

**IN THE FIRST SESSION OF THE SEVENTH
PARLIAMENT OF THE FOURTH REPUBLIC OF GHANA**



REPORT OF THE COMMITTEE ON HEALTH

ON THE

**2018 ANNUAL BUDGET ESTIMATES OF THE
MINISTRY OF HEALTH**

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**REPORT OF THE COMMITTEE ON HEALTH ON THE ANNUAL BUDGET ESTIMATES OF
THE MINISTRY OF HEALTH FOR THE YEAR ENDING 31ST DECEMBER, 2018**

1.0 INTRODUCTION

- 1.1 On Wednesday, 15th November, 2017, the Minister for Finance, Mr. Ken Ofori-Atta, presented the Budget Statement and Economic Policy of the Government of Ghana for the 2018 Financial Year to Parliament in accordance with Article 179 of the Constitution.
- 1.2 Pursuant to Article 103 of the Constitution and Standing Orders 140 and 178 of the House, Mr. Speaker referred the Annual Budget Estimates of the Ministry of Health for the 2018 Financial Year to the Committee on Health for consideration and report.
- 1.3 The Honourable Minister for Health, Mr. Kwaku Agyeman-Manu, the Deputy Minister for Health, Mr. Kingsley Aboagye-Gyedu, the Acting Chief Director, Dr. Afisa Zakaria, and other Officials of the Ministry of Health were made to join in the deliberations of the Committee on the Referral.

2.0 REFERENCE DOCUMENTS

- 2.1 The Committee made reference to the following:-
- a) The 1992 Constitution of the Republic of Ghana
 - b) The Standing Orders of Parliament
 - c) The Budget Statement and Economic Policy of the Government of Ghana for the 2017 Financial Year
 - d) The Budget Statement and Economic Policy of the Government of Ghana for the 2018 Financial Year
 - e) The Annual Budget Estimates of the Ministry of Health for the 2017 Financial Year

- f) Report of the Committee on Health on the Annual Budget Estimates of the Ministry of Health for the year ended 31st December, 2017

3.0 MISSION STATEMENT OF THE MINISTRY

- 3.1 The Mission Statement of the Ministry is “to continue to improve the health status of all people living in Ghana, through the development and promotion of proactive policies for good health and longevity as well as the provision of universal access to basic health services. It is in line with the health related aspects of the Sustainable Development Goals (SDGs)” (Ministry of Health).

4.0 AGENCIES OF THE MINISTRY

4.1 Main Ministry

- a. Headquarters
- b. Ghana Health Service (Health Facilities)
- c. Biomedical Engineering Unit

4.2 Teaching Hospitals

- a. Korle-Bu Teaching Hospital-Main
 - i. *Blood Bank*
 - ii. *Ghana Radiotherapy*
 - iii. *National Cardiothoracic Centre*
- b. Komfo Anokye Teaching Hospital
- c. Cape Coast Teaching Hospital
- d. Tamale Teaching Hospital

4.3 Regulatory Agencies

- a. Food and Drugs Authority
- b. Medical and Dental Council

- c. Pharmacy Council
- d. Nursing and Midwifery Council for Ghana
- e. Allied Health Professionals Council
- f. Traditional Medicine Practice Council
- g. Health Facilities Regulatory Agency

4.4 **Subvented Agencies**

- a. Centre for Scientific Research into Plant Medicine
- b. Ghana College of Pharmacists
- c. Ghana College of Physicians and Surgeons
- d. Ghana Institute of Clinical Genetics
- e. College of Nurses and Midwives
- f. St. Johns Ambulance

4.5 **Psychiatric Hospitals**

- a. Pantang Hospital
- b. Accra Psychiatric Hospital
- c. Ankaful Hospital

4.6 **Other Health Institutions**

- a. Health Training Institutions
- b. Christian Health Association of Ghana (CHAG)

5.0 **CORE FUNCTIONS OF THE MINISTRY**

5.1 The Core functions of the Ministry are as follows:

- i. **“To formulate, coordinate and monitor the implementation of sector policies and programmes in the health sector.**

