**Evaluating the Evidence on the Efficiency of Performance-Based Financing in Lower Income Countries**

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**BACKGROUND**

What is Performance Based-Financing (PBF)?

It is a conditional payment made to healthcare providers after predefined performance results have been attained and verified. Financial incentives are expected to motivate providers to improve healthcare services.

There is a rapid expansion of PBF in low- and middle-income countries (LMICs) to improve healthcare services.

![PBF In LMICs](www.equitesante.org/helpburkina/vulgarisation/)

**Does PBF increase efficiency?**

Some stakeholders argue that PBF in LMICs can increase efficiency [1]. We consider PBF to be efficient when improved care quality is achieved with equal or lower costs, or when the same quality of care is achieved using less financial resources. It is urgent to determine if this is supported by empirical evidence.

**Objective:** to identify and analyze the evidence regarding the efficiency of PBF in LMICs.

**METHODS**

### Design

A rapid review was conducted because it [2]:
- uses streamlined methods to select articles
- requires limited resources (e.g., time, manpower)
- informs decision makers in a timely manner!
- can follow a rigorous and systematic procedure

### Search Strategy

**Previous systematic reviews:** We screened the reference lists of 2 systematic reviews that did not focus on LMICs [3,4] to cover publications between Jan. 2000 and Sept. 2012.

**Databases:** We used Mesh terms and descriptors in PubMed and Econlit to identify relevant articles published between Jan. 2000 and June 2014. We also used Google and Google Scholar to review the grey literature.

**Unpublished results:** Health economics experts were contacted to request information on additional studies.

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<th>Inclusion criteria</th>
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<tr>
<td>Language</td>
<td>English, French</td>
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<tr>
<td>Publication type</td>
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<td>Study type</td>
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<td>Economic evaluation type</td>
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**Appraisal of the evidence**

Inspired by Drummond et al.’s evaluation method [5], we decided to accept the proposition that PBF is empirically proven to be an efficient intervention in LMICs if 6 criteria were met in the literature (see results).

**RESULTS**

**Strength of the evidence**

1. **Was the efficiency of PBF demonstrated empirically?** No! None of the articles were full economic evaluations that established a clear link between costs and outcomes.

2. **Was the effectiveness of PBF assessed using rigorous designs?** No! Only one study used a randomized control trial.

3. **Were different interventions compared?** Most studies compared the PBF program to the status quo. Important alternatives to strengthen the systems were not used as comparisons (e.g., feedback, training).

4. **Were the costs and consequences measured longitudinally?** The time periods covered ranged from 2 to 7 years.

5. **Did the studies consider all important costs and consequences?** The majority of studies examined the immediate/direct financial costs and consequences of PBF. Some important costs (e.g., time invested to monitor) and unintended effects (e.g., reduction of services not rewarded) were not measured.

6. **Were the studies conducted in different countries?** The studies were conducted in 5 different LMICs. However, these countries are not representative of all LMICs.

PBF is not empirically proven to increase efficiency in LMICs!

**CONCLUSION**

The strength of the evidence regarding the efficiency of PBF in LMIC countries is low.

**Future studies should:**
- employ stronger designs that make direct links between costs and consequences
- compare the efficiency of PBF with different interventions to strengthen the health care system
- consider the evolution of costs and consequences over time

**Implication for policy:** Stakeholders should consider the lack of empirical evidence regarding the efficiency of PBF in LMICs before widely implementing this approach.

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**REFERENCES**


