Verification in Performance-Based Financing

CONTEXT

As we all know, verification is the cornerstone of Performance Based Financing (PBF). It guarantees the reliability of results purchased through PBF and determines the size of financial resources to health care providers. Implemented in an environment where governance and information systems are generally weak, the verification function ensures the credibility of PBF with all stakeholders.

In a context of scarce resources, policy-makers and their partners need to pay particular attention to the efficiency of strategies and programs to strengthen the health system. With respect to PBF, this means drafting procedures ensuring that the actors involved in its implementation, in particular those in charge of verification, can carry out their work without incurring excessive costs.

In fact, the viability of PBF programs cannot be guaranteed without a fundamental review of the transaction costs they induce. Verification accounts for a large part of these costs. However, PBF program steering committees may have difficulties in setting up verification methods to balance the requirement for control with the objective of efficiency.

These difficulties may be due to several factors: (i) lack of clarity about the verification function and its objectives, (ii) an aversion to overpayment risk among decision makers, (iii) a lack of analyses allowing for the refocusing of activities of verifiers based on the data collected in the field, etc.

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JUSTIFICATION

The organization of a workshop on verification and PBF is a follow-up to the activities undertaken by the Collectivity working group during its first phase of work initiated in March 2017. The objective of this first phase was to define the concept of verification and to understand the different ways in which it is implemented in several countries. To do so, a country questionnaire was developed and sent to all members of the working group.

In the course of this analysis, particular attention was paid to the verification efforts in the PBF programs under review. The results show that in most countries verification activities cover all health facilities. Moreover, in an environment where data mobility remains low, they require the passage of controllers within health structures on a mostly monthly basis.

This intensity of verification measures, because of their scope and frequency, require time and resources (both human and financial). Based on this, PBF schemes such as that of Zimbabwe show that alternatives exist. In Zimbabwe, this alternative has been to develop a “risk-based verification” model. This however requires specific capabilities and the conduct of genuine analysis of verification data.

In view of the challenges posed by the sustainability of PBF programs, and bearing in mind the importance of the verification activities and their associated costs, we believe it is important to set up a learning agenda around this issue by bringing together African experts who play an important role in the design and conduct of PBF programs in the countries in which they work.

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The objective of the workshop will be to exchange and share experiences in the field of verification, with the goal of identifying feasible technical solutions to improve the efficiency of verification procedures in PBF schemes. As such, particular emphasis will be placed on the concept of ‘risk’ and its involvement in verification.

More specifically, this workshop aims to:
- Contribute to clarifying the concept of verification
- Discuss the risks which verification procedures seek to reduce
- Discuss the challenges and barriers to reform in verification procedures
- Develop next steps for the Collectivity working group

The workshop will focus on four themes:
1. Key issues around verification in PBF schemes
2. The concept of verification, and the notion of risk: nature and measurement
3. Verification and risk management: when and how?
4. Which strategy/strategies to initiate reforms in verification procedures?

The workshop will be for one day on 13th September 2017 in Brussels, in the offices of AEDES.

The workshop will be organized around collective brainstorming sessions and group work on the themes above. The focus will be on interactive exchanges between participants. The results of the group work will be shared in plenary sessions.

The workshop will allow participants to share their knowledge on key issues in verification. They will be better informed on potential strategies to reduce the cost of verification, including risk-based verification approaches (avantages et disadvantages).

Based on this information, it is expected that participants will be better positioned to contribute to reform of PBF schemes in their respective countries, and short of that will be able to integrate risk evaluation tools in their PBF payment control activities.

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IN COLLABORATION WITH

AN ACTIVITY PROPOSED BY

COLLECTIVITY

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