

Health Policy Plus, Kenya and East Africa

*End-of-Project Report for Cross-Cutting
and HIV Global Fund Technical Assistance
Provided April 1, 2016–September 30,
2021*



SEPTEMBER 2022

Health Policy Plus (HP+) is a seven-year cooperative agreement funded by the U.S. Agency for International Development under Agreement No. AID-OAA-A-15-00051, beginning August 28, 2015. The project's HIV activities are supported by the U.S. President's Emergency Plan for AIDS Relief (PEPFAR). HP+ is implemented by Palladium, in collaboration with Avenir Health, Futures Group Global Outreach, Plan International USA, Population Reference Bureau, RTI International, ThinkWell, and the White Ribbon Alliance for Safe Motherhood.

This report was produced for review by the U.S. Agency for International Development. It was prepared by HP+. The information provided in this report is not official U.S. Government information and does not necessarily reflect the views or positions of the U.S. Agency for International Development or the U.S. Government.

Contents

- Abbreviations..... 2
- Executive Summary 3
 - Activity Timeline and Budget..... 3
 - Summary of Results 3
- Introduction 5
- Results 7
 - Objective 1: Support the national government to increase domestic resources for sustainable financing of the health sector in Kenya 7
 - Objective 2: Support County governments to increase sustainable financing for health and priority programs, including HIV 11
- Broader Successes, Outputs, or Results Not Covered under Objectives 16
- Partnerships and Collaborations..... 17
- Challenges..... 18
- Lessons Learned 19
- Conclusion 20

Abbreviations

ART	antiretroviral therapy
ARVs	antiretroviral drugs
FY	fiscal year
HCM	Health Communications and Marketing
HP+	Health Policy Plus
KEMSA	Kenya Medical Supplies Authority
MOH	Ministry of Health
MTEF	medium-term expenditure framework
NACC	National AIDS Control Council
NASCOP	National AIDS and STIs Control Programme
PBB	program-based budgeting
SFI	Sustainable Financing Initiative
US\$	U.S. dollar
USAID	U.S. Agency for International Development

Executive Summary

Activity Timeline and Budget

Health Policy Plus (HP+) Kenya implemented activities under Sustainable Financing Initiative (SFI) funding since its inception in April 2016 until September 30, 2021, when the funding ended. This report describes the key results achieved under this funding stream in Kenya. In total, HP+ Kenya received US\$5,753,000 under SFI funding over the six years in two streams: public (US\$5,150,000) and private (US\$603,000) sectors. The activities funded under these streams were implemented in collaboration with Government of Kenya ministries and agencies, subnational governments in 26 counties, other USAID implementing partners, and local civil society partners (see details in the section on partnerships and collaboration).

Activity	FY 2016 (Y1)	FY 2017 (Y2)	FY 2018 (Y3)	FY 2021 (Y6)	Total
SFI Kenya Public	\$3,300,000	\$1,000,000	\$1,000,000	-\$150,000	\$5,150,000
SFI Kenya Private			\$700,000	-\$97,000	\$603,000
Total					\$5,753,000

SFI activities specifically aimed to increase domestic resource mobilization for health and HIV by enhancing the capacity of both national and subnational levels of government in planning and budgeting. These funds also supported evidence generation and use in advocacy for sustainable financing for health and HIV. This activity report documents the achievements and results of HP+ Kenya's SFI/domestic resource mobilization activities between April 2016 and September 2021.

Summary of Results

In the period under review, HP+ achieved significant results, including the following:

- Advocated successfully for the reintroduction of the HIV budget line in the national budget. A total of US\$186 million was allocated for antiretroviral drugs and related commodities between fiscal year (FY) 2015/16 and FY 2021/22 through evidence generation and use and through training and mentoring of Ministry of Health and National AIDS and STIs Control Programme staff in planning, budgeting, and the medium-term expenditure framework process.
- Advocated for an additional US\$134 million line-item for antiretroviral drugs and related commodities for the next three fiscal years in Kenya's national medium-term expenditure framework that lasts through FY 2024/25.
- Supported the Ministry of Health and National AIDS and STIs Control Programme to improve absorption (utilization) of budgets for antiretroviral drugs through streamlining and harmonizing procurement and budgeting processes. Subsequently, budget absorption for antiretroviral drugs increased from 46 percent in FY 2019/2020 to 71 percent in FY 2020/21.

- Conducted a sustained advocacy campaign that facilitated (in part) to increasing the Kenyan government's contribution to the HIV response from 2 billion Kenyan shillings in FY 2015/16 to 18.7 billion in 2018/19 to meet gaps resulting from declining donor funding.
- Developed a curriculum for training health sector staff on program-based budgeting in collaboration with Government of Kenya partners. Between April 2016 and September 2021, HP+ trained 587 county staff from 26 focus counties on program-based budgeting and introduced them to the budget template. HP+ and the Kenya School of Government also trained a team of 96 county trainers to cascade the training across all health departments in 26 counties. In 2020 and 2021, HP+ trained 29 National AIDS and STIs Control Programme staff on program-based budgeting and how to align the budgets and annual workplans.
- Provided costing expertise for two rounds of grant applications to mobilize an additional US\$796 million in resources from the Global Fund: US\$356 million awarded in 2017 and US\$440 million awarded in 2020. Of these sums, \$231.5 million in 2017 and US\$289.9 million in 2020 were specifically awarded for HIV.
- The 26 counties where HP+ was active gradually increased their total allocation to HIV to collectively mobilize 193.8 million Kenya shillings over five financial years.

Further achievements and results are discussed in the subsequent sections, organized under the specific workplan areas. Some of the challenges that HP+ encountered and which affected its achievements included the suspension of support to the Ministry of Health by the Kenya Mission for nearly two years, and the change of administration and staff attrition in counties—both of which affected activity continuity and disruption of gains accrued from extensive strengthening of staff capacity in various areas.

