



Rewarding Provider Performance to Enable a Healthy Start to Life: Evidence from Argentina's Plan Nacer

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Country	Argentina
Organizing Theme	Women's Health
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Abstract	<p>Argentina's Plan Nacer provides insurance for maternal and child health care to uninsured families. The program allocates funding to provinces based on enrollment of beneficiaries and adds performance incentives based on indicators of the use and quality of maternal and child health care services and health outcomes. The provinces use these resources to pay health facilities to provide maternal and child health care services to beneficiaries. This paper analyzes the impact of Plan Nacer on birth outcomes. The analysis uses data from the universe of birth records in seven Argentine provinces for 2004 to 2008 and exploits the geographic phasing in of Plan Nacer over time. The paper finds that the program increases the use and quality of prenatal care as measured by the number of visits and the probability of receiving a tetanus vaccine. Beneficiaries' probability of low birth-weight is estimated to be reduced by 19 percent. Beneficiaries have a 74 percent lower chance of in-hospital neonatal mortality in larger facilities and approximately half this reduction comes from preventing low birth weight and half from better postnatal care. The analysis finds that the cost of saving a disability-adjusted life year through the program was \$814, which is highly cost-effective compared with Argentina's \$6,075 gross domestic product per capita over this period. Although there are small negative spillover effects on prenatal care utilization of non-beneficiary populations in clinics covered by Plan Nacer, no spillover is found on their birth outcomes.</p>
Gender Connection	Gender Focused Intervention
Gender Outcomes	Pre-natal care, birth outcomes, mortality
IE Design	Natural Experiment (difference in difference analysis)
Intervention	<p>Plan Nacer uses an innovative pay-for-performance model (P4P) that provides incentives to the provinces to improve health outcomes by conditioning the financing not only on enrollment but also on the achievement of a specific set of indicators that include health outcomes. The provincial Plan Nacer programs then pass these incentives on to health clinics and hospitals by paying them for beneficiary use of maternal and child medical services at a quality indicated by the provision of clinical services that are appropriate to the purpose of a patient's visit.</p>



Intervention Period	2004-2012
Sample population	Pregnant women (n = 282042)
Comparison conditions	No treatment. Women visiting clinics for pregnancy checkups not enrolled in Plan Nacer
Unit of analysis	Pregnant women and births
Evaluation Period	2004-2008
Results	<p>Plan Nacer incentive-based model has had large positive effects on birth outcomes and is a promising model for emulation both within the Argentine health sector and internationally. The paper finds that the program increases the use and quality of prenatal care services as measured by the number of prenatal care visits and the probability of receiving a tetanus vaccine (as a measure of quality of care during those visits). In addition, it has a substantial improvement in birth outcomes. Specifically, the paper estimates that being a beneficiary reduces the probability of low birth weight by 19 percent and in-hospital neonatal mortality by 74 percent. About half the reduction in neonatal mortality comes from better prenatal care that prevents low birth weight and half from better postnatal care available to low-birth weight babies. The results also suggest that there are no negative spillovers onto the birth outcomes among the nonbeneficiary population receiving care in clinics covered by Plan Nacer. Overall, there is evidence that Plan Nacer is hugely cost-effective. The cost of a DALY saved through Plan Nacer's financing of maternal health services was \$814, which is hugely cost-effective in the Argentine context when compared to GDP per capita, \$6,075, over this period. Plan Nacer uses a relatively small amount of resources (2 to 4 percent of total expenditure) to provide incentives to health providers to use resources more efficiently and for higher-quality care to program beneficiaries.</p>
Primary study limitations	<p>While the study uses a high-quality data on birth outcomes, there is limited information on the use and quality of services that act as mediators between Plan Nacer and ultimate health impacts. Second, the neonatal mortality data are for a subset of the population. While the causal impacts are internally valid, they may not be completely externally valid. However, the neonatal mortality rates for the subsample used in our analyses are not different from the neonatal mortality rates for the region overall.</p>
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Reference(s)	Gertler, P., Giovagnoli, P., & Martinez, S., (2014). Rewarding Provider Performance to Enable a Healthy Start to Life: Evidence from Argentina's Plan Nacer, World Bank Policy Research Paper No. 6884
Link to Studies	http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2014/05/21/000158349_20140521140101/Rendered/PDF/WPS6884.pdf
Microdata	