

Final Draft

Reversing the Trends

**The Second
National Health Sector Strategic Plan of Kenya
NHSSP II: 2005 - 2010**

**Joint Programme of Work and Funding (JPWF)
for the Health Sector 2006/07 – 2009/10
Popular Version**

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Abbreviations

AIDS	Acquired Immunodeficiency Syndrome
AMREF	African Medical Research Foundation
AOP	Annual Operational Plans
CBHC	Community Based Health Care
CBO	Community Based Organization
COC	Code of Conduct
CSO	Civil Society Organization
DHSF	District Stakeholder Forum
DPs	Development Partners
ERS	Economic Recovery Strategy
FBOs	Faith Based Organizations
GDP	Gross Domestic product
GOK	Government of Kenya
GTZ	German Technical Cooperation
HIV	Human Immunodeficiency Virus
HMIS	Health Management Information System
HENNET	Health NGO Network
HRH	Human Resources for Health
ICT	Information Communication technology
JICC	Joint Interagency Coordinating Committee
JPWF	Joint Program of Work and Financing
KEPH	Kenya Essential Package of Health
KEMSA	Kenya Medical Supplies Agency
M&E	Monitoring and Evaluation
MCH	Maternal and Child Health
MEDS	Mission Essentials Drugs and Supplies
MDG	Millennium Development Goals
MOH	Ministry of Health
MTEF	Medium Term Expenditure Framework
NHSSP	Health Sector Strategic Plan
NGO	Non-Governmental Organization
NHIF	National Hospital Insurance Fund
PMF	Public Finance Management
PPP	Public Private Partnership
RCN	Registered Community Nurse
RRI	Rapid Results Initiative
STI	Sexually Transmitted Infections
SWAp	Sector Wide Approach

Foreword

The Health NGOs Network (HENNET) is pleased to present this popular version of the complete National Health Sector Strategic Plan (NHSSP II) 2005-2010, a Government of Kenya, Ministry of Health publication. The popular version highlights key information that is necessary for health oriented Civil Society Organizations and other stakeholders to meaningfully participate in the Kenya Health Sector Wide Approach. HENNET has taken this initiative to ensure that implementing partners are fully conversant with key national health operational documents. These include the NHSSP II, Joint Program of Work and Funding (JPWF), Norms and Standards, and the Community Strategy.

Among other basic guiding principles, the Kenya Health Sector Wide Approach (SWAp) recognizes the implementing partner entities that are signatories to the Code of Conduct (COC) as full and equal partners. Through the COC, all cooperating partners (including implementing partners) have agreed to support, review and update the NHSSP II and its Joint Program Work and funding periodically. As per the COC, obligations of Implementing Partners will include:

- Implementing partners' programs and plans, irrespective of source of funding, are fully consistent with the JPWF and are reflected in the Annual Operational Plans (AOPs)
- Implementing partners health programs are aligned and included in the District Health Plans.

We hope that the documents will be useful to HENNET members and other stakeholders; and that the documents will convey the information intended with clarity and precision for a better collaboration and partnerships.

We acknowledge the MOH who have allowed HENNET to summarize the complete document into this popular version.

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1. Introduction

For effective and efficient implementation of the NHSSP II, the Ministry of Health with its constituent partners developed a Joint Programme of Work and Funding (JPWF) for the Health Sector 2006/07-2009/10. The JPWF outlines priority health interventions to be implemented over a period of five years (2006–2010) and their resource implications. The JPWF is a planning tool for translating health policies, NHSSP and health budgets into actions. It aims to improve financing in the health sector; and track effectiveness through public finance and management, results-based management, and performance-based monitoring and evaluation. The JPWF document will enable policy makers and health service providers to ensure that the goals and objectives of NHSSP II are met (see Figure 1 for NHSSP II goals and objectives).

Figure 1: Goals and Objectives of NHSSP II

Goals

- Reducing inequalities in health care
- Reversing the downward trends in health outcomes.

Objectives

- Increase equitable access to health services.
- Improve the quality and responsiveness of services in the sector.
- Improve the efficiency and effectiveness of service delivery.
- Enhance the regulatory capacity of the Ministry of Health.
- Foster partnerships in improving health and delivering services.
- Improve the financing of the health sector.

How will this document help the reader?