Introduction

Health Policy Plus (HP+) is a seven-year US\$222 million project funded by U.S. Agency for International Development (USAID) and awarded to Palladium Group (formerly Futures Group) on August 28, 2015. HP+ has a mandate across global, country, and subnational levels to strengthen and advance health policy priorities in HIV, family planning and reproductive health, and maternal health. In Kenya and East Africa, HP+ aims to improve the enabling environment for equitable and sustainable health services, supplies, and delivery systems through policy development and implementation and strengthening the capacity of in-country partners to navigate complex environments for effective policy design, implementation, and financing aligned to the country's priorities.

HP+ began working in Kenya in April 2016 as a follow-on to the Health Policy Project (2010–2015) with funding from two streams: the country operational plan and the U.S. President's Emergency Plan for AIDS Relief (PEPFAR) Sustainable Financing Initiative (SFI). SFI activities specifically focused on supporting the Government of Kenya and the private sector at national and subnational levels to increase domestic resources for health and HIV by enhancing the capacity of both levels of government in planning and budgeting. SFI funds also supported evidence generation and use in support of domestic resource mobilization advocacy efforts as well as to make progress toward reaching Kenya's 95-95-95 goal for HIV.

The HP+ Kenya and East Africa objectives changed over time due to evolving USAID priorities over the life of the project. The original workplan was for a 30-month period, from April 2016 through September 2018, and included five objectives:

1. Support the development and implementation of the Kenya Health Financing Strategy.
2. Increase sustainable finance and domestic resource mobilization for Kenya's health sector.
3. Strengthen national and county linkages to enhance Kenya's health finance, policy, and governance.
4. Foster increased private sector engagement in Kenya's healthcare financing.
5. Support regional (Eastern Africa) health networks to better position the health financing agenda.

HP+ got off to a strong start with significant milestones recorded in early 2016 quarterly reports. In the summer of 2016, however, USAID/Kenya and East Africa, and the Office of HIV/AIDS asked HP+ to revise the workplan and budget to meet the agency's evolving priorities, and to separate activities and results as they related to each funding stream. In 2017, USAID issued a letter that stopped its implementing partners from supporting the activities of the Kenyan Ministry of Health like the Kenya Health Financing Strategy and the private sector engagement guidance. When USAID lifted the ban in late 2018, HP+ was instructed again to re-organize its activities to focus on three objectives:

1. Support the national government to increase domestic resources for sustainable financing of the health sector in Kenya.

2. Support county governments to increase sustainable financing for health and priority programs.
3. Support Eastern Africa member states to promote health insurance coverage.

This report documents the achievements and results of HP+ Kenya’s SFI/domestic resource mobilization activities (for the public and private sectors), covering the period between April 2016 and September 2021. Activities covered in this report were implemented in collaboration with Government of Kenya ministries and agencies, subnational governments in 27 HP+ focus counties, USAID implementing partners, and local civil society organizations in Kenya.

Counties in Kenya Where HP+ Implemented Activities¹



¹ Between 2016 and 2018, HP+ supported 26 out of 47 counties. In 2018-2019, the number of HP+ focus counties dropped to seven, and in 2019-2020 the number dropped to four. In 2020-2021, the number increased to 13 (includes malaria and reproductive, maternal, newborn, child, and adolescent health focus counties). Kajiado County was included in the private sector work bringing the total of counties where HP+ has worked to 27.

Results

Objective 1: Support the national government to increase domestic resources for sustainable financing of the health sector in Kenya

Under this objective, HP+ provided high-level advocacy, strengthened capacity, and generated evidence to support sustainable domestic resource mobilization for health and HIV. HP+ worked directly with the Ministry of Health (MOH), National AIDS Control Council (NACC), and National AIDS and STIs Control Programme (NAS COP) to implement a range of activities that achieved significant results, both in mobilizing domestic resources for health and HIV in the short term and in creating policy, legal, regulatory, and system frameworks for sustainable health financing over time.

Activities Planned and Completed

The following SFI/domestic resource mobilization activities were conducted as part of HP+ Kenya's workplans between 2016–2021.

Evidence-based advocacy for sustainable domestic resource mobilization for antiretroviral drugs and HIV-related commodities

Building on the strong foundation laid by the Health Policy Project, HP+ continued its collaboration and support to the MOH and NACC to sensitize key decisionmakers in the Parliamentary Committee on Health, the National Treasury, and the Council of Governors on the need to retain the budget line for health and HIV in the national budget, and to ensure commodity security for HIV. HP+ support included generating research evidence and promoting its use in high-level advocacy targeting these priority decisionmakers. HP+ conducted a range of costing and technical analyses and strengthened the capacity of national HIV program staff to participate effectively in the medium-term expenditure framework (MTEF) budgeting process to secure adequate resources for HIV. HP+ also strengthened the staff's capacity on program-based budgeting and supported health financing reforms to facilitate implementation of universal health coverage, including HIV services.

HP+ also supported the MOH and NAS COP to improve absorption of allocated resources through developing annual operational plans, harmonizing procurement and budgeting processes, and providing recommendations for resolving absorption bottlenecks to allow for fast-tracked procurement of strategic commodities. As the results section below shows, successive years demonstrated modest increases in national government allocation to the HIV program to cover antiretroviral drugs (ARVs), test kits, and other essential HIV commodities as well as some improvements in absorption of these budgets. In addition, the HIV commodities line item has been firmly established in the annual budget and the three-year MTEF, with projections for FY 2022/23 through FY 2024/25 totaling US\$134 million, as reflected in budgets and printed estimates published by the National Treasury.

