

PROJECT STATUS REPORT

JANUARY 2013 - JUNE 2013

SECTION 1: PROJECT SUMMARY

PROJECT NAME: Micro finance Integrated Business Model for Health Services

Project Number: RG-M1207 - Operation Number: ATN/ME-13183-RG

Result: Develop and expand sustainable business models providing health services through MFIs to low-income women in Nicaragua, Honduras, Ecuador and Haiti.

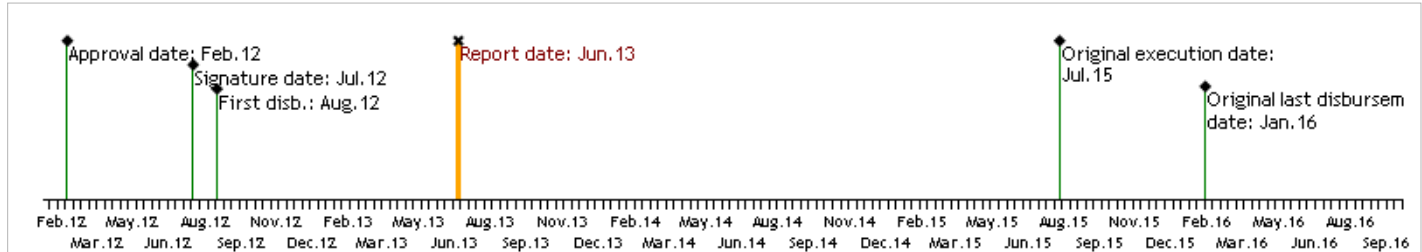
Country Administrator
UNITED STATES

Beneficiary Country
ECUADOR, HAITI, NICARAGUA

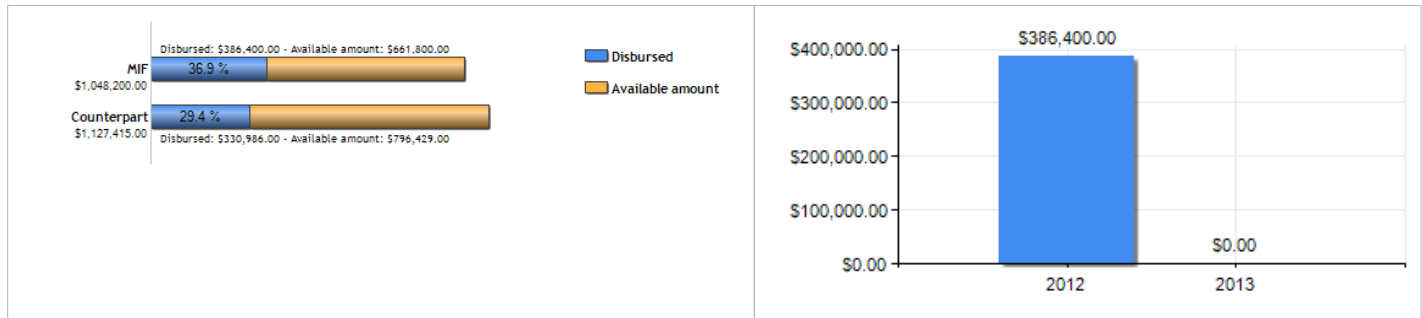
Executing Agency:

Design Team Leader: Bloomgarden, David
Supervision Team Leader: Bloomgarden, David

