


**RESULTS-BASED FINANCING AT THE WORLD BANK**

# Cameroon

PREPARED BY LOGAN BRENZEL AND CLEARED BY MIRIAM SCHNEIDMAN

**PROJECT NAME:** Cameroon Health Sector Support Investment Project

**TIME PERIOD:** 2009–2014

**LENDING INSTRUMENT:** Sector Investment Loan (SIL)

**PROJECT ID:** P104525

**TTL:** Miriam Schneidman

**RBF COMPONENT OR PROJECT:** Component

**UNIT:** AFTH3

**AMOUNT (USD):** \$25 million

**PILOT (Y/N):** No

Characteristic	Description
<b>RATIONALE</b>	<ol style="list-style-type: none"> <li>1) Opportunity to re-engage in the health sector with other partners through a SWAp</li> <li>2) Contribute to Bank's interim strategy in Cameroon to improve service delivery, enhance governance, reduce corruption, enhance cooperation among donors</li> <li>3) Address three critical impediments to service delivery at district level: scarcity of funds to meet operating expenses; lack of focus on achievement of results and lack of accountability mechanisms of the district health system; modest managerial capacity at district level</li> <li>4) Strengthen normative functions of MOH: contract design and management, establishing a unified information system</li> </ol>
<b>OBJECTIVE OF THE RBF</b>	Increase utilization and improve the quality of health services with a particular focus on child and maternal health and communicable diseases
<b>BENEFICIARIES</b>	<ol style="list-style-type: none"> <li>1) District health teams and managers; NGOs (health workers); health facilities (health workers)</li> <li>2) Project will be initiated in 3 provinces (North-West, Littoral, South-West), which benefit from Special Funds For Health Promotion (established with the help of the German bilateral cooperation to ensure availability of drugs in all facilities), and will be subsequently scaled up to 7 other provinces once funds are established</li> <li>3) During the first 12 to 18 months, up to 25 districts in the 3 provinces will pilot the new approach and approximately 6 contracts will be signed between these Funds and NGOs managing health facilities in these provinces</li> </ol>
<b>INTERVENTION</b>	<ol style="list-style-type: none"> <li>I. District service delivery (\$20 million)                             <ol style="list-style-type: none"> <li>1) Channeling financial resources to districts for operating resources to meet the daily requirements of a district health system (supervision, community outreach, recruitment of contractual staff, bonus payments, consumables)</li> <li>2) Pilot testing different approaches to performance-based contracting, including contracting of districts, NGOs and health facilities</li> <li>3) Pilot testing different approaches to strengthening district management, such as competitively recruiting private sector individuals</li> </ol> </li> <li>II. Institutional strengthening at national, provincial and district levels (\$5 million)                             <ol style="list-style-type: none"> <li>1) Setting up the institutional framework and systems and building capacity to prepare, negotiate, and manage contracts</li> <li>2) Put in place a unified information system to generate up to date and reliable financial and programmatic data</li> </ol> </li> </ol>
<b>TYPE AND AMOUNT OF INCENTIVE PROVIDED</b>	Performance bonuses to health workers, managers and teams; amount of incentive not yet calculated
<b>PAYMENT RULES AND MECHANISM</b>	See institutional and contracting arrangements below

Characteristic	Description
<b>INDICATORS AND TARGETS FOR RECEIVING PAYMENT</b>	<p><b>INDICATORS: TENTATIVE LIST</b></p> <ul style="list-style-type: none"> <li>Percentage of children immunized for DPT3 (&lt; 12 months)</li> <li>Percentage of births attended by skilled professional</li> <li>Percentage of children under five sleeping under ITN night before the survey</li> <li>Tuberculosis treatment success rate (i.e., percentage of those who are smear positive who are successfully treated)</li> <li>Percentage of patients reporting satisfaction with health services</li> </ul> <p><b>TARGETS: BEING FINALIZED</b></p>
<b>MONITORING PROCESS</b>	<p>Routine health services data; public expenditure tracking surveys; special facility surveys to measure coverage, quality, provider knowledge and satisfaction on an annual basis, and possibly lot quality assurance sampling surveys</p> <p>The Special Funds for Health Promotion will monitor on a quarterly basis the implementation of the performance-based contracts and collect or coordinate data collection related to the contracted services</p> <p>The National Statistics Institute and other local research groups will be subcontracted to carry out the surveys</p> <p>To track performance of specific activities a complementary simple system for tracking project inputs and outputs will be established and managed by the unit in the MOH that will coordinate the joint donor program</p>
<b>PROCESS FOR VALIDATING ACHIEVEMENTS</b>	<p>Technical performance audits will be carried out on a random basis annually by independent auditors</p>
<b>INSTITUTIONAL ARRANGEMENTS AND ROLES</b>	<ol style="list-style-type: none"> <li>1) Secretary General of the MOH will coordinate the joint Health Sector Development Program, including the IDA-supported operation; an Operational Unit will ensure that technical directorates of the MOH provide support required for implementation of activities at provincial and district levels; a Steering Committee will have overall oversight and provide guidance on strategic issues</li> <li>2) Two designated accounts will be opened through the debt management department of the Treasury</li> <li>3) Funds will be allocated to each province and reflected in the approved national budget</li> <li>4) Special Funds for Health Promotion [SFHP] will play a major role in the channeling of resources to health districts, NGOs and facilities.</li> <li>5) Provincial health delegates will request that funds be disbursed to the bank account of the provincial funds twice a year</li> <li>6) Districts and NGOs will request that their bank accounts be replenished once a month and will provide supporting documentation to the SFHP</li> <li>7) Districts and NGOs will submit quarterly and annual reports on the implementation of their work plans and will submit annual accounts less than 3 months after the end of the fiscal year</li> <li>8) Accounts will be audited by independent auditors who will also audit the SFHP accounts</li> </ol>
<b>CONTRACTUAL ARRANGEMENTS</b>	<ol style="list-style-type: none"> <li>1) The purchaser will be the Special Funds for Health Promotion, which will review and approve development plans prepared by the districts and NGO facilities, enter into performance-based contracts with them, transfer the funds allocated by the MOH to districts and NGOs, and monitor implementation of the contracts.</li> <li>2) The contract will contain clear and specific indicators of success by which contractor performance will be measured, including coverage and quality of curative and preventive services, as well as process indicators</li> <li>3) The collection of data related to the contracted services will be carried out by the SFHPs, the provincial health delegates, or a third party, using the methods described above</li> <li>4) There will be specific and explicit consequences for the contractor based on the level of performance</li> <li>5) Any bonus payments provided to health workers or managers will be based on the following principles: transparency, relative contribution by the individual, penalties for instances of “gaming” the system</li> <li>6) Contractors will have as much autonomy as possible in how funds are used to strengthen service delivery</li> <li>7) Contracts will be built on the systematic quality improvement planning process that has been put in place and will allow districts to actually implement their own district health development plans.</li> </ol>

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EVALUATION STRATEGY AND RESULTS	<p>Household surveys, including a DHS in 2009, and various household and poverty surveys</p> <p>The National Statistics Institute (INS) and other local research groups will be subcontracted to support impact evaluations, especially of the performance contracting approach; impact evaluations not yet designed</p>
OTHER CHARACTERISTICS	<p>The strategies of targeting poorly performing districts and contracting their services have proven successful for the immunization program in Cameroon and will be expanded under the project to other high impact services in an effort to improve utilization and quality.</p>