Kenya Country National Dialogue on Health Financing

Civil Society Organizations (CSO) Engagement

26th - 27th April 2023

Mercure Hotel, Nairobi.

Executive Summary

The Africa Leaders Meeting (ALM) Declaration commitments (2019) is the backbone for health financing reforms and provides countries with the mandate and high-level guidance on the areas upon which to focus reforms, provide a roadmap and tools for addressing the various pillars of health finance. The ALM commitments specifically calls for Increased Domestic Resource Mobilization for Health; tackling existing inefficiencies in health budgets towards financing more effective and efficient health systems and better collaboration between multi-sectoral actors - regionally and globally. Therefore, by facilitating dialogue between governments and citizens on issues of health sector priorities, performance and accountability given the 2023 macroeconomic outlook, Civil Society organizations (CSOs) in health can help improve how health care is managed, delivered and financed both in the short and long-term as well as contribute to evidence - based health policy analysis. In this regard, the planned Kenya Country High level dialogue on Health financing is modeled around review, information synthesis, technical evaluation by the different stakeholders on the realization of the ALM Commitments culminating into a Country Position Paper/ Political Statement by the country on the ALM commitment implementation arrangements.

Towards this end, engagement of the Kenyan CSOs in the health financing dialogue space makes policy decision around sustainable domestic investments for health more feasible as CSOs bring new information to decision-makers, whether through research, close contacts with particular groups of the population or opinions. This results in better information and better legitimacy in a successful, sustainable, thriving society because CSOs bring expertise, ideas and diverse perspectives. Making a policy that has the approval of and at least has been discussed with relevant CSOs is often seen as more credible and therefore engaging CSOs in this health financing policy dialogue means that, in asking for their views and information on matters health financing, through them contributing to the Country Position Paper on Increased domestic resources for health, the country decision on the future of health financing will be better thought through, targeted and implementable.

To successfully advance on any of these commitments, there is a need for an evidence-based consensus building process on the best approach that suits the country's contextual realities. This important function presents the national dialogue as an enabler to sustainably meeting both domestic health financing commitments and ALM commitments through consensus, capacity building and an inclusive forum for planning and committing to health financing reforms in country by all stakeholders. In addition, ensuring attainment of UHC in the context of limited resources is not a novel topic for Kenya. However, the pressures and demands are becoming critical. In epidemiological terms, the rising costs of long-standing disease trends (HIV, TB, Malaria, COVID-19) must contend with a rise in Non-Communicable Diseases (NCDs), the health demands of a remarkably youthful demographic profiles and the probability that the recent COVID-19 and EBOLA outbreaks are harbingers rather than anomalies.

Clearly difficult decisions cannot be avoided. Given the recent financial trends and the likely trajectories for donor and government spending in health; full and effective implementation of the UHC agenda in the face of finite resources, competing political

priorities, costs and tradeoffs, the Kenyan CSOs have a critical role to play in the chain of processes that eventuate in the achievement of the ALM commitments. Therefore, how a full range of CSOs in the country can be engaged in furthering and sustaining the health financing agenda in country under UHC remains a critical question for timely, sophisticated strategic thinking around actionable health priorities that will secure broad, sustainable advances in health care at costs which are feasible, sustainable both financially and politically for the citizens of Kenya.

During the two-day forum convened by the HENNET, NEPHAK, KANCO, Stop TB Partnership, Key Population Consortium of Kenya and WACI Health, the Civil Society Organization group developed a position paper addressing specific thematic key areas that will be addressed for consideration during the high-level national dialogue on health financing scheduled for June 2023.

In mobilizing more money for health, the CSO's called upon the government to mobilize more money for health through strengthened relationship and engagement between CSOs and County governments in ensuring they adequately play their oversight role in the implementation and delivery of health-related programmes at the county level.

In more health for money, the CSO's called upon the government to explore new methods to reduce out-of- pocket (OOP) expenditures; Implore the government to invest more in health financing innovations by expanding the National Health Insurance Fund (NHIF) to include more basic, essential services; Prioritizing investments in health particularly among neglected areas through addressing gaps in human resources for health, quality of community-level health services; Address missed opportunities by expanding access to high-impact preventive interventions through capacitating health facilities as a cost-effective avenue for service provision and prevention among communities, in ensuring governments fully equip and staff health facilities into continuous provision of family planning education, antenatal and postpartum care, and other essential preventive, promotive and curative services.

In Equity in health financing and service distribution, implored the governments to commit to PHC investments by actively involving CSOs in promoting wellness through research, and digitization of alternative and telemedicine efforts in the counties.

In Leadership, governance and coordination of health financing the CSO's implored the government to involve them in prioritization of the available health sector resources to invest on interventions and systems supporting primary health care, with more emphasis on health promotion and disease prevention.

Acronyms

ALM	African Leadership Meeting
CSO	Civil Society Organization
CHV	Community Health Volunteer
CIDP	County Intergrated Development Plan
COG,	Council of Governors
DIB	Development Impact Bond
DRM	Domestic Resource Mobilization
EAC	East African Community
FBO	Faith Based Organization
FIF	Facility Improvement Fund
HENNET	Health NGOs' Network
HPT	Health Products and Technologies
INERELA	International Network of Religious Leaders Living with or Personally Affected by HIV
KANCO	Kenya Aids NGOs Consortium
KCM	Global Fund Kenya Coordinating Mechanism
KEMRI	Kenya Medical Research Institute
KEMSA	Kenya Medical Supplies Authority
KHFS	Kenya Health Financing Strategy
LoDDCA	Long Distance Drivers and Conductors Association
MEDS	Mission for Essential Drugs and Supplies
MOH	Ministry of Health
NEPAD	New Partnership for Africa's Development
NEPHAK	National Empowerment Network of People living with HIV/AIDS in Kenya
NHIF	National Health Insurance Fund
NOPE	National Organization of Peer Educators
OOP	Out of pocket
PFM	Public Finance Management
PHC	Primary Healthcare
TB	Tuberclosis
THS	World Bank - Transforming Health Systems
UHC	Universal Health Coverage
WHO	World Health Organization
WVK	World Vision Kenya
YPD	Young Professionals for Development