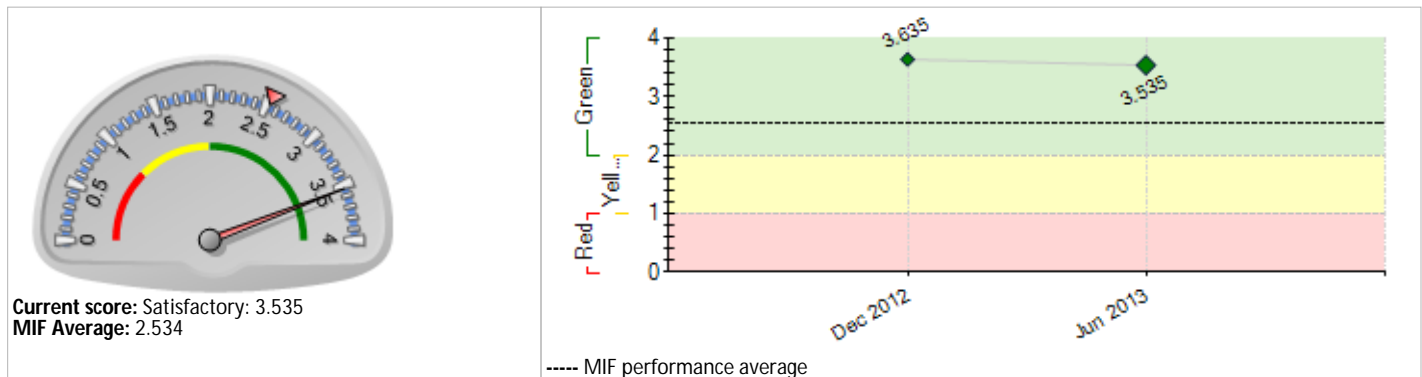
TIMELINE



FUNDS



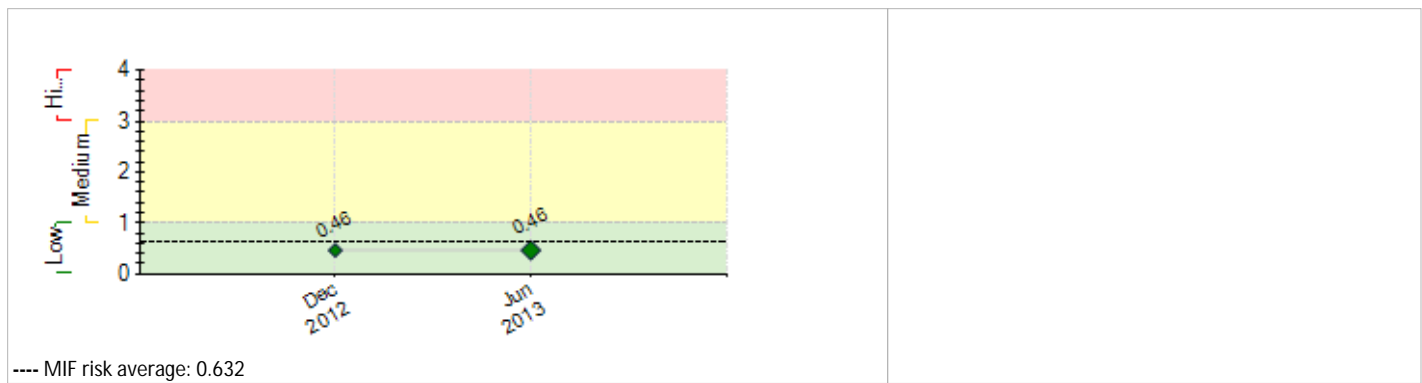
PERFORMANCE SCORE



EXTERNAL RISKS

INSTITUTIONAL CAPACITY

Risk
Financial Management: Low
Procurement: Low
Technical Capacity: Low



SECTION 2: PERFORMANCE

Summary of project performance since inception

In the past six months the GP team made six trips to four countries, started two pilots in Honduras (COMIXMUL) and Ecuador (Espoir), and disbursed \$84,653 to two partners. GP continues to advance the project, which now includes four partners Pro Mujer Nicaragua (PMN), Fonkoze (Haiti), COMIXMUL (Honduras), and Espoir (Ecuador). Specifically, PMN has expanded the preventive education and basic screening components to all its branches, and most significantly, expanded the optional consults package to a second branch, Masaya, and PMN has finalized an expansion to reach all of their branches by early 2015. Over the last year at Fonkoze, the pilot in the Limbe branch has demonstrated clients really value the monthly health education sessions and the fact they have access to a Fonkoze staff nurse for basic screening and to consult for a variety of health-related questions. Fonkoze expanded the education and screening components to a second branch, Ganthier, however, we continue to work on the primary care consults component which has proven to be more complicated. GP plans to visit Fonkoze in July to work some of program issues. COMIXMUL launched its program in January starting with the stocking of 201 rural pharmacies. The initial stocking took longer than expected, and GP visited twice during the quarter to make adjustments to the model. In March GP signed a memorandum of understanding with Espoir and started piloting shortly after.

Comments from the Supervision Team Leader

Agree with the Executing Agency comments

Summary of project performance in the last six months

As of June 30th our partners had 57,146 individuals enrolled in their health programs and two additional pilot programs were launched for a total of four. One of the two major challenges we addressed this semester in working with Fonkoze was finding a way to ensure 100% compliance with mandatory payments. This was largely due to the fact that the education and screening component of the program was initially presented to clients as optional, and not mandatory. Although clients reported in focus groups that they would pay for this (roughly a \$1 /month) only about 11% chose to do so. We worked closely with Fonkoze to come up with a reliable and equitable payment mechanism. Fonkoze will be presenting the recommendation to their board in September for approval. In the case of COMIXMUL we had some challenges and delays in getting the rural pharmacies stocked with a plan to replenish them in a timely manner with the correct medications. Specifically, we set sales targets that every individual pharmacy needed to hit monthly. As of the end of June monthly sales were still well below targets. Between January and June Global Partnerships (GP) staff visited twice to work with management and implementation staff recommending critical changes to ensure that the program stays on track. In the next six months GP will be focused on wrapping up three pilot projects and one expansion project while focusing on prepping all of the projects for the next phase of investment.

