African Health Economics and Policy Association
Association Africaine d'Economie et Politique de la Santé

Virtual Conference

6th Biennial **AfHEA**

Scientific Conference

Towards Resilient Health Systems in Africa:
The Role of Health Economics and Policy Research.

Conférence Virtuelle

6ème Conférence

Scientifique Biennale AfHEA

Vers des systèmes de santé résilients en Afrique: le rôle de la santé Recherche en économie et politique.

Virtual Host / Hôte Virtuel:
Kigali, Rwanda

7 - 11 March, 2022
7 - 11 Mars, 2022

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Welcome!
Bienvenue!

Virtual Conference

2022 AfHEA Biennial Scientific Conference

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Virtual Host / Hôte Virtuel: Kigali, Rwanda

7 - 11 March, 2022 / 7 - 11 Mars, 2022

Coming up next / À suivre:

African Health Economics and Policy Association
Association Africaine d'Economie et Politique de la Santé

Oral Session

Séance orale

Topic: Strategic health purchasing progress in sub-Saharan Africa and adjustments needed for health financing systems to become more resilient to pandemics

Sujet:

Presenter(s): Obinna Onwujekwe, Nathaniel Otoo, Stella U. Matutina, Uchenna Ezenwaka, Augustine Kuwawenaruwa, Joël Arthur Kiendrébéogo

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Strategic health purchasing progress in sub-Saharan Africa and adjustments needed for health financing systems to become more resilient to pandemics

SPARC
STRATEGIC PURCHASING AFRICA RESOURCE CENTER

UNIVERSITY OF RWANDA

HPRG
HEALTH POLICY RESEARCH GROUP, UNIVERSITY OF NIGERIA

IFAKARA HEALTH INSTITUTE
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RESADE
Recherche pour la Santé et le Développement

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SPARC is a hub in sub-Saharan Africa that serves as a go-to source of information, support and capacity-building for strategic purchasing to get better value for health spending to advance universal health coverage

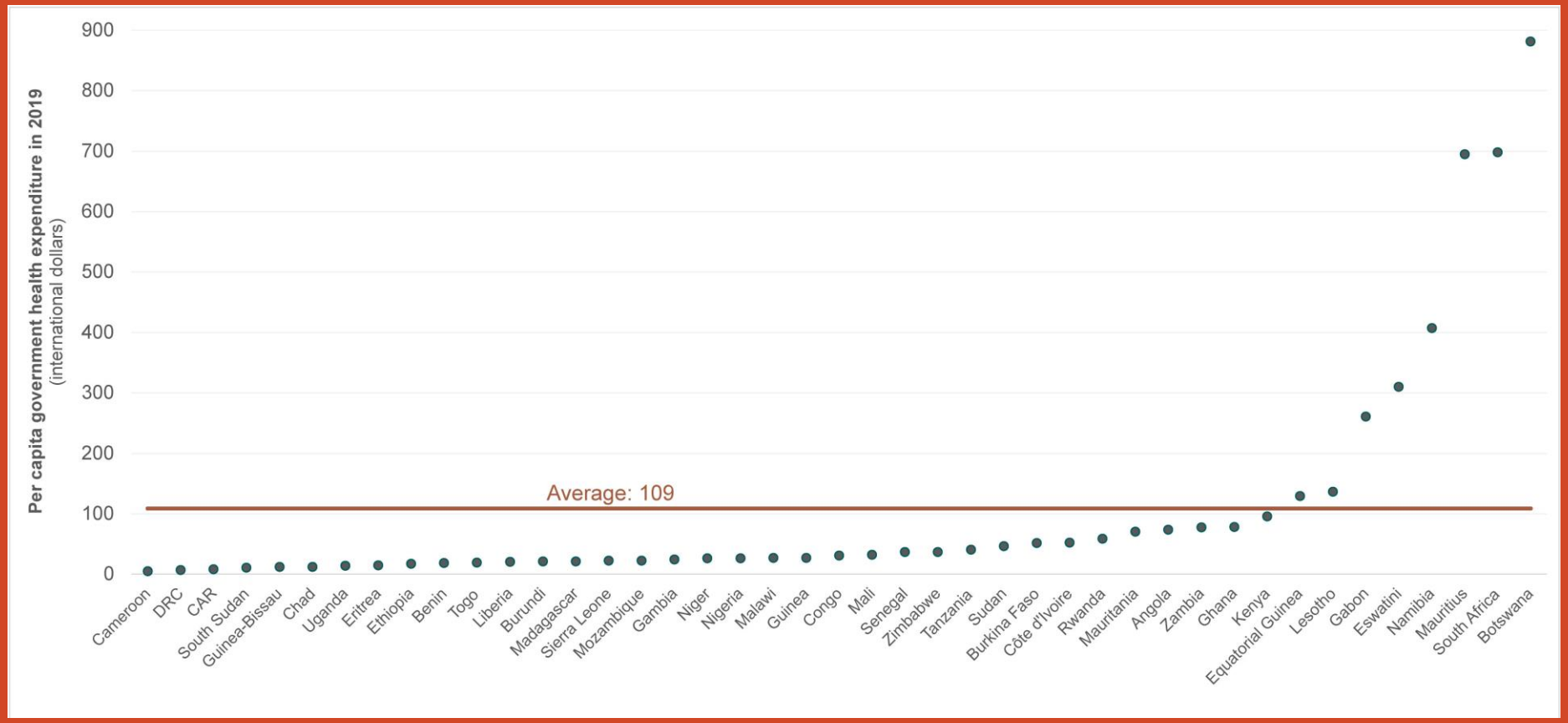
SPARC is building momentum for strategic purchasing across sub-Saharan Africa and expanding the growing critical mass of expertise and experience on the continent.

