In 1999, USAID, with the assistance of Management Sciences for Health, piloted a performance-based contracting (PBC) scheme with three non-governmental organizations (NGOs), which provided health services to approximately 534,000 people. Originally, NGOs were reimbursed for documented expenditures. This approach was subsequently changed to one in which NGOs were paid, in part, based on the achievement of performance targets or outputs. The approach has further evolved and has been expanded to include 25 NGOs that were considered as of 2005 to be ready to implement a performance-based approach. As of March 2011, 27 NGOs and 16 public sites within six departmental directorates are supported under a performance-based approach.

This schematic illustrates the PBC scheme in Haiti whereby NGOs were contracted to manage existing health services. Initially the scheme relied on population-based surveys for verification but due to their costs and methodological constraints, these were replaced by a verification process conducted by an independent firm or consultant that relied on ensuring both the reliability and validity of routinely reporting service delivery data by NGOs. To ensure accurate reporting, the project team compared facility registers with the summary data reported to the project unit on a quarterly basis. In addition, select management indicators, such as drug management or the timely and correct submission of reports, were verified. In areas where weakness was identified, additional support is provided.

To ensure that women and children actually received services that they were reported to have received, the project team together with an independent firm selected a sample of clients from the registers and visited their households at the end of the contract. The findings from both methods were discussed with the NGOs and health facility staff. The main cause of discrepancies was reported to be a difference in the dates of service delivery. Moreover, under-reporting proved to be more prevalent than anticipated over-reporting.

The schematic walks through the different steps taken in the Haiti PBC model in relation to contracting, verification and payment while highlighting the different actors involved in the process. Further descriptive information can be found in Verification at a Glance, by editors: Joseph F. Naimoli and Petra Vergeer at: http://www.rbfhealth.org/rbfhealth/library/doc/309/verification-glance
HAITI

1. One year fixed Price Subcontract with all NGOs

2. Routine supervision


4. PU conducts quarterly routine supervision:
   - assessing health services and management indicators
   - verifying two agreed upon and one randomly chosen indicators in registers
   - provision of TA in areas where weaknesses identified

5. PU Contracts IF

6. At the end of the contract, IF verify on a random sample of children and women drawn from registers that services were delivered

7. Report on data verification

8. Additional payment linked to specific deliverables (95% fixed) and bonus, up to 10% of contract amount

- Verification/supervision
- Request submission
- Funds transfer
- Doc/report transfer
- Feedback to structures

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