Indicators:

- Increased allocation to key strategic (HIV, family planning, and malaria) commodities from the national budget and use of these funds.

- National programs actively engage in the MTEF processes.

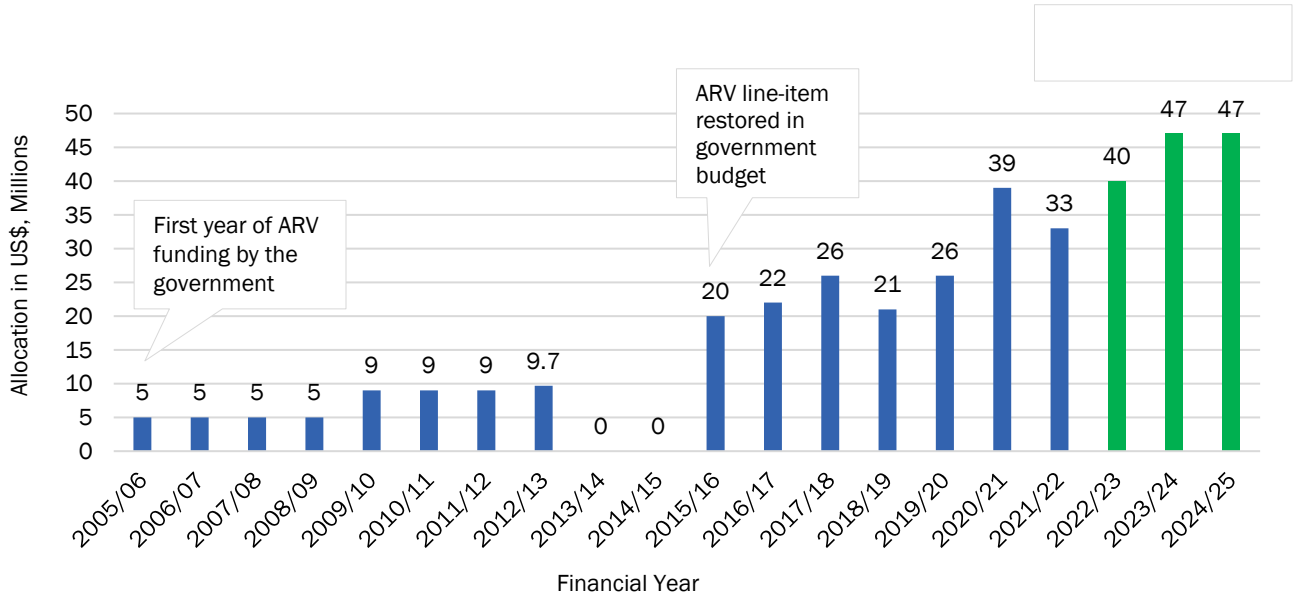
Deliverables. HP+ supported the development and implementation of a range of deliverables in direct collaboration with the MOH and NASCOP, generating evidence to support advocacy and health financing reforms for the health sector and HIV program, and strengthening the capacity of MOH and HIV program staff. These consist of the following:

- [National Health Accounts for FY 2015/16](#); update for 2019 and 2021
- National and county health budget analysis and summary briefs for [FY 2015/16](#), [FY 2016/17](#), FY 2017/18, [FY 2018/19](#), [FY 2019/20](#), and FY 2020/21
- Public expenditure analysis on health spending in select counties for [FY 2017/18](#), [FY 2018/19](#), and FY 2019/20
- [Kenya Health Financing System Assessment, 2018](#)
- A study on Kenya's health financing system in the context of devolution and the government's commitments to achieve universal health coverage
- Brief on funding for HIV commodities in Kenya, 2016
- Assessment of HIV resources available within infrastructure projects in the roads sub-sector in Kenya, 2017
- Kenya Health Financing Strategy, 2020-2030
- A nationally endorsed template and curriculum for program-based budgeting for the health sector
- Legal environment assessment for HIV in Kenya

Results. HP+ achieved significant results both in mobilizing domestic resources for HIV in the short term and in creating policy, legal, regulatory, and system frameworks for sustainable health financing over time. Since April 2016, the following results may be attributed to national-level HP+ technical assistance, capacity building, and facilitation:

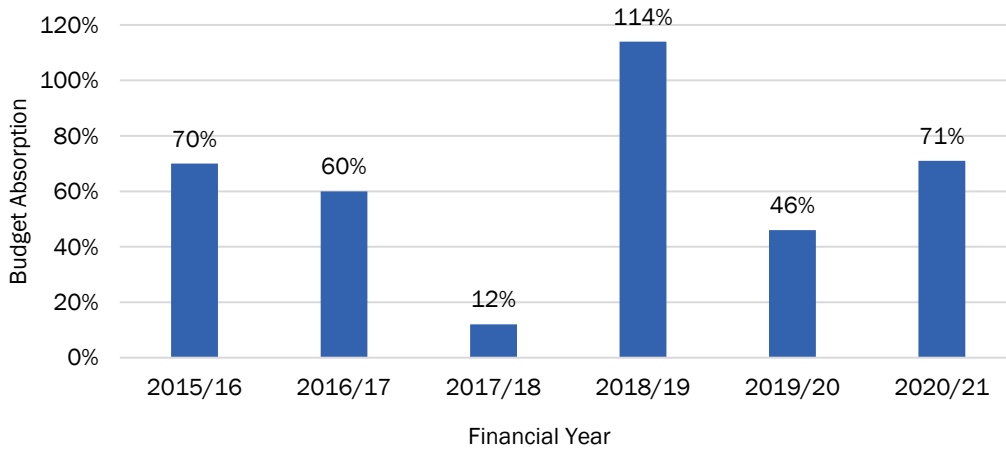
- A total of US\$186 million for ARVs and related commodities was allocated to national budgets over seven years (between FY 2015/16 and FY 2021/22) through evidence generation and use and through training and mentoring of MOH and NASCOP staff in planning, budgeting, and the MTEF process. HP+ also advocated for an additional US\$134 million line-item for ARVs and related commodities for the next three fiscal years in Kenya's national MTEF that lasts through FY 2024/25 (see Figure 1).
- ARV budget absorption data for the last two fiscal years showed promising improvements, despite mixed results. ARV budget absorption increased from 46 percent in FY 2019/2020 to 71 percent in FY 2020/21 (see Figure 2).

