

A conversation with Lisa McCandless, Molly Christiansen, and Brad Presner, August 20, 2015

Participants

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Note: These notes were compiled by GiveWell and give an overview of the major points made by Lisa McCandless, Molly Christiansen, and Brad Presner.

Summary

GiveWell spoke with Ms. McCandless, Ms. Christiansen, and Mr. Presner of Living Goods (LG) as part of its end-of-year charity review refresh. Conversation topics included updates on Living Goods' programs in Uganda and Kenya, its program monitoring strategy, and its funding goals.

Program Updates

Uganda

Growth

In 2015, LG converted its last two non-standard branches in Uganda and opened a new branch for a total of three new Community Health Promoters (CHP) branches. This puts LG on target to meet its goal of having 976 CHPs active in Uganda by the end of 2015.

LG has not experienced any issues with its scale-up in Uganda. It was able to staff up appropriately and hired a director of health and government relations to hone relationships with local and national government officials and to align LG's program with government strategy.

BRAC also made progress on its growth goals in 2015. By the end of the second quarter, BRAC had approximately 1,400 CHPs in Uganda and had made progress converting its branches to the full LG CHP model.

Use of Android phones

All LG CHPs in Uganda are using Android phones to register, diagnose and treat customers and to collect data on customer visits. BRAC is currently piloting Android phones and plans to have all of its CHPs using Android phones next year. When all CHPs are using Android phones, managers have nearly real-time access to data from the field via Medic Mobile dashboards.

Rapid diagnostic test for malaria

LG is piloting a rapid diagnostic test for malaria (mRDT) in Uganda with 160 CHPs at two branches. LG plans to use its pilot learning to roll out mRDTs to all CHPs in Uganda by the end of the year.

Emphasis on postnatal visits

Globally, the burden for most of the under-five mortality is borne by increasingly younger children. LG has seen this trend reflected in its data.

LG's data shows that postnatal visits from a CHP lead to lower under-five mortality rates. LG encourages CHPs to register and support pregnant women and to follow up with them at least twice, including once within the first 48 hours of birth and once during the first week postpartum.

During postnatal visits, CHPs encourage skin-to-skin contact to keep the baby warm, identify any infections and make referrals as necessary, teach clean cord care, encourage immediate and exclusive breastfeeding, and help troubleshoot latch problems or any other issues.

Nutrition strategy

LG is updating its nutrition strategy to focus on maternal nutrition, which can reduce stunting in babies and young children. As part of this process, LG has conducted a literature review and consulted with experts, including The Children's Investment Fund Foundation (CIFF). LG wants to create a simple nutrition strategy that does not overburden its CHPs.

LG's updated nutrition strategy includes three components:

1. Creating a maternal nutrition package of key supplements, including iron folate, malaria prophylaxis, and deworming medication, and encouraging women to attend their antenatal visits.
2. Building out its product portfolio of nutritional products, including a lipid-based version of its Healthy Start porridge that includes milk and oils.
3. Including a nutrition assessment or growth monitoring in its monitoring protocols.

LG is still developing its new strategy; it will start to test the strategy in late 2015 and operationalize it in 2016.

Kenya

In late 2014 and early 2015, LG started to implement its CHP model (used in Uganda) in Kenya. To prepare for this expansion, LG's Kenya staff spent time in Uganda learning about the program. In early July 2015, LG opened its first CHP branch in Busia County, Kenya; the branch started with 73 CHPs. As in Uganda, LG hired a director of health and government relations to hone relationships with local and national government officials and to align LG's program with government strategy.

Similarities to Uganda

LG's program in Kenya is almost identical to its program in Uganda, with small tweaks to adjust the program to the Kenyan context. As with its branch in northern Uganda, LG recruited only existing government community health volunteers to serve as CHPs in Kenya.

Permission to treat with amoxicillin

LG was recently granted permission to treat pneumonia in Kenya using amoxicillin. Most community health volunteers in Kenya are not allowed to treat pneumonia in this way, but the government occasionally makes exceptions for some organizations. Government regulators conducted assessments of LG's program, including a surprise site visit to one of LG's branches before granting it permission to use amoxicillin. This exception could pave the way to allow community health workers in other parts of the country to carry amoxicillin.

