QUARTERLY IMPACT REPORT
Q2 FY2017
11.01.2016–01.31.2017

A diabetic patient at Charikot Hospital.
LETTER FROM THE CEO

Dear Partners,

We’ve reached the midpoint of our Fiscal Year 2017 with great progress against our Organization-Wide Objectives and Key Results, which you can download here.

The remainder of this letter focuses on quarterly highlights across our three strategic investment areas: 1) Direct Delivery, 2) Public-Private Partnership Marketplace Building, and 3) Shared Services.

Q2 RESULTS IN DIRECT DELIVERY

These are the investments we make to directly deliver healthcare with our Medical, Community Healthcare, Operations, and People Operations teams.

In Q2, we treated 33,917 patients—19,378 in Achham District and 14,539 in Dolakha District—bringing our historical total to 464,804 patients treated. The year-to-date patient total gives us strong reason to believe we will treat over 150,000 patients this year—representing what would be 34% year-over-year growth in direct patient care. As well, the rate of patient care indicates we will cross the half-million patients treated milestone in the next four months.

It was a very productive quarter with respect to current construction efforts. In Achham District, two major buildings were completed (Inpatient and Administrative). Completion represented a significant milestone in that it brought us halfway through our 4-year construction plan. To date, the project has remained on-time, which is no small feat given the immense number of unfinished and delayed healthcare infrastructure projects around the country. The buildings have enabled important growth in patient beds and workspace for a region of the country that serves as the organization’s innovation hub.

In Dolakha, there is also much to celebrate. January 24th represented the one year anniversary of the replication of our model and launch of services in Dolakha District. In that year, we treated over 58,000 patients. We can now also add that the number of health posts completed has risen to 14, and projections indicate all 21 facilities will be completed in the next 6 months.

Lastly, our CHW program was initiated in Dolakha. Approvals were received, hiring commenced, and we expect to enroll roughly 34,000 people in Q3. This places us well on track to have more than 100,000 total patients across the country enrolled in our integrated healthcare system by the end of the Fiscal Year. If completed, it would represent a minimum of 67% growth year-over-year on number of patients enrolled and covered by the CHW program.

Q2 RESULTS IN PUBLIC-PRIVATE PARTNERSHIPS (PPP) MARKETPLACE BUILDING

These are the investments we make with our Impact and Governance & Partnerships teams to advance innovations and policies that simplify healthcare delivery through a public-private partnership.

Based on the government funding and procurement cycle, minimal cash and in-kind support from the government flows in during Q1 and Q2. The small outcomes we have seen in the first half of the Fiscal Year, therefore, are in-line with expectations.
The rollout of the national health insurance program in Achham District continued in Q2, with the first officially-registered patient receiving care at the end of Q2. The program remains early in a pilot phase, with real risks of failed implementation. Yet it will continue to be a cross-team focus to work closely with the Ministry of Health to make this pilot a success. Now that registered patients are receiving care at Bayalpata Hospital, the next test of the program will be to see how quickly and effectively reimbursements are received.

During the past quarter, we were fortunate to welcome Nepal’s Health Minister in Dolakha District. After seeing the progress of our PPP model in the district, we have been invited by the Ministry of Health to accelerate our contributions to a PPP policy that is in development.

Lastly, our Impact team is making critical contributions to our set of digital tools. In the first month of Q3, our team will hit “go” on the MOTECH Suite (a digital box that connects software platforms), and we will then be able to push patient data from a facility-based EMR to a mobile-based CommCare tool and vice versa. To think this could happen in our setting (with all its physical and network limitations) was unthinkable five years ago and arguably even misguided three years ago. But today, it’s happening. Our team is at the leading edge of this technology and its potential benefits to patients and our affordability mandate. Reaping those benefits will take the same disciplines as anywhere else in healthcare -- making difficult trade-offs to reduce complexity, dialing in on what matters most, and backing up the technology with the talent and management systems needed for iterative improvement. But we are extremely close to being able to utilize this system for a profound transformation in decentralizing patient care in last mile settings.

Q2 RESULTS IN SHARED SERVICES

These are the investments we make to strengthen the organization’s financial and strategic standing with our Finance, Partnerships, and Executive teams.

In Q2, we saw stability across all three teams that comprise this area of the organization. As CEO, I announced to partners I will be taking a short summer sabbatical from June 1st - September 1st, 2017, and Ryan Schwarz, our current COO, will be operating as Interim CEO during that time period. We focused in Q2 on building a pathway to have five months cash on hand as we enter FY18 on August 1st, 2017. We concluded the first half of the year with a nearly identical cash balance to the start of the year and overall budget execution rate of 93%. This, alongside expected decreased expenditure in Q3 and Q4 have created confidence about improving the cash position before the end of the Fiscal Year.

Please contact me directly if you have any questions about this Quarterly Impact Report, and we deeply appreciate your continued partnership.

Regards,

Mark
DIRECT DELIVERY

PATIENTS TREATED:

- **464,804** Total patients treated since founding
- **33,917** Total patients treated in Q2

HEALTHCARE KPI RESULTS:

- **0%** Surgical Complications
  Target: <5%  
  There were no reported surgical complications this quarter.
- **16%** Chronic Disease Control
  Target: 50%  
  16% of our total chronic disease patients have their disease under control this quarter.
- **78%** Institutional Birth†
  Target: 95%  
  78% of women gave birth in a healthcare facility with a trained clinician.
- **45%** Contraceptive Prevalence†
  Target: 40%  
  45% of reproductive aged women who delivered in the past two years are using contraceptive methods.

