

THE UTKRISHT IMPACT BOND.

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—
IMPROVING MATERNAL
AND NEWBORN
HEALTH CARE IN
RAJASTHAN, INDIA



FAST FACTS

1

The *Utkrisht* impact bond is the world's first health development impact bond and the largest and most ambitious impact bond to date.

2

It is an example of how highly efficient use of capital can save lives. Interventions will reach up to 600,000 pregnant women with improved care during delivery and could lead to **up to 10,000 lives being saved over a five year period.**

3

It will improve the quality of maternal care in **Rajasthan's private health facilities** by supporting up to 440 Small Healthcare Organizations (SHCOs) to meet new government quality standards and adhere to them over the long term.

4

The *Utkrisht* impact bond is a partnership between UBS Optimus Foundation, Palladium, Population Services International, HLPPT, USAID, and MSD for Mothers.

5

It will complement existing Government initiatives, with the Government of Rajasthan acting in an oversight role, with a view to becoming the outcome payer in a second phase of the impact bond.

MATERNAL AND NEWBORN HEALTH IN RAJASTHAN

WHILST INDIA HAS SEEN A SIGNIFICANT REDUCTION IN MATERNAL AND NEWBORN MORTALITY RATES OVER THE PAST 25 YEARS, THE RATES ARE STILL HIGH BY GLOBAL STANDARDS.

MATERNAL MORTALITY

244 PER
100,000

LIVE BIRTHS

NEWBORN MORTALITY

47 PER
1,000

LIVE BIRTHS

MATERNAL MORTALITY
AND NEWBORN MORTALITY
RATES ARE

47% & 14%

ABOVE NATIONAL AVERAGE
RESPECTIVELY

AN ESTIMATED

80,000

BABIES DIE EVERY
YEAR IN RAJASTHAN

Maternal and newborn health figures sourced from the SRS Statistical Report 2013

Over the past decade there has been a significant shift from home births to hospital births, but efforts to improve the quality and consistency of care in hospitals have mainly concentrated on public providers.

Private facilities – used for over 25% of all institutional deliveries in Rajasthan – are filling the gaps in state maternal and newborn health provision and are utilized by women of all socio-economic backgrounds, but have not been a focus of improved quality of care. It is clear that if India is to further reduce its maternal and newborn mortality rate, improving standards and quality of care in private facilities must be prioritized.

3rd, 4th & 5th images above: Project Ujjwal, a UK Department for International Development project implemented by Palladium

WHAT IS THE *UTKRISHT* IMPACT BOND?

THE UTKRISHT IMPACT BOND – SO NAMED FOR THE HINDI FOR ‘EXCELLENCE’, AND PRONOUNCED ‘UT-KRISH-T’ – IS THE WORLD’S FIRST HEALTH DEVELOPMENT IMPACT BOND. IT WILL ALSO BE ONE OF THE LARGEST IMPACT BONDS IN OPERATION FOLLOWING ITS IMPLEMENTATION IN FEBRUARY 2018.

Impact bonds are an innovative way to finance development. They are 100% focused on outcomes and have the potential to leverage private investor capital to address some of the world’s greatest challenges.

The bond aims to reduce the number of mother and baby deaths by improving the quality of maternal care in Rajasthan’s health facilities. It will enable Indian NGOs PSI and HLPPT to support up to 440 Small Healthcare Organizations (SHCOs) to improve services, meet new government quality standards and adhere to them over the long term. The Utkrisht impact bond is also the first to be launched that uses genuine private capital raised from private investors, raising the bar in terms of a real-world application of something that has previously only been done in laboratory conditions with soft capital. With full adoption by the Indian Government as the potential next step, this bond will provide an essential intermediate step as proof of concept for healthcare interventions and outcomes-based contracts throughout India.

SO HOW DOES IT WORK IN PRACTICE?

For the Utkrisht bond, the **upfront funder**, UBS Optimus Foundation, provides the initial working capital so the service providers – PSI and HLPPT – can begin their work with the private facilities in Rajasthan. In a further innovation all implementation partners are also co-investors, between the three of them contributing more than 20% of the capital requirement. All parties will be treated equally, fully aligning the risks and rewards.

The outcome payers – USAID and MSD for Mothers – will pay back the investor the original amount invested, plus additional returns if predetermined targets are met.

Progress will be assessed regularly by **independent verifier** Mathematica throughout the three-year program.

The impact bond was designed by Palladium, who will also act as **the implementation manager** throughout the three-year term.