Figure 1. National Government Funding for ARVs, FY 2005/06–FY 2024/25



Source: HP+ calculations based on Government of Kenya published budgets

Figure 2. ARV Budget Absorption at the National Level, FY 2015/16–2020/21



Source: HP+ computation from National Treasury internal expenditure records

- Critical analyses and evaluations conducted by HP+ presented a strong argument to increase the resources allocated to maternal healthcare, family planning, and prevention of mother-to-child transmission of HIV, so that the population could avail these services free-of-cost. Consequently, national budget line-items were established for these services, and US\$43.5 million in FY 2015/16, US\$43 million in FY 2016/17, and US\$38.5 million in FY 2017/18 were allocated. In FY 2018/19, the national government allocated only about US\$536,134 (63.8 million Kenyan shillings [KES]), for the procurement of family planning and reproductive health commodities, which increased to US\$2.1

million (KES 245 million) in FY 2019/20, and to US\$7.3 million (KES 863 million) in FY 2021/22, as computed by HP+ from MOH vote-books.²

- The Government of Kenya increased its contribution to the HIV response from KES 2 billion in FY 2015/16 to KES 18.7 billion in FY 2018/19 to meet gaps resulting from declining donor funding, as reflected in the National Health Accounts.
- Kenya's Parliamentary Health Committee adopted amendments to the National Health Insurance Fund benefits package to include HIV, among other services, for both outpatient and inpatient clients, as part of Kenya's universal health coverage reforms. This will enable clients to access services with no cost at the point of use. At the time of compiling this report, the National Health Insurance Fund had pledged to explore how to include HIV care in the universal health coverage essential benefits package.
- A curriculum was developed for training health sector staff on program-based budgeting and 29 NASCOP staff were trained in FY 2020/21 on program-based budgeting and how to align budgets and annual workplans.
- US\$18 million was identified in infrastructure construction contracts as available for HIV/AIDS prevention, care, and treatment. In addition, the means to ensure that funds are spent as intended were identified. An additional US\$531,000 was included in roads projects' budgets, which could also be mobilized for HIV services.
- The Kenya Health Financing Strategy 2020–2030 was developed, outlining measures aimed at mobilizing domestic resources for sustainable health financing and service delivery. HIV is included in the essential benefits package, ensuring mobilization of additional domestic resources for a traditionally donor-supported program.

Support to NACC and NASCOP in costing interventions in Kenya's application for HIV, malaria, and tuberculosis funds from the Global Fund

Between FY 2016/17 and 2020/21, HP+ supported two rounds of grant applications to leverage additional funds for HIV from the Global Fund. HP+ and its partners used the OneHealth database and other costing techniques to develop models for funding HIV commodities in Kenya that showed a significant gap as Kenya geared up to meet its 90-90-90 (now 95-95-95) HIV goals. More recently, the Government of Kenya used these newer models and analyses to support the budget for its 2017 and 2020 applications.

Deliverables:

- [How Much Will It Cost for Kenya to Achieve National Targets in HIV Care by 2020?](#)

Results:

- Provided costing expertise for two rounds of grant applications to leverage an additional US\$796 million in resources from the Global Fund. This includes US\$356 million awarded in 2017 and US\$440 million awarded in 2020. Of these sums, US\$231.5 million in 2017 and US\$289.9 million in 2020 was specifically awarded for HIV.

² USD 1 = KES 119 (July 2022)

Identification of pathways for provision of antiretroviral drugs in the private sector

HP+ and its predecessor Health Policy Project supported efforts by the MOH to mobilize resources available for HIV services in the private sector and established pathways for the sector's participation in provision of ARVs. Several activities were conducted in collaboration with the MOH, NASCOP, and the Kenya Medical Supplies Authority (KEMSA) to understand the extent of the private sector's participation in the provision of HIV care and treatment as well as to develop engagement mechanisms for policy-related dialogue with respect to ARV provision. After a pilot activity for KEMSA sales to major pharmacies as part of HP+'s first workplan in early 2016, USAID decided not to pursue HP+ and KEMSA's approach for private sector engagement and instead shifted the funding for private sector engagement to another implementing partner.

In mid-2018, USAID re-engaged HP+ and asked that it partner with USAID's Health Communication and Marketing (HCM) program to develop a framework for increasing greater participation of the private sector in HIV care and treatment to contribute to the national efforts to achieve sustainability. As a result, HP+ collaborated with HCM and drafted a policy (private sector engagement framework) that would enable the private sector to increase its role in delivering ARV services through private sector pharmacies commonly referred to as community pharmacies. HP+ also generated evidence to inform the design of a model that would support the policy implementation.

Deliverables:

- [Expanding HIV Services through the Private Sector in Kenya](#)
- [Preferences for Antiretroviral Refill and Pickup Through Community Pharmacies in Busia, Kajiado, and Nairobi Counties](#)
- Assessment of Service Delivery and Financing of HIV Care and Treatment in the Private Sector in Kenya

Results:

- An assessment of service delivery and financing of HIV care and treatment in the private sector was undertaken.
- A draft private sector engagement framework was developed.
- Study conducted on clients' and providers' needs and perceptions on an ARV refill and pick-up model through community pharmacies.
- An innovative model to leverage private sector pharmacies in ARV distribution was developed as well as draft standard operating procedures to operationalize the model.

