



Impact Bonds for Improved Health Outcomes

THE PROBLEM¹



2.74mn

TB incidence in India in 2017, highest in the world



1.9mn

Total TB cases notified in 2017



135,000

Estimated drug-resistant TB cases in 2017



55%

TB Cases in India can be attributed to undernutrition²



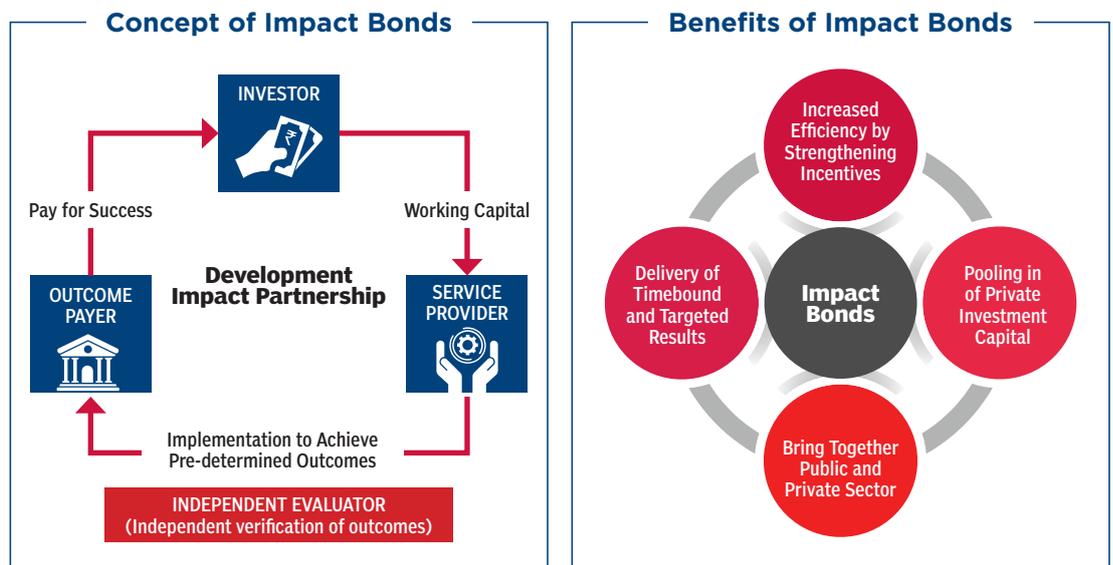
3-4 kg

Average weight gain among TB patient in India during treatment - SUBOPTIMAL

OVERVIEW

India faces an annual financing gap of \$565 billion to achieve its committed SDG target by 2030. In order to supplement state funding to achieve SDGs, there is a need to promote innovative means of deploying impact investments. One such mechanism to catalyze investments for social impact is the impact bond.

- Non-traditional financing mechanism also termed as **pay-for-performance** instruments
- **Private investor provides working capital** to NGOs to achieve pre-determined outcomes
- The **outcome is bought from the investor** at a premium by governments & philanthropic donors



Pahal (Partnerships for Affordable Healthcare Access and Longevity) is USAID and IPE Global's flagship innovative financing platform to promote health financing models and provide catalytic support to social enterprises for improving access to affordable and quality healthcare solutions for the urban poor.

- Impact Bonds
- Impact Fund
- Credit Expansion
- Advisory to Social Enterprises
- Risk Protection

PAHAL INTERVENTION: TUBERCULOSIS IMPACT BONDS

TB is a leading cause of morbidity and mortality in India. It has been observed that India has large unfunded gaps in its TB program which calls for pooling in of new sources of capital. Given the national and global call to action on ending tuberculosis, PAHAL is structuring impact bonds for improving efficiency around TB outcomes in India. TB is suitable for an impact bond structure because:

- Outcomes are easily measurable
- Easy to monitor and collect outcomes
- Aligned to government cost-saving goals

1. WHO India TB Profile 2017;
2. Undernutrition and the incidence of tuberculosis in India: national and subnational estimates of the population-attributable fraction related to undernutrition. (2014)



35%

of estimated incidence never sought TB treatment and care in 2017



69%

Treatment Success Rate among new and relapse cases in 2016



48%

Treatment Success Rate among MDR-TB patients in 2017



~50%

Reduced risk of treatment failure among nourished patients



2-4x

Higher risk of relapse among TB patients with inadequate weight gain

PROPOSED IMPACT BONDS IN TUBERCULOSIS

1. CASE DETECTION AND ADHERENCE

Objective: Strengthening cascade of TB care by improving case detection and treatment adherence.



The cascade of TB care is plagued with several challenges. A significant percentage of cases go undetected or fail to adhere to treatment, leading to a higher risk of developing more severe forms of TB that require more expensive and prolonged treatment. Given below are the gaps in case detection & treatment adherence in the cascade of TB care.

- Low TB notification rate due to lack of awareness about TB symptoms & social stigma and discrimination associated with TB
- Lack of prompt diagnosis of presumptive TB cases
- Improper diagnosis due to less accurate diagnosis techniques
- Inadequate counselling support to ensure treatment initiation and adherence to treatment
- Poor treatment management and patient monitoring systems

Indicative Geographies: Chhattisgarh, Telangana

Duration: 24 months

Target Outcomes:

- Detect c. 100,000 Smear Positive TB Cases
- Ensure Improved Treatment Adherence for 90% of the Detected TB Cases
- Improve detection and adherence for MDR-TB cases

2. NUTRITION FOR TB PATIENTS

Objective: Improve nutritional status of c. 40,000 TB patients through counselling, nutrition supplements, community based management of malnutrition.



A malnourished patient is less likely to respond to treatment and has a greater chance of relapse. Given below are the reasons for improper nourishment in TB patients:

- Lack of awareness & inadequate counselling on nutrition to TB patients during treatment
- Limited nutritional assistance for TB patients (i.e. food basket, nutrition supplements, monetary support)
- Non-compliance due to adverse effects of TB such as reduced appetite, inability to absorb nutrients and malabsorption of drugs during treatment
- Lack of monitoring to ensure nutrition compliance by TB patients

Indicative Geographies: Madhya Pradesh

Duration: 24 months

Target Outcomes:

- 7-9 kg weight gain of c. 40,000 TB patients within 6 months
- Improved Albumin Serum for c. 40,000 TB patients

TO KNOW MORE, CONTACT:

L. M. Singh, Project Director, PAHAL and Head Impact Investment, IPE Global Limited, B-84 Defence Colony, New Delhi-110024
Phone: +91 1140755900; Email: lmsingh@ipeglobal.com; Website: www.ipeglobal.com/pahal