Why is Strategic Purchasing critical for UHC in SSA?

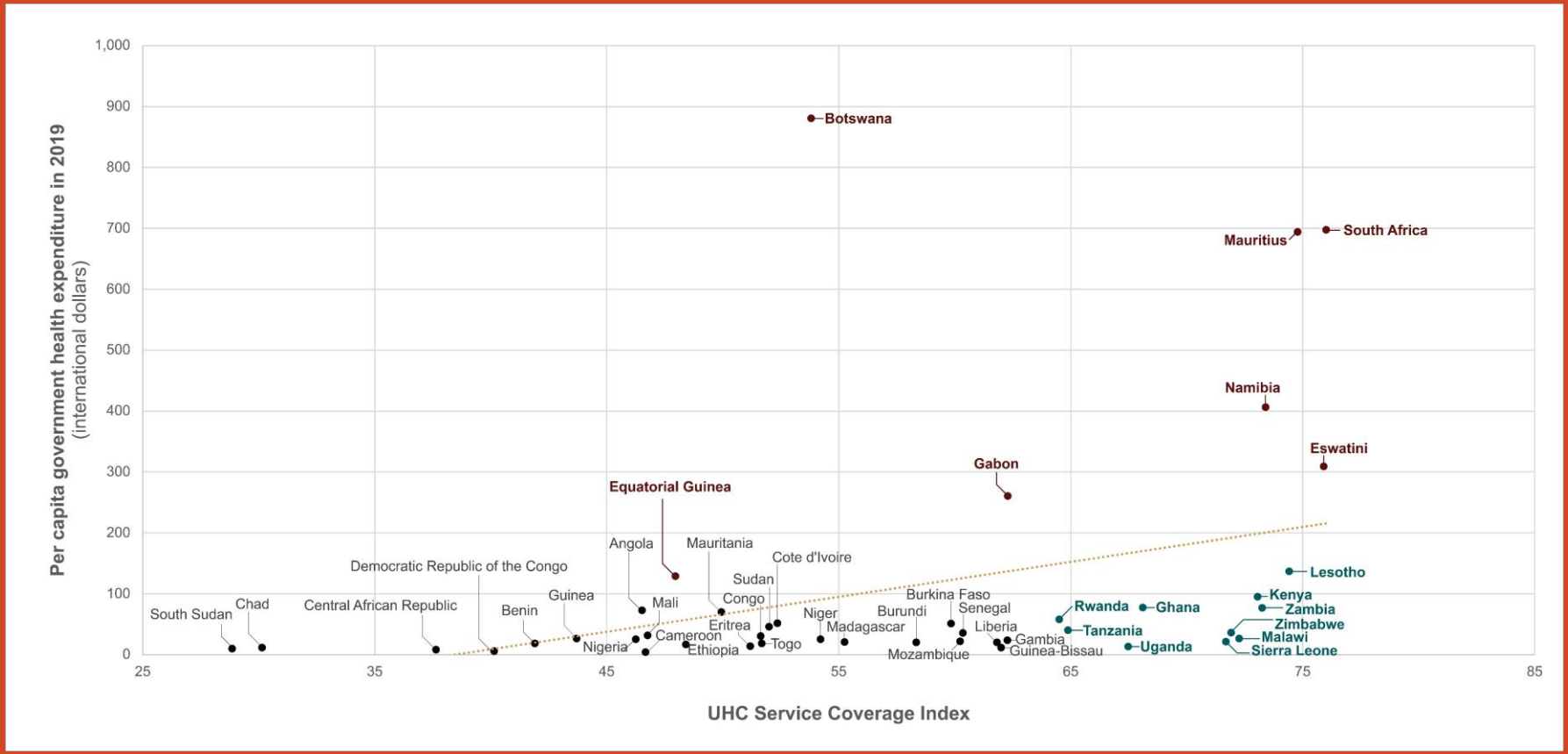
- Achieving UHC requires more public resources
- But the capacity to expand fiscal space for health in sub-Saharan Africa is limited due to:
  - Low per capita national income or gross domestic product (GDP)
  - Inefficiency translating economic activity into government revenue through tax collection
  - Inadequate priority for health in public budgets
  - Under execution of health budgets.