Growth

LG plans to open its second branch in Kenya in November 2015, and it plans to add another cohort of CHPs to its Busia branch soon.

As LG expands in Kenya, its program may deviate from its program in Uganda. For example, LG may not always be able to recruit CHPs only from existing pools of community health volunteers, as many counties in Kenya do not have sufficient numbers of these volunteers. In these counties, LG would recruit both existing health volunteers and others. LG may also eventually operate in places where malaria is not as endemic.

Comparison of LG and BRAC

BRAC's program differs from LG's in several ways:

- BRAC's CHPS do not currently administer amoxicillin or mRDTs, although BRAC is working to introduce both.
- BRAC has not integrated Android phones into its CHPs' daily activities.
- BRAC has a slightly different branch structure than LG and different incentives (e.g., the salaries for branch managers and the performance incentives for CHPs are somewhat different).
- BRAC's quality management strategy also differs from LG's strategy.

In other ways, BRAC's program is becoming more similar to LG's. BRAC has introduced new products into its product mix that are similar to LG's products, such as Healthy Start porridge and solar lights. Additionally, like LG, BRAC has been staffing up for growth and has hired a monitoring and evaluation manager.

Monitoring

LG's quality management strategy has four components:

1. Select, train, and recertify talented CHPs.
2. Provide field supervision and monitoring.

3. Perform data quality audits and analytics.
4. Perform drug quality assurance checks.

CHP recertification

LG has piloted its annual CHP recertification test and is refining it. LG is working on how it will support the CHPs who do not pass the test and intends to have a support plan prepared by the end of the year. Because it has been growing rapidly, LG currently has a limited number of CHP trainers available to provide additional support for CHPs who fail the test.

Supervision by branch managers

Each LG branch has three branch managers, and every CHP is assigned to one of these managers. Branch managers visit each of their CHPs regularly and use performance dashboards to identify low-performing or outlier CHPs (i.e., CHPs who are reporting much higher-than-average or lower-than-average treatments or sales than other CHPs) who should receive extra support.

Data from branch manager field visits have not been recorded electronically this year, and LG has not manually aggregated the information. LG is developing an Android version of the checklists branch managers use to monitor CHPs that will be available by the end of the year.

Android data collection platform

The data collected through LG's Android platform populates a variety of dashboards, including:

- Overviews of CHP targets versus performance, which are used by branch managers and supervisors.
- Monthly reviews.
- Weekly reviews, which teams use to identify CHPs who need additional support and CHPs who are outliers.

The data collected on LG's Android platform has improved LG's ability to monitor its program in several ways. It can more easily hold specific branch teams responsible for the performance of their CHPs. It can also see early results from new treatment initiatives. For example, LG expected that using the mRDTs would result in a reduction in the number of malaria treatments CHPS administer. Preliminary data from the pilot indicates that approximately 50% of tested fevers will not result in a malaria diagnosis.

LG's Android platform also allows it to monitor the data CHPs are inputting during their visits to clients. The Android platform is better than LG's older paper and short message service (SMS) systems because the Android platform requires that an entire assessment protocol be completed before a diagnosis or treatment can be registered. Completing the entire assessment protocol results in more accurate client visit data and may also lead to more accurate diagnoses.

LG is working with Medic Mobile to redesign its data collection apps to be more flexible so that its partner organizations can eventually use them.

Data audits

LG is developing a quality monitoring system that includes follow-up phone surveys to a random sample of its customers. LG will use the surveys to conduct data audits on CHPs' activities. LG is creating a database of customer contact information and is hiring data quality monitors to conduct these surveys. LG plans to have this system operational by the end of the year.

LG has conducted a short pilot test of these follow-up phone surveys to better understand the practical aspects of making these calls, such as how many calls it can expect to make to get a working number for a customer, how many calls to a working number it can expect to make before it reaches the mother of the sick child, and how to word its questions. LG plans to present these calls as customer service calls.