Table of Contents

1.0 Background

The Kenya Country National Dialogue with the Civil Society Organizations (CSOs) was held between 26th and 27th April 2023. The key target audience were various representatives from the CSO community. Other participants included officials from the various departments of the Ministry of Health, as well as representatives of development partners. The forum was supported by various partners in health, such as Health Network NGOs Network (HENNET), National Empowerment Network of People living with HIV/AIDS in Kenya (NEPHAK), Kenya Aids NGO Consortium (KANCO), STOP TB, Partnership, WACI Health, and Key Population Consortium of Kenya.

The overall objective of the national dialogue is to mobilise national stakeholders to assess and review the health financing strategies in the Kenya Health Financing Strategy, jointly assess progress, identify challenges, and build consensus on health financing reform priorities or actions that are technically viable, politically feasible and will accelerate progress towards sustainable and effective domestic financing of health in Kenya and contribute to the ALM commitments.

The specific objectives included: -

1. Review and assess the key findings of the Kenya Health Financing Scoping Report.
2. Identify key health financing strategies that can enhance the national health financing systems and provide viable recommended actions for consideration
3. Prioritize specific initiatives and interventions to implement in line with domestic priorities and the ALM Declaration.
4. Agree on actions, timelines, mechanism, and responsibilities for post dialogue reporting and tracking of progress.

2.0 Introductions and Welcoming Remarks

2.1 Remarks from Mr. Kinyua, KANCO

In his welcoming remarks, he referenced that the Abuja Declaration became a rallying call to mobilize more resources from government coffers for the health sector. He observed even though many African countries had marginally increased health spending overall, only a handful of countries had met this target, and Kenya was not exceptional as it had only achieved 11% out of 15%. He noted that most of the health development in the country were directed more on infrastructure and hoped that the national dialogue conversations on health financing laid more emphasis on more money for health, with a focus to reducing out of pocket fees by the citizens.

Concluding his remarks, Mr. Kinyua informed that KANCO was currently driving a campaign on data health as a strategy to inform evidence-based decision making. In the realization of the dwindling donor funds, he encouraged the participants to critically think of innovative methods to increase funds for health such as ring-fencing funds and the Development Impact Bonds (DIB).

2.2 Remarks from Patricia, HENNET

Ms. Patricia underscored the need to rethink innovative mechanisms for resource mobilization for the health sector. Observing that Kenya was now branded as a middle-income country, donors were now reducing funding in the sector, and this naturally welcomed the country to take up more responsibilities. She encouraged the CSO's to come up with ways of engaging the budget making process in ensuring the community needs were commensurate in allocation funds for health.

2.3 Remarks from WACI Health, on behalf of Rosemary presented by James Kamau

In delivering Ms. Rosemary (WACI) remarks, Mr. Kamau observed the need to push for domestic resource mobilization matching the identified needs in the health sector. He underscored the need for CSO's to get aligned with the funding space, and invest in the Health Impact Bonds. He expressed concerns on disruptions towards health service delivery, such as the health works strike and the taxes imposed on health. He hoped that the forum would address matters on Human Resource for Health and offer recommendations towards the national dialogue.

