



## Adding Health to Microfinance in the Andes

Many microfinance leaders and field agents report that health problems are often given as the reason clients fail to repay loans or build and sustain successful income-generating activities. As a result, a number of financial-service providers are addressing health needs by integrating appropriate interventions into their programs. The microfinance sector is increasingly becoming recognized as an effective platform for providing vital health education, products and services. The following is a snapshot of how Freedom from Hunger is supporting financial-service providers in incorporating health protection into their programs.

### Microfinance and Water, Sanitation and Hygiene (PERU)

Access to clean water and appropriate sanitation can be a challenge for both rural and urban populations in Latin America. To address this, Freedom from Hunger is working with Peruvian microfinance institutions (MFIs), Movimiento Manuela Ramos (CrediMujer) and Microfinanzas ALTERNATIVA, to integrate water, sanitation and hygiene (WASH) products and services into their programming. The complementary package includes non-formal, group-based education (“Healthy Families: Safe Water, Sanitation and Hygiene”) to promote healthy hygiene practices and promote MFI-vetted, WASH-product promotion, both of which are reinforced through mobile reminder messages. To help facilitate financial access to the water and/or sanitation products, both institutions are offering a customized credit product. Monitoring and evaluation activities are generating learning that will contribute to the case for other financial-service providers and WASH practitioners to streamline water and sanitation services for the poor. Learning will be leveraged through monitoring and evaluation to assess the program, as well as through business-case modeling so that financial-service providers can increase their outreach and customer base, assure that programs are efficient and contribute the social-performance targets.



### Integrating Microfinance and Health (PERU)

Freedom from Hunger, with support from Oikocredit, is collaborating with two MFIs, ADRA and FINCA Perú, to test, enhance and scale health-protection products and services that positively impact clients’ lives while also being practical and sustainable for MFIs. The MFI health “packages” combine products and services including health education linkages with health providers and health financing. Over the next year, Freedom from Hunger and the MFI partners will strengthen and scale their health programs to reach a greater number of poor families and develop a set of monitoring and costing tools that other MFIs can use for evaluating and monitoring their impact on client health and welfare.

### Electronic Health Payments (ECUADOR)

Poor families in the Andes have an unmet need for health financing. For example, many health providers require cash upfront before they will provide services, causing families to delay or even forgo treatment altogether. Working with support from the VISA Foundation, Freedom from Hunger, its MFI partner Cooprogreso and health partner Universidad de San Francisco de Quito (USFQ), are developing and testing a Health Credit Card that will provide health payments from client savings and/or credit accounts at the point of service. The goal is to improve timely access to care, reduce total costs of travel and time for poor families and improve the local health-market environment by providing additional payment methods for health providers.

## Providing Access to Specialty Care for Poor Rural Families—Telemedicine (ECUADOR)



Many rural microfinance clients have difficulty accessing high-quality or specialized health services to fit their needs. To do so, they must spend scarce resources to travel to city centers or forgo a visit to the health provider until the issue becomes too serious to ignore. Freedom from Hunger is collaborating with Universidad San Francisco de Quito (USFQ) Medical System, Banco Solidario—an Ecuadorian financial institution—Banco de Desarrollo de America Latina (CAF) and Telesalud (a telemedicine software developer) to pilot a telemedicine service that uses microfinance as a platform for connecting clients to medical specialists. Soon, women who join Banco Solidario for financial services will also be able to go to local primary-care centers and access specialty medical advice from doctors hundreds of miles away. Freedom from Hunger will train and

build the capacity of Banco Solidario's staff to provide integrated health and microfinance services such as: access to USFQ's health-provider network and telemedicine services; delivery of behavior-change education to mobilize demand and use of services; and client access to micro-insurance and other health financing to cover the costs of remote consultations and other health services. During this project, Freedom from Hunger and the other partners will assess both the feasibility and sustainability of telemedicine to improve access to care in remote areas and explore replication throughout Ecuador and into Perú and Bolivia.

## Microfinance and Health Communities of Practice (BOLIVIA, ECUADOR, PERU)

Financial-service providers and health practitioners in Perú, Ecuador and Bolivia are collaborating with each other nationally and through a cross-country regional network. The actors—a variety of MFIs, Cooperatives, NGOs and public and private health providers—have the common goal of improving the lives of the poor by increasing access to health products and services alongside appropriate financing mechanisms. As these practitioners innovate, test and extend a range of integrated health and financial services, there is a need for supportive learning communities where both resources and findings about what works best can be shared. These forums enable health and financial-service practitioners to become effective advocates within and across their sectors for a more supportive operating environment that includes governments, funders and researchers.

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