

Digital Payments for Health workers in Sub-Saharan Africa: Benefits, challenges, evidence gaps and proposed actions

Background

Digital payment of Health workers is gaining traction in Africa with a promise of greater impacts on health systems and health outcomes (1). The most widely used medium for digital payments is Mobile Money Systems. However, the implications of such a shift in Africa remains insufficiently understood. This policy brief highlights the benefits, challenges, evidence gaps and policy strategies for utilization of digital payments of Health workers for ad hoc activities such as immunization campaigns.



Figure 1: A health worker receives payment on phone (Photo credit; DHIPR)

Methods

This evidence summary is based on a review of 28 documents on digital payments for health workers across Anglo-phone Africa? and 30 interviews with development partners, digital payment implementers, services providers, and health workers in Uganda. A stakeholder workshop was held in Kampala, Uganda to validate findings and generate recommendations for digital payment of health workers.



Figure 2: Summary of methods used

Key Messages

- ✓ Technological advancement has led to widespread digitization across sectors including health. Digital payments are imperative that countries cannot avoid but must adapt to.
- ✓ Digital Payments for health workers offer safety of the money, quick accountability, and an easier way to pay large numbers of health workers in a short time.
- ✓ Digital payment systems and processes are broader than a mere click of the 'pay' button. For reforms to be beneficial, they must target the entire payment system and processes.
- ✓ Re-engineering the payment processes and introducing innovations to integrate manual and digital tasks in settings with low technological advancement can make digital payments instant.
- ✓ There is need to link existing information systems to ease payee registration, verification of work done, validation of payees, payment authorization, and feedback loops for appeals and redress.
- ✓ Policies should be holistically reformed into a unified framework that addresses charges, privacy, access to national citizen databases, and non-repudiation.

Key findings

The technologies used for digital payments include the Internet, mobile phones, automated teller machines (ATMs), electronically enabled cards, and biometric devices among others (1). Mobile money service was the major existing digital payment system, followed by bank payment.



Figure 3: Digital payment technologies

Benefits include:

- ➔ Ease of paying and accounting for activities involving many workers and large sums of money instantly,
- ➔ Safety of funds
- ➔ Reduced administrative costs including transport.

Challenges include:

- ➔ Delays in payments, due to the long bureaucratic process in verification, manual registration processes, and mismatch of biodata with subsequent demotivation of health workers and loss of trust.

- ➔ High fees and deductions related to digital payments such as taxes, withdrawal charges, charges by service providers, etc.
- ➔ Prevalent lack of registered mobile money numbers making it difficult to validate and make payments.
- ➔ Lack of a unified legal and regulatory framework that addresses issues to do with non-repudiation, privacy concerns, and information security.

Key Evidence Gaps

The generation and sharing of learning on digital payment ecosystem will help to optimize their benefits for health workers. Emerging evidence gaps include:

- 1) To what extent do the existing legal and policy frameworks enable/hinder digital Payment? Which policy mixes would support the successful digitization of payment?
- 2) What drives the differences in preferences between digital and cash payments among payers and payees?
- 3) What costs and benefits are associated with transitioning from cash to digital payments?
- 4) To what extent do digital payments improve the health system and program performance?
- 5) What systems capacities are needed digitalization of payments to be effective and sustainable in low resource settings?
- 6) To what extent do digital payments for health workers lead to improvements in program outcomes?
- 7) What innovations/models can be introduced in the payments ecosystem to reduce delays associated with digital payment for health workers?
- 8) What is the effect of digital payment on financial inclusion for women, and informal health workers in Africa?
- 9) How can the existing information systems (HRH, HMIS, IFMIS, NIN, Phone numbers, etc.) be harmonized to support digital payments (registration, verification, validation, authorization, payment, and appeal)?
- 10) What are the payer practices following digitization and how do they influence health workers' experiences and perceptions about digital payments?

“So due to the delays associated with digital payment, there is no motivation to work or go for training sessions especially when people get to know that they are paying by mobile money” (VHT Jinja district)

Proposed Actions

For government and partners

A robust flexible and integrated system targeting a range of programs involved in digital payment rather than single programs employing one-off payment activities is recommended.

- 1) Government and partners should review/ develop existing policies so as to offer a holistic framework to guide the implementation of digital payments.
- 2) The entire process of digital payments including registration and verification of beneficiaries needs to be digitized.
- 3) The linkage of performance data with payment systems is needed for easier verification.
- 4) Government and its partners should provide tailored training to all key stakeholders on Digital payment for Health workers.
- 5) Implementers, Government and development partners should support an inclusive digital payment system to minimize disparities in access and use of digital payment based on location and end-user characteristics.

For researchers and implementers

- 1) Researchers and implementers should develop innovations that can solve the challenges and delays associated with digital payments.

“The mode of payment cannot be a motivator to me but I think motivation is through the timeliness. If you make payments timely, people will be highly motivated to do the tasks always assigned” (MoH)

Key Evidence Gaps

While efficiency gains have been reported from implementing digital payments, low technological development and unprepared payment ecosystems in Sub-Saharan Africa portend suboptimal benefits from digitization unless urgent reforms are undertaken in the policies and payment systems to support digital payments. Evidence on the key questions raised in this evidence summary should be gathered to inform reforms in digital payment.

Reference

Stein A. 2021. [The future of global Health: polio and mobile money](#)

The landscaping summary brief was developed a team of researchers from Makerere University School of Public Health

DHPI-R in a nutshell

We are health professionals that have come together with the goal to identify how, and under what circumstances digital worker payments can support effective campaign delivery, enhancing efforts to digitize payments for health workers by fostering and supporting evidence-based and evidence-driven decision-making in Sub-Saharan Africa.

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