of MNCH health services provided by the facilities. The views of health facility managers and health workers on the challenges to effective delivery of MNCH services and how to address these will also be explored through Key informant interviews and FGDs.<sup>5</sup>

### *Update Jigawa*

Jigawa state is piloting a community based service delivery scheme using Community Health Extension workers (CHEWS). The study seeks to explore the feasibility of adapting the Navrongo community based health planning and service (CHPS) within the northern Nigerian environment. Implementation has been delayed by health system challenges such as supply of drugs and commodities, equipment, transport, availability of female health workers, accommodation for community based service providers, amongst other issues. An integrated PBF scheme that rewards health workers for achieving set service delivery performance targets is being developed. The scheme will also reward pregnant women who achieve a minimum of four antenatal visits, deliver in a health facility, and ensure the child has measles vaccination and subsequently is fully immunized.

The supply side PBF scheme will reward Community Health Extension Workers (CHEWS) who achieve targets for selected indicators for ANC and family planning (FP), access to Oral

---

<sup>5</sup> Briefing notes on support to Katsina state on PBF. November 2010. Dr Hyacinth Ichoku. PHD

rehydration therapy (ORT), malaria treatment, acute respiratory infections (ARI) treatment, and childhood immunization. The reward scheme is sliding and aligned to the level of performance as measured by aggregate levels of these indicators. In consultation with the stakeholders at the LGA and state levels, the management structures of the scheme- fund holders, monitoring team, and the scheme managers, have been put in place.<sup>6</sup>

#### *Update Zamfara*

PRRINN MNCH interventions have led to remarkable improvements in the coverage of antenatal care and immunization services in Zamfara state without a corresponding increase in skilled birth attendance. The proposed PBF scheme in the state seeks to enhance the coverage of skilled birth attendance by rewarding traditional birth attendants and organised community women saving schemes that encourage or facilitate women to deliver in improved health facilities. Structures to manage and monitor the scheme are currently being put in place.

### **Challenges and lessons learnt**

Setting up and piloting the PBF schemes have been cautious and slow. In addition to some of the health system constraints outlined above, the process has been encumbered by the difficulty of securing suitable consultants with the requisite skills and experience to provide technical support to the states. This has been resolved towards the end of the year under review by collaborating with the Nigerian Association of Health Economist. Two health economists from academia are supporting and technically nurturing the infant schemes.

The PBF schemes tagged on to other studies cannot proceed faster than the implementation of such studies. For example the deployment of CHEWS into remote communities in Community based service delivery pilot scheme in Jigawa state has been encumbered by health system challenges and until such obstacles are surmounted, the PBF component of the study cannot be implemented. A cautious approach should however have the advantage of ensuring more rigorous evidence on effectiveness and cost effectiveness.

The concept of PBF in enhancing health services supply and uptake is new to the states and there was some initial apprehension about sustainability, possible adverse effects and unintended impact. The states have however agreed to undertake the pilots with the expectation that the PBF mechanism could ultimately create demand for health services even when such rewards are withdrawn because clients would have by then hopefully appreciated the benefits of the positive health behaviour or performance that is being currently paid for.

### **Conclusion**

The implementation of PBF requires not only a careful definition and choice of performance problems but also the selection of appropriate choice of performance payments or rewards that are valued by the recipients. It involves a careful consultative and participatory process that ensures ownership by the states. Stakeholder ownership of such schemes ultimately facilitates the scale up of such innovations when found to be effective.

---

<sup>6</sup> PRRINN MNCH consultancy report on Technical assistance for the implementation and evaluation of performance based financing in Jigawa state. November 2010. Eric Obikeze

The schemes and the management structures have been put in place in 2010. In 2011, the states will focus on implementing, monitoring and evaluating the innovative schemes and planning for the scale up of successful schemes.

The successful pilots will contribute towards improving the health of mothers and children in northern Nigeria if the states commit funds to scaling up the innovations and if they share success stories with other states willing to adopt them.

Our approach remains a 'learning by doing' process and is currently confined to our Learning LGAs. We will evaluate the schemes after they have been operational for at least 6-12 months and scale up accordingly and in collaboration with stakeholders.