Source: AU. (2019). *Africa Scorecard on Domestic Financing for Health, 2018.* Addis Ababa: Africa Union.

There is wide variation in per capita government health spending



High Variability of Service Delivery and Health Outcomes



Methods

Study setting and design

- A multi-country qualitative, descriptive case study approach in nine countries (Benin, Burkina Faso, Cameroon, Ghana, Kenya, **Nigeria,** Rwanda Tanzania, Uganda)

Data collection: Oct. 2019 – Jun. 2020

- Data was collected through review of relevant documents and key informants interviews using a structured Excel-based template
- Purposive selection of participants- key informants involved in the purchasing arrangements for each case study

Data Analysis

- Extracted data were collated, summarized, and synthesized using a manual thematic framework analysis approach
- Deductive and inductive coding strategies used
- Results were presented according to the themes based on Strategic Health Purchasing Progress Tracking Framework

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Strategic Health Purchasing Progress Tracking Framework

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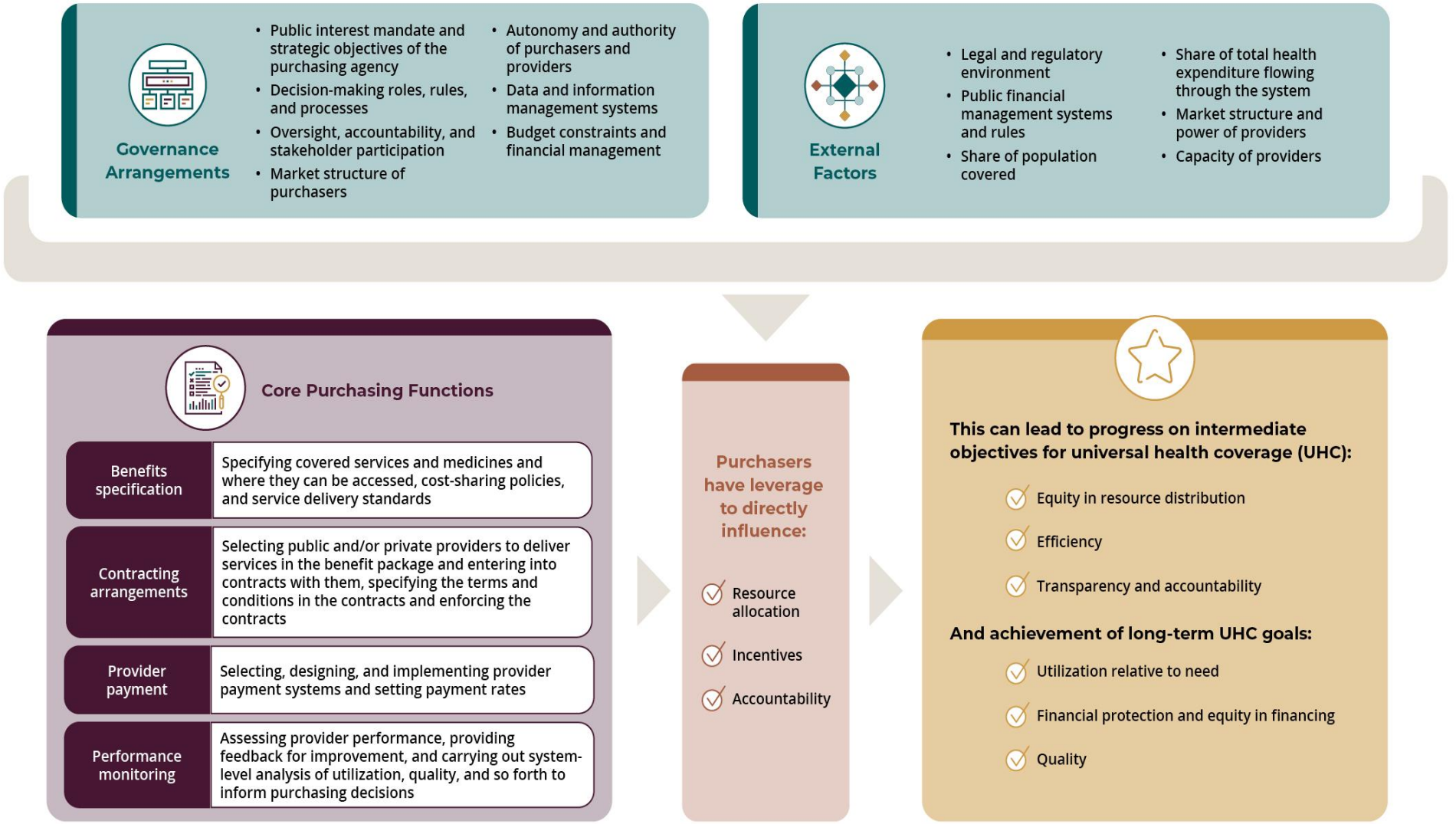

