

Presentation of Analysis of Health Budget in 2021 National Budget and Implications for Primary Health Care

Online Meeting
Alliance for Reproductive Health Rights (ARHR)
22nd April, 2021



Key developments in the health sector reported in the budget

- The Ministry launched the National Health Policy and the Universal Health Care (UHC) Road Map to support healthcare delivery.
- The Ministry of Health awarded contracts for the construction of 101 District Hospitals, seven Regional Hospitals and two Psychiatric Hospitals, and rehabilitation of Effia-Nkwanta Hospital. (Agenda 111)
- The Ministry of Health deployed 299 Ghana Logistic Management Information System (GhiLMIS) facilities to the Temporary Central Medical Store, 10 Regional Hospitals & Medical Stores, 10 Teaching hospitals, 50 District Hospitals and four Zipline Distribution Centres to improve the supply chain management system.

Key developments in the health sector reported in the budget Cont'

- The Ministry deployed an Antiretroviral Therapy (ART) eTracker to all 488 ART facilities and the deployment of TB eTracker is ongoing in order to improve HIV/AIDS healthcare services.
- 2,343 vaccine fridges were procured for distribution across the country as part of the effort to retool immunisation infrastructure.
- Ministry of Health established four Drone Centres namely: GH1 Omenako; GH2 Mpanya; GH3 Vobsi and GH4 Sefwi to leverage technology to eliminate stockouts, cold chain breakages and accelerate emergency response in the healthcare delivery system.

Key developments in the health sector reported in the budget Cont'

- The NHIA introduced a mobile renewal application. This increased membership from 12.29 million in 2019 to 13.96 million in 2020 representing an increase of 13.6 percent.
- The NHIA piloted family planning in selected districts for inclusion into the NHIS benefit package.
- The benefit package of the NHIS was expanded to include Herceptin for the treatment of breast cancer.
- Ghana received 600,000 doses of the COVID-19 vaccine (Covishield) from the COVAX facility. Donations have also been received of 15,000 doses of the Sputnik vaccine and 100,000 more of the Covishield vaccine.

Key developments in the health sector reported in the budget Cont'

Human Resource for Health

No	Permanent Workers	No. Recruited in 2020
1.	Medical Officers	822
2.	Specialist (Contract)	8
3.	Physician Assistants	637
4.	Nurses (Certificates, Diploma & Degree)	43,057
5.	Support Staff (Admin. Managers Cooks Executive Officers etc.)	2,000
6.	Pharmacists	150
7.	Pharmacy Doctors	150
8.	Allied Health Professionals (Optical, Field, Lab Technicians)	4,146
TOTAL		50,970

Source: 2021 National Budget

Outlook for 2021

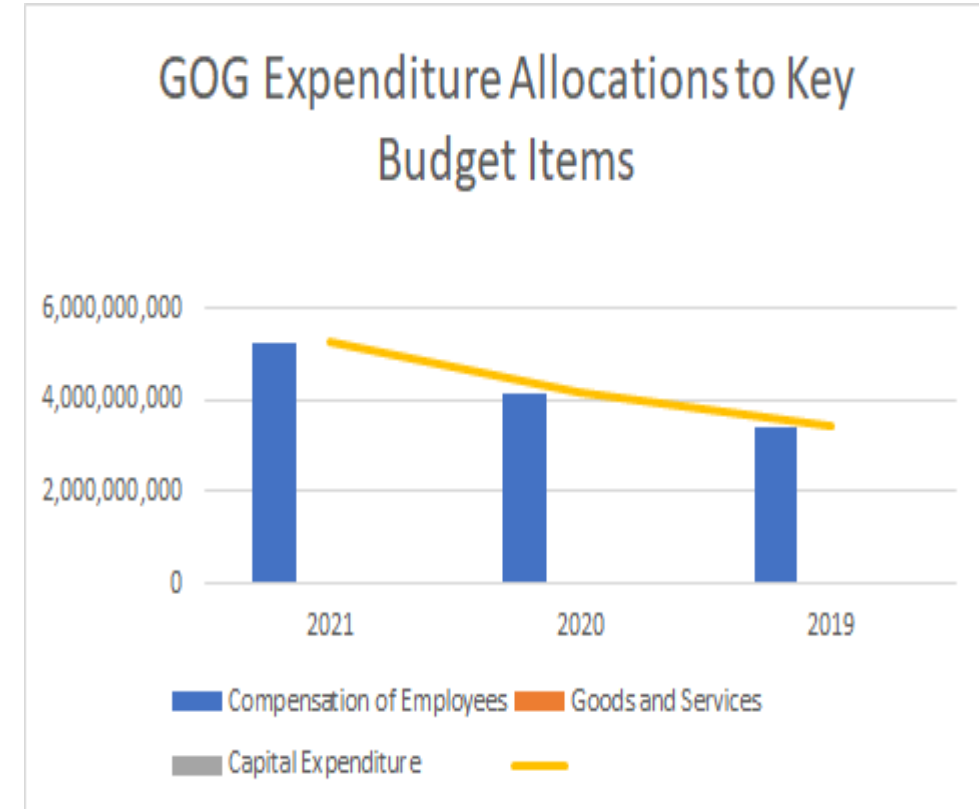
- The Ministry of Health is to develop the Health Sector Medium Term Development plan to guide health sector investment in 2021.
- Construction of 101 District Hospitals, seven Regional Hospitals and two Psychiatric Hospitals, and rehabilitation of Effia-Nkwanta Hospital to continue.
- In 2021, the Ministry of Health will develop a strategy to attract and retain health workers in deprived areas.
- The NHIA in collaboration with International Healthcare partners will enhance membership enrolment onto the scheme.

