



CASE STUDY

Improving Patient Subsidy Targeting in Afghanistan to Ensure Greatest Impact on Donor Funding

The USAID-funded Local Health System Sustainability (LHSS) project, implemented in Afghanistan by Abt Global, assessed equity measures on the ground, to find a practical tool to improve targeting of donor funding to those who need it most.



METRICS FOR MANAGEMENT



BACKGROUND

While the private health sector in Afghanistan has the potential to improve access to affordable healthcare for urban populations, high user fees and medical costs are significant barriers to care, especially for low-income individuals. This in turn jeopardizes progress toward universal health coverage.

With the goal of supporting transition to sustainable, self-financed health systems, the [Local Health System Sustainability \(LHSS\) project](#), implemented in Afghanistan by Abt Global, assists low- and middle-income countries and local stakeholders to reduce financial barriers to care and treatment, to ensure equitable access to essential health services, and to improve the quality of health services.

Abt has been working to increase private sector capacity to support healthcare in Afghanistan since 2016, and LHSS developed out of the USAID-funded Sustaining Health Outcomes through the Private Sector (SHOPS) Plus private-sector health work led by Abt. LHSS in Afghanistan works with partner organizations to increase access, quality, availability, and affordability of private sector health services for low-income urban communities, particularly women, following Taliban takeover in mid-2021. LHSS Afghanistan provides technical and grant support to six local private health organizations through a provider network model, assisting them to scale up existing patient subsidy schemes and increase equitable access to healthcare for disadvantaged populations.

As part of this collaborative work, LHSS identified a concern about the processes used to determine which patients are offered subsidies, reduced fees, and other financial support. These processes showed significant subjectivity and were not consistent throughout the network. There was concern that the available financial assistance was not being effectively targeted to those with the greatest need. Without a reliable, consistent, objective method for assessing wealth status, LHSS and their partners could not be certain they were contributing to equitable access to the greatest degree possible.



CHALLENGE: ENSURING DONOR'S FUNDS INCREASE ACCESS FOR THE POOREST PATIENTS

To support a change toward more accurate use of USAID funding to support poor populations, LHSS reviewed a number of wealth assessment tools to determine which might be a good fit for their work in Afghanistan. They knew that the selected tool needed to be easy for busy partner organizations to use, low cost to deploy over numerous partners and projects, and ideally, applicable to the wide variety to populations their partners may serve.

The other factor which worked in favor of the EquityTool was that it is based on ongoing surveys, whereas other tools, they were using very historical data.

Soumitra Ghosh, Chief of Party USAID LHSS Afghanistan

LHSS explored a range of poverty assessment tools to create a shortlist of tools suited to the Afghanistan context. This initial group of prospects included UNDP's Multidimensional Poverty Index and the World Bank's Multidimensional Poverty Measure. These tools, being macro in nature and therefore more appropriate for comparing wealth indexes across countries and timelines, were determined to be inappropriate for the programmatic and individual patient analysis LHSS was seeking.



PATIENT DISTRIBUTION BY GRANTEE, POP STRATA, AND WEALTH QUINTILES

	All	Pop Strata		Wealth Quintiles				
		Urban	Rural	Q1	Q2	Q3	Q4	Q5
Total Patients Seeking Assistance	445	292 (66%)	153 (34%)	73 (16%)	132 (30%)	106 (24%)	129 (29%)	5 (1%)
Total Patients Granted any Subsidy	417	276 (66%)	141 (34%)	72 (17%)	129 (31%)	93 (22%)	118 (28%)	5 (1%)

Source: USAID LHSS Afghanistan

Further review eliminated the Simple Poverty Scorecard® Poverty-Assessment Tool Afghanistan and the Progress Out of Poverty Index for this application. Because the EquityTool was simple and easy-to-use, able to measure relative wealth quintiles in both urban and rural populations, and it was developed from Afghanistan-specific measures and databases, LHSS felt EquityTool was the most promising option for field testing.

SOLUTION: IDENTIFYING A PRACTICAL WEALTH ASSESSMENT TOOL FOR THE AFGHAN CONTEXT

The [EquityTool](#) is a simple and easy-to-use tool that allows users to measure relative wealth by comparing the wealth of respondents to the national or urban-only population of the country. It provides a short set of questions that can be incorporated into any survey platform and is free to use. The short set of questions facilitates easy, fast, and inexpensive data collection and analysis of wealth distribution. This allows for fast and accurate comparisons across programs and populations into five wealth quintiles (quintile 1 is the poorest, quintile 5 the wealthiest). EquityTool data lets users make near real-time adjustments in program delivery that increase organizational effectiveness and strengthen program outcomes.

The short EquityTool survey, which can be completed in a few minutes, measures household wealth based on country-specific questions that can be adjusted to the context. It is available for over 65 countries and survey questions are pre-translated into many local languages. Each country-specific EquityTool questionnaire identifies what percentage of respondents are in each national or urban wealth quintile, and supplies the appropriate statistical code and assessment instructions for analysis. Compatible with any data collection platform – even paper-based systems – the EquityTool requires only six to 18 questions from the DHS Wealth Index for a respondent’s country, reducing the number of variables needed for accurate wealth assessment.

