



Contributing to Global Learning About Results-Based Financing (RBF): The Health Results Innovation Trust Fund

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Recent developments at the World Bank provide an opportunity for development partners with similar interests to work together to better understand how results-based financing schemes work and whether they are effective. The World Bank's Health Results Innovation Trust Fund is a multi-donor fund that supports eight competitively selected countries to design, implement, monitor, and evaluate health results-based financing (HRBF) mechanisms with the potential to accelerate progress toward the achievement of national health goals, especially those related to reducing child malnutrition, child mortality, and maternal mortality (MDGs 1c, 4 and 5, respectively). The Government of Norway is the first donor to contribute to the Fund, with an NOK 586 million grant (US\$95 million) for the period 2008–2012.

What does the Innovation Trust Fund hope to accomplish?

MEASURABLE PROGRESS TOWARD IMPROVED MATERNAL AND CHILD HEALTH OUTPUTS AND OUTCOMES IN 8 PILOT COUNTRIES

Five pilot countries will begin implementation in 2009 (Eritrea, Zambia, Rwanda, Afghanistan and DR Congo), two in 2010 (Benin and Kyrgyz Republic) and one in 2011 (Ghana). Each country receives \$400,000 for project design and preparation, which includes building political support, and, in some cases, testing institutional arrangements; \$9–11 million for implementation; \$60,000 annually for monitoring and supervision; and \$1 million for impact evaluation. As of July 2009, the eight project designs are at different stages of development. All pilots aim to improve coverage of the population with high quality maternal and child health (MCH) services, such as antenatal care, institutional delivery, postnatal care, and immunization.

1. The definition of RBF that the Trust Fund has adopted is as follows: a government tool for disbursing some portion of its health budget in cash or goods conditional on measurable actions taken or performance targets achieved to increase the provision and use of health services.

The range of RBF mechanisms that pilots support depend upon the key constraints to expanding coverage for high impact interventions in each country. If constraints are on the demand side, the pilots encourage and enable mothers to use MCH services and reward them, usually through direct payments, for using the services. If constraints are on the supply side, the pilots reward health facilities and often districts and provinces for good performance as reflected in a set of coverage and quality indicators. Some schemes combine demand- and supply-side mechanisms and most include beneficiaries at multiple levels in the health system.

While the RBF strategies chosen by each country have certain commonalities, each have very different design and implementation arrangements, which reflects the specific technical, institutional, and historical challenges of health service delivery in each country. All projects will be disbursing on the basis of results—as measured by changes in service indicators at different points in time. All will verify the consistency of reported results through independent audit, often involving both internal and external entities. The schemes are expected to be designed

in such a way as to be sustainable after the additional support ends.

NEW KNOWLEDGE ABOUT WHAT WORKS, WHAT DOESN'T, AND HOW TO DO IT WELL

All HRBF pilot countries made a commitment to share design, implementation, and outcome experiences and lessons learned. The starting point for each project is a "logic" model, which specifies the network of operational variables and their causal connections. These logic models provide the blueprint for designing robust monitoring and evaluation strategies. Each pilot includes monitoring activities that will provide governments and development partners with real-time information on progress and challenges in implementation. An informal network of support for monitoring HRBF has been created. This network provides assistance to country teams in HRBF design (e.g., developing logic models), implementation (guidance in different approaches to measuring, verifying, and validating results), overall project monitoring (tools for evaluating the process dimensions of the projects), and documentation of good practice and lessons learned.

Impact evaluations are incorporated into each project to determine the cost-effectiveness of HRBF with respect to provider and patient health-related behaviors, coverage of the population with high impact interventions, and health status. Each evaluation design is led by a Principal Investigator, who works in close collaboration with co-investigators, the government, and national research bodies. An international network of impact evaluation experts with skills in evaluation design, measurement, and cost-effectiveness provides demand-driven technical assistance to HRBF country teams in key areas, such as development of questionnaires and measurement tools, sampling, data collection protocols, cost estimation, and cost-effectiveness analysis. Comparability of methods will be addressed to the extent possible across pilot countries. The RBF Evaluation Network is collaborating closely with the Spanish Impact Evaluation Fund (SIEF) cluster of evaluations in pay for performance in health, which includes 5 rigorous impact evaluations in middle and lower income countries. The collaboration fosters cross-country learning and improved harmonization of questions, methods and measurement.