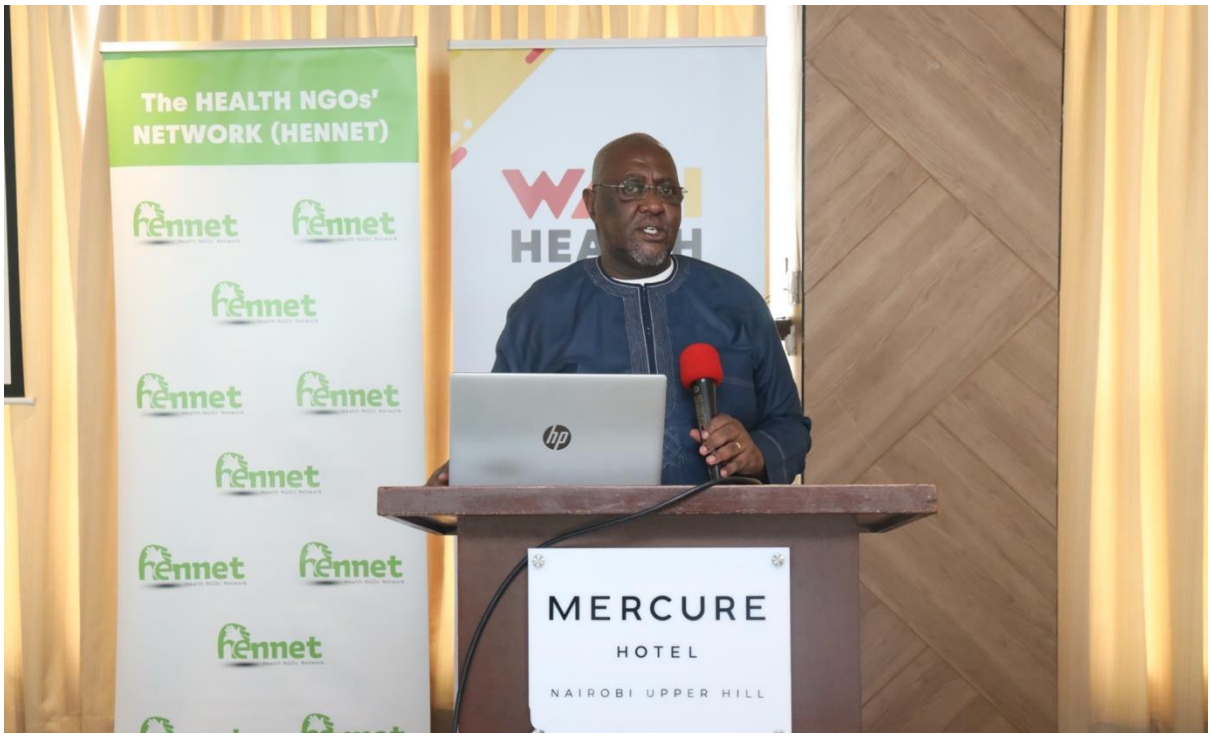

Figure 1: James Kamau of WACI Health making his opening remarks

2.4 Remarks by Ministry of Health, Dr Tracy Johns

In her remarks, Dr Tracy appreciated and welcomed the CSO's groups, development partners present and recognized the critical role that the East African Community was undertaking towards achieving the ALM commitments, 2019. She underscored the need for the CSO's to discuss and develop a position paper that captured the spirit of domestic financing for health that will be synthesized into a country position paper for presentation during the country high level dialogue meeting scheduled for June 2023.

In her presentation on the overview and the role of different stakeholders in Kenya Health Financing Dialogue, Dr Tracy observed that the health sector had improved in various aspects, as shown by key indicators. She noted that efforts to fast-track transition roadmap was ongoing to ensure continuity of health services in light of donor transition and therefore there was need to: Leverage on innovations in health like e-health for sustainable health service delivery; Promote pooling of resources and Strategic Purchasing; Implement of essential benefits package and continuous advocacy in transparency and accountability in public finance management.

However, with the gains made, there were still notable gaps seen in the health sector such as the maternal neonatal and infant deaths were still considerably high, the non-communicable diseases were on the rise, injuries caused by accidents among others. Based on the targets set towards achieving UHC, the health sector still faced various challenges such as Human Resource for Health, equipment, commodities and infrastructure.

In the last decade, she noted a gradual increase in the allocation of health funds at 11.1% of the government expenditure, however, this still remained below the global targets such as the Abuja declaration. She called for more domestic resource mobilization in the realization of the dwindling donor funding space and encouraged the CSO's to discuss innovative mechanisms for health funding. She observed the country's current health insurance coverage was low and stood at 6% of the population covered, which naturally translated to a high expenditure of out of pocket (OOP) population coverage.

Recognizing the vital importance of UHC to Kenya's socio-economic development, key enabler investments in the necessary infrastructure, skilled manpower, conducive legislative regimes, transport, electricity and information communication technology will be necessary to achieve these objectives that will lead to a robust and resilient health system. In order to achieve UHC, Dr Tracy informed the participants that the government had embarked on a comprehensive health finance approach in ensuring there is adequate, efficient and fairness in health financing services. The objectives of this approach covered in the finance strategy included mobilization of funds for health; maximise efficiency and value for money. In the revenue mobilization, the government will advocate the increase

of funds allocation for health both at (national and county levels); ring fence funds for health (a process that was already ongoing with some counties enacting the FIF bill); Implementation of donor transition roadmap and the increment of government subsidies among others.

In concluding her presentation Dr Tracy underscored the goal of the national dialogue meeting was to align all stakeholders involved towards sustainable financing for health in line with the national and regional commitments. She reiterated that the achievement of these goals and commitments can only be achieved in a unified fashion for the key stakeholders. The outcomes of the national dialogue meeting include a strengthened health system strengthening in Kenya, increased investment in the health sector aligned to the priorities, better engagement with the donor and private sector and effective accurate data for better decision making. She reiterated on the ALM commitments mentioned by Ms. Faith Mwende encouraged the CSO's to anchor their discussions within these parameters for development of their position paper on health financing.

3.0 Keynote address: The importance of increased domestic resource mobilization for health

Mr. Chris Alando read a statement on behalf of East African Community (EAC). In the statement he noted that this National Health Financing dialogue is not only important for the Republic of Kenya and the EAC region but also for the entire continent. He noted that the executive, legislature, development partners, civil society, media and private sector stakeholders have openly and passionately been discussing health financing opportunities and the challenges that the Republic of Kenya is facing towards ensuring that each and every person in this country accesses quality health services without suffering financial hardship.

Kenya and indeed the region have set a number of records in health financing. The Republic of Kenya has since 2016 increased its annual allocation to health at both National and County Levels, by over Ksh. 100 billion annually. More than 50 million East Africans are now covered by public health insurance schemes as a means of reducing inequity, improving social development, and reducing catastrophic spending on health by households. These, among other wins, are a result of commitment to sound health policy by the government and continued advocacy by civil society.

There are still health service availability gaps at primary, secondary and tertiary levels particularly for HIV/AIDS, Tuberculosis (TB), Reproductive Health, Maternal, Neonatal, Child and Adolescent Health, nutrition, immunisation, malaria and Non-Communicable Diseases (NCDs) are daunting. The EAC Region and all its partner states set ambitious

health targets for 2030: ending epidemics and achieving Universal Health coverage for all. But the reality is- that as the Covid 19 pandemic has laid bare - without substantial increases in domestic investment, and without a radical change in the way health is assigned to domestic and continental priorities, we may soon lose any realistic chance of attaining these objectives. It was further noted that partner States and Africa's partners must reorient health spending and health systems to target the diseases across the life cycle that have the greatest measurable impact on mortality and human capital development.