LHSS was particularly interested in the flexibility of the EquityTool to be used across a different platforms. Their partner organizations were largely using Excel for data analysis and EquityTool could be incorporated into facilities’ existing hospital management information systems. Despite the ease of back-end use, LHSS decided to make EquityTool even easier for front-end data collectors by working with their partner, [Greenstar](#), a Pakistani social marketing organization, to automate data analysis for computers and mobile telephones, enabling the tool to automatically generate patients’ wealth quintiles. Between 15 March and 31 May 2024, LHSS and partners piloted EquityTool in four partner health facilities, three based in Kabul, and one in Nangarhar, collecting data on patient classification by wealth quintiles and exploring grantees’ experience of applying the tool. In total, 445 patients who sought financial assistance were assessed. A key element of the study design was that each facility continued to use their standard process for patient selection for granting subsidies and determining the level of subsidy throughout the test period. Employing EquityTool to determine the wealth quintiles

of patients in parallel with business-as-usual need determinations by facility staff enabled the researchers to both validate the tool’s utility and assess the degree to which existing practice was or was not accurately assessing financial need.

We found this very relevant in the context of Afghanistan, where we are catering to both urban and rural.

**Soumitra Ghosh, Chief of Party USAID
LHSS Afghanistan**



RESULTS: TRANSFORMING THE WAY NEED IS DETERMINED AND SUBSIDIES ARE APPLIED

EquityTool analysis showed that 70% of patients seeking financial assistance who were screened during the pilot fell within the bottom three wealth quintiles. Analysis of subsidy decisions according to normal procedures showed that 94% were granted and 6% denied, with more patients from the bottom three wealth quintiles (61%) denied subsidies than their richer counterparts (39% denial rate for those in the top two wealth quintiles). At least 29% of patients who received subsidies were in the top two wealth quintiles. The study also found that the subsidy rate offered to the poorest and the richest patients was nearly equal - 28% to patients in the bottom three quintiles and 27% for those in higher quintiles. Finally, researchers noted that there was significant variation in the subsidization rate offered across grantees, varying from 19% to 70%.

AVERAGE SUBSIDY BY GRANTEE AND WEALTH QUINTILES

Grantees	All	Wealth Quintiles	
		Q 1-3	Q 4-5
Grantee 1	19%	20%	17%
Grantee 2	30%	30%	32%
Grantee 3	17%	15%	18%
Grantee 4	70%	73%	64%
Total	27%	28%	24%

Source: USAID LHSS Afghanistan

These findings validated the observation that lack of objectivity and inconsistency were affecting the quality of subsidy provision. LHSS partners determined that some subsidies for those in higher wealth quintiles were justified, for medical and business reasons, and LHSS supported this. However, as USAID funds were granted with the specific focus of increasing access for the poorest patients, it was agreed that the determination of need process should be based on the objective EquityTool analysis, and USAID funds should be focused only on patients in wealth quintiles 1-3, with priority given to women and children. Partners remain able to use their own, or other non-targeted funds to provide financial assistance to wealthier clients when they feel the need exists. As a result, a greater percentage of patients from quintiles 1-3 are now supported with subsidies, particularly women. The researchers expect that this will soon begin to attract new patients from these quintiles, enabling the program to more effectively serve low-income patients.

On the basis of this work, LHSS institutionalized EquityTool's application across their programs in Afghanistan, requiring all partners to apply EquityTool analysis in all subsidy determination processes, regardless of whether patients come from urban or rural catchment areas. LHSS also suggested partners establish a progressive subsidy range for each quintile, adjusting the subsidy as household wealth index decreases, rather than having a fixed subsidy per quintile, to enhance program efficiency. All partners have access to the automated program, and are being supported to apply it consistently for LHSS grant activities.

To further improve LHSS work in Afghanistan, the research team subsequently added details about the type of health problem, health services, and actual and subsidized cost of care for each patient, to the data collection automation, and translated the tool into Dari and Pashtu to ensure its adaptability to include both facility and community-based application. This enabled LHSS to ensure reporting of the number of patients eligible, proportion of them offered subsidy, average level of subsidy offered by wealth quintile, health problem and health services provided, by all partners through monthly dashboards. LHSS developed a training guide and user manual, including procedures for effective documentation of the patients' screening results.

NEXT STEPS

- Having improved evaluation of subsidies, LHSS will next be assessing health impacts for those in lower wealth quintiles now receiving subsidies.
- LHSS has developed a plan to scale EquityTool analysis across all their projects and make it mandatory for all new work.
- The donor, USAID, impressed with the success of the EquityTool work asked LHSS to consider how other areas of inequity such as disability, minority status, or displacement, might also be more effectively assessed to better inform program planning, strategy, and targeting.
- The current study has also informed thinking in a prior area of interest in the value of equity assessment that the lead research team had not been able to fully explore, and they are now considering further development of that concept for future studies.

Lessons Learned

1. Employing an objective wealth assessment tool enables facilities to streamline their selection criteria and target subsidies effectively.
2. Starting from an objective wealth assessment tool and collaborating with a network of partners enabled LHSS to tailor the best solution for their needs without a large investment.
3. Without an objective wealth measurement subsidies are less likely to effectively achieve their intended purpose.
4. Employing EquityTool assessment positioned LHSS as a partner offering donors practical, effective solutions.
5. EquityTool analysis provides a simple, widely applicable, wealth assessment solution grounded in country-specific data and well-suited to their need.

M4M can help you create data-driven insights. For more information contact partnerships@m4mgmt.org.



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