Panel presenters

Moderator:
Professor Obinna Onwujekwe
Health Policy & Research Group,
University of Nnsuka, Enugu Campus,
Nigeria

Joël Arthur Kiendrébéogo
Recherche pour la Sante
et le Developpement (RESADE),
Burkina Faso

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Nathaniel Otoo
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Uchenna Ezenwaka
University of Nigeria,
Enugu Campus,
Nigeria

Augustine Kuwawenaruwa
Ifakara Health Institute
Tanzania

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Strategic Health Purchasing in Nigeria: Investigating Governance and Institutional Capacities Within the Formal Sector Social Health Insurance Programme and Tax-Funded Health Services

Uchenna Ezenwaka

University of Nigeria,
Enugu Campus,
Nigeria

HEALTH POLICY RESEARCH GROUP,
UNIVERSITY OF NIGERIA

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The Nigerian Context

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Population: 206,139,589; which is 2.64% of the total world population (UN data, 2020).

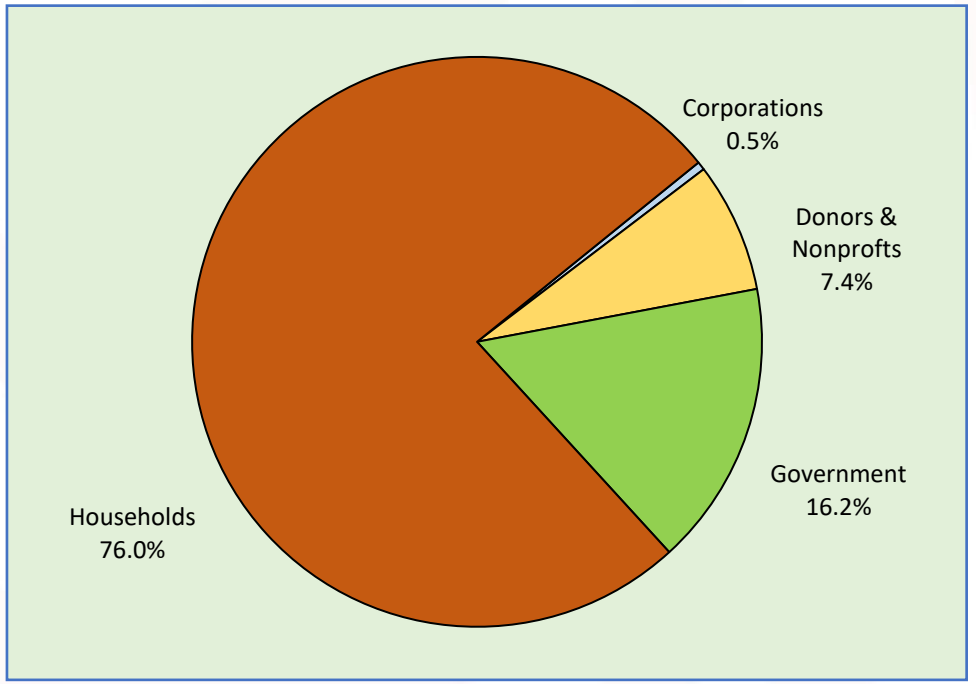
Health Financing Indicators

- **Out-of-pocket expenditure (OOPE)** for health, as a proportion of total health expenditure (THE) **76%** in 2018 (NHA, 2020).
- **NHIS** - Covers only **4%** of the population (NHIS, 2016)
- **Health Budget** is **4.7%** (Devex Partnerships, 2021).