- ii. To provide public health and clinical services at primary, secondary and tertiary levels.
- iii. Regulate registration and accreditation of health service delivery facilities as well as the training and practice of various health professions with regard to standards and professional conduct.
- iv. Regulate the manufacture, implementation, exportation, distribution, use and advertisement of all food, medicines, cosmetics, medical devices and household chemical substances as well as the marketing and utilization of traditional medicinal products in the Country.
- v. Conduct and promote, scientific research into plant/herbal medicine.
- vi. Provide pre-hospital care during accidents, emergencies and disasters”. (Medium Term Expenditure Framework (MTEF) for 2018-2021)

6.0 OVERALL HEALTH SECTOR GOAL

- 6.1 “To have a healthy and productive population that reproduces itself safely” (Medium Term Expenditure Framework (MTEF) for 2018-2021).

7.0 2017 PERFORMANCE

Management and Administration Programme

- 7.1 In 2017, the Ministry of Health paid an amount of Six Hundred Million Ghana Cedis (GH¢600,000,000.00) out of the total government indebtedness to the National Health Insurance Scheme (NHIS) and this has improved funding and has facilitated the smooth running of the hospitals. In line with government commitment to revive the NHIS, a committee was set up by the Honourable Minister for Health to review the operations of

the Scheme and make recommendations to make the NHIS more sustainable. The committee's report has since been submitted to the Minister and a memorandum has consequently been submitted to Cabinet for consideration.

7.2 The Ministry implemented priority activities in the supply chain master plan aimed at improving procurement, distribution and related issues in the health sector. In addition, it developed the warehousing strategy, decentralised storage of health commodities and increased the number of facilities implementing Last Mile Delivery. The target of 50 percent of all health facilities implementing the Last Mile Delivery was achieved. In line with reducing risk associated with centralising the bulk of health commodities at the Central Medical Stores, the Ministry decentralised the storage of 50 percent of all health commodities to its regional Medical Stores.

7.3 In the area of infrastructure, the following were achieved in 2017:

- i. Construction of classroom blocks for Health Training Institutions at Sampa, Asankragua, Pantang and Korle-Bu Critical Care and Peri-operative Units were completed.
- ii. Construction of four (4) District Hospitals reached various stages of completion. These include Kumawu 60%, Fomena 72%, Abetifi 35%, Takoradi European Hospital 50% and staff residential apartments is about 89 per cent complete.
- iii. Civil works on the second phase of the Tamale Teaching Hospital commenced and is now about 55 percent complete.
- iv. Construction of two (2) Regional Hospitals at Wa and Sewua and that of six (6) District Hospitals at Salaga, Konongo, Tepa, Nkawkaw, Atomic and Twifo Praso reached various levels of completion – about 70 percent at Wa, 40 percent at Sewua, 55 percent at Salaga, 40 percent at Konongo, 71 percent

at Tewa, 69 per cent at Nkawkaw, 35 percent at Atomic and 35 percent at Twifo Praso.

- v. The level of completion of the construction of ten (10) Polyclinics at Bisease, Gomoa Dawurampong, Binpong Egya, Ekumfi Nakwa, Etsii Sunkwa, Biriwa, Akunfude, Jamra Mankrong and Potsin, all in the Central Region, stands at 63%.
- vi. Construction works on five (5) Polyclinics at Oduman, Sege, Bortianor, Ashaiman and Adentan all in the Greater Accra Region stands at 25% complete.

Health Service Delivery Programme

- 7.4 In line with the goal of the Ministry to ensure healthy population, malaria case fatality rate reduced from 0.36 in 2016 to 0.22 in 2017. The number of antenatal visits increased from 9,658 to 10,101 between the period January to June 2016 and 2017 respectively. One significant achievement is the increase in the couple year of protection (CYP) from 1,139,409 to 3,646,041 in the periods June 2016 and June 2017 respectively. The number of institutional maternal deaths per 100,000 live births reduced from 167.5 in June 2016 to 149.7 in June 2017. However, institutional infant mortality per 1000 live births increased from 5.8 to 7.5.
- 7.5 The implementation of the last mile delivery contributed to the increase in performance of tracer drug availability from 92.3 percent in 2016 to 94.8 percent in June 2017. Considering challenges in funding to the health sector which affected the purchase of vaccines, some immunisation indicators in the first half of 2017 were lower than targeted, compared to the same period in 2016. The percentage of children immunised by age 1 fell from 94.4 in June 2016 to 93.7 between January and June 2017. Similarly, percentage of children immunised by age 1 year for OPV3 fell from 89 to 88.2.

