

## Independent Monitoring and Evaluation of Contracted Health Services Leads to Improved Outcomes in Rural Areas of Afghanistan



{This article is an abridged version of the submission on “Independent Monitoring and Evaluation of Contracted Health Services Leads to Improved Outcomes in Rural Areas of Afghanistan” made by Mr. Khwaja Mir Islam SAEED, Head of GCMU, Ministry of Public Health, Kabul, Afghanistan, for the South Asia Procurement Innovation Awards.}



### Summary

Afghanistan's Ministry of Public Health (MoPH), through its Grants and Service Contracts Management Unit (GCMU), is using contractors to provide health services to the Afghan people. To ensure efficacy and efficiency of these services, the ministry has taken the international competitive bid route to implement a Third Party Monitoring and Evaluation project. The project has turned out to be a novel mechanism for collecting good quality and independently verified information. This has ensured proper monitoring of

both the overall achievement of the health sector as well as performance of individual contracted service providers. The Third Party monitors a range of processes and outcome indicators involving the entire health sector. Data thus collected is used to evaluate performance and pay health service providers accordingly. Third Party monitoring has also generated trust and confidence within the public regarding the health services they are getting.

Maternal Mortality Rate (MMR) of 1,600 per 100,000 live births in 2002 has come down to 396 in 2015.

The under 5 years' mortality rate has dropped 60 percent from 137 per 1,000 live births in 2002 to 55 in 2016.

Births attended by skilled health personnel increased to 58 percent from 14.3 percent.

Helped the GCMU and NGOs to develop action plans for bringing improvements in the main health indicators.

## Background

In 2003, the Afghanistan Government decided to limit its role in health sector to one of stewardship, involving policy setting, regulation and monitoring. Provision of actual services has since been contracted out according to specifications of the MoPH. This system was first introduced in all primary health care services and later followed by first and secondary hospitals in the country. To monitor the effects of this large scale contracting out of health service provision, the MoPH, through the GCMU, designed an independent Third Party Monitoring and Evaluation project, for which a firm was contracted after international competitive bidding. The reach of the Third Party, appointed in 2015, is country wide and includes less secure areas or areas with limited access for government staff.

## Challenges Addressed

Functions of the Third Party in the most recent contract include:

1. Health Management Information

System and Health Facility Functionality Verification: Takes place every half year. It directly monitors achievements of all contracted Non-State providers, who are paid based on their performance and functionality verification.

2. National Health Facility Assessment with the use of a Balanced Scorecard: Takes place on an annual basis. The purpose is to summarize the performance of Afghanistan's provinces in delivery of the Basic Package of Health Services (BPHS) as well as the Essential Package of Hospital Services (EPHS). This provides policy and decision makers evidence with regard to areas of strengths and weaknesses.
3. National Afghan Household Survey (AHS): The AHS is to measure key health and nutrition sector indicators within the population of all provinces through a random survey of



---

24,000 households.

4. Drug Quality Assessments (DQA):  
The annual DQAs assess the quality of drugs as collected from a sample of health facilities throughout the country, including laboratories.

### Impacts Generated

Third Party Monitoring and Evaluation has provided good quality information, which has enabled Government of Afghanistan to improve health outcomes. For example, the Maternal Mortality Rate (MMR) of 1,600 per 100,000 live births in 2002 has

### Level of Innovation

To improve performance of contractors (normally NGOs) in delivering health services, the GCMU has moved away from payment of a basic fee to an incentive system, where payment is based on performance. In the new system, 10% of the contracted amount is paid against verification of parameters set in the MoPH's Health Management Information System (HMIS). Another 10% payment is against the functionality of health systems, as attested by a Third Party Monitor contracted by the GCMU. The final 80% of payment is made



come down to 396 in 2015; the under 5 years' mortality rate has dropped 60 percent from 137 per 1,000 live births in 2002 to 55 in 2016. Births attended by skilled health personnel increased to 58 percent from 14.3 percent over the same period. Third Party data has helped the GCMU and NGOs to develop action plans for bringing improvements in the main health indicators. The immediate impact has been improvement in health services and identification of deficiencies. These assist donors and MoPH in understanding the overall status and focus on gaps that need to be bridged.

following submission of a quarterly technical report. All these three actions involve a specific level of performance before payment is made.

The third party monitoring system has improved monitoring of contractors in the delivery of health services, particularly in remote areas. The concept is innovative. Even though it requires an additional cost for monitoring activities, it is outweighed by the benefit of ensuring proper health delivery to provinces. Introduction of a performance-based payments system has provided more value for money.

## Scalability and Sustainability

These innovative ideas have been studied and applied in other countries as well to achieve better outcomes in their health procurement, particularly when they are operating in difficult and fragile environments and performance requires measurement and improvement. Contracts with service providers, mostly international and local NGOs, one or more per province, are based on a competitive bidding process and are handled by Grants and Service Contracts Management Unit of MoPH. Current evidence shows that in the long run, there is sufficient improvement when hiring a third party to monitor health services. It is possible to make this innovation part of all public procurement service offices, including works, goods, and consultancy and non-consultancy services in similar and even non-similar settings.

### Lessons Learned

Despite the progress made, the MoPH has faced challenges when implementing third party evaluation.

Delays in carrying out planned activities and late submission of deliverables/ reports are the main challenges during contract execution with the 3rd party, which undermines operational needs of the MoPH.

When viewed holistically, however, procuring and contracting a third party monitoring system has heralded widespread changes in quality of health service delivery.

The country-wide contracting out of health services is unique in the world. It shows overall good results in terms of increased access to health services and improved health indicators.

However, effective and regular monitoring is necessary to ensure that health services are delivered successfully throughout the 34 provinces of Afghanistan. Many of these provinces are in remote and security-sensitive locations; hence health service delivery is difficult and knowing whether the contractor is delivering satisfactory services is a major issue.

While MoPH is committed towards monitoring activities of the public health facilities, independent performance evaluation of BPHS and EPHS services is equally important.

Independent collection of data and information related to health services will help remove potential biases that may arise while reporting performance of NGOs. Therefore, MoPH is committed to engaging an independent evaluator to objectively assess performance and progress in delivery of health services in Afghanistan.