HIGHLIGHTS:

- 33,917 total patients were treated, with 19,378 patients in Achham District and 14,539 in Dolakha District.
- Construction was completed on 5 additional health posts, bringing the total to 14.
- The Community Health Worker program was initiated in Dolakha District, with a population of ~34,000 people being the targeted enrollment area for the remainder of FY17.
- The new Inpatient Department and Administrative buildings were completed at Bayalpata Hospital, completing Phase II and bringing the overall 4-year project to ~50% completion.

CHALLENGES:

- Phase III of construction at Bayalpata Hospital has commenced. While Outpatient and Emergency departments are being demolished, ensuring quality patient care during this phase remains a top priority for our Medical and Operations teams.
- Each time our Community Health Worker program expands, we enter a region with uncertain patient enrollment, as most population estimates are based on census efforts from 2011. As we expand to Dolakha we estimate adding 34,000 patients to our integrated care system. However, we can only determine the accurate population once our CHWs are active in enrolling the community in Q3.
- The integration of our facilities-based EHR and mobile-based component CommCare is yet to be fully realized. In Q3, our Impact team will be using the MOTECH Platform to push data in both directions between facilities and CHWs.

*†Indicator measured annually.*
INNOVATIONS IN CHRONIC DISEASE MANAGEMENT THROUGH EHR

An integrated hospital-to-home (EHR) system is not merely digitization of paper-based records. It refers to the creation of a single durable data source that holds all patient information collected at the hospital and community to provide a caregiver with a complete picture of a patient’s health at any time. This system has clear advantages for improving chronic disease management and care.

This quarter, Possible presented at the second national meeting of the Lancet Commission on Reframing Non-Communicable Diseases and Injuries (NCDI) for the Poorest Billion on the EHR system we developed and launched in 2016.

Possible's EHR is a critical component of achieving responsible, accountable health care. It facilitates continuous care that leads to better immediate and long-term patient outcomes and eliminates duplicative diagnostics and history-taking, making healthcare delivery efficient and cost-effective. Equally important, it enables protocol-based care following best practices, which in turn means fewer errors and a systematization of quality that is replicable. Possible’s open source EHR system has been designed for the Nepali context, to facilitate continuity of care and improve adherence to evidence-based protocols and is an important tool for improving patients’ NCDI outcomes.
PEOPLE OPERATIONS

FULL-TIME TEAM SIZE:

- FY14: 93
- FY15: 131
- FY16: 247
- Q2 FY17: 260

CHALLENGES:

- Our team has sought to hire talent at our rural hospital hubs but the search for qualified candidates has taken longer than expected. This stretched the People Operations staff thin and forced strategic issues to the back burner. The experience has reinforced the need to more effectively implement the organizational recruitment protocols.
- During the last quarter, our team continued to refine the integrated staffing model, balancing issues including optimal Government/Possible staffing mix, compensation, incentives, etc. with anticipated cost to ensure future scalability of the model nationally.
- Key positions in the organization remain unfilled; see here for an up-to-date list of current job openings.

HIGHLIGHTS:

- Our team celebrated the one year anniversary of our reopening of Charikot Hospital, Dolakha in January. At the close of this quarter, we had 75 staff working in the district, compared to fewer than 30 this time last year.
- Our team launched the Community Health program in Dolakha District and recruited two Community Health Nurses.
- We completed the second year of Performance Possible, our performance management system. Our People Operations team kicked off the process with trainings across all our sites, resulting in 100% completion of the process by staff.
- We recruited our third cohort of HEAL Fellows—U.S. healthcare providers who spend six months a year supporting our team’s efforts in continued medical education, quality improvement, and enhancing their own skills as healthcare leaders.
FINANCE

REVENUE BY QUARTER:

$2.5MM

$2MM

$1.5MM

$1MM

$0.5MM

$0

Q1 Q2 Q3 Q4

Cash In-Kind

EXPENSES BY QUARTER:

$2.5MM

$2MM

$1.5MM

$1MM

$0.5MM

$0

Q1 Q2 Q3 Q4

OpEx CapEx

Q2 REVENUE BY TYPE:

Company: $50,298
Foundations: $1,268,295
Government of Nepal: $67,292
Individuals: $137,359
Multilateral: $78,977
Research: $52,348

Q2 EXPENSES BY INVESTMENT AREA:

Direct Delivery: $1,241,314
PPP Marketplace: $155,499
Shared Services: $276,053

HIGHLIGHTS:
• Overall year-to-date budget execution for the organization is 93% at the fiscal year midpoint.
• The Finance team contributed to organizational development through presentations on basic finance, anti-corruption practices, and corporate governance.
• We celebrated the one year anniversary of using Intacct’s software for its financial ledger system. Intacct has been an important tool for creating efficiencies and advanced financial data.
• The team streamlined reporting by creating consolidated reports between the NGO and the 501c3 through the use of Intacct.

CHALLENGES:
• Identification and collection of data needed to further the development of a financial operating model proved to be a challenge.
• Cash balance prediction for the remainder of the fiscal year is made challenging because of the unreliability with respect to timing and amount of government funding.
PARTNERSHIPS IN MENTAL HEALTH

Mental illnesses account for a large portion of non-communicable diseases, yet access to quality mental healthcare is extremely limited. Possible’s Mental Health Advisor, Dr. Bibhav Acharya, describes how we expand mental healthcare access in low-resource settings.

READ NOW

DOLAKHA: 1 YEAR ANNIVERSARY

Our team signed an agreement in January, 2016 which marked the first time management of a functioning government hospital was given to a nonprofit organization. Services began five days after our agreement was signed. See what has happened since.

READ MORE

BOARD MEMBER ADVOCATES FOR WOMEN’S HEALTH IN NYTIMES

Our Nepal Board member and journalist Subina Shrestha writes passionately about the impact of the expanded Mexico City Policy or “Global Gag Rule” on the lives of our patients in rural Nepal.

READ THE ARTICLE