Objective 2: Support County governments to increase sustainable financing for health and priority programs, including HIV

Following Kenya's devolution and the establishment of counties as the primary units for governance in 2013, the authority and responsibility for resource allocation and service delivery

was passed on to counties. Previously, counties faced challenges in effectively and efficiently planning and budgeting for health services, as they were unable to adequately prioritize the health sector. This led to poor identification of required resources, misalignment of budgets and annual workplans, and in some cases, diversion of health sector funds to other sectors.

USAID identified 26 Kenyan counties, based on selected HIV parameters, to receive technical support on sustainable domestic resource mobilization for health and HIV. Over the last six years, HP+ supported these counties to increase funding for health and to create budget line-items for key priority programs. Technical support provided by HP+ focused on enhancing the capacity of county governments in program-based budgeting and effective participation in the MTEF process; supporting evidence-based advocacy efforts to include budget lines for HIV in the county budgets; and assisting counties to track their performance on transitional indicators related to health financing. An additional county (Kajiado) was identified for assessment to inform the design of a model to enhance the role of the private sector in HIV care and treatment.

Indicators:

- Average county health budget allocation as a proportion of total county budget across focus counties in FY 2021/22 is equal to or greater than FY 2020/21 levels.
- Number of counties demonstrating capacity to develop annual workplans and credible, program-based budgets.
- Increased/sustained allocation to strategic programs (HIV, malaria, and family planning) at the county level.
- Significant increase in absorption of county health budget and strategic programs in deep-dive counties above previous levels.
- County health planning units operationalized in HIV focus counties (Kilifi, Mombasa, Nakuru, and Turkana).

Activities Planned and Completed

Enhance the capacity of county governments in planning and budgeting with a focus on program-based budgeting

Building on the Health Policy Project's previous work with the MOH and counties in preparation of county health strategic plans, HP+ collaborated closely with the MOH, National Treasury, Council of Governors Health Committee, and other key stakeholders to adapt the budget template for the county health sector. Importantly, the new county health program-based budgeting (PBB) template changed the ways counties would budget (from input-based to output-based) and encouraged the establishment of specific sub-program categories for priority health areas, including HIV. The template encouraged adaptation by the counties to respond to specific county priorities. The new template was endorsed by the Council of Governors and circulated for adoption in late 2015.

Concurrently, in 2016, HP+ worked closely with the Kenya School of Government to develop a training curriculum and participant handbook on PBB. HP+ developed a template to guide county staff in applying the PBB approach using hands-on coaching. The project complemented the PBB training with an advocacy training curriculum and materials that targeted county health

management teams and county health champions to advocate for the allocation of adequate resources to the health sector. In addition, HP+ assisted 12 focus counties in 2016 to revise their county integrated development plans and align those to PBB.³

To address institutional capacity gaps in planning and budgeting, HP+ collaborated with the MOH, Council of Governors, Kenya School of Government, and National Treasury to develop an organogram for county health planning units as a model to help the health departments with planning, coordinating, and budgeting for health. The proposed model was adopted by a caucus representing county health leaders in May 2021, leading the way for all counties to establish the unit. While awaiting the formal adoption of county health planning units by the Council of Governors, HP+ supported the focal persons for planning and budgeting in counties to generate evidence, such as public expenditure analyses from county integrated financial management information system vote-books. This would inform planning and budgeting decisions in the health sector.

Deliverables:

- Programme-Based Budgeting Manual for the Health Sector, 2015
- Programme-based budgeting template for county health teams
- Programme-Based Budgeting for the Health Sector – Participant Handbook
- [Building the Capacity of 12 Counties in Program-Based Budgeting: A Summary Report](#)
- [How County Health Leadership Can Influence County Budgets](#)

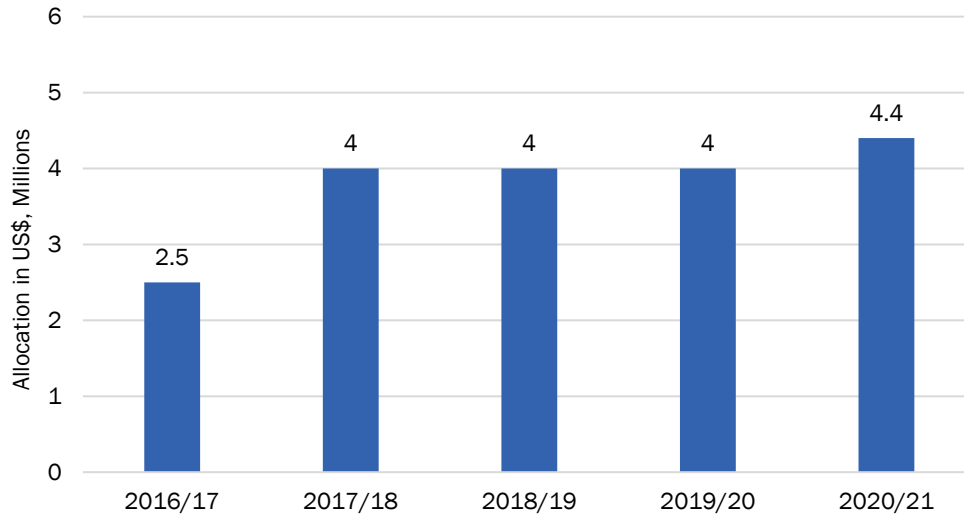
Results:

- Between April 2016 and September 2021, HP+ trained 587 county staff from 26 HP+ focus counties on PBB and introduced the budget template.
- HP+ and the Kenya School of Government trained a team of 96 county trainers to cascade PBB training to all health departments in 26 counties.
- The 26 HP+ focus counties adopted the PBB template, which helped them to align resources to priority strategic programs, including HIV.
- HP+ assisted four HIV focus counties (Kilifi, Mombasa, Nakuru, and Turkana) to develop health sector working group reports, required by the Public Financial Management Act of 2012 to identify budget priorities.
- To date, five counties (Kilifi, Kisumu, Kitui, Mombasa, and Turkana) have assigned specific staff to coordinate planning and budgeting, in effect starting the process to putting in place a dedicated county health planning unit.
- Overall budget allocations to the health sector in the 26 HP+ focus counties collectively increased by 37 percent, from US\$537 million (KES 53.7 billion) in FY 2016/17 to US\$705 million (KES 76.1 billion) in FY 2020/21.

³ Bomet, Isiolo, Kakamega, Kisumu, Makueni, Migori, Mombasa, Nairobi, Nyeri, Siaya, Tharaka Nithi, and Turkana.

- Successive years have shown that the 26 HP+ counties gradually increased their total allocation to HIV, to collectively mobilize US\$18.9 million (KES 193.8 million) over five financial years for HIV, as illustrated in Figure 3.

Figure 3. County Allocations to HIV, FY 2016/17–2020/21 (US\$, millions)



Source: HP+ calculations from county reported budgets

- From June to August 2021, HP+ supported 46 counties to finalize their five-year county AIDS implementation plans for FY 2021/21–2024/25, which will identify the amount of financial resources required to implement the plans.

Supporting advocacy efforts to include budget lines for HIV in county budgets and to ring-fence funds for health, including HIV

In some of the focus counties, HP+ advocated for the creation/retention of budget lines/sub programs for priority programs, including HIV, and sustainable and adequate allocations in county budgets. The project trained and mentored staff at county departments of health on preparing and using financial information and other evidence to advocate for more funding and helped facilitate discussions between the department of health and county treasury staff to gain consensus on the need for distinct budget lines for key programs. HP+ also sensitized counties on the need to ring-fence funds for key programs, including HIV.

Results:

- By FY 2020/21, 16 of the 26 focus counties, including all four HIV focus counties, had a budget line for HIV in the annual budget.
- In Turkana, where the HIV budget line had been dropped, HP+ advocacy and presentation of evidence helped to reinstate it and have funds allocated to it.
- In FY 2020/21 in Mombasa, HP+ supported draft amendments to the 2017 Mombasa County Health Act to create a health facility improvement fund to mobilize and manage hospital user charges and other facility-generated revenue.

Assistance to counties to track performance on transitional indicators related to health financing

HP+ assisted USAID focus counties to track their performance on five key transitional indicators related to health financing: spending on human resources for health, out-of-pocket spending on healthcare, private sector ART uptake, county spending on health commodities, and proportion of the county population covered by health insurance. HP+ supported counties to prepare action matrices to influence these indicators. These analyses have provided critical evidence to inform county governments.

Deliverables:

- County health accounts:
 - FY 2015/16 for Baringo, Busia, Homa Bay, Kilifi, Kirinyaga, Kitui, Kwale, Laikipia, Nakuru, Nandi, Nyandarua, Taita Taveta, Trans Nzoia, and Vihiga counties
 - FY 2016/17 for Busia, Isiolo, Migori, Mombasa, Nyeri, and Turkana counties
 - FY 2017/18 for Kisumu and Makueni counties
 - [Kenya County Health Accounts: Summary of Findings from Nine Deep-Dive Counties, FY 2016/17](#)
- Public expenditure analyses/reviews:
 - FY 2016/17 public expenditure analyses for Baringo, Busia, Isiolo, Kilifi, Migori, Mombasa, Nakuru, Nyeri, and Turkana counties
 - [Public Health Expenditure in Kenya: A Comparative Analysis of Nine Deep-Dive Counties, FY 2017/18](#)
 - [Public Health Expenditures in Kenya: A Comparative Analysis of Seven Deep-Dive Countries, FY 2018/19](#)
 - Public Health Expenditure in Kenya: A Comparative Analysis of 11 Counties for FY 2018/19–2019/20 (Forthcoming)
- National and county budget analyses:
 - National and county health budget analysis reports and summary briefs for [FY 2016/17](#), [FY 2017/18](#), [FY 2018/19](#), [FY 2019/20](#) and [FY 2020/21](#).

Results:

- Between 2015 and 2021, HP+ assisted 22 counties to produce county health accounts and to use the evidence to inform their priorities.⁴
- HP+ assisted 20 counties to produce and utilize data from public expenditure analyses to inform advocacy on domestic resource mobilization.⁵

⁴ Fourteen counties were assisted in FY 2015/16, six in FY 2016/17, and two in FY 2017/18.

⁵ Nine counties were assisted in FY 2016/17 and 11 in FY 2020/21.

- HP+ strengthened the capacity of staff in seven counties to conduct public expenditure analyses using the integrated financial management information system vote-books and to generate reports for their use in informing planning and budgeting decisions.
- In Mombasa, public expenditure analysis findings were used to improve pharmaceutical procurement—advocacy using the data led to transitioning of drug purchasing from independent sources to KEMSA to improve efficiency and curb wastage.
- In Nyeri, evidence from public expenditure analysis studies was used to improve management of human resources for health. Presented with evidence of overall expenditure performance, the county instituted structural changes, which reduced funding for personnel emoluments and rationalized the payroll system. These changes saved the county of Nyeri over US\$5,000 in the first year alone.
- HP+ included all 47 counties in its annual national and county budget analyses, which have been prepared every year of the project.