Comments from the Supervision Team Leader

Agree with the Executing Agency comments

SECTION 3: INDICATORS AND MILESTONES

Indicators		Baseline	Intermediate 1	Intermediate 2	Intermediate 3	Planned	Achieved	Status
Result: Develop and expand sustainable business models providing health services through MFIs to low-income women in Nicaragua, Honduras, Ecuador and Haiti.	P.11 Microfinance partners in 4 countries are delivering a package that includes some combination of preventive health education, early diagnostics exams, services and/or products to most or all of their low-income clients.	0	1 Oct 2013	2 Aug 2015		4 Oct 2015	2 Jun 2013	
	P.12 Percentage of low income women accessing improved health package services rate these services as satisfactory or better.	0				70 Oct 2015	1 Jun 2013	
	P.13 Low-income women have improved access to health services	0				75000 Oct 2015	0	
	P.14 Health Services models implemented by microfinance partners have achieved financial sustainability beyond their pilot zones	0				2 Oct 2015	0	
Component 1: Develop Sustainable Business Models Weight: 15% Classification: High Satisfactory	C1.11 Approval by MIF of standard partnership operational guidelines and performance indicators.					Jan 2014	Yes Jul 2012	Finished
	C1.12 Partners have clearly articulated health services packages that are ready to pilot in 1-2 branches.	0	3 Jul 2013			4 Oct 2015	4 Jun 2013	Finished
	Component 2: Pilot, Prove and Scale Sustainable Health Services Models							
	C2.11 Partners successfully finalized pilot implementation and is ready to scale the Health Services package to other zones beyond the defined pilot area.	0	1 Jul 2013	2 Jul 2014		4 Jun 2016	1 Jun 2013	

Weight: 75% Classification: High Satisfactory	C2.12 Partners started pilot implementation of Health Services packages.	0	1			3	2	
			Jul 2013			Jul 2015	Dec 2012	
	C2.13 MFI partners are delivering their Health Services package to 50% or more of their clients.	0	1			3		
Component 3: Communication, Learning and Catalyzing Weight: 10% Classification: High Satisfactory			Jul 2014			Jul 2015	Jun 2013	
	C2.14 MFI partners have proven sustainable business models that can deliver essential health services with financial sustainability in their pilot zones.	0				4		
						Jul 2014	Jun 2013	
	C3.11 Documented and disseminated learning around what are the key success criteria of integrated business models that effectively deliver essential health services to low-income women across 4 different country contexts.	0				1		
						Jul 2015	Jun 2013	
	C3.12 Pipeline of additional MFI partners developed who are interested in potentially adapting and implementing sustainable health services delivery models	0				1	1	Finished
						Jul 2015	Apr 2012	

Milestones		Planned	Due Date	Achieved	Date achieved	Status
M0	Conditions Prior	1	Jan 2013	1	Jan 2013	Achieved
M1	Partner health services package assessments conducted by GP	2	Jul 2013	3	Jan 2013	Achieved
M2	[*] Low income women enrolled in health services packages	10000	Jan 2014	57146	Jun 2013	Achieved
M3	MFI partners have successfully finalized pilot implementation and have initiated expansion of their Health Services package to other zones.	2	Jul 2014	1	Apr 2013	
M4	At least 30,000 low income women are enrolled in health services packages	30000	Jan 2015	57146	Jun 2013	Achieved

[*] Indicate that the milestone has been reformulated

CRITICAL ISSUES THAT HAVE AFFECTED PERFORMANCE*[None reported in this period]***SECTION 4: RISKS****MOST IMPORTANT RISKS AFFECTING FUTURE PERFORMANCE**

