RESULTS-BASED FINANCING FOR HEALTH (RBF)

# Philippines

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**PROJECT NAME:** 2nd Women's Health & Safe Motherhood (WHSM)
**PROJECT ID:** P079628
**UNIT:** EASHD

**TIME PERIOD:** July 2005-June 2012
**TTL:** Timothy Johnston
**AMOUNT (USD):** $16 million

**LENDING INSTRUMENT:** SIL
**RBF COMPONENT OR PROJECT:** Component
**PILOT (Y/N):** No

| Characteristic | Description |
|---|---|
| RATIONALE | A combination of performance-based grants formed part of new government strategies to strengthen women's health and safe motherhood services (WHSM) for disadvantaged women. Government of The Philippines (GOP) is giving high priority to WHSM services because of:<br>■ Relatively high and stagnant maternal mortality ratio of 162/100,000 live births;<br>■ Women having one more child than intended, on average;<br>■ The high population growth rate of 2.3%; and<br>■ Poor access to WHSM services by disadvantaged women. |
| OBJECTIVE OF THE RBF | To encourage behavior change by pregnant women to have facility-based deliveries by skilled birth attendants. |
| BENEFICIARIES | Disadvantaged women of reproductive age are essentially poor women with poor financial access or women with poor geographic access to health facilities providing WHSM services. |
| INTERVENTION | Performance-based grants to provide payments to women's health teams attending facilities-based deliveries of disadvantaged women; matching grants to local government units (LGUs) that meet their targets for enrollment in the Philippine Health Insurance (PhilHealth's) Sponsored Program; and grants for LGUs that undertake contraceptive procurement. |
| TYPE AND AMOUNT OF INCENTIVE PROVIDED | Grants will be in cash except for LGU grants for contraceptive procurement, which was to be in the form of drugs-for-commodities whereby the Department of Health (DOH) gives a grant to the LGU in the form of WHSM-related drugs. |
| PAYMENT RULES AND MECHANISM | **1.** The following incentives are offered for disadvantaged women to deliver in health facilities:<br>a) no charge for the delivery; and<br>b) LGUs will cover WHT fees with an allowance of 500 pesos ($10 to $12) for transport and other expenses – currently women pay around $10-20 in total.<br>**2.** The WHTs receive a 1000 peso payment that is divided among team members (including traditional birth attendant, midwives, and doctors). In addition, in facilities accredited by PhilHealth, a payment of 2500 pesos is given to the provider for normal deliveries. In project provinces (and some additional provinces), it was agreed to share the insurance payment with the entire WHT, not just the provider directly assisting the delivery.<br>*(continued on next page)* |

| Characteristic | Description |
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| PAYMENT RULES AND MECHANISM (CONT'D) | **3.** The "essential drug swap" mechanism for reimbursing contraceptive purchases has proven administratively cumbersome, and will be redesigned as a performance-based grant. |
| TARGETS AND INDICATORS FOR RECEIVING PAYMENT | 25% of deliveries by disadvantaged women to take place in Basic Emergency Obstetric Care (BEmOC) or Comprehensive Emergency Obstetric (CEmOC) units financed through the DOH-LGU performance grant program. 75% of deliveries by disadvantaged women to take place in BEmOCs or CEmOCs financed through PhilHealth. Payments to poor women based on presentation of agreed documentation to the LGU and/or provinces; WHTs are being reimbursed through payroll system, based on documented deliveries. |
| MONITORING PROCESS | Baseline data were to be collected by means of DOH-LGU records and household surveys, and progress tracked through the same instruments. Baseline data showed both project provinces with low prevalence of facility-based deliveries and births attended by skilled birth attendants. Contraceptive stock-outs were occurring in more than a third of all LGUs in both project provinces. To supplement baseline surveys and routine HMIS monitoring, the MTR recommended establishing a monitoring contract with an Independent Verification Agent to verify key indicators. |
| PROCESS FOR VERIFYING ACHIEVEMENTS | Household surveys at project mid-term and end; annual service statistics from DOH-LGU; and independent verification agent contract (being introduced following mid-term review of project in October 2008). |
| INSTITUTIONAL ARRANGEMENTS AND ROLES | The project is being implemented by the DOH with substantive participation by provincial and city governments responsible for the 6 project sites. |
| CONTRACTUAL ARRANGEMENTS | Department of Health and LGUs enter into performance-based grants (PBG) contract which define the obligations of the DoH and LGUs including the agreed targets and potential PBGs. |
| EVALUATION STRATEGY AND RESULTS | Outcome indicators include progress against the following targets:<br>■ 80% of births to disadvantaged women delivered by skilled birth attendants (SBAs);<br>■ 75% of births to disadvantaged women occurring in health facilities;<br>■ Contraceptive prevalence rate increased by 10 percentage points over the baseline. |
| STATUS REPORT | Disbursement of performance-based grants (PBGs) has been slow in the two pilot provinces of Sorsogon and Surigao del Sur. The October 2008 supervision mission reached agreement with DOH to restructure the project, to shift towards a stronger focus on PBGs with strengthened monitoring and evaluation, and consolidate the various PBGs. The release of PBG funds to both health workers and mothers has been slowed by the requirement for various documents including concurrence of local budget and finance officials and sign-off from local social welfare officials verifying the indigence of the mothers. Nevertheless, PBGs have contributed to an increased number of facility-based deliveries (FBDs) in some municipalities in the pilot provinces. Provinces and DOH were trained in the Rapid Results Approach (RRA), which has contributed to improved implementation.<br><br>By end 2007, FBDs increased from 18% in 2005 to 35% in Surigao del Sur, and from 30% in 2005 to 42% in Sorsogon. Nonetheless, the October 2008 mission agreed with DOH that partial cancellation of the loan may be necessary if the pace of implementation does not improve significantly in the coming months. Strengthened independent monitoring is a key priority, including improved monitoring for quality of service delivery. Other issues include piloting making the WHT performance payment through PhilHealth; redesigning the 'commodity swap' PBG as a more global performance-based grant to LGUs for progress in key maternal and neonatal health indicators; and dialogue on aligning the PBG for poor women with a new national conditional cash transfer program.<br><br>Summary ratings from the October 2008 supervision mission were Moderately Satisfactory for Development Objectives (DOs) and Moderately Unsatisfactory for Implementation Progress (IP). |