Reading through the first medium term Joint Programme of Work and Funding (JPWF), the stakeholder¹ in the health sector will understand:

1. Priority health interventions to be implemented over the period 206-2010;
2. Their resource implications;
3. Financing situation and options;
4. Central role of SWAp in realising NHSSP II and Health Policy Framework objectives;
5. Basis for development of sector operational plans; and
6. Process of aligning implementation of health strategies with national development priorities

Readers who are involved in implementing interventions in the health sector will find this document useful as a guide for developing community, district and provincial implementation plans including inter-sectoral activities (annual operational plans) as well as identify their respective roles.

2. JPWF Strategic objectives

Key priority areas for JPWF have been translated into the following objectives:

7. To increase access to health services in all districts through the community strategy².

¹ JPWF identifies the three categories of stakeholders in the health sector to be Government of Kenya led by the Ministry of Health, implementing partners (NGOs, FBOs, PFP, traditional practitioners, etc), and development partners.

² The details of the community strategy are provided in the MOH document “Taking the Kenya Essential Package for Health to the Community.”

- To strengthen health service delivery through effective management of key inputs.
- To strengthen the implementation of the Kenya Essential Package for Health (KEPH).
- To improve financing in the health sector.
- To enhance good governance and stewardship in the health sector.

To achieve the above objectives, the JPWF employs the following strategies:

- Consolidation of different planned activities
- Review of health financing options for the planned sector activities
- Deriving information on the status of financing of the planned activities
- Developing of linkages and a strategy to strengthen these linkages between activities and the planned activities
- Securing probable funds and seeking additional ones for activities that are not funded.

3. Implementing the JPWF

The JPWF will be implemented through Annual Operational Plans (AOPs³) as outlined in district health plans and mainstreamed in the annual work programs for the central Ministry of Health (MOH) departments and institutions. The MOH jointly with its constituent partners prepared an implementation framework outlining a code of conduct to guide the process of implementing the JPWF on the basis of a Sector-Wide Approach (SWAp) to health development. JPWF identified three programmatic areas (components) as shown in Table 1.

Table 1: Programmatic areas of JPWF

PROGRAMME 1	PROGRAMME 2	PROGRAMME 3	PROGRAMME 4
SERVICE DELIVERY	SYSTEMS IN SUPPORT OF KEPH	COSTS AND FINANCE	GOVERNANCE AND PARTNERSHIP

KEPH Life cycle cohorts /targets	Service delivery inputs/outputs		
Pregnancy and newborn	Interphase between services and community	Costs of JPWF	Reform agenda /Outputs
Early childhood	Human resources for health (HRH)	Financing of JPWF outputs	SWAP and Partnership /Outputs
Late childhood	Infrastructure	Financing Gap Strategies and Outputs	Policy Priority/Outputs
Youth and adolescence	Other support systems		
Adulthood and elderly			

³ AOPs will be the principle means for implementing the JPWF. The AOPs will be developed through an inclusive bottom-up process starting from the community health facilities culminating into comprehensive district health plans (DHPs). From that foundation the DHPs will be integrated with annual work programs for central Ministry of Health departments and referral hospitals. For details on AOP processes, the reader is encouraged to consult the main JPWF document and the Community Health Strategy document.

The JPWF document provides a detailed account of the rationale, approach, activities and outputs in each of the aforesaid components for the period 2006-2009 as briefly described below.

4. Service delivery

Service delivery is founded on the premise of KEPH, norms and standards, community strategy, and the costing of KEPH. The principle outputs under service delivery are:

- Reach a minimum of 50% of the Kenyan population with community health services by the end of the JPWF period
- Increase coverage of cost-effective interventions of the KEPH through strengthening of level 2 and 3 service delivery
- Improve health and performance indicators (immunization, HIV/AIDS prevalence, mortality and morbidity) through cost-effective implementation of KEPH by government and non-government healthcare providers
- Increase capacity of specialised medical centres to provide medical care, training and support implementation of the KEPH at provincial, district and community levels
- Improve efficiency in the utilisation of services by strengthening the referral system.

KEPH will be the common approach used to provide efficient and effective services to all citizens. Provision of health care services at each level is determined by geographical, demographic (age and gender), social-cultural and economic barriers, as well as function of the levels instead of the physical outlet e.g. level 3 functions instead of level 3 facility. The overall cost of KEPH for three years (2006-2009) is approximately Kshs. 110 billion, which figure is broken down by level of care and by year in the complete JPWF document.