Figure 2: Chris Alando delivering the Keynote Address on behalf of East African Community (EAC)

Enormous challenges remain as most EAC citizens lack access to essential health services, and more than 1.5 million continue to die every year from commonly preventable diseases. The African head of States and Government through the African leadership meeting Declaration, adopted by the African Union in 2019 made 10 commitments with the aim of addressing the challenges. The ALM initiative represents a great opportunity for the continent and the region to design and implement suitable and effective policies that will address the challenges we face in building sustainable health systems and ensure healthy lives for the development of the region. These important declarations also provide a tested roadmap for legislative changes, civil society advocacy and media focus that will bring the people of Kenya together to foster government efforts to increased resources allocated to the macro-critical health sector.

He thanked all the delegates for their proactiveness and guidance to ensure that Kenya set the pace in organizing only one of the first five National Health Financing Dialogues on the continent under the African Union's leadership. He noted that this was the beginning of a series of consultations which will foster continuous and open multisectoral collaboration involving stakeholders and players in building a strong and sustainable health system in Kenya. He assured them of continuous support of the EAC Secretariat as well as Cooperating Partners such as the Global Fund, Bill and Melinda Gates Foundation, the World Bank, African Union's New Partnership for Africa's Development (NEPAD), and other partners. He further stated that they would walk with the people of Kenya through this journey to address the important challenge of supporting the health system.

In his conclusion, he thanked the Civil Society for convening the meeting and urged the CSOs to continue setting the continent's tone in terms of innovativeness, resolve and evidence-based advocacy for improved health financing.

4.0 Presentation: The ALM Declaration commitments and their relevance to Kenya's health financing reforms

Ms. Faith Mwende representing World Vision Kenya (WVK) made a presentation on the ALM Declaration commitments and their relevance to Kenya's health financing reforms. Ms. Mwende reported that the Kenyan team has held pre-dialogue meetings with the various stakeholders as the key drivers towards the health financing dialogue. The different stakeholders are expected to come up with position papers on domestic financing for health that will then be crystalized into a country position paper for presentation during the country high level dialogue meeting scheduled for end of June 2023

Ms. Mwende referred to the objectives of the CSO's engagement and underscored the meeting was laid out to provide a platform for them to advance their agenda in identifying the key issues in health financing that will be addressed during the high-level dialogue meeting.

Ms. Mwende, shared a brief background on the engagements that led to the Africa Leadership Meeting (ALM) in 2019 and that it provided an avenue for various stakeholders to dialogue and identify the critical needs for health financing, towards achievement of Universal Health Coverage. The following commitments made during the ALM meeting provide a roadmap and tools for addressing the various pillars of health finance as outlined below:

- **Increase domestic investment in health** and measure progress against the benchmarks of the Africa Scorecard on Domestic Financing for Health.
- **Convene African Ministers of Finance and Health** every 2 years to discuss implementation of the health financing reforms and review progress against benchmarks.
- **Complement the Africa Scorecard with a domestic health financing 'Tracker'.** Guide health financing reforms and track country progress in implementing the health financing enablers.
- **Establish regional health financing Hubs** in each of Africa's five regions to provide practical and technical expertise to support countries to implement these reforms.
- **Better engage the private sector** to strengthen public health systems and expand access to health services.
- **Increase the coherence of investment** in health by better aligning development partner and private sector efforts to the priorities of the continent.
- **Improve public financial management (PFM) capacity** to help improve tax collection and/or increase the proportion of tax revenue collected as a percentage of GDP. Equitable and efficient general taxation and improved revenue collection, Capacities of finance and tax revenue authorities to achieve this
- **Digitize the Africa Scorecard on Domestic Financing for Health** so that data used to review performance is widely disseminated.
- **Enhance national health financing systems.** Options to reduce fragmentation, strengthen procurement and purchasing, improve prevention, cost-effectiveness and efficiency.
- **Improve effectiveness through strategic use of resources.** Re-orient health spending and health systems to target diseases that have greater impact on mortality and human capital development.

For Kenya to successfully advance on any of these reforms, there is need for an evidence-based consensus building process on the best approach that suits the country's contextual realities. The national dialogue provides a routine and inclusive platform for continuous deliberation, management, and fine-tuning of the health financing reform process without alienating any key actor. This important function presents the national dialogue as an enabler to sustainably meeting the ALM commitments through consensus, capacity building and an inclusive forum for planning and committing to health financing reforms in the country by all stakeholders including the county governments.

"As CSOs we don't want just to be consulted as stakeholders but also be involved as critical players and partners in designing, implementing, oversight and reviewing of health financing strategies and policies"

- Faith Mwende, WVI

5.0 Presentation: Kenya Health Financing Scoping Report

Mr. Boniface Mbuthia form ThinkWell made a presentation that focused on improving effectiveness through strategic use of resources. The presentation highlighted inconsistencies in the cost of delivering care across counties as a key challenge in health financing especially at the facility level. According to Health Sector Strategic Plan II (2021), the cost of care ranged from Ksh. 236 (Kericho) to Ksh. 4,921 (Tana-River). The lack of facility autonomy by health facilities and use of evidence-based budgeting as another key inefficiency at the facility level. The over-reliance on government transfers and off-budget support for the health sector resulted in poor linkage between facility and county budgets. He underscored the need to strengthen the capacity of health facilities and counties to better participate in the planning and budgeting process.