IMPROVING MATERNAL AND NEWBORN HEALTH THROUGH THE UTKRISHT IMPACT BOND

PSI, through its in-country network member, PSI-India, will work in 14 districts of Rajasthan. HLPPT will work in 19 districts of Rajasthan.

Both will use the tried and tested Engage, Launch and Support (ELS) quality improvement framework for use in the Utkrisht impact bond, to conduct mapping, engage private providers and provide capacity-building support. The ELS framework consists of three distinct levels of engagement across different levels of providers of maternal and newborn health services:

ENGAGE:



Get buy-in for DIB objectives at the facility level to ensure ownership.

LAUNCH:



Increase knowledge about Matritva quality standards, and the process for quality improvement.

SUPPORT:



Provide peer-to-peer coaching to achieve Matritva standards and create a continuous feedback loop for measurement of progress.



HLFPPT is an Indian charitable trust registered in 1992 and promoted by HLL Life Care Limited, a Government of India enterprise. HLPPT will play the role of an implementer to conduct mapping, engaging of private providers and provide handholding support through capacity building activities on NABH-SHCO and Manyata standards with the overall objective to improve quality of care.

The success of the *Utkrisht* impact bond will be judged on whether these healthcare facilities are ready to achieve the new certification standard developed by the National Accreditation Board of Hospitals and Healthcare Providers and the Federation of Obstetric and Gynaecological Societies of India. The new accreditation standards mean that for the first time, quality maternal care will be certified and fully transparent in private health facilities.

Looking beyond Rajasthan, the programme could be replicated and rolled out across the country, contributing to much improved maternal and neonatal care and reducing mother and child deaths significantly.

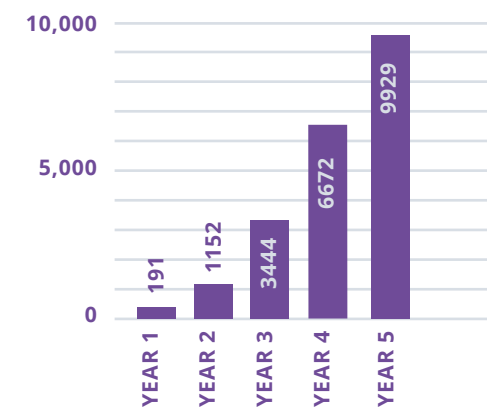
Image above: Project Ujjwal, a UK Department for International Development project implemented by Palladium

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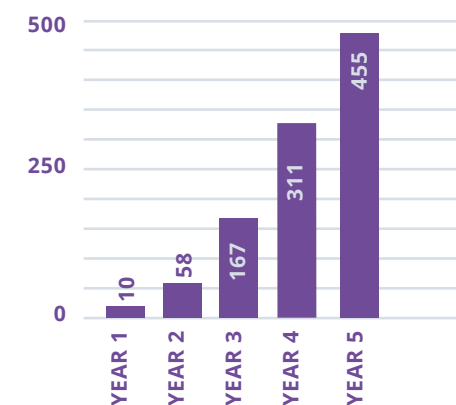
LIFE-SAVING IMPACT

ASSUMING SUSTAINED ACCREDITATION THE ESTIMATED IMPACT OF THE PROGRAM IS A TOTAL OF ABOUT 10,400 LIVES SAVED OVER 5 YEARS ¹

ACCORDING TO WHO STANDARDS FOR COST EFFECTIVENESS OF SAVING A LIFE, THIS IS A HIGHLY COST EFFECTIVE PARTNERSHIP.