COVID-19 Response

- Introduction of a COVID-19 Health Levy of one percentage point increase in the National Health Insurance Levy and one percentage point increase in the VAT Flat Rate.
- The NHIL will move from 2.5% to 3.5%, and the VAT Flat Rate from 3% to 4%.
- The Ministry of Health will increase the PCR sites and deploy alternative technologies for testing to improve quality assurance in laboratories in 2021.
- [Accredited Testing Sites](#) - Seventeen out of the Twenty-Three sites are based in Accra

Budgetary Allocations (GOG)

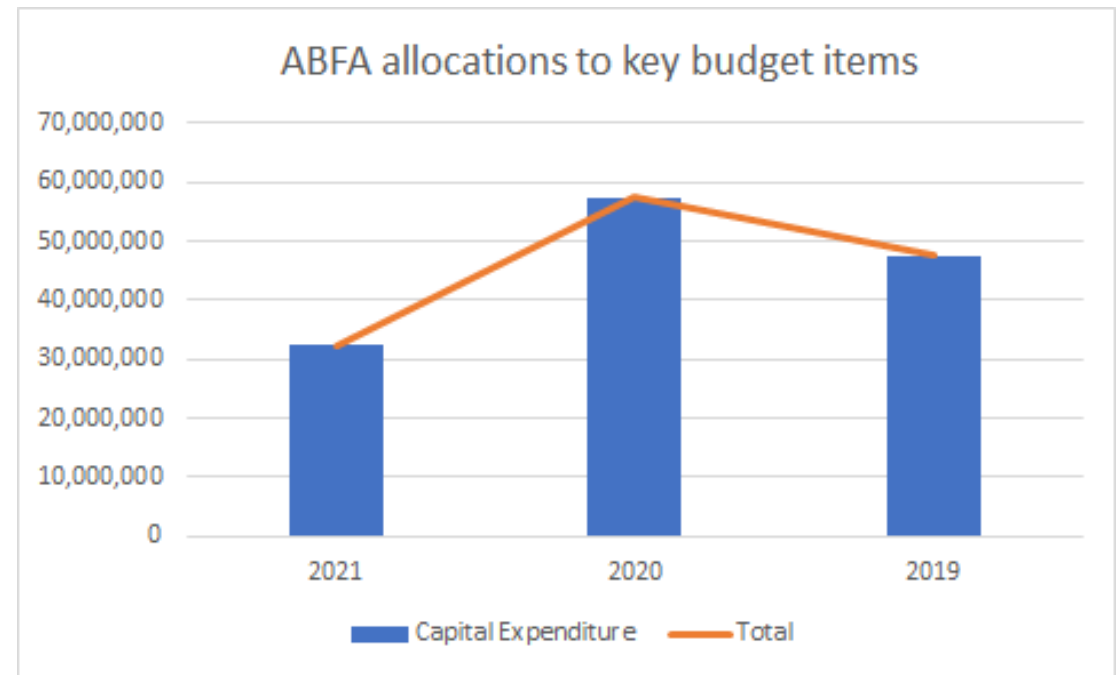
Items	2021	2020	2019
Compensation of Employees	5,245,369,972	4,149,294,816	3,400,000,000
Goods and Services	33,295,151	36,346,443	21,276,474
Capital Expenditure	13,075,000	-	-
Total	5,278,665,123	4,185,641,259	3,421,276,474