	Level	Mitigation action	Responsible
1. The macro and political environment in the four countries of operation: Nicaragua, Haiti, Honduras, and Ecuador, as well as the broader region, may not remain supportive of the private micro-finance sector broadly speaking, which may affect the financial viability of the MFIs and Cooperatives to remain viable.	Low	To offset this risk, project staff will seek to engage health officials through consultations and seminars associated with this program to demonstrate results and maintain support for this initiative.	Invitado Proyecto
2. Regional conferences targeting MFI and/or Cooperative audiences may not prioritize MF and Health business models as part of their broader agenda.	Low	To mitigate this risk, GP has budgeted for one regional workshop in its project, and plans to co-convene and organize the referenced workshop together with MIF in forums such as FOROMIC to improve chances of success. GP will of course be open to participating in additional conferences and workshops that include the topic of sustainable business models that successfully deliver health services as they occur.	Invitado Proyecto
3. Much of the knowledge transfer and catalyzing activities depend on partner MFIs and Cooperatives remaining open to broad dissemination of their respective health models with other institutions in the public and private sectors.	Low	In order to mitigate this risk, Global Partnerships will continue to include "open sourcing" clauses in its partner agreements, and will continue to communicate clearly from the outset with each partner regarding the expectation that all aspects of the business model be available for sharing with other interested institutions and stakeholders.	Invitado Proyecto
4. Turnover of key health services staff due to "normal" (outside of MFI control) circumstances may delay implementation towards project targets.	Low	In order to mitigate this risk, consideration of the MFI's competitive position in the labor market is taken into consideration during the design of the health services business model, and a competitive compensation package as well as appropriate profile of personnel is built into the model's operational strategies. Key staff retention is a performance indicator that will be monitored as a "business outcome" indicator during pilot and expansion implementation.	Invitado Proyecto
5. A sufficient number of MFIs and/or Cooperatives may not be able to maintain the high level of strategic commitment to offer sustainable integral services, at scale, that is needed to fully achieve project objectives.	Low	In order to mitigate this risk, Global Partnerships began more than six months in advance of anticipated project approval to conduct exploratory visits with MFIs, using its screening and due diligence process, to complete at least two initial partner agreements signed prior to project approval. In addition, GP staff visits to project partners whenever possible involve both CEO and Board entry and exit interviews to ensure that senior leadership continues to be engaged in and supportive of the project.	Invitado Proyecto

PROJECT RISK LEVEL: Low TOTAL NUMBER OF RISKS: 6 IN EFFECT RISKS: 6 NOT IN EFFECT RISKS: 0 MITIGATED RISKS: 0

SECTION 5: SUSTAINABILITY**Likelihood of project sustainability after project completion:** HP - Highly Probable**CRITICAL ISSUES THAT MAY AFFECT PROJECT SUSTAINABILITY***[None reported in this period]*

Actions related to sustainability which will be or have been implemented:

During the past quarter Global Partnerships (GP) worked closely with two partners to help them continue on the path of reaching sustainability. First we worked closely with Fonkoze. The education and screening component of Fonkoze's health program was designed to be mandatory, and in fact, only if everyone contributes can the cost per client be as low as possible (about \$1/month on average) and can the program cover all the operating costs. For these reasons we performed an analysis and recommendation for the most efficient payment mechanism that guaranteed 100% participation. Fonkoze will present this to the board in September. Secondly, we worked closely with COMIXMUL to ensure that the rural pharmacies were reaching the sales targets necessary for program sustainability. GP staff made two trips to COMIXMUL to work with them to adjust margins, work out supply chain issues, communication strategies and ensure that all of the program costs were included at scale. COMIXMUL is making adjustments to the program and we hope to see a positive change in the upcoming semester.

SECTION 6: PRACTICAL LESSONS

	Relative to	Author
1. The scaling of medical consults seems to be slowest when directly delivering services; however, it allows for consistent provision of high quality services and controls for costs.	Implementation	Henry, Sarah
2. Negotiating alliances with existing providers for services should be faster, but also comes with less control over quality.	Implementation	Henry, Sarah
3. Clients greatly appreciate the ability to pre-pay for services as it eliminates the liquidity barrier to accessing services.	Implementation	Henry, Sarah
4. Management has to be dedicated and focused on making health a top priority for the institution. This includes limiting involvement in other areas and making financial decisions to ensure sustainability.	Sustainability	Henry, Sarah
5. Utilization of existing resources and "touch points" is integral to reaching both scale and sustainability.	Sustainability	Henry, Sarah
6. Education and basic screening components seem to scale far more easily and reach sustainability faster than other components. This is due to the lower cost per client, and delivery channels that piggyback on existing financial services touch points.	Implementation	Henry, Sarah
7. That the design phase takes much longer than anticipated. We originally estimated 3-6 months and it takes more like 9-12 months.	Design	Henry, Sarah