

ACKNOWLEDGEMENTS

The Ministry conducted this study in participatory manner whereby participants from various institutions were involved. The work could not be possible without their tireless efforts and hard working.

In this regard, we are grateful to the entire team which was involved in each stage of the process of conducting this study. The Ministry would like to extend its gratitude to Oxford Policy Management for providing technical support in undertaking this study. Much appreciation is extended to the Department of Policy and Planning for coordination to ensure that the process ends with credible results.

The Ministry of Health and Social Welfare would also like to acknowledge all stakeholders who were involved in the undertaking of this study, specifically, NHIF, APHTA and NSSF-SHIB for their cooperation in the entire process. In addition, we would also like to extend our gratitude to the entire Health Care Financing Technical Working group for overseeing the process of conducting this study.

The Ministry would also like to extend appreciation to Christian Social Services Commission (CSSC) who coordinated and managed data collection process as well as all sampled health facilities (public, private and FBOs) and Programme Managers for providing the required information throughout the entire process. Without them it would be difficult to get intended results.

Finally, We are grateful to our partners GIZ and USAID for technical and financial support which enabled us to conduct this study. The undertaking of this study has involved a number of stakeholders; it is therefore our hope that the results of the study will be used by all in informing decisions which impact health of our people.



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Acting Permanent Secretary

FOREWORD

Health Services Costing Study report was conducted by the Ministry in collaboration with other stakeholders from both Public and Private sectors. The study aimed at knowing the actual cost of delivering health services at all facility levels. Knowing the actual cost of health services at all levels will among others help the Ministry in priority setting and therefore efficient allocation of resources.

The health services costing study findings will also input the Health Financing Strategy which is among eleven strategies in the Health Sector Strategic Plan III (2009-2015). In this Strategic plan the government made a commitment to develop Health Financing Strategy which aims at mobilizing resources for health services. The strategy identifies the existing gap between the actual and available resources for financing HHSP III. Therefore this report is an indispensable input to the strategy which strives at addressing issues to do with mobilization, pooling, payment functions of the health financing;

Furthermore these findings from the costing study report will help decision makers and other stakeholders in pricing of health services at all levels. In this regard decision makers will be able to assess fiscal sustainability of current and future health financing arrangements. Not only that but also the costing study has come at a proper time since the Ministry is currently in the process of reviewing the essential health package. Therefore findings from this report will provide an overview of the cost of essential health package in the country.

Regarding the pricing issues the findings from this report will help the Government to set price schedule for the public health facilities at all levels. It will also help in decision makers to monitor facility performance across and within different levels of health care and exploring scope for efficiency gains.

The costing study findings will also help in setting reimbursement rates for health insurance schemes for both public and private health insurance schemes. It will also be used in setting budgets for public facilities and service agreement with FBO/NGO facilities.

The undertaking of such comprehensive study, shows the Government commitment in providing better, quality and affordable health services in order to have a healthy society which can participate in economic activities for the betterment of the society and the country at large.

Finally, I would like to express my gratitude to all who participated in the undertaking of this study. Special thank goes to GIZ and USAID for financing the study. The Ministry of Health and Social welfare will use this report for priority setting, pricing, budgeting, policy formulation and monitoring and evaluation. I call upon all stakeholders to make use of these valuable findings in the report.



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