

Exploring an Alternative Community Health Financing Approach A LANDSCAPE ASSESSMENT

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RESEARCH OBJECTIVES

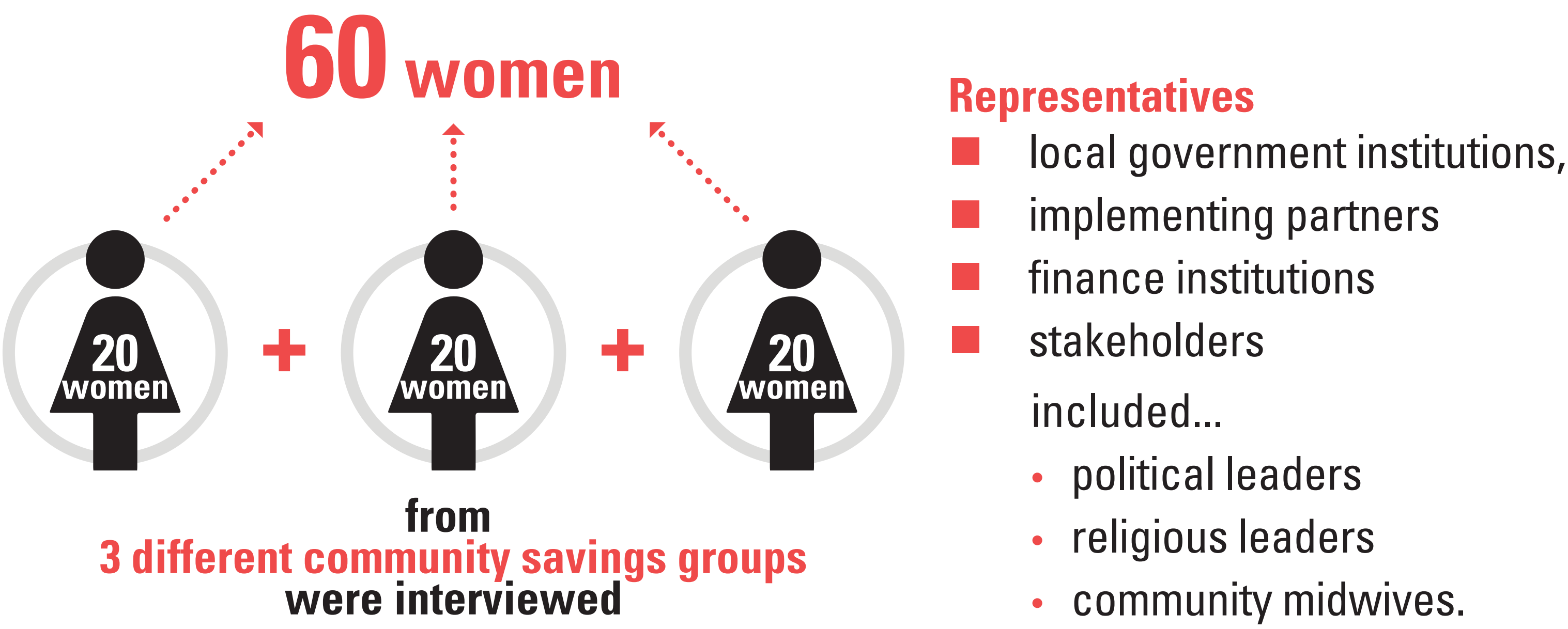
The Systems, Health, and Resiliency Project (SHARP) carried out an assessment to explore the ability and willingness of local communities to contribute to financing for, and facilitate access to, healthcare by raising domestic private resources. The purpose of the landscape assessment was to gain an in-depth understanding of past and current community savings schemes in Yemen and perspectives from both implementers, local stakeholders and participants. This would help determine if a savings scheme focused on promoting maternal and child health would be viable.



STUDY DESIGN

SHARP employed a qualitative study design. Data was collected from key informants and group discussants using key informant interviews, group discussions, and document reviews via:

- Two key informant interview guides for NGOs and local stakeholders
- One focused group (FGD) guide



PRINCIPAL FINDINGS

Organization's experience

The main reasons for success of the savings schemes were:

- Linkage with microfinance institutions.
- Existing culture of savings and loaning among group members
- Flexibility in the group savings (by shares)
- Ownership of income generating activities
- Literacy among group members
- Sets of rules, practices and principles that promote transparency and accountability
- Strong learning culture between saving groups and try to replicate best practices from one another
- Continuous follow-up and evaluation

The key challenges faced by organizations in implementing community savings were:

- Weak solidarity between group members due to their residing long distances from one another and thus having infrequent interactions
- Religious norms that prohibit interest on loans
- Lack of growth of the savings fund (commonly small amounts of savings)
- Discrepancy between ambitions to borrow and available funds
- Lack of a plan to diversify the groups' income sources to achieve financial sustainability
- Security turmoil in the country, which leads to meetings being canceled, especially in Aden.



