

A conversation with Mark Arnoldy, March 31, 2015

Participants

- Mark Arnoldy – Chief Executive Officer, Possible
- Timothy Telleen-Lawton – Research Analyst, GiveWell

Note: These notes were compiled by GiveWell and give an overview of the major points made by Mark Arnoldy.

Summary

GiveWell spoke with Mr. Arnoldy of Possible as part of its investigation into potential future top charities. Conversation topics included Possible's delivery model, its plans for expansion and evaluation, and its funding sources and targets.

Possible

Possible's delivery model has matured from a small hospital with a loosely related community health worker program to a system that integrates a hospital, 13 clinics, and 164 community health workers. Now that its model has some stability, Possible hopes to scale it up over the next three years to include two hospitals, 74 clinics, and just over 900 community health workers. At this size, Possible will be able to provide health care to the Achham district, which includes approximately 260,000 people.

Delivery model

Possible's health care delivery model is built on payments for the quality of outcomes it delivers rather than for the quantity of services it provides. It provides services via a public-private partnership (PPP) that integrates care across three tiers of the health care system: hospitals, clinics, and community health workers. Possible has found ways to make the partnership work at each tier. For example, because Possible only works within existing infrastructure, it has turned an abandoned building into a hospital. It has also incorporated Nepal's volunteer community health workers into its delivery model by integrating community health worker leaders into Possible's management tier, with one manager for every five community health workers.

Outcomes

Possible achieves better health outcomes per dollar spent than Nepal's pure public sector model. These outcomes can be largely attributed to its investments in technology, including Nepal's first electronic medical records system in a rural area. Through its investments in technology, Possible is more frequently able to track patients across the tiers of the system and to provide care in an appropriate setting. For example, it reduces the number of patients who walk several days to reach a

hospital for routine acute-care visits by connecting these patients to nearby clinics. Possible hopes to expand the use of technology and eventually rid the health care system of paper.

One of the outcomes Possible hopes to achieve is a reduction in the under-2 mortality rate. It is targeting a 10% reduction in under-2 mortality — from a baseline of 31 per 1000 live births to 28 per 1000 live births — by February 2016.

Expansion

Possible has designed its expansion model around Village Development Committees (VDCs), which are a county-like unit of governance. Possible is currently working in 14 VDCs, with plans to expand into 26 additional VDCs in the next year, for a total of 40.

Evaluation model

Possible plans to evaluate its impact by using a step-wedge cluster design. This methodology is the most viable alternative to a true randomized control trial, given the nature of Possible's work.

Possible recently completed its second attempt at collecting the baseline data necessary for its impact evaluation. Community health workers visited homes in the 14 VDCs Possible is currently serving, collected health data on household residents, and geotagged each house using mobile devices. Possible plans to rapidly deploy this model to collect baseline data every time it expands. Community health worker leaders will also continuously collect data as part of their daily work.

Possible had to collect its own baseline data because it is unaware of any existing high-quality surveys done in this region of Nepal and the Nepali government's Demographic and Health Survey (DHS) is administered only every five years. Additionally, Possible believes that the DHS may have sampling issues.

Results timeline

Possible is currently finalizing the baseline data from the 14 VDCs in which it is operating and anticipates being able to show changes to its key indicators—surgery access, equity of healthcare usage in marginalized populations, safe birth, successful follow-up, outpatient use, and family planning access—in a year.

Funding

In its current fiscal year, 65% of Possible's funding comes from philanthropic donations, 25% from government spending, and 10% from research funding.

Possible's research funding comes from grant money, including a grant the National Institutes of Health recently awarded to Dr. Duncan Maru, Possible's Co-Founder and Chief Strategy Officer. Dr. Maru is also pursuing funding from other sources, including the Wellcome Trust. A portion of Dr. Maru's grant funds support a research group in Boston and a portion of these funds go to Possible to support its operations.

In the coming years, Possible hopes to increase the percentage of its funding that comes from the Nepali government. By 2018, it hopes that government funding will make up 60% of its total funding. Ultimately, Possible would like 75% or more of its funding to come from the Nepali government.

While Possible wants to increase its government funding, it does not want to be totally reliant on government funds. Maintaining other funding sources provides protection against delays in government funding or other bureaucratic issues.

Funding targets

Possible hopes to move from three months of cash on hand to six months cash on hand by 2018. Its scale-up timeline is tied to meeting a series of interim cash-on-hand targets. The earliest quarter in which Possible may revise its scale-up plans if it does not meet these interim targets is Q3 of its next fiscal year, which starts August 1. Even with extra funding, Possible will remain at its current size for the first year of its scale-up.

Impact of the April and May 2015 Nepal earthquakes

Update: This section contains information provided by Mr. Arnoldy on September 4, 2015.

Due to the impact of the earthquakes in Nepal, Possible has updated its plans for the next year. Possible have signed a memorandum of understanding with the government to replicate the "Achham model" (full PPP) in a second district — Dolakha District. This was among the areas worst hit by the earthquakes.

The unexpected expansion into Dolakha District caused Possible to revise its target for VDC growth in the next year from 26 additional VDCs to 5 additional VDCs. Possible now aims to work with 19 rather than 40 VDCs within the next year.

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