**Understanding capacity factors driving provider performance in free healthcare programme in Nigeria: a case-based health systems analysis**

**Background**

Well-resourced district providers are needed to deliver people-centered free health services. Evidence about providers’ influences on user-fee abolition policy implementation, using organizational theories, are limited. This study aims at describing capacity factors that enabled or constrained providers’ implementation of free maternal and child healthcare programme in Nigeria.

**Methods**

A qualitative, case study design using constructivist grounded theory was adopted. Case data included in-depth interview of policymakers (n = 6), providers (n = 16), and health facility committee members (n = 12); focus group discussions (n = 4); and document review (n=14) in two contrasted health district: less- and more-functional districts. Based on dimensions of Grindle and Hilderbrand capacity framework, data were analysed using constant comparison analysis.

**Results**

Providers’ action environment was characterized by weak decentralization, poor answerability, low providers’ participation in decision-making, clients’ lack of trust in providers and poor strategic vision. Poorly enforced reimbursement policy, street level bureaucracy and poor compensation were common institutional context of providers. Poor recording and reporting skills and lack of support from district officials constrained task network. Organisational constraints include weak supervision, poor funding, decapitalised drug revolving fund, and inadequate infrastructure. Human resources constraints were insufficient trained workforce and weak staff disciplinary mechanism. Providers from less-functional district were more constrained than providers from more-performing district across all dimensions of capacity.

**Conclusions**

This study highlights, from Nigeria’s experience, need to address insufficient district providers’ capacity in order to enhance implementation of user-fee abolition policy.