- 7.6 The deployment of Mental Health Coordinators at regional and district levels started with Community Mental Health Nurses being deployed to the community level, with the objective of decongesting the national psychiatric hospitals.

Human Resource for Health

- 7.7 The training and skill building of the health workforce is primary to the achievement of the goals of the health sector. In this respect, the Ministry approved the recruitment of 15,667 staff, comprising 11,573 nurses, 247 doctors, 1,883 support staff, 938 allied health staff and 14 physician assistants. This has resulted in significant increase in the number of functional CHPS Zones and corresponding increase in the out-patient attendance, nurse to population ratio and doctor to population ratio.
- 7.8 Government restored the Health Trainee Allowance covering 54,840 trainees from 77 Public Health Training Institutions across the country. This covered trainees who successfully completed the registration process with the National Health Insurance Authority and the e-zwich payment system.

Health Sector Regulation Programme

- 7.9 Parliament passed the Legislative Instrument on Tobacco Control Regulations, 2016 (L.I 2247). The Ministry also expanded the list of pharmaceutical products reserved for local manufacturers. The FDA Laboratory installed and commissioned two new HPLC quality control laboratory equipment to enable the Food Microbiology Laboratory to gain ISO 17025:2008 Accreditation and ISO 9001:2015 Certification.



8.0 ECONOMIC CLASSIFICATION OF 2017 ANNUAL BUDGET ESTIMATES AND ACTUAL RELEASES FOR 2017

Approved Budget Allocation for 2017

- 8.1 For the Financial Year 2017, the Ministry was allocated **GH¢4,226,152,354 (Four Billion, Two Hundred and Twenty-Six Million, One Hundred and Fifty-Two Thousand, Three Hundred and Fifty-Four Ghana Cedis)**. As at the end of November, 2017, a total amount of **One Trillion, Two Hundred and Seventy-Five Million, Twenty Thousand, Three Hundred and Thirty-Six Ghana Cedis (GH¢1,275,020,336)** had been released to the Ministry. This constitutes just about 30.2% of the amount Approved for the Ministry in 2017.

9.0 OUTLOOK OF THE MINISTRY FOR 2018

Management and Administration Programme

- 9.1 Works on all uncompleted health facilities and other projects will be continued in 2018 and the Phase 2 of the Bolga Regional Hospital will also commence.

Health Service Delivery

- 9.2 The Ministry will continue to address the vaccine challenges that the country has faced over the last eight years and develop a clear sustainability plan for vaccines and antiretroviral medicines in an anticipation of the GAVI graduation. This will give a traction to the implementation of the policy on HIV Test, Treat and Track (90 90 90) Prevention of Mother to Child Transmission (PMTCT) Option B plus and reduction of Mother to Child Transmission (MTCT) of HIV.

- 9.3 To achieve the Ministry's priorities in 2018, the impact of the health sector activities will be directed at reducing mortality, especially maternal and neonatal, disability and improve quality of life. This will be achieved through increasing access to quality health services and improving efficiency in governance and management of the health system.

Health Sector Regulation

- 9.4 Government will explore the possibility of granting financial autonomy ("weaning off") to some selected agencies of the Ministry. Comprehensive studies will be undertaken to see which facilities would be considered in respect of the weaning off. In addition, the Ministry in collaboration with other stakeholders will work to develop the medical tourism policy framework and other relevant standards of operations.

10.0 ECONOMIC CLASSIFICATION AND DEPARTMENTAL ALLOCATIONS FOR 2018 ANNUAL BUDGET ESTIMATES

Budget Allocation for 2018

- 10.1 For the implementation of its activities in 2018, the Ministry has been allocated a total amount of **GH¢4,422,348,243 (Four Billion, Four Hundred and Twenty-Two Million, Three Hundred and Forty-Eight Thousand, Two Hundred and Forty-Three Ghana Cedis)** (refer to the Table below for details).