PARTICIPANT'S EXPERIENCE

Motivational factors for people to join the savings scheme were:

- Desire to search for economic empowerment and the need to secure some source of employment.
- Desire to establish small income generating projects that benefit the community in general and the members in particular.
- Group members benefiting from financial return earned from the profits of group income generating projects.

A majority of members doubted the viability and community acceptance of a health-related scheme, which would focus mainly on the health of pregnant women and newborns. Respondents expressed members would potentially claim the right to financial support for other reasons which could cause conflict.

Success factors to be considered for health focused savings group:

- Emergency health services should form part of the group savings objectives in the event of a health emergency during pregnancy or childbirth.
- Savings groups should be encouraged to allocate part of their profit to cover health emergencies and develop health-related income-generating activities, such as pharmacies in villages to provide medicines for chronic patients.

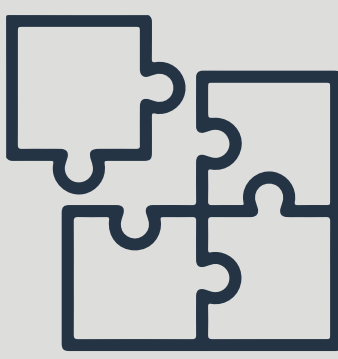
The findings showed that all savings activities implemented were joint activities that included livelihood and microfinance opportunities. Participants were interested in enrolling to improve their livelihood. Inflation and salary interruptions had negative impacts, while the provision of proper training and continuous monitoring by the supporting NGOs had a positive impact on the sustainability of the saving groups.

- Common challenges faced by most of the savings schemes
- Chronic group stagnation due to limited members' contributions (when the selected members are from poor families) and insufficient funds to lend to other deserving members;
- Religious norms that prohibit interest on loans;
- Lack of funding to develop and diversify income-generating activities that could help to achieve financial sustainability;
- Insecure situation due to personal safety because of the war, which often disrupts group activities; and
- Lack of transparency and accountability in the management of group finances.



CONCLUSIONS

- The assessment showed that people usually join savings and loan groups with the intention to improve their economic and living conditions.
- While those savings groups with links to microfinance institutions have high chances of success, members were still reluctant to take credits due to high interest rates and fear of inability to repay the loan.
- The financial returns from the scheme were very little and could barely support the participants' health care needs.
- There was a sense of skepticism on the viability and community acceptance of health-focused saving schemes targeting pregnant women and newborns alone.

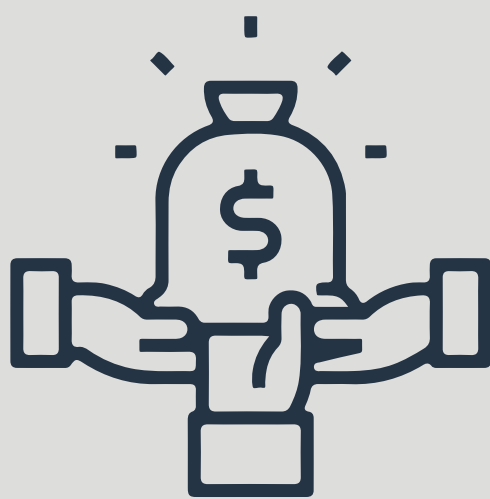


RELEVANCE TO POLICY AND PRACTICE

- Respondents felt that health-focused saving schemes focusing on pregnant women and newborns may be rejected by the community or members may end up claiming the right for financial support regardless of whether they have pregnant women or newborns in their household. Others felt that such a scheme would promote injustice to the rest of the other group members who may not require the health services. For health-focused saving schemes to be viable and get acceptance from

communities in the Yemeni setting that is experiencing rapidly deteriorating socio-economic contexts, the scheme may have to only consider homogenous groups that target only pregnant women and newborns excluding other community health priorities (chronic communicable and non-communicable diseases like cancer and stroke).

- There is a need to ensure that there is clarity among group members that MCH is one of the top priorities that has to benefit from the savings scheme.
- Considering the possibility of establishing a community savings scheme for a homogenous group of households/individuals (those households that have pregnant mothers and kids).
- There is a need for regular evaluation of the scheme through a learning and adaptive mindset.
- There is a need for continuous technical support and training.
- Explore the possibility of integrating health with the existing community saving schemes.



RESEARCH FUNDER

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