BROAD KNOWLEDGE DISSEMINATION AND SKILL DEVELOPMENT

An HRBF website will be a vehicle to disseminate widely what is learned through close monitoring and evaluation of HRBF project design and implementation. The website will not only provide a platform for sharing technical information and case studies, materials, and tools for designing and implementing HRBF schemes, but also will capitalize on the unique features of the internet to provide opportunities for interactive networking, discussion, and learning. The website will also contain a searchable on-line database of Bank projects that have results-based financing components. The website will be launched in July 2009.

The Fund also sponsors or co-sponsors regional and country workshops to increase practical knowledge about and develop skills in designing and implementing HRBF schemes. Four regional workshops for approximately 40 country teams have been held in Rwanda (June and October 2008, and February 2009), and in the Philippines (January 2009). The workshops offered country teams an opportunity to explore, analyze, and outline a possible HRBF work program.

An Inter-agency Working Group on HRBF (IWG) for global level partners has been established under the auspices of the International Health Partnership (IHP+). The Working Group serves as a forum for learning about and disseminating what works or doesn't work in results-based financing, better responding to country demands as part of a larger health financing agenda, and working towards global understanding of the value and limitations of HRBF. The first three meetings were held in March 2008, December 2009, and April 2009. Participants to date have included USAID, the CDC, the Center for Global Development, CIDA, DFID, Fogarty International Center of the U.S. National Institutes of Health, the Bill & Melinda Gates Foundation, GAVI, NORAD, the Global Fund on AIDS, TB and Malaria, UNICEF, USAID and WHO. An IWG newsletter, which was launched in October 2008, appears every few months to draw members' attention to recent and upcoming activities and events related to HRBF, particularly those related to Trust Fund activities.

LEVERAGED IDA FUNDS AND INCREASED BANK OPERATIONAL CAPACITY

Large vertical donor flows for specific health goals, such as HIV/AIDS or immunization, are causing some governments

to reallocate IDA funds away from health and toward other sectors. Furthermore, targeted trust funds received and managed by the Bank have sometimes substituted for IDA resources, and trust fund-supported projects were sometimes designed and implemented separately from IDA operations. The HRBF Innovation Trust Fund hopes to overcome these problems by testing an approach that links it with IDA. The HRBF Fund explicitly requires that these trust fund grants be linked to existing or new IDA health sector projects. It provides funding support to prepare and supervise the grants, but stipulates that this funding must be incremental to the Bank budget allocated for the IDA operation in question.

There are two major benefits anticipated from this approach. The first is that grants will be managed within the Bank's operational framework, which includes management oversight and rigorous design and implementation support, and better aligned with broader country reforms and policies. The second is that the Fund will leverage additional IDA funds for health. Some initial positive results are already being seen. Of the first 10 countries who applied for HRBF funding, two governments put health back into the Country Assistance Strategy (CAS) and allocated IDA resources to health to be eligible for RBF grant funding. Overall, the \$55 million in grants funding allocated through the Trust Fund in CY08 resulted in approximately \$30-50 million in additional IDA allocations for HNP.

BETTER UNDERSTANDING OF THE VALUE, LIMITATIONS AND CHALLENGES OF HRBF

The Innovation Trust Fund provides small seed grants of \$50,000 to support national activities to explore HRBF in non-pilot countries. These grants support a wide range of activities that can catalyze interest in RBF and explore whether it may be useful in accelerating progress towards the MDGs. These include, but are not limited to, workshops, training of government officials, feasibility studies, analyses, and study tours. Applications for seed grants have been accepted on a rolling basis since November 2008. Lesotho, Liberia, Sierra Leone, Mongolia and India have received seed grant funds to date.