5. Strengthening support systems and services

Delivering priority health interventions and services requires that an efficient and effective support system be in place. This entails:

i) **Human resources for health (HRH).**

The main objective of HRH is to ensure that 50% of shortages are filled up during the JPWF period with priority deployment of additional staff to arid, semi-arid and hard to reach areas. The staff interventions required to deliver KEPH are aimed at the following strategic objectives:

- Appropriate number and type of health workers in place by 2010.
- Increased number of equitably distributed staff to deliver the KEPH by 2010.
- Improved institutional and health worker performance.
- Improved human resource development.
- Strengthened human resource planning and management.

The overall cost of HRH needed to support service delivery during the current JPWF is estimated at Ksh. 90 billion.

ii) **Infrastructure, transport and communication**

Challenges to the provision of efficient and functional health infrastructure are associated with:

- Haphazard distribution of health facilities in the country coupled with lack of defined standards for infrastructure
- High proportion of stalled infrastructural projects
- Poor planning for maintenance and repair of infrastructure

- Absence of standard guidelines on equipment according to function and human resources, as well as lack of basic technical and administrative equipment including those for communication, transport and ICT to support provision of services.

The main activities will include rehabilitating and improving performance of existing health facilities, appropriate medical equipment, establishing a functional referral system and by ensuring that infrastructure investment is always synchronised with investment in other inputs and services. The overall goal here is to establish a functional, efficient and sustainable health infrastructure to bring effective healthcare services closer to the clients. The cost of health infrastructure needed to support service delivery is estimated at Kshs. 70 billion during the four years of JPWF.

iii) **Procurement and commodity supply chain management**

JPWF will address public sector weaknesses in the organisational structures, competences and procedures for good practice, policy and planning. To improve procurement and supply of the essential commodities, the Kenya Medical Supplies Agency (KEMSA) and MEDS will be strengthened to manage the logistics. The Ministry of Health is also developing a medium term procurement plan to guide the central procurement activities.

The aim of improving procurement and commodity supply chain management is to ensure efficiency, transparency and timeliness of availing commodities to service deliver outlets. This will be achieved through increased decentralization and empowering of districts and facilities to quantify, purchase and manage stock control and warehousing of commodities.

iv) **Financial management system**

A number of financial management challenges in the MOH do not support efficient provision of services. These include:

- Unsuitable accounting, budgeting and reporting formats
- Out of date auditing and internal control processes
- Under expenditure of approved budgets
- Inefficient flow of resources to the end users.

The JPWF aims at ensuring that the budget is linked through annual inputs through the district health plans and expenditures are linked with the outputs achieved (resource based management). The MOH has developed a public financial management (PFM) improvement plan to guide the process. The PFM addresses the following activities:

- Fiscal planning and macrolevel issues
- Budget preparation, implementation, monitoring and evaluation
- Funds flow and cash management
- Foreign aid/external resources management (using SWAp and other instruments)
- Auditing
- Accounts administration.

The JPWF proposes allocation of 5% of the health budget from GOK and donors for management of information monitoring and evaluation purposes.

During the lifetime of JPWF, the following interventions will be implemented as part of institutionalising performance-based evaluation systems:

- Implementing recommendations from the RRI and M&E report entitled “Monitoring and Evaluation of Health Sector Performance – Framework and Action Plan 2006/2007-20092010.”
- Conducting annual data audits and collecting gender and poverty disaggregated data.
- Compiling information from routine reports, national service, sentinel data and rapid assessment for joint annual review (including publishing and dissemination of reports to DHSF and JICC).
- Conducting the five year evaluation.

The JPWF contains a comprehensive list of selected indicators for performance based monitoring and evaluation of the sector.

v) **Performance-based monitoring and evaluation system**

In order to track activities for better results, the government has introduced results-based performance management as an approach for monitoring and evaluation. Key features of results-based management are:

- Defining realistic expected results
- Establishing baselines
- Monitoring progress towards expected results
- Integrating lessons learnt into management decisions
- Regularly reporting on progress.

JPFW proposes allocation of 5% of health budget from GOK and DPs for the management of information, monitoring and evaluation.

6. Health financing in Kenya

Financing of health service delivery in Kenya is supported by the following sources: government allocation (taxation), cost-sharing, social insurance, and community contributions. Table 2 shows the sources of funding for the health sector during the period 1994/95 and 2001/02.

Table 2: Sources of Health Care Financing in Kenya

Source	1994/1995	2001/2002
Households	53%	51%
Government	28%	30%
Donors and international NGOs	8%	16.4%
Private companies	2%	2.3%
Local NGOs	0.9%	0.7%
Source not specified	0.4%	0.1%

Source: National Health Accounts (NHA) 2004.