Key performance indicators

The key performance indicators (KPIs) that CHPs report on remained mostly the same from 2014 to 2015. LG may add the assessment of children under 5 as a KPI for 2016. This new KPI would incentivize performing assessments and making correct diagnoses.

Monitoring BRAC

Alfred Wise, LG's Uganda Country Director, now meets with BRAC monthly to review KPIs (previously he met with BRAC quarterly), and there is generally more communication between LG and BRAC this year. LG will continue to share learning with BRAC as its own quality management process develops. Additionally, LG and BRAC may introduce mutual field visit checks in the future. BRAC teams would visit and learn from LG branches, and vice versa. Currently, LG does not carry out randomized checks on BRAC branches.

BRAC is still using paper to collect its monitoring data. LG anticipates that BRAC's CHPS will be using Android phones by the end of 2016.

Randomized Controlled Trials

Current randomized controlled trial

The paper on the randomized controlled trial (RCT) of LG's program has been submitted to a journal and is under review, but does not yet have a publication date.

Future RCTs

LG is planning another large-scale RCT to evaluate whether its scaled-up program can continue to cause a level of mortality reduction similar to what it found in its first RCT. CIFF is funding this RCT. Innovations for Poverty Action (IPA) and the same principal investigators from the first RCT will be running this second RCT.

IPA has a budget to include approximately 12,000 households in the new RCT, which will allow for detection of a 20% reduction in mortality rate at 80% power. The RCT's sample will be drawn from LG and BRAC branches in Uganda.

LG and IPA are currently developing the research protocol and IPA is hiring its research team. IPA plans to start collecting baseline data in the middle of the fall; the endline data will be collected in the second half of 2018, with midline data collection running throughout the study period for a subset of questions. LG hopes to have the results of the RCT available in early 2019.

LG expects the format of this RCT to be similar to that of its previous RCT. LG and BRAC will open branches in randomly selected areas of Uganda and compare outcomes to areas where it did not open branches. LG and BRAC are in the process of identifying possible expansion areas. The research team will then use criteria to select villages for inclusion in the baseline. Approximately 25 households per village will be surveyed as part of the baseline data collection. After the baseline is completed, the research team will randomize the villages into treatment and control groups, and recruit CHPs in the treatment group.

Some aspects of this RCT will be different from the previous RCT. This RCT will follow the same households over time. This RCT will also attempt to deal with some of the issues from the previous RCT: it will attempt to minimize spillover between treatment and control areas, and it will strive to ensure that the treatment group sample areas do not extend beyond the areas serviced by CHPs.

LG is also interested in doing an RCT in another location and is currently exploring the idea.

Room for more funding

There have been no major changes to the 2015-2018 budgets since LG shared them in March of 2015.

LG has raised \$8.2 million to date in 2015. This leaves a \$1.5 million gap for 2015. LG has two large proposals pending that have advanced to the second stages of review. LG may not know the results of these applications until October or later. LG asked for several million dollars in support and is hoping to be awarded this amount. The largest grant LG thinks it may be awarded is \$5 million over several years.

LG projects a \$2.4 million funding gap for 2016. This estimate accounts for all committed funding and a projected amount of funding from its core funders. The estimate does not include any other sources, such as projections of funding from the large funders where it has pending proposals.

LG projects a \$21.5 million gap for its 4-year scale-up plan, including the \$1.5 million gap in 2015, the \$2.4 million gap in 2017, a \$5.8 million gap in 2017, a \$6.5 million gap in 2018, and a gap of \$5.2 million in its working capital over those four

years. These funding gaps have not yet affected LG's plans to scale up over the next four years.

Partnerships

In addition to its partnership with BRAC, LG partners with other NGOs to replicate its program in other countries. Its current partners include Population Services International in Myanmar and CARE in Zambia.

LG helps its partners look for funding, but it currently does not provide funds for these replication projects and it has no plans to start doing so.

LG pushes its partners to model its CHP branch structure as closely as possible. However, sometimes the structure of the partner organization or the location of the replication project leads to variations in LG's model.

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