Broader Successes, Outputs, or Results Not Covered under Objectives

HP+ Kenya actively participated in knowledge sharing and dissemination through publication of its reports and participation in global platforms. Project staff participated in the following global webinars:

- Khaoya, D. 2020. “Using Selected Data to Assess Efficiency and Advocate for Increased Healthcare Funding for Kenyan Counties.” iHEA webinar on Assessing Technical Efficiency of Health Systems and Programs, April 24, 2020.
- Khaoya, D. 2021. “Kenya Case Study.” HP+ webinar on the State of the Art in Health Financing Reform: Strengthening Subnational Financial Management, June 8, 2021. Available at: <https://www.youtube.com/watch?v=AzAlUBJ1HqM>.
- Muchiri, S. 2020. “Having It and Spending It Too: Unblocking Public Finances to Achieve HIV Epidemic Control.” HP+ webinar, March 23, 2020. Available at: <https://www.youtube.com/watch?v=rXj7NTdNDUQ>.
- Muchiri, M. 2020. “Kenya Case Study.” HP+ webinar on Health Sector Decentralization: Can it Still Deliver? July 29, 2020. Available at: <https://www.youtube.com/watch?v=35unv-olpz4&t=7s>.
- Ndavi, T. 2021. “Local Solutions to Improve Health: Strengthening Capacity for Sustainable Health Policy, Advocacy, Financing, and Governance.” HP+ webinar, September 21, 2021. Available at: <https://www.youtube.com/watch?v=qdBhLVqhEu0>.

HP+ Kenya staff also participated in publishing articles in peer-reviewed journals, including the following:

- Mwai, D. and T. Ndavi. 2020. “What Ails Health Systems in Africa? An Economic Perspective.” *ORF Issue Brief* 431. Available at: https://www.orfonline.org/wp-content/uploads/2020/12/ORF_IssueBrief_431_HealthAfrica.pdf.

- Njuguna, D., E. Wangia, S. Wainaina, and T. Ndavi. 2020. “Budgeting at the County Level in Kenya: What has Worked, Challenges and Recommendations.” *Scientific & Academic Publishing* 10(2): 58-63. Available at: <http://article.sapub.org/10.5923.j.phr.20201002.03.html>.
- Njuguna, D., E. Wangia, S. Wainaina, and T. Ndavi. 2020. “Health Sector Planning at the County Level in Kenya: What has Worked, Challenges and Recommendations.” *Scientific & Academic Publishing* 10(3): 87-93. Available at: <http://article.sapub.org/10.5923.j.phr.20201003.01.html>.

Partnerships and Collaborations

During the implementation period, HP+ pursued a strong country-led approach in both planning and implementation of its activities. HP+ collaborated with several agencies and stakeholders to maximize the impact of its SFI-funded work, and with U.S. Government agencies, other USAID implementing partners, and other donor agencies to leverage resources. HP+ also collaborated significantly with local (Kenyan) organizations, including civil society agencies and local training institutions to build capacity for budget advocacy and to ensure continuity of local sustainable financing initiatives. HP+ collaborated with the Ministry of Health (Department of Planning and Health Financing, NASCOP, NACC, and KEMSA); the National Treasury; and the Office of Controller of Budget on activities to mobilize local resources for HIV services and commodities, and to build capacity in planning and budgeting to increase efficiency and budget absorption. Collaboration with government ministries and agencies would also secure ownership and sustainability of capacity building and evidence generation activities and leverage their technical expertise in public sector financial management. Specifically, HP+ collaborated with the following partners on specific activities:

Partners	Collaboration Activities
MOH Department of Planning; National Treasury; Office of Controller of Budget	Capacity building of county staff on domestic resource mobilization (program-based budgeting, advocacy, mentoring on planning and budgeting, and evidence generation for advocacy); collaborated with the MOH on the MTEF budgeting process
MOH programs and agencies (KEMSA, NASCOP, and NACC)	Evidence generation: advocacy for increased HIV resources in national and county budgets to reduce reliance on external support; exploration of the Supplementary Services Division window to enhance the role of the private sector in HIV service delivery; identification of HIV resources from infrastructure projects
County governments, including USAID priority counties and HP+ focus counties	Capacity building to enhance expertise in planning and budgeting for increased domestic resources for HIV and absorption of allocated funds
Public training institutions (Kenya School of Government and University of Nairobi School of Economics)	Capacity building in planning and budgeting for county governments (Kenya School of Government); evidence generation and capacity building in healthcare financing (University of Nairobi)

Partners	Collaboration Activities
Other Government of Kenya and public institutions (Council of Governors and senate and parliamentary committees on health)	HIV budget advocacy to secure approval for national and county budget allocations to HIV activities and advocacy for governance and other reforms to the National Health Insurance Fund
USAID Implementing Partners (Tupime County, ThinkWell, USAID Afya projects in focus counties and USAID PACE, HCM, and AHADI projects)	Collaboration in design and delivery of capacity building activities/training for counties, including program-based budgeting training and follow-on mentorship and advocacy for sustained domestic resource mobilization for HIV; collaboration on advocacy for private sector engagement in ART (HCM)
Other international agencies (Deutsche Stiftung Weltbevölkerung; Amref; Kenya Red Cross)	County support in developing legislation on healthcare funding (Deutsche Stiftung Weltbevölkerung); support to national HIV program in application for HIV funds from the Global Fund (Amref, Kenya Red Cross)
Civil society organizations, local nongovernmental organizations, local think tanks, and advocacy networks (Kenya Institute for Public Policy Research and Analysis and Health NGOs Network)	Support advocacy and use of evidence to inform universal health coverage and healthcare financing priorities in the country
Other international bilateral aid agencies (Japan International Cooperation Agency, World Health Organization, UNAIDS)	Collaboration on the estimation of national health accounts (Japan International Cooperation Agency, World Health Organization); support to NACC (UNAIDS)

Challenges

Over the period of its implementation, HP+ encountered challenges that slowed down or disrupted implementation of activities under SFI funding. The U.S. Government’s suspension of activities and technical assistance to the Ministry of Health as communicated on May 8, 2017, disrupted work with the national government, including HP+ support on National Health Insurance Fund reforms and dissemination of various products such as the [Health System Assessment](#), [National Health Accounts FY 2015/16](#), and [Health Financing System Assessment](#).

