

## **A conversation with Svetha Janumpalli, Patrick Stadler, and Pratyush Agarwal, August 26, 2016**

### **Participants**

- Svetha Janumpalli – Chief Executive Officer and Founder, New Incentives
- Patrick Stadler – Chief Strategy Officer, New Incentives
- Pratyush Agarwal – Board Member, New Incentives
- Elie Hassenfeld – Co-Founder and Co-Executive Director, GiveWell
- Sophie Monahan – Research Analyst, GiveWell

**Note:** These notes were compiled by GiveWell and give an overview of the major points made by Svetha Janumpalli, Patrick Stadler, and Pratyush Agarwal.

### **Summary**

GiveWell spoke with Ms. Janumpalli, Mr. Stadler, and Mr. Agarwal of New Incentives to follow up on the organization's GiveWell experimental grant and as part of GiveWell's ongoing evaluation of New Incentives as a potential top charity. Conversation topics included scale-up, factors that might affect GiveWell's cost effectiveness assessment, the program's effect on clinic staffing, monitoring and evaluation, and funding.

### **Program scale-up**

Since May 2016, New Incentives' enrollment rates have increased from 80 to 760 participants per week. It is currently working in 62 clinics in six Nigerian states. In addition to its initial program in Akwa Ibom state, it expanded to Cross River and Anambra in late 2015, Rivers in early 2016, and the Federal Capital Territory (FCT) approximately two months ago. In Kaduna, clinic assessments have been concluded and hiring for field staff is ongoing.

Before expanding to a new state, New Incentives enters into discussions with the state's Ministry of Health. In general, government actors have welcomed New Incentives' programs, as the programs increase the number of deliveries that take place in public clinics, and, as a result, the value of the government's investments in these clinics. None of the state governments have required a per diem in exchange for cooperation or support.

New Incentives has not yet considered expanding into additional countries. If it did, it would likely target those with a low number of clinic deliveries, high HIV rate, and favorable environment for cash transfers.

### **Assessing potential partner clinics**

New Incentives uses a questionnaire to assess potential partner clinics. It excludes those that have a low antenatal care volume, do not offer night-time delivery, or have had significant supply problems. New Incentives must also be confident that a clinic's patients will receive a set of important interventions at the time of delivery, including early promotion of breastfeeding and clean umbilical cord care. These

interventions are comparable to those in randomized controlled trials of skilled birth attendance.

For example, in Kaduna state, New Incentives initially assessed 32 clinics; 24 offered nighttime delivery, but 4 of those were excluded because they had experienced a high level of stock-outs.

New Incentives uses a similar questionnaire to conduct audits of partner clinics once every few months. Results from both types of questionnaires appear in New Incentives' dashboards, which have been shared with GiveWell.

### **Profile of new participants**

On average, participants in New Incentives' new areas of operation tend to be less wealthy than the program's initial participants. Most partner clinics are public; this helps New Incentives target low-income participants, as those in higher income brackets often pay for private services due to advantages such as shorter wait times.

New Incentives expects that as a result of expanding into these new areas, the proportion of participants who are HIV-positive will decrease to approximately 5-10%.

## **Factors that might affect GiveWell's cost-effectiveness assessment**

### **Cash transfer amount**

New Incentives has reduced the total cash transfer amount received by participants. In the original model, participants received a transfer of 6,000 Naira for enrollment, a transfer of 20,000 Naira after delivery in a facility, and a transfer of 6,000 Naira following an early-infant HIV diagnosis test (only offered to HIV-positive women who delivered in the clinic). Now, participants receive 1,000 Naira for enrollment and 10,000 Naira after delivery in a facility. Previously, HIV-positive participants received transfers as incentives for picking up their antiretroviral (ARV) medications; this is no longer the case, though they are still reminded in telephone calls to pick up their ARVs. New Incentives is also testing two operational models: one with no targeting of high-risk pregnancies and the lower cash amounts for enrollment and delivery (the 'Lite' variation) and one with no enrollment process by New Incentives staff and a single transfer of 10,000 Naira after delivery in a facility (called the 'Extra Lite' variation).

Initial data from clinics offering the lower transfer amounts suggests that this change does not significantly impact the retention rates of women who are likely to change their behavior as a result of participating in the program.

### **Cost of administering a cash transfer**

New Incentives estimates that by the end of 2017, it will cost approximately \$20 to administer a \$35 cash transfer. This may drop to \$15 once it is operating at greater scale.

### **Exchange rate**

The exchange rate on Google Finance is currently \$1 USD = 315 Naira, but the Naira's value fluctuates frequently. New Incentives recommends using an estimate of \$1 USD = 300 Naira, as it is fairly confident that it can transact money at this rate.

### **Neonatal mortality rate**

New Incentives suggests using a neonatal mortality rate of 3.9%. This is the rural-urban average in Nigeria's Demographic and Health Survey (DHS), and is also the national neonatal mortality rate for the middle wealth quintile in the DHS.

### **ARV adherence levels**

GiveWell's draft cost effectiveness assessment (CEA) cites some studies on ARV adherence levels among pregnant women. New Incentives believes that these might not be applicable in the context of its program as they were carried out in a different environment (teaching hospitals). In addition, one of the studies has data quality problems.

### **Effect of the program on clinic staffing**

At most clinics, labor nurses spend the majority of their time doing labor-related work; some also do some antenatal care. As a result, New Incentives does not believe that an increase in delivery volume takes a significant amount of staff resources away from other types of health interventions.

### **Monitoring and evaluation**

#### **Internal program data on neonatal mortality**

In order to help assess the program's effect on neonatal mortality rates, New Incentives has been asking participants about their baby's health status seven days after delivery. New Incentives shared this data with GiveWell.

#### **Randomized controlled trial**

New Incentives has obtained fully powered and statistically significant data on effect size from its ongoing randomized controlled trial (RCT) on rates of facility delivery, and has used this to inform and re-optimize the program's model. Draft results from the RCT's endline survey will likely be available in May 2017.

#### **Future monitoring improvements**

While New Incentives has had a positive experience using Google Sheets as its database, it might consider building a new back-end database. One of its potential funding scenarios involves hiring a software engineer.

New Incentives also wants to expand the "on the ground" data it collects.

#### **Missing clinic assessment data on scaling dashboard**

The form New Incentives uses to collect clinic assessment data has changed considerably since 2015. The new data has been merged in, which might give the

impression that there are some missing data points in the scaling dashboard. New Incentives is capturing all of the relevant metrics for all clinics through its current data collection process.

## **Funding**

New Incentives will run out of funding by the end of 2016. By early 2017, it would like to have assurance that it will be able to raise enough to cover its 2017 expenses.

*All GiveWell conversations are available at <http://www.givewell.org/conversations>*