As solutions to inefficiencies identified in the presentation, Boniface called on counties to go beyond passive purchasing and embrace a strategic purchasing approach to ensure that they allocate their financial resources more effectively and efficiently. He explained that strategic purchasing involved careful selection and procurement of healthcare services and products that meet the needs of the population and achieve the best value for money. Counties could leverage their purchasing power to negotiate better price packages and quality of healthcare services from providers, which can therefore help to reduce costs and increase access to healthcare services.

Improvement in the medical supply chain operations at KEMSA through the ongoing KEMSA reforms would also lead to improved efficiency. The reforms are based on an audit that revealed long turnaround time, ineffective last mile delivery by third party vendors, pending bills, mismatch between forecasting and quantification needs for the counties and mismatch between orders and deliveries.

Efficiency maximization can also be achieved through the establishment of new pooling mechanisms that can secure and allocate funds more efficiently. Resource pooling can also help to reduce dependency on donor funding, which can account for over 40% of health financing. By increasing domestic resource mobilization and creating value for money, counties can reduce their reliance on external funding and ensure long-term sustainability of their health systems.

Concluding his presentation, Mr. Mbuthia pointed out that Kenya Health Financing Strategy (KHFS) 2020-2030 was a good reference document that can guide counties in laying down good strategies for addressing key health financing issues especially on adequacy, efficiency and equity. KHFS seeks for establishment and strengthening of new pooling mechanisms to secure and allocate funding more efficiently, consolidation of the strategic programs of the national structure to reduce overhead as well as increasing health allocation to 15% of the government budget to reduce reliance on donor funding.

6.0 Q&A Session - Dr Tracy Johns (MOH), Boniface Mbuthia (ThinkWell)

In the plenary session with Ministry of Health and ThinkWell representatives, the CSO organization registered their concern about the slow and limited public participation NHIF reform process. In a rebuttal, Dr Tracy on behalf of MOH reassured the audience that the reforms through NHIF Amendment Bill are still a priority and well on course after the general election disruptions and leadership transition that happened thereafter which also affected the launch and implementation of the Kenya health Financing Framework. The participants underscored the need for improve the accountability structures at NHIF especially by closely consulting with CSOs as a key player at the board. Dr Tracy added that the principle of cross-subsidization is still in discussion, and the national government is undertaking efforts to address existing informal systems and come up with workable solutions with the desired results of NHIF taking care of the informal sector which only stands at 25% currently. The panellists noted that NHIF has made attempts to improve its public participation processes, but there is still room for improvement. They called on the Civil society organizations to occupy the advocacy space in their engagements with NHIF to ensure that the health concerns of the public are considered.

Figure 3: Dr Tracy Johns, Head of Costing and Analytics Division (MOH), keenly following the discussions

Responding to a question on the lengthy local production procedures, Boniface pointed that the ongoing KEMSA reforms aim to address some of the critical issues in medical supply. He suggested that local manufacturing should be done strategically with lessons learned from COVID-19 in mind, with a goal of making Kenya a regional hub for certain medical products to enable EAC trade among itself and with other countries beyond the region. He mentioned that addressing the red tapes within the sector is also essential to facilitate efficient local production and procurement.

On Domestic Resource Mobilization (DRM), there was a call for improved tracking and documentation of resources mobilized at the community level though harambees. To this, Boniface responded that out-of-pocket (OOP) expenditure is already captured in the health financing structures but there is a need for increased advocacy to reduce OOP, which stands at 27%. He emphasized that the country is in dire need of strengthened prepaid mechanisms to ensure that households and individuals do not suffer as they seek health services, as shown by studies by KEMRI and MOH.

7.0 Panel discussion: The role of Civil Society Organizations (CSOs) in domestic resource mobilization for health

- Irene Kuria - KP Consortium
- Peter Odenyo - NEPHAK
- Emily Mukomunene - Stop TB
- Patricia Jeckonia - HENNET
- Phillip Nyakwana – KCM
- Faith Mwende – Moderator

Figure 4: Ms. Patricia Jeckonia (HENNET) contributing to the discussion

Multiple development partners, such as PEPFAR, Global Fund, World Bank - Transforming Health Systems (THS), and DANIDA, have announced a gradual reduction in health financing. As a result, they have encouraged the national and county governments to adopt innovative and sustainable strategies for continued health service delivery. Among the proposed strategies to address this health financing gap is an increased focus on domestic resource mobilization, which has been extensively advocated for in the 10 ALM commitments.

While addressing the issue of donor transition, the panellists cited several reasons that can be attributed to the health financing gaps in Kenya's health landscape. Firstly, they argued that funding for health is not prioritized as it should be, resulting in a lack of resources to cater to the basic needs of the majority lower class. While the middle and upper classes who are covered by health insurance are able to afford quality healthcare, those in the lower-class struggle to access basic health services.

Furthermore, it was pointed out that resource allocation is controlled by politicians, some of whom lack basic economic skills to manage these funds. This has continually resulted in a misplaced focus on infrastructure development instead of equipping facilities with critical equipment. Unrealistic budgets that cannot be sufficiently funded have led to over-dependency on donors, creating an unsustainable cycle. The budgets come with bureaucracies that make it difficult to spend the resources allocated to health effectively.

During this session, the panellists representing different CSOs deliberated on different ways they can play a role in unlocking these bottlenecks in efforts towards realization of increased DRM. There was a sustained emphasis on the need for enhanced accountability while addressing the loopholes in the current health financing system. The participants discussed the need to map out the available resources and match them with the needs, while addressing the gaps. As citizens, it was agreed that there is a need to cultivate an efficiency and stewardship attitude towards the use of resources. Coordinating the resources available is essential to ensure that we do more with less. The panellists also discussed the importance of realistic budgeting and expenditure, emphasizing on the need for more transparency. The CSOs were called on to need to continue building capacity of citizens in addressing matters that affect service delivery, such as corruption, duplication of programmes and misappropriation of available health resources.