Table: Economic Classification of 2018 Annual Budget Estimates

ITEM	GOG	IGF	ABFA	DONOR	Total	%
Compensation	2,588,541,794	52,676,704			2,641,218,498	60
Goods and Services	11,888,550	1,254,325,781		152,535,858	1,418,750,189	32
Capex (Assets)	13,000,000	38,404,205	50,000,000	260,975,352	362,379,557	8
Total	2,613,430,344	1,345,406,689	50,000,000	413,511,210	4,422,348,243	100

Source: Budget Statement and Economic Policy of the Government of Ghana for the 2018 Financial Year

11.0 OBSERVATIONS AND RECOMMENDATIONS

Fund Releases to the Ministry of Health

- 11.1 The Committee observed that fund releases to the Ministry of Health in respect of Goods and Services and Capex for the 1st and 2nd Quarters of 2017 were regular and this made it possible for it to carry out most of its activities scheduled within the period. The Ministry was however unable to perform well in the 3rd Quarter due to challenges it had with release of funds. This is evidenced by the Ministry's inability to procure drugs for psychiatric patients, cater for some of its logistical needs and procure vaccines and other medicines to be administered in times of emergencies. Besides the financial challenges it had in the 3rd Quarter, the Ministry of Health also grappled with huge debts inherited from the previous Administration.
- 11.2 The Ministry does not anticipate any stock-outs in 2018 because it has settled most of its debts and is also in the process of replenishing stocks to enable it augment its stock levels. The Minister for Health is therefore of the strong conviction that the performance of the Ministry in 2018 will be better than in 2017. The Committee was informed that the Ministry will be able to prepare more adequately for emergencies in 2018. The Honourable Minister for Health also informed the Committee that the Ministry was about to submit a Memorandum to Cabinet to solicit for additional funding to enable it continue with the infrastructure projects started by the previous Administration.
- 11.3 The Committee appeals to the Ministry of Finance to release funds regularly to the Ministry of Health throughout 2018 to enable it achieve its targets.
- 11.4 The Committee further observed that the Ministry had completed its engagements with some donor partners particularly, Global Funds that is helping in the areas of Malaria,

Tuberculosis and HIV Prevention and control. Other donors including the Department for International Development (DFID) and United Nations International Child's Emergency Fund (UNICEF) continues to support the Ministry. However, others like the Danish International Development Agency (DANIDA) have still not come on board to partner the Ministry.

Financial Clearance

11.5 The Committee also observed that the Ministry of Health inherited huge backlog of recruitments in 2017 due to freeze on employment in the previous year which was a conditionality in the Country's economic partnership agreement with the International Monetary Fund (IMF). It would be recalled that for 2017 alone, about eight (8) different health professional groups picketed at the premises of the Ministry of Health in their quest to press home their demand for financial clearance and onward posting. The Honourable Minister for Health however, informed the Committee that in 2017, fifteen thousand, six hundred and sixty-seven (15,667) health personnel of various categories were recruited and the Ministry has also obtained financial clearance to recruit about thirty-eight thousand (38,000) more. The Ministry will therefore be able to resolve some of its human resource related issues that affect most of the health facilities across the Country.

The Capping Policy

11.6 It was very gratifying to note that some favourable modifications have been made to the Capping Policy for the Ministry in that, the Ghana Health Service (Health Facilities), the Biomedical Engineering Unit, the four (4) Teaching Hospitals, the three (3) Psychiatric Hospitals, the health training institutions and the Christian Health Association of Ghana (CHAG) have all been made to retain 100% of what they generate internally [Internally Generated Funds (IGFs)]. It will be recalled that during the consideration of the Annual

Budget Estimates of the Ministry of Health for the year ended 31st December, 2017, some Honourable Members of this House, particularly those on the Committee argued strongly for the exclusion of the Health and Education Sectors from the Capping. The review is therefore a well-coming news since the Agencies will now be left with more resources to work with and perform better.

11.7 The Committee was however surprised to note that among the Subvented Agencies under the Ministry, only the Centre for Scientific Research into Plant Medicine and St. John Ambulance are to retain 100% of their IGFs. To its surprise also, none of the Regulatory Bodies have been exempted from the Capping, though they have all been lamenting on the adverse effects of the Capping on their operations. The Capping rate of 33% for the Food and Drugs Authority (FDA) has not changed and the Committee is displeased with that because it learnt that during 2017, the FDA had to apply to the Ministry of Finance on two occasions for bailout to enable it operate effectively.