Source: 2019, 2020 and 2021 National Budgets

Budgetary Allocations (ABFA)

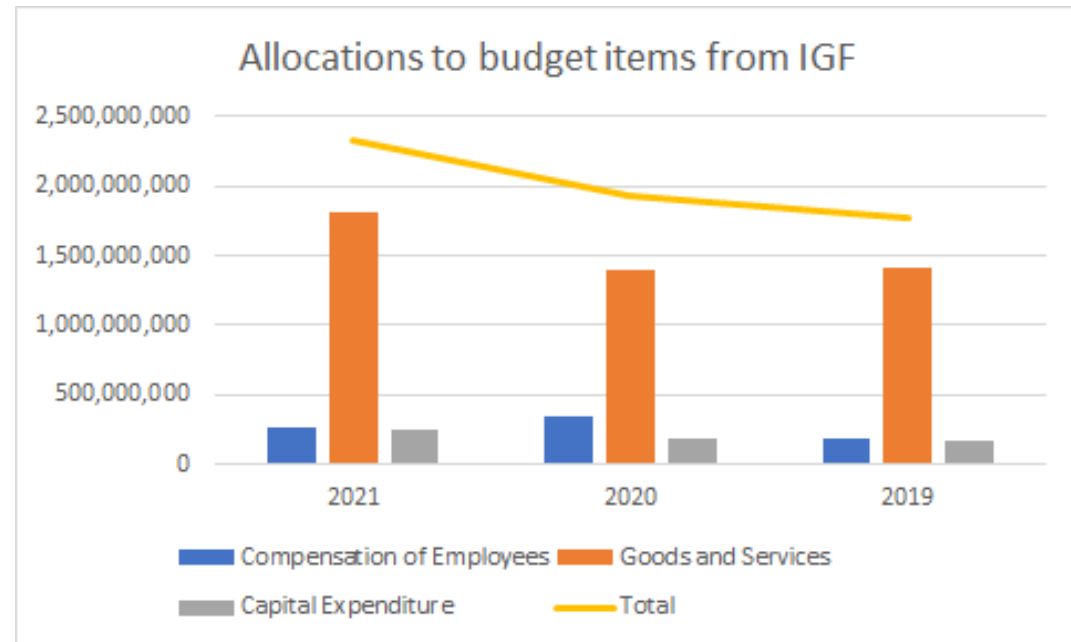
Items	2021	2020	2019
Compensation of Employees		-	-
Goods and Services	-	-	-
Capital Expenditure	32,425,000	57,396,929	47,500,000
Total	32,425,000	57,396,929	47,500,000



Source: 2019, 2020 and 2021 National Budgets

Budgetary Allocations (IGF)

