



CORDAID'S EXPERIENCE

Together with its partners, Cordaid has been pioneering innovative approaches to health system strengthening for many years; Results Based Financing (RBF) being one of them. Most notably in our track record are our programs in South-Kivu (DR Congo; Dutch Ministry of Foreign Affairs), Burundi (European Union), the Central African Republic (European Union) and Zimbabwe (World Bank). Recently, programs were started in Cameroon and Congo-Brazzaville. Our experience has shown that RBF is effective in creating better health results.

The Cordaid head quarter in The Hague disposes of a team of 8 RBF experts and 8 support staff, working together in a business unit, which offers implementation, consultancy and research services and focuses solely on RBF. In addition to the RBF experts, Cordaid and its associates can access experts on public health, costing, health economics and capacity building for specific assignments. This approach enables us to be flexible, respond to clients needs rapidly and be cost effective at the same time.



More information about our programs, including evaluations, articles and survey results can be found on www.cordaid-pbf.com. You can also contact our RBF expert Frank van de Looij on FLJ@cordaid.nl.



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Quotes:

Participant during a recent RBF training:

"I will go back to my district and make sure that together with the Health Centers we come up with a good solution for the registration problem we have with our referrals. I do not want to miss out on the extra payment we get for referrals in the RBF program."

In charge of a Health Center after finishing the first business plan together with the purchaser:

"Now I understand that this program is not about renovating the Health Center. It's about increasing focus on patients and offering better care!"

Dr Hubert Barhanywanwa (manager purchaser Katana):

"Before RBF, results were expected, but they were not checked. With RBF we see a clear increase in service utilization. I am also very proud that I have learned new skills: a new vision and a new way of thinking."

About Cordaid - The Catholic Organization for Relief and Development Aid is a Dutch development agency operating worldwide. We fight poverty and exclusion in fragile states and areas of conflict and extreme inequality. In order to stand up for the world's poorest and most marginalized communities, we raise funds in the Netherlands as well as internationally. Cordaid's main expertise lies in four fields of work: Conflict Transformation, Health and Well-being, Entrepreneurship and Disaster Risk Reduction & Emergency Aid. Cordaid works hand in hand with organizations in the global south as well as in Europe and the US, for a society more just and equitable. Cordaid came into being in 1999 after the merger three catholic development organizations: Memisa, Mensen in Nood (People in Need) and Vastenactie/Bilance (The Dutch lenten campaign). It thus combines over ninety years development expertise and inspirations.

Results Based Financing

Turning insights into solutions to improve health services



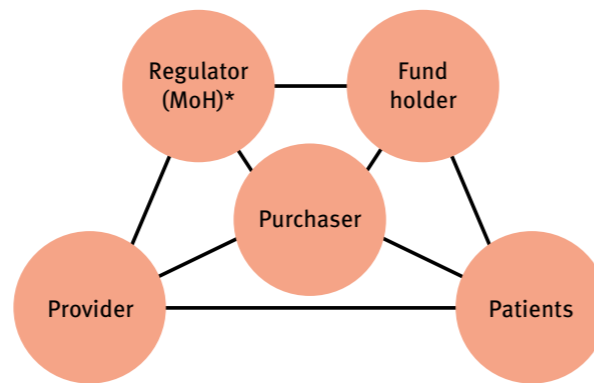


RESULTS BASED FINANCING:

IMPROVE HEALTH SERVICES

In 2001, Cordaid was one of the first organizations worldwide to introduce the Result Based Financing (RBF) approach to health care in sub-Saharan Africa. RBF improves health services for the poorest and most vulnerable people, especially in isolated, rural areas. The essence of RBF is a direct link between funding and results: healthcare providers are only paid when they can demonstrate that either their medical services have been improved and they have effectively treated more patients with the allocated funds.

Health System Checks and Balances



*Ministry of Health

CHECKS AND BALANCES

In a health system which is based on RBF, all stakeholders have their specific role. Community organizations carefully check with patients and their families if medical services were indeed provided and how patients perceived the quality of services. Government bodies are supported in planning, monitoring and controlling the medical quality of services. Health Facilities (providers) are assisted in drafting operational plans to improve their services.

RBF en PBF

The terms RBF (Results Based Financing) and PBF (Performance Based Financing) are often used interchangeably. There is a slight difference though. PBF refers to all output based initiatives which target the supply side of the health system, while RBF also includes the demand side, adding initiatives like cash transfers or voucher schemes. Cordaid applies both approaches.

PURCHASING RESULTS BY CONTRACTING

The method determines the results of health care providers on the basis of a comprehensive set of output indicators, such as deliveries, number of children vaccinated and score on quality. A purchaser buys these results - a fee is paid for each service rendered. Different organizations may assume the role of purchaser: it might be an independent NGO, a separate government body or a health insurance company. Conditions for the provision of the service are stipulated in a contract between the health facility (provider) and the purchaser. Within the contractual framework, the providers have ample freedom to develop innovative strategies to achieve results. This way, RBF also feeds social entrepreneurship.

Turning insights



NO CHECKS AND BALANCES; MONOPOLIES



UNEQUAL ACCESS



END USER HAS NO POWER



LOW JOB DEDICATION AND MOTIVATION



NO CLEAR RESPONSIBILITIES AND EXPECTATIONS



PLANS DO NOT MATCH LOCAL REALITY

Into Solutions



SPLIT OF FUNCTIONS



EQUAL ACCESS BONUSES



END USER EMPOWERMENT (CONTRACTING CBO'S*)



LINKING PAYMENTS TO PERFORMANCE



CONTRACTING



AUTONOMY FOR HEALTH CARE PROVIDERS

* Community Based Organizations

VERIFIED RESULTS

An important element of RBF is the system of checks and balances created by assigning different tasks to separate stakeholders. Community organizations interview care recipients to evaluate satisfaction. The Ministry of Health (the regulator) checks the quality of care, the purchaser verifies patient numbers and a fund-holder pays providers based on verified information. This working method clarifies the roles of each stakeholder and increases accountability, transparency and legitimacy. As such it has also proven to be a stabilizing strategy in conflict situation. It is a tool to bring people together and formalize relationships.

ADDITIONAL INNOVATIONS

Cordaid is now working towards introducing more innovations in the RBF approach, such as adding demand-side initiatives like cash transfers to patients and risk-pooling mechanisms (health insurances). A cash transfer is paid to take away barriers for a patient to visit a hospital or to acquire preventive resources such as contraception. Risk-pooling is the principle of creating a collective "pot" to cover the community's medical expenses. Steps like these will make health care more accessible to even the most vulnerable.