It was also suggested that CSOs can advocate for increased resource allocation to health inventions through their engagements within the national government. Their involvement as critical stakeholders in the development and review of the transition plan and its implementation are also important to ensure that the needs of the citizens are addressed. Additionally, it was pointed out that CSOs can act as a conduit between the national and county level in the implementation of health programs, as well as document implementation and needs in the community that require health intervention. Capacitating CSOs in the transition process and advocating for localization and community-led funding and innovations and activities is required. Furthermore, it was agreed that CSOs should engage substantially with the Council of Governors to ensure that services are not disrupted especially during the frequent delays in disbursement of funds to counties by the national Government.

Leveraging on the Facility Improvement Fund (FIF) to ring-fence funds would ensure sustainable service delivery in the facilities and avoid cases of health funds being rechannelled to other sectors in light of resource constraints at the county level. It was proposed during the plenary for CSOs to be nominated as members of management boards of FIF in the counties for oversight in utilisation of health resources at the facility level, which can help reduce corruption and ensure that resources are used appropriately to benefit the population.

The panellists also called for meaningful reforms at NHIF and KEMSA. They emphasized that the reforms should go beyond building renovation to addressing the flaws in their governance structures and doing away with systems that are not working. KEMSA for example should be decentralized to counties so that they serve the people at the grassroots.

8.0 Breakout session: Specific health financing reform priorities, actions, and challenges.

The participants were grouped into four thematic areas and undertook group work discussions in the following areas:-

Group One: Mobilise More Money for Health
Group Two: More Health for the Money
Group Three: Equity in Health Financing and Service Distribution
Group Four: Leadership, Governance and Coordination of Health Financing

Group 1: Mobilize more money for health

Group one focused their discussions on identifying evidence available to support discussions with donors on gradual transition and how to ensure that allocations to the health sector were adequate and consistent. In addition, identify opportunities to support counties in their budgeting efforts and facilitate joint learning. The following deliberations were put across by the group members, these included: -

- That CSO's should be active in capacity building the citizens in budget interpretation and ensure their active participation in the public participation forums, especially during the national budget-making.
- CSO's should be part of a team that oversights the executive and legislative arms by holding them accountable through budget analysis, and tracking of resources attached to health service delivery.
    - Tracking of budgetary allocations and using social accountability tools to hold public servants accountable.
- There is need for CSO's to be strategic by strengthening the relationship through regular engagement between the CCSOs and government to ensure checks and balances for the government.
- To monitor the effectiveness of NHIF, recommended use of community scorecards for public health facilities on NHIF disbursements.
- Develop a scorecard regarding the plan for commitment in upscaling the bridge left by donor funding.
- Opportunities for CSO's to support County Governments In their budgeting efforts through County Budget Economic Forum and Meaningful involvement of the CSO network in the budget-making forum through the sector working group; CSOs can hold the county accountable for implementing the CIDP and their manifestos.

Group 2: More Health for the Money

Group two embarked on current progress on establishing the new pooling mechanisms proposed by the KHFS and the considerations that must be made during this process and acknowledged that they were not conversant with the proposed mechanisms by KHFS.

- However, they opined that the considerations should be that health is a right and a basic need for all. That after covid – 19, lessons should be learned in the planning around health financing should be given the highest allocation which includes support for health CSO's and community health actors.
- Civil society and community health actors should be largely involved in the planning and allocation to ensure the health sector is fully and consistently financed.

Figure 5: Group Two breakout discussion

Ensuring that pooling and purchasing structures are efficient, for example by decreasing fragmentation, is a key instrument to improve health system efficiency, the group identified the opportunities available in the realization of such gains in Kenya's devolved system. These included efficiency by improving pooling and purchasing structures.

- Consolidating health insurance schemes: Consolidating health insurance schemes is a key opportunity to decrease fragmentation and improve efficiency. The National Hospital Insurance Fund (NHIF) can work with county health insurance schemes to establish a unified health insurance system that provides comprehensive coverage for all Kenyans.

- Implement strategic purchasing: Strategic purchasing involves using purchasing power to negotiate prices, improve quality, and promote competition. Counties can work together to implement strategic purchasing of essential medicines and medical supplies to achieve economies of scale and reduce costs.
- Improve health technology assessment: Health technology assessment (HTA) is a systematic process of evaluating the effectiveness, safety, and cost-effectiveness of medical technologies. Counties can establish HTA units to evaluate new medical technologies and make informed purchasing decisions.

In their discussions on evidence that is available or could be gathered to improve the medical supply chain, the group members concluded that: -

- Gathering data on the types and quantities of medical supplies needed by healthcare facilities is essential. This data can help identify patterns and trends in demand, which can inform decisions on inventory management, production, and distribution.
- Obtaining feedback from healthcare providers, patients, and other stakeholders can provide valuable insights into how the supply chain is performing and where improvements can be made.

Research indicates that some counties are able to deliver care at a much lower cost than other counties. Counties and facilities can be supported to improve their cost-of-service provision, based on best practices and learning from others by: -

- Ensuring continuity of the different projects done by the previous government.
- In ensuring proper benchmarking and improving CSO engagement: Benchmarking is a process of comparing performance metrics, costs, and outcomes against those of other counties or healthcare facilities. By comparing their performance against others, counties, and healthcare facilities can identify areas of improvement and implement best practices to reduce costs and improve efficiency.
- Counties and healthcare facilities can collaborate and share knowledge with others to learn from each other's best practices. This can include attending conferences, participating in webinars, joining peer-to-peer learning networks, and sharing case studies.
- Continuous quality improvement involves implementing processes to continuously monitor and improve the quality of care provided. This includes regularly reviewing data on performance metrics, identifying areas for improvement, implementing changes, and monitoring the impact of those changes.

