# IMPROVING MINISTRY OF HEALTH AND MINISTRY OF FINANCE RELATIONSHIPS FOR INCREASED HEALTH FUNDING

Presentation by Mary L Nannono, Permanent Secretary
Ministry of Health Uganda

At the Woodrow Wilson International Center for Scholars

June 24, 2009

# OUTLINE OF PRESENTATION

- Background to health financing in Uganda
- Challenges identified
- What is needed to address the challenges
- Next steps
- Conclusion

# Background to health financing in Uganda

- In the last 10 years, allocation to health as a proportion of Government discretionary expenditure has been around 9.6%.
- Proportion far below Abuja Declaration target of 15%.
- No user fees in lower level health units and public Wings of government owned hospitals.
- Average per capita spending is US $ 12.5 against target of US $ 41 (FY 2008/09) and WHO recommendation of US $ 45.

# Background cont'd

- Private sector and private Wings of government owned hospitals charge user fees at varying rates.
- There is limited access to health insurance or any other form of institutionalized social protection.
- Funding from households- 49.7%,

# Background cont'd

- partners 34.9%,
- Government 14.9%
- non-governmental sector 0.4%

Government supports the PNFP providers at approximately 20% of their needs while they provide at least 35% of services.

# Financing trends 2000/01-2008/09

| Year | GoU in Ug shs bn/= | Partner in Ug Shs bn/= | Total in Ug Shs bn/= | Per capita in US $ | GoU health expenditure as % of total |
|---|---|---|---|---|---|
| 2001/02 | 169.8 | 144.07 | 313.86 | 7.6 | 8.9 |
| 2002/03 | 195.96 | 141.96 | 337.92 | 7.9 | 9.4 |
| 2003/04 | 207.8 | 175.27 | 383.07 | 8.6 | 9.6 |
| 2004/05 | 219.56 | 146.74 | 366.3 | 8 | 9.7 |
| 2005/06 | 229.86 | 268.38 | 498.24 | 9.98 | 8.9 |
| 2006/07 | 242.63 | 139.23 | 381.86 | 7.84 | 9.6 |
| 2007/08 | 227.36 | 141.12 | 418.48 | 8.2 | 9.6 |
| 2008/09 | 375.46 | 253 | 628.46 | 12.7 | 8.3 |

# Challenges identified

- A severely constrained budget.
- Management of expectations from the public.
- Communication skills among and between players.
- Unforeseen epidemics and emergencies.
- Low staff morale.

# What needs to be done

Skills enhancement

I. Analysis-economic/statistical
II. Accounting and finance
III. Budgeting and forecasting
IV. Negotiation and mediation
V. Report writing
VI. Oral and written communication.

# Key players

- Ministries of Health – viable data, better preparation for meetings, continuous skills improvement, more commitment.
- Ministries of Finance – consult more, allow more flexibility, share and explain selected national expenditure priorities, maintain objectivity.

# Key players cont'd

- Development partners –more flexibility, respect for national plans and priorities, allow coordination and harmonization.
- Training institutions – develop appropriate training programs in consultation with end users, provide continuous relevant training.

# Next steps

- Dialogue among key players.
- Resource mobilization to address skills gaps.
- Lobby for additional funding to health.
- Improve sequencing of budgeting activities.

# Conclusion

- Need to increase GoU and donor expenditure on health.
- Need to improve allocative and operational efficiency both by GoU and partners.
- The creation and improvement of requisite skills is critical.
- Enhanced mutual respect and coordination.

# THANK YOU FOR YOUR ATTENTION