

Impact of Performance-Based Financing in a Low-Resource Setting: A Decade of Experience in Cambodia

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Abstract

This paper exploits the geographic expansion of performance-based financing (PBF) in Cambodia over a decade to estimate its effect on the utilization of maternal and child health services. PBF is estimated to raise the proportion of births occurring in incentivized public health facilities by 7.5 percentage points (25%). A substantial part of this effect arises from switching the location of institutional births from private to public facilities; there is no significant impact on deliveries supervised by a skilled birth attendant, nor is there any significant effect on neonatal mortality, antenatal care and vaccination rates. The impact on births in public facilities is much greater if PBF is accompanied by maternity vouchers that cover user fees, but there is no significant effect among the poorest women. Heterogeneous effects across schemes differing in design suggest that maintaining management authority within a health district while giving explicit service targets to facilities is more effective in raising utilization than contracting management to a non-governmental organization while denying it full autonomy and leaving financial penalties vague. Copyright © 2015 John Wiley & Sons, Ltd.

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