Table showing Health Financing Key Performance Indicators in 2018

Indicator	2018 (%)
THE as share of GDP (%)	3.4
Government general health expenditure (GGHE) as share of THE (%)	21.9
OOPE/CHE (%)	75.9
Health Insurance/THE (%)	2.0
Domestic govt. health expenditure as a share of govt. general expenditure (GGE) (%) (against 15% Abuja Declaration)	4.6

Source: (NHA report, 2020)



Proportion of current Health Expenditure (CHE) for 2018 (NHA report, 2020)

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Mapping Results: Purchasing functions and arrangements

	Government Tax Financing (GTF)	National Health Insurance Scheme (NHIS) – Formal Sector Social Health Insurance Program (FSSHIP)
Main Purchaser(s)	Federal Ministry of Health (FMOH)	NHIS
Governance	Has a defined governance structure. FMOH develops plans, guidelines, policies and programs and budgeting Health sector is decentralized thus duplication in purchasing functions with multiple purchasers at different levels: National, State and LGAs	Backed by law. NHIS has mandate to regulate HMOS and HCP, set guidelines, tariff and determine benefit packages
Benefits Specification	FMOH defines all BP and set standards Existence of national drug list -drugs are provided via drug revolving funds (DRF) at public facilities Lacks a systemic process to review packages-thus service insufficiency exists	Explicit benefit package (BP) with gatekeeping, well-defined referral systems, and cost-sharing policy for medications. NHIS issues treatment protocols to providers, including a generic drug list reviewed periodically.
Contracting Arrangements	Lacks selective contracting arrangements and accreditation guidelines, although the FMOH has minimum requirements for establishing public and private facilities. Geographic and socioeconomic disparity exists and client's satisfaction least at public facilities	Both public & private facilities are accredited for service provision- facilities are sanctioned or disaccredited if they operate outside NHIS guidelines. HMOs negotiate service agreement with accredited providers while NHIS monitors all accredited HMOs on services and rules
Provider Payment	The FMOH allocates and transfers funds through budget flows to public providers User fees are charged for services and medicines Issues with delay in budget approvals and poor budgetary allocation to health.	Capitation and fee for service payment. Rates are determined through actuarial studies based on the benefit package and tariff, Cost sharing for medicines (10%) Providers are not satisfied with the FFS reimbursements.
Performance Monitoring	A systematic process for performance monitoring is lacking. Monitoring team conducts hospital visits, but not routinely done	NHIS and HMOs monitor provider performance via quarterly onsite inspection, however, receives the least attention.

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Discussion

GTF

- Governance challenges: gross irregularities such as delays in provider payment, corrupt practices, and weak monitoring and accountability mechanisms, historical budgeting- (not evidence based), provider/purchase split and roles not clearly defined etc.
- Benefits specification: BPs do not specify any cost-sharing arrangements, so providers charge user fees that creates a barrier to accessing health services.
- Provider Payment: Public procurement laws limit provider payment to input-based payment, which does not give providers incentive to improve productivity or quality of care.
- Performance monitoring: Lacks a to support purchaser's decision making

FSSHIP

- Governance challenges: Weak provider and HMOs monitoring, weak use of ICT for evidence generation and decision making, weak regulation of HMOs, conflict of interest on regulation between NHIS & HMOs.
- Benefits specification: Some providers still dispense branded drugs & stock outs persist. Increasing rate of denial of referrals by HMOs.
- Performance monitoring: Performance information is not linked to payment decisions. Leakages also occur in the system, revealing lack of accountability, alleged misconduct among providers and HMOs

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Acknowledgements

Strategic Purchasing Africa Resource Center (SPARC)

Health Policy Research Group (HPRG), College of Medicine, University of Nigeria Enugu Campus, Enugu, Nigeria (SPARC Technical Partner)

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