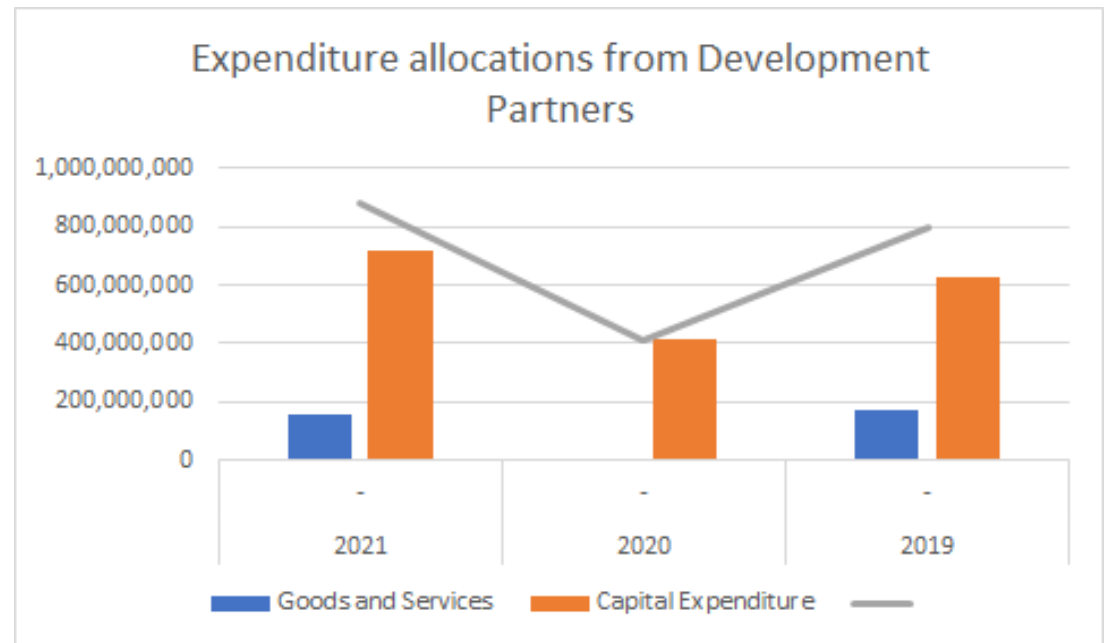
Items	2021	2020	2019
Compensation of Employees	265,563,790	338,646,915	185,028,562
Goods and Services	1,816,172,955	1,405,103,825	1,414,439,686
Capital Expenditure	246,400,367	187,333,116	173,441,280
Total	2,328,137,112	1,931,083,856	1,772,909,528



Source: 2019, 2020 and 2021 National Budgets

Budgetary Allocations (DPs)

Items	2021	2020	2019
Compensation of Employees	-	-	-
Goods and Services	160,056,447		171,014,524
Capital Expenditure	721,231,541	412,970,434	624,806,192
	881,287,988	412,970,434	795,820,716



Source: 2019, 2020 and 2021 National Budgets

Key observations

- Government of Ghana funding for wages and salaries item of the budget continues in the trend of steady increments.
- GOG allocations to wages and salaries in 2020 increased by about 22% compared to 2019 allocations, and for 2021 the increment is 27% compared to 2020 figures and 54% compared to 2019 allocations.
- Compared to wages and salaries, GOG allocations to goods and services are 0.6%, 0.9% and 0.6% respectively for 2019, 2020 and 2021.
- Allocations from ABFA for the three years are seen to be fluctuating with a significant increment of about 20% in 2020 from 2019 and a sharp decrease of 44% in 2021 from 2020.

Key observations Cont'

- It appears the ABFA is being relied on in place of GOG funding despite its complementary purpose.
- Internally generated funds appear to be playing a very important role in the provision of goods and services to the health sector with consequences for out-of-pocket spending.
- Expenditure allocation from IGF to goods and services is about seven times of what is allocated to wages and salaries and to capital expenditure also from IGF.
- There appears to be an unwritten agreement about which source (GOG, ABFA, IGF, DPs) should hold the different components of the budget more to the convenience of the Government over the years.

Recommendations

- Government has the responsibility of providing adequate and equitable funding for all three budget items. Government must significantly improve its funding on its funding for capital expenditure and goods and services for the sector.
- Government should ensure that all people living in Ghana draw benefits from the ever-increasing wage bill of the health sector by ensuring equitable distribution of health workers in districts and sub-district health facilities.
- The Ministry of Health should ensure that laudable efforts of health facilities at generating internal income for significant financing of goods and services do not encourage increased out-of-pocket spending at health facilities as that will entrench existing financial barriers to access.
- Health is one of the few areas where all people living in Ghana can enjoy equitable benefits from Ghana's oil resources yet funds allocated from the ABFA for the health sector for capital expenditure compared to other sources is very little as shown in the above tables and diagrams. Government must consider increments in ABFA funding that match allocations from other sources.
- CSOs must develop the interest and capacity to track and monitor the deliverables reported in the budget to ensure resources allocated to health reach people in their communities.

Thank you