Cumulative maternal and < 1 month newborn lives saved

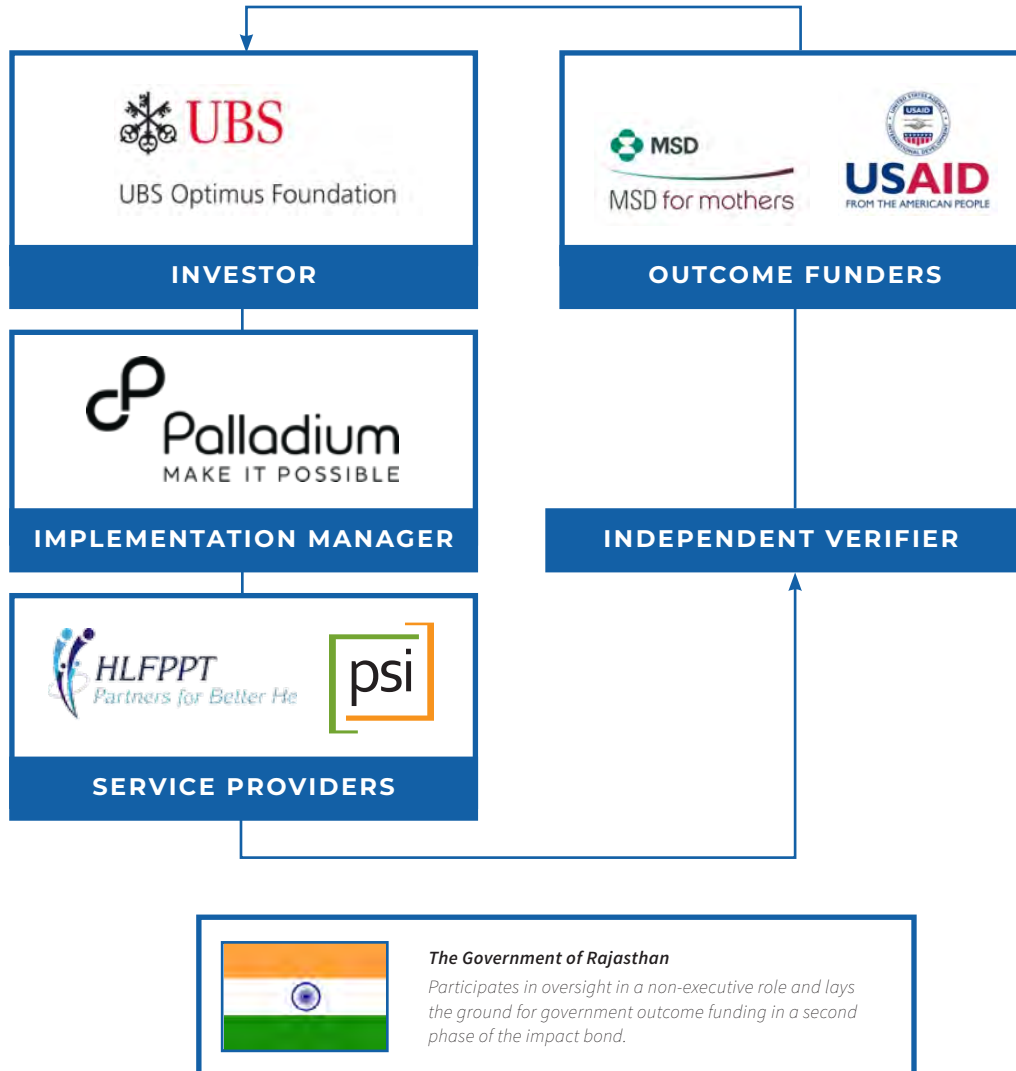


Cumulative stillbirths averted

¹ Using the baseline model - 360 facilities meet the target standard (Joint Quality Standard). Calculations use the LiST model. Estimates are conservative as the model uses a only subset of the quality improvement practices to be introduced in this program and no lives saved are attributed to facilities that partially meet the standards



PARTNERS



The UBS Optimus Foundation, staffed by leading experts in philanthropy has a client offering designed to deliver measurable, long-term benefits to the world's most vulnerable children. The Foundation recognizes that its clients want to use their wealth for good and to catalyse positive social change.

MSD for Mothers, is a 10-year USD 500 million initiative focused on improving the health and well-being of mothers during pregnancy and childbirth. MSD for Mothers is committed to testing innovative models that expand women's access to affordable, quality care with the potential to be scaled and sustained.

Palladium is a global leader in the design, development and delivery of Positive Impact - the intentional creation and measurement of enduring social and economic value. Palladium works with corporations, governments, foundations, investors, communities and civil society to generate lasting social, environmental and financial benefits.

Population Services International (PSI) is a leading global health organization working in over 50 countries in the areas of family planning and reproductive health, HIV/AIDS, malaria, child survival, non-communicable diseases and sanitation. Partnering with the public sector and harnessing the power of markets, PSI provides life-saving products, services and communications that empower vulnerable populations to lead healthier lives. Learn more at www.psi.org.

USAID is the lead U.S. Government agency working to end extreme global poverty and enable resilient, democratic societies to realize their potential.

HLFPPT is a Not for Profit organization promoted by HLL Lifecare Limited (a Government of India Enterprise). It was established in 1992 and today stands as one of the leading Public Health Organization in India. HLFPPT's core area of work is RMNCH+A (Reproductive, Maternal, Newborn, Child, and Adolescent Health) with focus on poor and marginalized rural and urban population. HLFPPT works with a vision of increasing access to quality healthcare products and services. Over the last two decades, HLFPPT has reached out to more than 425 million people across rural and urban India, delivering quality healthcare services at their door steps.

Front & back Images:
Project Ujjwal, a UK Department for International Development project implemented by Palladium