Deal with the Devil: The Successes and Limitations of Bureaucratic Reform in India

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Motivation

- Bureaucrat absenteeism is a problem in much of the developing world
- *Question*: Can we institute reforms to provide greater *monitoring and incentives* to bureaucrats to do a task? Will it lead to other distortions in work?
  - Test within the public health sector in India

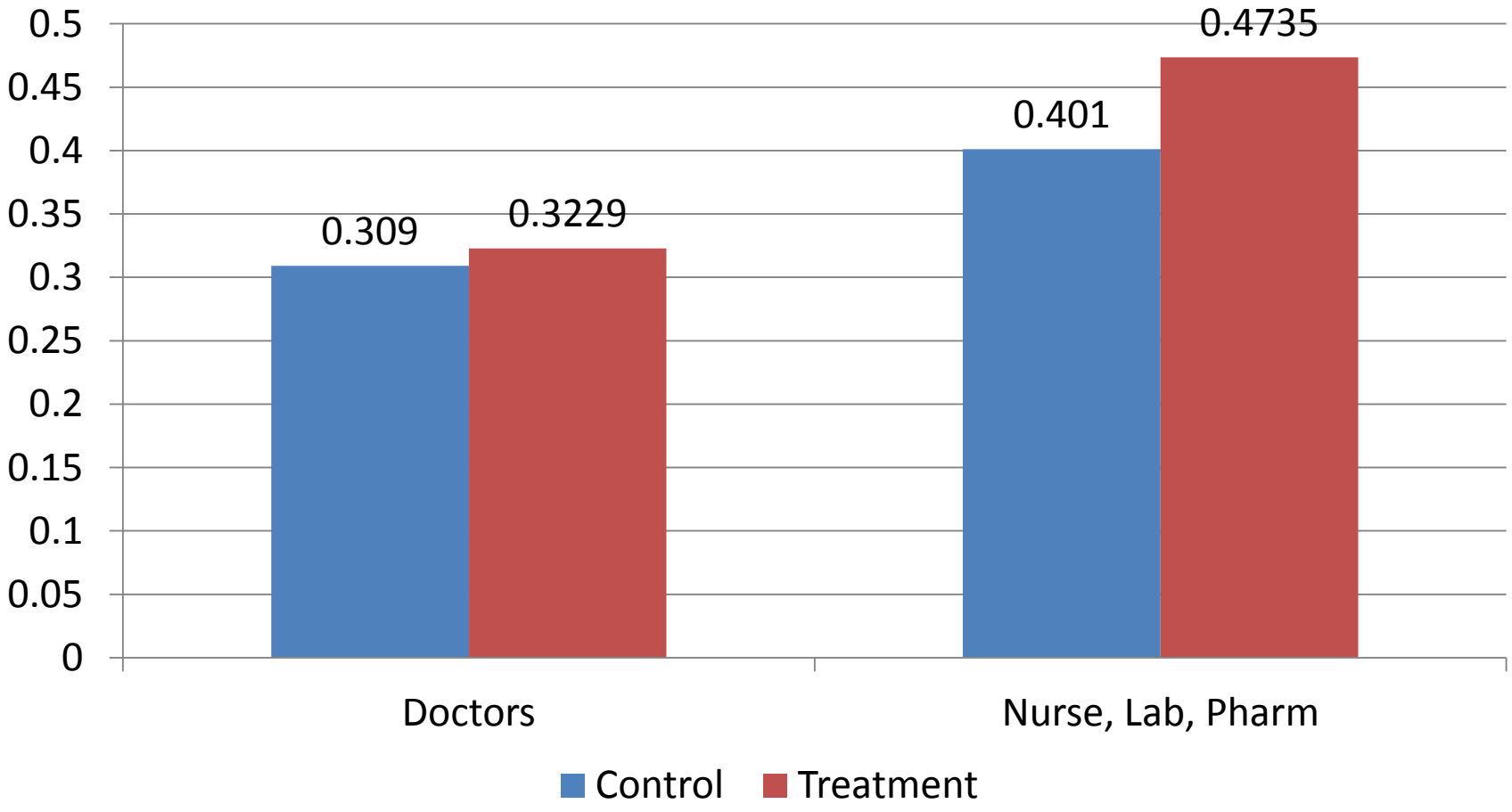
Pilot Reform

- In 2010, the National Rural Health Mission (NRHM) of the Government of Karnataka (GoK) decided to try to improve enforcement of their actual leave policies
  - All staff only present 43% of the time; doctors: 36%
  - Conceived project and developed system before the researchers got involved
- In 140 out of 322 PHCs (across 5 districts), they introduced a biometric device to capture thumb-print at start and end of the day
  - Note: Two and a half million individuals live in the catchment area of the 140 PHCs

What we do

- Conduct random checks to test for whether attendance improved
- Test whether health improves, and if so, why?
- Collect data with different stake-holders within government system to better understand the reform process

Does Attendance Improve



Does Health Improve?

- In the treatment areas, we find a 26 percent decline in the probability of being born below 2500 grams
- Basic antenatal care already high, but improve along margins that are low to begin with (e.g. iron tablets)

Change in Health Care Usage

- Delivery by trained doctor **increased** despite no change in attendance
  - Deliveries in PHCs and home births fell
  - Shift to deliveries to the large public hospitals and to the private hospitals

Potential Reasons for Shift

- **Better triage?** If spend more time giving advice to patients, may better triage high risk cases to bigger hospitals?

- **Salience of Absence**? Those in the catchment areas are more likely to think that the attendance of the PHC staff is lower than those in the control areas

Potential Reasons for Shift

- **Corruption**? monitoring imposes a cost--do staff compensate themselves in other ways?
  - Delivery costs increase
  - Knowledge of state entitlements falls significantly, and receipt of them falls as well

Sustainable?

- Government designed program:
  1. Delays and problems in monitoring; only happened due to the persistence of research team
  2. Enforcement of contract was not actually done
     - Part of this due to the fact that it is quite complex to actual cut a leave day
       - Show cause notice allowing appeal and then working one's way through the doctor, sub-district health officer, Director of Health and Family Welfare, Director to the Accounting General office, etc
     - If you ask government officials, they are reluctant to enforce contracts in practice because of greater human resource constraints: **staff discord** and **vacancies**

Staff discord

- Look at 12 measures of workplace satisfaction: treatment staff unhappier
  - For example, treatment doctors and nurses more likely to be unhappy with location of health center and weekly holidays given
  - Treatment doctors believe that the system upends their authority within the PHC
- More vacancies for nurses, lab tech, pharm

Expectations low throughout system

- Sub-district health officers:
  - expect doctors to be present 1/2 the time
  - Attendance does not enter their ranking of staff
- Local governments (GPs):
  - Higher attendance of doctors in areas with more “in the know” GPs
  - However, observe treatment effect for doctors only in areas with inactive GPS
  - Suggestive that GPs are okay with a certain level of attendance from doctors, but attendance likely won’t rise above that level

Implications

- Monitoring and incentives can improve health
- However, other forms of corruption do increase
- Even in case where it is "government's idea," implementation is problematic and unsustainable in current form
  - Monitoring only occurred with help!
  - Contract enforcement did not occur
    - Some of this due to:
      - Institutional complexities to implement
      - Human resource concerns that may be somewhat valid

Implications

- What are we enforcing?
  - Expect doctors to be present 7 days a week
  - Expect staff to stay in rural locations (doctor attendance is only 15% in the most rural location)
  - Etc.
- Can we think about structuring work requirements and contracts differently?
  - Staff only present X percent of time
  - Rotations to rural areas
  - And, so forth…..