



RESEARCH INSIGHTS

Saving Lives through a Maternity Micro-Savings Product in Kenya

This study examines a micro-savings program in Kenya aimed at helping women save money over time to access skilled maternal health care. The approach of using micro-savings accounts to finance maternity care appears promising, if steps can be taken to improve clients' understanding of card use and to encourage card uptake earlier in pregnancy.

Antenatal consultations and facility-based deliveries are critical in improving the health of women and children. However, less than half of all pregnant women in Kenya receive the WHO-recommended minimum of four antenatal consultations, and only 43 percent of births occur in health facilities. Because Kenya still lacks access to free maternity care and few Kenyans have health insurance, payment can be a significant barrier to adequate maternity care.

One strategy to facilitate use of maternal health care is through micro-savings programs that encourage families to make deposits, thereby accumulating the needed cash over the months prior to delivery. Changamka, a Kenyan micro-savings company established in 2008, has developed a "smartcard" program that can be used to accumulate savings to pay for health care at participating hospitals. The version of the card marketed specifically to maternal health care users was distributed and honored only at Nairobi's Pumwani Hospital, the largest maternity hospital in sub-Saharan Africa. The cost of the card was supported through fees paid to Changamka by the hospital, and services accessible through the card were not offered at a discount.

Methods

From 2011 to 2012, the SHOPS project conducted an evaluation to analyze the benefits, challenges, and potential opportunities associated with the Changamka savings program for maternal health.

This study relies on data from five sources: 1) a database of all Changamka maternal card transactions, 2) interviews with 190 women who used the card, 3) in-depth interviews with 30 of these users, 4) interviews with 1,405 women who did not use the card but live in the same neighborhoods as the card users and gave birth during the same period, and 5) in-depth interviews with 20 of those women.



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Key Findings

- High level of card uptake, but high discontinuation rates
- Card users typically obtained the card too late in their pregnancy to allow for significant savings
- Card users felt that the card was a safe, private, and convenient alternative to cash, and appreciated a health-dedicated savings vehicle
- Cost, transportation, and lack of respectful treatment are main reasons cited for home-based births
- Women who obtained the card were wealthier and more educated than their peers at the same facility

Findings

High level of card uptake, but high discontinuation rates

Throughout the 15 months of card availability, 2,883 women obtained the card, which was distributed at Pumwani Hospital. However, about 90 percent of them only used the card once. The most common reasons cited for discontinuation were lack of understanding of how to use the card (50 percent), lack of money to save (40 percent), and uncertainty about the facility in which to deliver (25 percent).

Card users typically obtained the card too late in their pregnancy to allow for significant savings

The average time between obtaining the card and delivery was 81 days (2.7 months), which required weekly average savings of \$3.45 to cover the cost of delivery. Obtaining the card this late in a user's pregnancy may not have left sufficient time to save for the full cost of delivery. If a user obtained the card around her eighth week of pregnancy, she would only have had to save an average of \$1.46 per week.

Card users felt that the card was a safe, private, and convenient alternative to cash, and appreciated a health-dedicated savings vehicle

Despite large-scale discontinuation, most card users expressed positive perceptions. For example, 87 percent noted that the card was more convenient than cash. Even though its use was not associated with discounted prices, 80 percent felt that it was safer than cash, and 25 percent agreed that the card helped prevent them from spending savings on other things, a sentiment frequently echoed in qualitative interviews.



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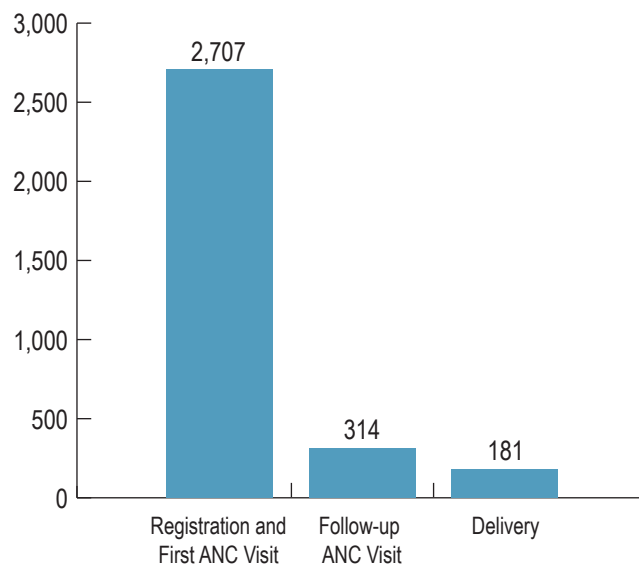
Cost, transportation, and perceived lack of respectful treatment are main reasons cited for home-based births

While most respondents (92 percent) had used a facility for their most recent delivery, they were asked about possible factors that discourage women from using a skilled care facility for delivery. The most commonly cited reasons were prohibitive cost (45 percent, the price of delivery at Pumwani was about \$40), difficulties in transportation during labor (31 percent), and disrespectful treatment of patients (28 percent).

