



Summa and the Instituto CentroAmericano de la Salud

Summary: A loan to a public health NGO can increase sustainability through cost recovery and increased institutional stability.

Background

The Instituto CentroAmericano de la Salud (ICAS) is a non-profit organization that operates in Central America. ICAS is dedicated to the improvement of the health of the population of Central America through training and research and program design and implementation. ICAS is pioneering the use of vouchers to expand access to reproductive health services for vulnerable groups, such as commercial sex workers, adolescents, and women at risk of cervical cancer. The vouchers are used to purchase services from private and public providers. The voucher programs create competition between providers to reduce costs and employ contractual mechanisms to guarantee quality and accountability.¹

In Nicaragua, ICAS is using vouchers to tackle a number of public health problems. While HIV/AIDS prevalence is still relatively low in Nicaragua, some experts believe that the country may be in the early stages of an epidemic. Strategies to reduce sexually transmitted infections (STIs) among high-risk populations, such as commercial sex workers, can lower their risk of contracting HIV/AIDS, thereby significantly reducing the spread of the infection within the general population. HIV prevalence in sex workers in

Nicaragua rose from 0.8 percent in 1991 to 2 percent in 1999, based on ICAS data. To tackle this problem, ICAS designed a program that distributes vouchers to commercial sex workers, entitling them to a basic health consultation, HIV/AIDS testing, STI testing and treatment, and preventive health education. Sex workers can redeem the vouchers at clinics whose staff have been trained and screened by ICAS.

Cervical cancer is another major health problem in Nicaragua. While cervical cancer is treatable, lower-income women are not routinely screened, and there are problems with laboratory diagnostic accuracy and follow-up of women with serious abnormalities. To address this problem, ICAS designed a project in Nicaragua to screen, detect, and treat precancerous cervical lesions in poor women. ICAS has packaged together the cost of a Pap test and any necessary follow-up treatment in a voucher called the GINECObono that is sold in clinics that have contracted with ICAS and whose staff have received training.

Adolescent reproductive health is another major health issue in Nicaragua. The fertility rate for adolescents is the highest in Central America, and adolescent pregnancy accounts for almost 28 percent of all pregnancies. This high adolescent fertility rate is a significant contributing factor to

Nicaragua's high maternal mortality rate. To address this issue, ICAS designed an adolescent reproductive health program that seeks to reduce the number of unintended pregnancies among adolescents through prevention and education. The project distributes vouchers to poor adolescents for a free appointment at a clinic that has contracted with ICAS. This project is testing the ability of a voucher program to reach a particularly vulnerable, hard-to-reach, and under-resourced group: poor adolescents with little or no schooling.

The Summa Foundation began talking with ICAS about how it could support this pioneering work. ICAS was interested in improving its sustainability so that it could continue operating its innovative public health programs in the future. ICAS applied to the Summa Foundation for a loan to purchase its Nicaragua headquarters.

Objective

The objective of the loan is to assist ICAS in increasing its sustainability. Property ownership will result in cost savings that can be used to strengthen ICAS's innovative voucher programs. The loan also will help ICAS to build equity, increasing its institutional stability.

¹ Sandiford P, M Salvetto, Z Segura, and A Gorter. 2000. Health Care for Female Sex-Workers. Managua, Nicaragua: ICAS.

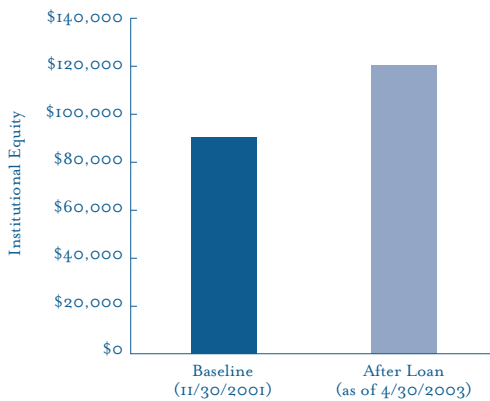
Loan Structure

Summa provided a direct loan to ICAS to purchase its Nicaragua office. ICAS made a down payment of almost 50 percent of the loan amount.

Outcomes

By improving its sustainability, the Summa loan is strengthening ICAS's ability to continue operation of its pioneering voucher programs. During the first year of the loan, ICAS's institutional equity increased to \$120,093 (see Figure 1). This will continue to increase over the loan term.

Figure 1. Change in institutional equity as a result of the loan



During the first year of the loan, ICAS significantly expanded its voucher programs, distributing 14,923 vouchers for the HIV/AIDS prevention program, which is four times the baseline. Also during this period, 863 STIs were treated. ICAS expects that there will be an average reduction of 4 percent per year in the prevalence rate of gonorrhea in the female sex worker population during the loan term. In addition, during the first year of the loan ICAS sold 12,792 vouchers for the cervical cancer prevention program, which is more than three times the baseline. During this period, 6,315 vouchers were redeemed, resulting in the detection of 115 high-grade cervical abnormalities and the treatment of 52 high-grade abnormalities.

More Information

For more information or to download a copy of this *Investment Brief*, please visit the Summa Foundation website at www.summafund.com.



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The Summa Foundation, a not-for-profit investment fund, provides financing and technical assistance to the private and commercial health sectors in developing countries. Summa's goal is to stimulate and expand the role of the private sector in the delivery of affordable health services and products. Summa considers proposals for a broad range of health projects, but focuses primarily on maternal and child health, including reproductive health and family planning.



Summa currently operates under the United States Agency for International Development's Commercial Market Strategies (CMS) project. Implemented by Deloitte Touche Tohmatsu (Contract No. HRN-C-00-98-00039-00) and subcontractors (Abt Associates, Inc. and Population Services International), CMS works throughout the developing world to expand the role of the private sector in the delivery of quality reproductive health care.



COMMERCIAL MARKET STRATEGIES
NEW DIRECTIONS IN REPRODUCTIVE HEALTH

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