



Standardizing Performance Measurement For Healthcare Organizations:

## A RECOMMENDED CATALOG OF METRICS FROM IRIS AND CHMI

- » Healthcare organizations and their investors can select standardized metrics from a new catalogue to demonstrate how well they deliver affordably priced, quality services to the poor. The metrics are a resource for investors and their investees to harmonize disparate measures into a common framework.

### BACKGROUND AND RATIONALE

The world's poor disproportionately lack access to affordable quality health care. Increasingly, private organizations are developing innovative solutions to improve health care options for low-income populations. And impact investors, donors, and domestic governments are increasingly investing in these enterprises to help achieve their goals related to improving global health.

As these enterprises and investors look to understand and communicate the results of these innovations, they require credible metrics that can help them compare and report their performance. This tracking and reporting is essential to ensure greater accountability and industry learning. IRIS and CHMI, two initiatives focused on improving the results reporting of impact investors and health delivery organizations, convened an expert working group in 2013 to develop a set of metrics with standardized definitions for common areas of social and financial performance designed for healthcare organizations serving low-income communities.

These standardized metrics are available for free and investors, funders, entrepreneurs, and program managers can select and use those that are relevant and most useful for their organizations' goals.

### Impact Reporting and Investment

**Standards (IRIS)** is the catalog of generally accepted performance metrics that leading impact investors use to measure social, environmental, and financial success, evaluate deals, and grow the credibility of the impact investing industry. IRIS is used by hundreds of investors and thousands of companies to track and communicate performance. It is a free resource available at [iris.thegiin.org](http://iris.thegiin.org).

### Center for Health Market Innovations

**(CHMI)** promotes programs, policies, and practices that make quality health care delivered by private organizations affordable and accessible to the world's poor. Details on more than 1,200 innovative health enterprises, nonprofits, public-private partnerships, and policies can be found at [HealthMarketInnovations.org](http://HealthMarketInnovations.org).

## HOW TO USE THESE METRICS

IRIS and CHMI offer the following suggestions for healthcare organizations and funders interested in adopting standardized reporting metrics.

- **Choose from within this catalog of metrics.** There is no single combination of metrics that is right for every organization; this set is designed as a catalog that investors and investees can use to select the most appropriate metrics for their work.
- **Adapt metrics to specific healthcare organizations.** While the metrics are meant to be generally applicable to organizations delivering healthcare services, they should be tailored to reflect an organization’s area of focus. For example, some organizations may wish to provide details on the total patients served by their organization and the specific number of patients served by a specific product, for instance, attended newborn deliveries.
- **Use the metrics to measure an organization’s outputs and evaluate its effectiveness.** Most metrics in the catalog are measures of inputs, outputs, or processes. These can serve as a foundation for measuring health outcomes.
- **Use metrics to help investors identify successful health organizations.** Comparable indicators of organizational outputs can help program managers to demonstrate impact and compare their performance with similar organizations. Standardized metrics can also help investors channel funding into solutions that effectively address healthcare challenges.

## BENEFITS OF STANDARDIZING MEASURES OF ORGANIZATIONAL PERFORMANCE

### VALUE TO INVESTORS

- › Allows for aggregation within a portfolio
- › Enables benchmarking and comparability
- › Provides standard and valuable information for screening and investment decisions

### VALUE TO HEALTH ORGANIZATIONS

- › Allows for streamlined data systems
- › Supports benchmarking and comparability
- › Enables clear articulation and demonstration of impact of services

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Developing a successful healthcare market in developing countries requires the common use of standardized performance metrics. With the health metrics developed by IRIS and CHMI, **we can better evaluate the impact of our health investments** as well as the collective impact of the broader healthcare market delivering much-needed products and services to the poor. — **Christine Kapkusum, Acumen**

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## METHODOLOGY AND FRAMEWORK

CHMI and IRIS convened an Expert Working Group, composed of practitioners, impact investors, donors, and others with health implementation and metrics design expertise.<sup>1</sup> Experts reviewed best practices in performance measurement used by health service organizations targeting the poor, pulling from sources such as the World Health Organization and the World Bank.

Further, experts vetted the metrics through open comment periods, soliciting feedback on the clarity, usability, and feasibility of the catalog of indicators. The metrics are focused on three core performance dimensions. When used together, the metrics selected can provide a full picture of the performance of a health organization.

### Performance Dimensions Of Healthcare Metrics

<b>1 WHO IS BEING SERVED?</b>	<b>Pro-Poor Targeting</b> What is the population coverage of key interventions? <b>Affordability</b> Is the product or service affordable? <b>Scale</b> What is the scale of the organization's operations?
<b>2 WHAT IS BEING DELIVERED?</b>	<b>Health Outputs</b> What type of products and services are being delivered?
<b>3 HOW IS IT BEING DELIVERED?</b>	<b>Clinical Quality</b> What is the level of quality of services delivered? <b>User Satisfaction</b> Do patients' experiences meet expectations? <b>Financial Sustainability</b> Are financials sustainable to maintain operations over the long term?

## WHAT'S NEXT

These healthcare metrics will be incorporated into the larger IRIS metrics taxonomy, which also include sets of metrics specific to agriculture, financial services, water and sanitation, and other sectors. The metrics will also be integrated into CHMI's Reported Results initiative, which aggregates performance results from hundreds of profiled programs in CHMI's publicly available database. Program implementers

are encouraged to utilize those metrics that are applicable to their organization and integrate them into their performance measurement systems. Building on this foundation of common metrics, IRIS and CHMI plan to use the resulting performance data to create benchmarks, identify successful models, and help funding flow to organizations that are effectively delivering quality healthcare services for low-income communities.

» **Discover healthcare programs reporting performance indicators to CHMI at: [bit.ly/CHMIReportedResults](https://bit.ly/CHMIReportedResults)**

» **View all IRIS metrics at: [iris.thegiin.org](https://iris.thegiin.org)**

<sup>1</sup> Members include Ben Bellows (Population Council), Onil Bhattacharyya (University of Toronto), Jorge Coarasa (International Finance Corporation), Colm Fay (Strengthening Health Outcomes through the Private Sector), Christine Kapkumus (Acumen), Gina Lagomarsino (Results for Development Institute), Kim Longfield (Population Services International), Dominic Montagu (University of California San Francisco), Tricia Morente (Institute for Healthcare Improvement), Karen Pak Oppenheimer (World Health Partners), Varun Sahni (Impact Investment Partners), and Geetha Tharmaratnam (The Abraaj Group)