Women who obtained the card were wealthier and more educated than their peers at the same facility

The study found that, although the costs of the card were borne entirely by the hospital, wealthier and more educated women were more likely to obtain the card than poorer and less educated women using the same facility. This presents a significant challenge: the card was designed to help poor women, but this socio-economic group may be slow to adopt technological and financial innovations such as the card.

High Uptake, High Discontinuation



Number of Maternal Services Purchased with Card

Notes: ANC = Antenatal care

This chart depicts card use data between July 2010 and October 2011.

Among 2,883 users who obtained a card, most (2,707) used it for registration and the first ANC visit, but some (176) did not.

Program Implications

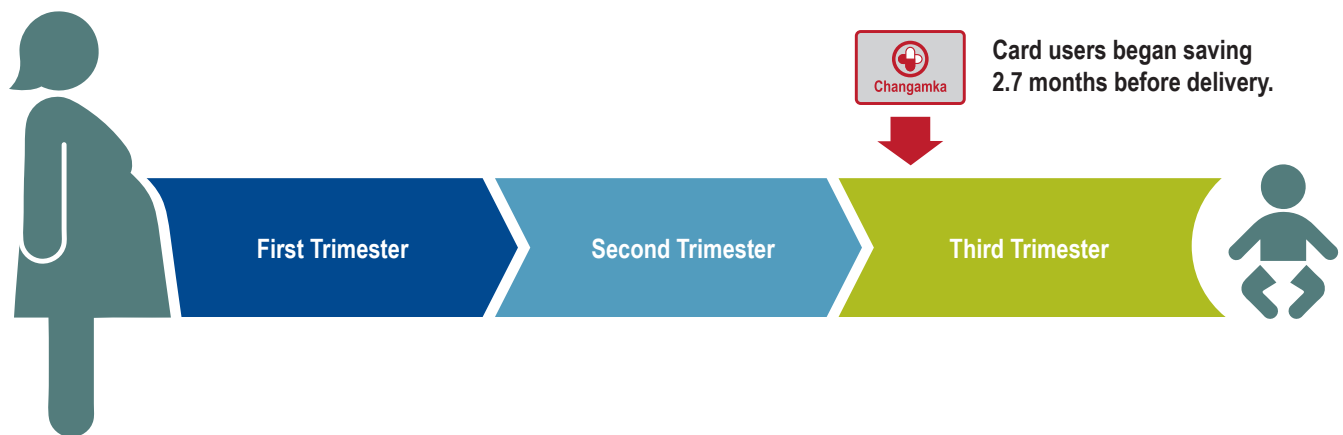
The high uptake of the Changamka maternity card and positive perceptions among users are promising developments for this form of health financing. Having access to a secure, health-dedicated savings vehicle offers many benefits to users, while its cashless nature may offer significant benefits to partner facilities. The large-scale discontinuation of the card, however, suggests that a number of implementation challenges remain to be addressed.

The most common reason cited for discontinuation of card use was a lack of understanding about the product. It is likely that improved information and support may help customers understand how to use the card. This information could be provided by on-site agents as well as through lower-cost platforms such as automated SMS to users' mobile phones. Discontinuation due to lack of facility options and, relatedly, transportation concerns, could be addressed through expanding the network of partner facilities across a wider geographic range.

While there is substantial evidence to suggest that consumers at lower socioeconomic status levels use savings mechanisms, these individuals may be too risk-averse to adopt newly introduced technologies, such as the Changamka card. It is likely that lower-income families—those who may benefit the most from savings mechanisms—will not be among the first to take up these programs. Reaching this socioeconomic group will require targeted marketing and more time.

Because these women tend to visit a health facility relatively late in their pregnancy, their ability to save sufficient funds would improve if the card was available outside a facility and could be obtained earlier. However, if smartcards—which cost roughly \$2—are distributed for free in the community and with little guarantee that they will be used, the implementing firm may incur financial losses and the product may not be sustainable. A solution to this dilemma may be in introducing mobile phone-based “virtual cards” that have little or no unit cost in distribution—an approach that Changamka is currently testing.

Users Obtained Card too Late to Allow for Significant Savings





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Full Report

Woodman, Ben, Thierry van Bastelaer, David Long, and Minki Chatterji. 2013. *Saving Money, Saving Lives: an Inquiry into a Micro-Savings Maternity Product in Kenya*. Bethesda, MD. Strengthening Health Outcomes through the Private Sector Project, Abt Associates.

Download this report at www.shopsproject.org.

This summary is based on research conducted by the SHOPS project. For more information, contact info@shopsproject.org.



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For more information about the SHOPS project, visit: www.shopsproject.org



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