

Learning About Cost Sharing in Kenya's National Health Sector

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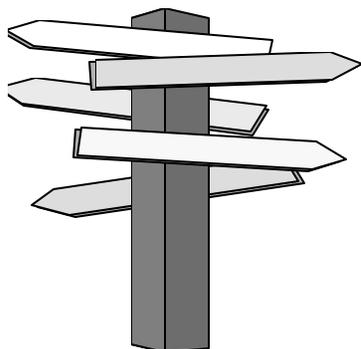
APHIA Financing and Sustainability Project

LEARNING ABOUT COST SHARING

Sustainability means more than finances – it requires a skilled human resource and effective supervision.

A major change of direction

Cost sharing was a new concept when it was introduced into Kenya's national health sector in the early 1990s. After decades of providing essentially free services, supervisors and healthcare providers alike required a major paradigm shift to make the cost sharing system work. But severe economic decline had dictated that the Ministry of Health begin to charge modest fees for services delivered by government health facilities, so the people within the system had to be provided with a solid understanding of the principles and practices of cost sharing. To promote the sustainability of the cost sharing venture—as well as other health programs—the APHIA Financing and Sustainability project worked with the Ministry to develop a comprehensive training and supervision strategy.



An emphasis on decentralization

Together, the Ministry of Health and the project developed a modular curriculum for the cost-sharing program at provincial and district level. Designed for hospital managers and District Treasury officials, the curriculum aimed to improve the cost sharing skills and supervision in areas of policy, procedures, expenditure planning and reporting requirements. The project concentrated on devolving the management and responsibility for cost sharing training to professional health trainers at the provincial level. It worked closely with eight Provincial Training Coordinators who are now directly responsible for the planning and administration of cost sharing training at local health facilities.

To ensure more effective local supervision of cost sharing, the project also collaborated with Provincial Medical Officers, handing over to them responsibility for supervising all lower level health facilities. This has encouraged greater responsibility at the grassroots, creating better hospital teamwork, motivation to do regular system audits, and more relevant education and training.

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The results

Every district now has a copy of the latest version of the cost sharing training curriculum. In June 2000, the Ministry of Health Permanent Secretary issued a circular to all Provincial Medical Offices allowing them to receive 10% of the cost-sharing revenue collected by provincial general hospitals for training and supervision. With sound planning and management, cost sharing is now poised to be managerially self-sustaining, generating increased revenues that can be used to support further management training, and at the same time improving the quality and efficiency of health care.

By the end of June 2000, a total of 632 staff had received a week's intensive training. Courses took place in hospitals or other low cost venues. Benefits of this training were reflected when the reported national cost sharing revenues increased considerably during this period, from Ksh324 million to Ksh498 million.

Institutionalizing the training

The project also introduced cost sharing training into the pre-service curricula at the Kenya Medical Training College. Thirty KMTC lecturers are now equipped to train third-year students in the management and operations of cost sharing, ingraining sustainability of the program in a key learning area. The project also recommended the institutionalization of general management training into local institutions, focusing on leadership, team building and effective customer care. This course has now been contracted out to local institutions such as the British Council Teaching Center and has been very well received, especially by staff at Coast Provincial General Hospital and other leading hospitals.

As a further step toward institutionalization, the project suggested the establishment of an In-Service Education and Training Unit, within the Ministry of Health, to provide a framework for all types of health training not just cost sharing. It is hoped that when this unit is set up Provincial and District Training Coordinators will work closely with the unit to support its activities throughout the country. The FIS has been extremely useful in targeting facilities for supervision and monitoring.

Next steps

Despite severe economic constraints, cost sharing training and supervision are now, in principle, self-sustainable. However, fundamental changes within the Ministry of Health are still urgently required to support this program and other health programs in the future. There needs to be a planned program of management training that recognizes and incorporates the decentralization of management structures, the encouragement of participatory planning and reforms to overcome suffocating protocols within health institutions. Health workers need to be encouraged to develop a "corporate" frame of mind to help them focus collectively on results and improve organizational performance.

APHIA Financing and Sustainability Project

Implemented by Management Sciences for Health under USAID Contract No. 623-0264-C-00-7005, the project worked with Kenya's Ministry of Health and hospitals across the country to improve organizational performance and quality of services, control costs, increase revenues (and cash collection), and improve patient and staff satisfaction. The purpose of these activities was to improve the quality of care provided by the hospitals, as well as institutional sustainability.



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