The vacuum created was filled by other development partners such as the World Health Organization, Amref, World Bank, and Japan International Cooperation Agency. After the suspension was lifted, the MOH did not allow HP+ to fully take up the policy space they had occupied prior to the suspension. During the implementation of the private sector activity, the ARV commodity tax dispute in 2021 between the MOH and U.S. Government further complicated negotiations to fast-track the finalization of the private sector engagement framework as well as the rollout of the ARV refill and pick-up model through community pharmacies.

Another challenge was mismatched expectations on financing flows and institutional preferences for direct funding during collaboration. Some government institutions expressed interest in direct funding or sub-grant awards, limiting collaborative efforts, since HP+ was restricted in facilitating such financial transfers. A case in point was HP+’s collaboration with

the National Council for Population and Development during the implementation of the demographic dividend activity. In addition, there was a mismatch in the coverage/gap in cascading planning and budgeting skills to sub-counties. This mismatch affected bottom-up planning as the sub-counties and facilities are usually left out in the planning and budgeting process.

Change in administration both at the national and county level due to the 2017 elections disrupted continuation of implemented activities. This particularly affected buy-in of the private sector activity and the continuity of the activities agreed upon in the intergovernmental forum; a forum which provides a platform for structured dialogue on health matters between the national and county governments.

Staff attrition at the county level and in the strategic programs negatively impacted the continuity of skills gained during the program-based budgeting and budget advocacy trainings. The current support to priority programs structured as vertical initiatives led to inefficiencies in delivery of HP+ support due to duplication of efforts across the programs. Finally, the global COVID-19 pandemic slowed the implementation of activities, particularly engagements with national and county governments due to the MOH restrictions on movements and in-person meetings. This slowdown in implementation subsequently affected the burn rate of the allocated SFI funds.

Lessons Learned

HP+ has learned several lessons over the course of implementation of SFI-funded activities. These include the following:

- *Bilateral relations play an important role in the implementation of activities with the MOH.* In instances when the bilateral relationships are strained between the Mission and the MOH, it becomes exceedingly difficult for projects, especially non-service delivery projects, to collaborate with ministry officials. This affects ownership of activities and led to the sidelining of HP+ (U.S. Government-funded) support during the development of key policies within the MOH.
- *It is important to co-create and co-design activities with the MOH.* During implementation, HP+ realized there is greater buy-in and more collaboration when activities are co-created and co-designed with the MOH. In the absence of co-creation, a lot of time, advocacy, and sensitization is required for buy-in. This was especially the case with the private sector activity, for which the ministry had not been involved in the development of the concept note for the activity, and this led to off-shoot activities such as the development of the private sector engagement framework (for which finalization is being led by NASCOP). The implementation of the private sector activity was delayed due to the lack of complete buy-in from ministry officials.
- *Integration of technical assistance across the strategic programs can yield greater impact compared to vertical support* and provide a bird's eye view of challenges experienced by the health sector. As indicated in the challenges, the siloed support leads to a non-harmonized approach in the preparation of documents for the MTEF cycle i.e., procurement plans which negatively impact budget absorption across the programs including those that have received intensive capacity strengthening efforts.

- *Institutionalization of the knowledge and capacities shared with the strategic programs and county departments of health is critical to sustain the efforts beyond the life of the project. Efforts to sustain capacities are ongoing especially with the institutionalization of the county health planning units. Opportunities exist to further institutionalize the capacities through the Council of Governors and increase the role of the MOH's planning department in capacity strengthening efforts for county teams.*

Through the MOH, the Government of Kenya has come to appreciate the need to adapt measures that ensure increased, sustainable, and predictable domestic resources to finance the health sector as part of its journey toward self-reliance. The MOH is also continuously undertaking efforts to have sustainable partnerships with the private sector as an innovative means toward sustainable service delivery.

Conclusion

As HP+ draws to a close, its experiences in Kenya and East Africa have offered important lessons in helping governments secure sustainable financing for healthcare by mobilizing local resources. Through collaboration and co-working with government and local organizations, HP+ produced important results that highlight the way future assistance programs should be implemented. The Government of Kenya (national and county level) has come to appreciate the need to adapt measures that ensure increased, sustainable, and predictable domestic resources to finance the health sector as part of its journey toward self-reliance. If these actions continue, Kenya will withstand the effects of reduced external funding for health and will keep moving toward achieving universal health coverage including HIV care for all. HP+'s experience has highlighted the important role that evidence plays in spurring action toward results. Beyond generating evidence, working with government staff to ensure that they understand and can use the results of studies, as well as developing the capacity to produce the evidence they need, is one way of promoting self-reliance and long-term sustainability. These lessons and other achievements highlighted in this report will be useful to USAID and other U.S. Government agencies as they chart the future of health systems support to Kenya and other African countries.

More about HP+'s legacy in Kenya can be found in HP+'s brief: [*Strengthening Stewardship and Implementation of Kenya's Health Policy and Financing Agenda.*](#)



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