11.8 The Committee would like to advocate strongly for the Food and Drugs Authority and also call on all other Honourable Members of this House to make a case for FDA to be Capped at 66% at least or possibly be exempted from the Policy because the Authority is already grappling with serious financial difficulties. The Committee also appeals to other Honourable Members of this House to join in the advocacy is also because the role of the FDA bothers on the national security of the Country and therefore cannot be compromised because of financial constraints.

Encroachment on Lands belonging to Health Facilities

11.9 The Committee bemoaned the encroachment on lands belonging to health facilities in the Country and was informed that the Ministry of Health intends fencing the facilities since that will be the best option.

11.10 The Committee was pleased to note that the Ministry of Health has approached the Ministry of Lands and Natural Resources on the issue and is considering compulsory acquisition of the lands including those which have been legitimately acquired by private developers.

11.11 The Committee recommends that the Ministry of Health expedites action on the matter.

Medical Equipment at Health Facilities

11.12 On the issues of medical equipment at health facilities some of which have not worked since their installations and have been left to rot, the Minister informed the Committee that the Economic and Organised Crime Office (EOCO) is carrying out investigations into the matter and will soon be done and come out with its Report.

11.13 The Committee recommends that the Ministry of Health follows-up on the matter to ensure that the issue is dealt with in an expeditious manner for onward action.

Legislative Instruments (L.I.s)

11.14 The Committee was informed about the plight of some of the agencies of the Ministry which were partially as a result of the fact that their Legislative Instruments (L.I.s) have not been passed. The Minister for Health informed the Committee that the Ministry was working assiduously to finish with the drafting of the Legislative Instruments (L.I.s) on all the health laws which do not have L.I.s and bring them to Parliament for consideration. He explained that the delay was also a result of bureaucracies at the Attorney-General's office and therefore he has charged the Legal Directorate of the Ministry to follow-up on it to ensure that the Attorney-General's office will expedite action on the drafts.

11.15 Since L.I.s are made pursuant to Acts for purposes of effective functioning of agencies and among other very important reasons, the Attorney-General should endeavour to support the Ministry in this regard without delay.

Faith Based Health Organisations/Facilities

11.16 The Committee noted that the Auditor-General audits the Christian Health Association of Ghana (CHAG) only on what it receives from the Ministry of Health, for instance their payroll, and do not audit its other activities.

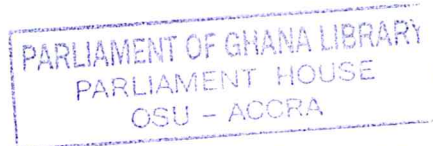
11.17 The Committee is of the view that all faith-based facilities or organisations that receive financial support from the Ministry, should be fully audited to ensure that the surpluses they make are ploughed back into the running of the facilities or organisations as required by law.

12.0 CONCLUSION

12.1 Having thoroughly examined the Annual Budget Estimates of the Ministry of Health for the year ended 31st December, 2018 and its activities earmarked for 2018, the Committee is of the fervent hope that the Ministry of Finance will release funds regularly and honour all its commitments to the Ministry of Health to ensure effective performance of the Ministry of Health.

12.2 The Committee recommends to the House to adopt its Report and approve the sum of **GH¢4,422,348,243 (Four Billion, Four Hundred and Twenty-Two Million, Three Hundred and Forty-Eight Thousand, Two Hundred and Forty-Three Ghana Cedis)** for the activities of the Ministry of Health for the 2017 Fiscal Year.

Respectfully submitted.



A handwritten signature in black ink, appearing to read "Peace Fiawoyife".

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PEACE FIAWOYIFE (MS)
CLERK, COMMITTEE ON HEALTH

A handwritten signature in black ink, appearing to read "Kwabena Twum-Nuamah".

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HON. DR. KWABENA TWUM-NUAMAH
CHAIRMAN, COMMITTEE ON HEALTH

DECEMBER, 2017