Lessons that can be drawn across counties in terms of the generation and use of evidence to support health budget allocation at the county level.

- Encourage CSO's and community health acts to frequently meet and discuss county health situations.
- Conducting needs assessments is essential to identify the health needs of the population and the resources required to meet those needs. Counties can use data from various sources, such as health surveys, health facility assessments, and disease burden estimates to identify priority areas for investment.
- Involving stakeholders, such as community representatives, health workers, and policymakers, is essential to ensure that the budget allocation reflects the needs and priorities of the population. Counties can engage stakeholders through public forums, town hall meetings, and community-based participatory research.
- Monitoring and evaluating the implementation of the budget allocation plan is essential to determine if the intended outcomes are being achieved. Counties can use performance indicators and data from routine monitoring and evaluation activities to assess progress and make adjustments as needed.

Group 3: Equity in Health Financing and Service Distribution

Group three discussed equity in health financing and service distribution and tackled on the disparities in the level of health financing between counties, examined the efforts that will be undertaken to ensure that every resident over 18 years of age registered with NHIF, and recommended the level of subsidization the government will provide for the unemployed and how the necessary funds will be raised. In their deliberations, the group proposed the following interventions: -

- According to the Centre for Disease, equity is defined as the state in which everyone has a fair and just opportunity to attain their highest level of health. The group identified some of the disparities in health included; access in terms of infrastructure; Disease distribution/patterns; Disease burden; Human Resource and equipment distribution; Culture and CHV`s remuneration. These disparities should jointly be addressed by various actors such as the National Government, County Government, Communities and Non-governmental Organisations. (Earmarking public – private partnerships.)
- The promotion of wellness and research on alternative medicine were elements the members opined was critical in the attainment of primary health care and UHC.

The group further discussed the possible efforts that can be used to ensure that every resident over 18 years of age was registered with NHIF, considering how the indigent

community, or those working in the informal sector can be reached. It was deliberated that: -

- There needs to be awareness creation on the importance of registration and membership.
- NHIF should consider widening the scope of benefits they provide under the scheme.
    - The government should consider alternative health insurance schemes other than NHIF.
    - The indigent community should be sensitised on NHIF and create awareness of its functions and benefits.
    - Consideration of a flexible payment plan so that health services are not disrupted for those in the informal sector.
    - Reduce bureaucracy in accessing services and providers.
    - NHIF should offer incentives for consistent payers whose funds have not been utilised/paid off through health expenses. (Rebates.)

The last part of the group work was recommendations on the subsidisation the government can provide for the unemployed and/or the indigents, and mechanisms that can be put in place for resource mobilisation. The following recommendations were proposed: -

- Both levels of government should leverage on the available workforce to shoulder the burden of the subsidies.
- That the mandatory deduction should be proportional to your earnings.
- Advocate for subsidies in the informal sector.
- Enhance the engagements with the public private sector partnerships.
- Leverage on development partners.
- Establish efficient and effective mechanisms to collect taxes for service delivery.

Group 4: Leadership, Governance and Coordination for Health Financing

Group four discussed leadership, governance and coordination for health financing. This group tackled issues on duplication of the health system and structure, opportunities that existed and reduced the duplication of HPTs. In addition, they identified the challenges anticipated in the implementation of the Kenya Health Sector Roadmap.

On duplication in the health system coordination structures the group observed that

- Functions of national and county level are sometimes overlapped. For instance, development of national policies were done at national level yet counties developed policies parallel to those at the national level. Both levels of government should engage in the harmonisation of policies that developed at the national level and implemented at county level.
- NHIF health insurance scheme benefits were unclear and the group recommended that there was need to conduct more community engagements on NHIF to enlighten people on the various packages available.

The opportunities that existed to reduce the duplication of supply chains, for example between vertical and non-vertical programs included: -

- Support the last mile delivery of commodities over centralized procurement and subsequent delivery done by county governments.
- Develop a system to track drug products.
- That commodities be procured and distributed by vendor (KEMSA, MEDS etc)

For the country to meet targets for the continuation of HIV, TB and Malaria, which heavily rely on donor dependence, the team members in this group suggested some of the requirements needed to meet the targets were as follows: -

- Review of the NHIF essential package to cover for cost for high-cost of TB/HIV/Malaria drugs.
- Reduce the recurrent expenditures to focus on development
- Concentrate on Prevention and early detection/diagnosis of the diseases
- Enact the Facility Improvement Fund in the counties to ring fence funds for health service delivery

9.0 Panel Discussion: Health Equity and Strategies for Mobilizing Domestic Resources for Health in Kenya

- James Kamau – WACI Health
- Raphael Kinyua - KANCO
- Clayton Opiyo - PATH
- Rev. Jane Ngángá - INERELA
- Peter Odenyo - NEPHAK
- Faith Mwende - Moderator

Figure 6: Raphael Kinyua (KANCO) making a point during the panel discussion

Health equity is the principle that everyone should have a fair opportunity to attain their full health potential, regardless of their social or economic status, race, gender, age, or any other personal or societal factor. Health equity is focused on achieving equal access to healthcare, public health resources, and social determinants of health, such as housing, education, and employment, for all members of society. It also involves addressing the root causes of health disparities and inequities, such as discrimination and poverty, to ensure that everyone has a chance to achieve optimal health outcomes.