In 2006, NGOs, private providers and households provide about 53% of the total health sector financing with the money spent mainly on payment of fees and over the counter purchase of drugs. Funding to the health sector is from tax revenue, GOK/MOH, cost sharing in public health facilities, NHIF revenue, donor contributions, households, NGOS and private providers. Challenges facing the health sector in the area of healthcare financing include increased total spending for health, appropriately changing the structure of health expenditure by source and specific use of funds towards levels of care nearest to the community, shifting the burden of healthcare financing from out of pocket and government expenditure to an expanded labour market place that can

sustain social health insurance, and reducing the gaps in terms of access to and utilisation of healthcare services. Strategies to address the above challenges will be developed during the JPWF period to include introduction of social health insurance.

7. Cost and financing of the JPWF

In order to implement JPWF over the period 2006-2010, the estimated overall cost is approximately Kshs. 380 billion. The delivery of services is estimated to cost Kshs. 200 billion. The national level costs are estimated at 20% of the total JPWF costs while the community level costs are estimated at 5%. The bulk of the costs are at the district level which is estimated at 70% of the total costs. Table 3 shows various areas of expenditure.

Table 3: Various areas of JPWF expenditure (2006 - 2010)

Area	2006/2007	2007/2008	2008/2009	2009/2010	Total
Delivery of services	40,954,819,719	45,400,421,524	47,930,957,358	60,060,920,738	194,347,119,340
Infrastructure	11,871,552,797	17,600,858,572	18,065,024,835	18,728,173,267	66,265,609,471
Human Resources	20,538,493,196	21,736,118,236	23,345,635,714	24,991,105,549	90,611,352,695
Transport	593,000,000	575,500,000	575,500,000	575,500,000	2,319,500,000
Systems	4,984,699,004	4,984,699,004	4,984,699,004	4,984,699,004	19,938,796,016
Total	78,942,564,716	90,297,597,336	94,901,816,911	109,340,398,559	373,482,377,522

Please note the costs represent the total health sector costs, and not only Ministry of Health controlled costs.

JPWF will be financed by contributions from GOK, donors, user fees/insurance, NGOs and FBOs. Together the sources are expected to contribute Kshs. 276.9 billion leaving a financing gap of Kshs. 96.5 billion. To address the financing gap, stakeholders in the health sector will:

- Advocate for increased GOK funding through the MOH budget
- Building on the learning from experiences with various alternative financing options
- Creating an enabling environment for greater private sector participation.

8. Partnerships in implementing the JPWF

Attaining the NHSSP II goal of reversing trends in health outcomes can only be achieved through synergy in action, regular dialogue as well as open coordination of activities by all parties in the health sector. This implies that joint policies and strategic responses will be required by both the public and private sectors. Taking a SWAp⁴ to health development provides a framework for the necessary partnership for joint action. The SWAp is further guided by good practice principles for aid effectiveness as spelt out in the Paris Declaration on aid effectiveness. The MOH will provide leadership and stewardship in the implementation of JPWF with reference to the guiding principles in the health sector policy framework (1994) and NHSSP II.

The implementation of JPWF will be managed on the basis of a sector government structure in which JICC plays a leading role of political and policy coordination and

⁴ The Kenya health SWAp is defined as: "A sustained partnership led by national authorities with a goal of achieving improvement in people's health in the context of a coherent sector defined by a specified institutional structure with processes for negotiation, strategic and management issues through a Joint Programme of Work and Funding (JPWF) that provides for regular review of sector performance against jointly agreed milestones and targets.

ensuring that the sector is working towards its policy objectives as set out in the ERS and MDGs. It is noteworthy that FBOs, NGOs and CSOs are involved in the membership of the coordinating structures at all levels. Therefore, the development of public private partnership (PPP) will be formalised and strengthened. Funding mechanisms that promote public private partnership and efficient resource allocation will be developed and implemented.

In conclusion, JPWF recognises many internal and external challenges and risks in the implementation process. These include mismatch between provision of MTEF and AOP as well as fluctuations between GDP and public budgets. The JPWF is however optimistic that macroeconomic environment will remain stable but recognises that there may be need to review some of the assumptions of JPWF.

Note: The complete version of the document from which this popular version was adapted is posted on the HENNET website: www.hennet.or.ke.

It is recommended that this document be read together with other complete publications, namely: (i) National Health Sector Strategic Plan II: 2005-2010; (ii) Norms and Standards for Health Service Delivery; and (iii) Taking the Kenya Essential Package for Health to the Community; that are posted on the HENNET website.