During this session, the plenary critically deliberated on approaches that can be adopted for health equity. They agreed health equity in Kenya requires a multi-faceted approach that involves tapping into innovative programs like Linda Mama, a program that provides free maternity services to expectant mothers. They mentioned that the program has had a positive impact in reducing maternal and child mortality rates, and expanding its coverage could help promote health equity. Additionally, during the plenary, it was proposed that a well-defined minimum benefits package should be put in place to ensure

that all Kenyans have access to essential health services regardless of their socioeconomic status.

It was suggested that quality of health service delivery should be improved by fast-tracking the revamping of the National Health Insurance Fund (NHIF), by picking lessons from successful healthcare models in other countries. The Brazilian healthcare system, for example, has provided quality and affordable healthcare for over 200 million people by investing in prevention, early detection, and treatment. The panellists called on the Kenyan government to prioritize health promotion and prevention over curative measures to ensure that Kenyans live healthy and productive lives. It was agreed that involvement of CSOs especially in demand creation and creating awareness on promotion and prevention is critical to the success of this approach. In addition, there should be a focus on specialized rehabilitation centers to cater to the needs of patients who require prolonged care and treatment.

The plenary agreed that there is a need to expand the National Health Insurance Fund (NHIF) which is only at 30% currently. This will ensure that more Kenyans have access to essential health services and reduce the financial burden of out-of-pocket payments. It was proposed that lessons should be picked from how the faith community worked with the national and county governments during the COVID-19 immunization campaigns where FBOs utilized their networks to reach communities and provide information on the importance of COVID-19 vaccinations as well as make available churches and mosques as easily accessible centers for immunizations especially during worship periods.

Opportunities for CSOs to engage in realisation of ALM commitments

While noting that ALM commitments were done without the involvement of CSOs, moving forward it is prudent that CSOs are timely plugged into these discussions so that they put their agenda across. Some pf the proposed opportunities for CSOs to engage in realisation of ALM commitments include:

- Tracking and monitoring implementation of the commitments
- Documentation and dissemination at all levels for example by use of vernacular radio stations
- Promote continuous engagements with key stakeholders

Breakout sessions: Specific health financing reform priorities and actions led by CSOs

Priority	Activity	Stakeholders/ Responsible Actors	Timeline	Measure of Success
Establish a centralised payment of Health Products and Technologies (HPTs) to KEMSA	• Government to give funds for commodities to KEMSA for central procurement of HPTs • County governments to quantify, forecast and request from KEMSA based on need	KEMSA, COG, CSO Representation, National Assembly, Senate, National Treasury, National MOH	1 year	• Efficient supply chain that ensures availability of commodities • Legislation backing the centralised payment • No stock-out of commodities at facility level • Reduced pending bills
All 47 counties ring fence health funds through Facility Improvement Fund (FIF).	• Initiate national dialogue on national legislation on FIF. • Capacity building for counties to implement FIF legislation and have a clear accountability framework	National Assembly, COG, County Assemblies	1 year	• Increased collection of user fees and improved quality of services at facility level • FIF legislation passed as an Act
Fast-track NHIF reforms to increase revenues for health (functional, efficient and package that is equitable NHIF) – social insurance for health	• Robust engagement of communities to understand, register and pay monthly contribution • Standardization of health package • Configure the NHIF package for informal groups • CSO representation on the committees of NHIF (accountability framework)	CSOs, National Assembly, Media	1 year	• Equity – access to affordability and quality of health services • Increased health funds for health insurance • Media coverage and reporting of key decisions made during the meeting of NHIF and CSOs

Strengthen CSO feedback mechanisms in supply chain management	• Developing structures and frameworks • Set up a CSO regional office	CSO, County Governments	3 months	• Monitoring and evaluation of the achievements in comparison to previous achievements • Presence of a regional functioning office
Establishment of fully functional regional KEMSA office	• Mobilise the resources to set up the office • Having a transparent reporting tool for monitoring procedures • Capacity building for the stakeholders	CSO, KEMSA, County Governments	3 months	• Having an efficient delivery of drugs • CSOs and other stakeholders being part of the process
Generation of evidence to support health budget allocation	• Conducting need assessment using data • CSOs to take part in collection and monitoring of data at the facility level	CSO, County Governments	3 months	• Studies and research work conducted on the ground • CSOs and Community health workers situated at level 5 facilities
More investment in Primary Healthcare (PHC)	Invest in community health systems by: • Strengthening CHV capacity building systems • Advocate for remuneration of CHVs by counties • Advocate for non-financial incentives to CHVs	County Governments	Next financial year (2023/2024)	• CHV remuneration included in the next financial year's budgets • Capacity building of CHVs done quarterly

11.0 Nomination of CSO representatives

In the closing session for the two-day consultative meeting, 12 members were nominated to represent the CSOs in the planning and participation in the national dialogue on sustainable health financing.

a. Planning meetings towards the national dialogue with MOH and

1. Patricia Jeckonia - HENNET
2. Dr Gabriel Muswali

b. Members who were selected for invitation to the national dialogue

1. Clayton Opiyo - PATH
2. Jacob Ngumi - YPD
3. George Ogola - OPTIONS
4. Maryanne Wambugu - NEPHAK
5. Mary Muia - NOPE
6. Anthony Mutua – LODDCA (NTCB K)
7. Emily Mukomunene - Stop TB
8. Joseph Kilonzo - NETWORK FOR TB CHAMPIONS KENYA
9. Doreen Koech – ICW KENYA
10. Tobias Okoth - GIGI

12.0 Annex

Meeting Program

Kenya Health Financing CSO Consultation Program.pdf

List of participants

List of Participants - CSO ENGAGEMENT.xlsx