



COUNCIL OF GOVERNORS

PRESS STATEMENT: STATUS OF HEALTH SERVICES IN THE COUNTIES

Last evening, I addressed the public on the status of the health Sector and services in the Counties. I wish to let the Kenyan Public know that despite the few challenges we are facing in implementing devolution, the benefits and investments over the last 2 years in the health sector have been proportionately greater than in the last 50 years under the National Government.

I would like to highlight some of the achievements over the last two years of Devolution as of May 2015:

- We have renal/dialysis centers established in Kisii, Kisumu, Mombasa, Meru, Nyeri, Bomet and recently Machakos. This brings specialized critical care services to the people.
- Number of operational health facilities have increased; 1) Hospitals from 165 to 185 a 12% increase, Health Centres, 481 to 555 a 15% increase 3) dispensaries have grown by 21% from 1, 585 to 1,925, thus improving access to health services
- Maternity Theaters have increased by 142%, while maternity beds went from 3, 469 to 4, 213 which is a 21 % growth. This investment seeks to reduce maternal deaths and improve outcomes.
- Baby Incubators increased by 43% (from 207 to 295 units). These are intended to improve survival of new- borns
- Facilities with laboratory services have increased by 34%
- Many counties have strengthened their imaging equipment with procurement of CT Scans. This is the case in Meru, Kisii, Kisumu, Bomet, Nakuru, Nyeri and Machakos. Our clients no longer have to travel to Nairobi for specialized imaging services.
- A total of 4 Counties have completed modern ICU facilities:
 - Kericho- eight bed ICU
 - Meru - a six bed ICU
 - Bomet - a five bed ICU

- Kisii - a four bed ICU

This is expected to dramatically reduce pressure on intensive care in Kenyatta National and Moi Referral Hospitals

- Ambulance services have increased by 100%, improving referral.
- Procurement of Medicines and non- pharmaceuticals especially from KEMSA has increased from Ksh. 12.9 billion to Ksh. 19.2 billion (about 49 % increase)
- The number of doctors serving in the Counties rose from 1,315 to 1,798 which is equal to a 37 % growth
- Number of nurses in service went up from 9,846 to 11,683, a growth of 18.7%

All the above have resulted in improved access, and quality of health services. For example, only last month Mombasa Coast General hospital performed the first open heart surgery. This has never happened in any public hospital outside of Kenyatta National Hospital.

The growth has also resulted in increased workload for hospitals. Thika for example has a workload of 1000 patients per day. The bed occupancy has also grown between 150 to 200 % meaning Thika has to increase the bed capacity to cater for the increased number of patients. Nakuru has a workload of 1,600 per day.

All the above has happened under very constrained resource allocation by the National Treasury

Counties have been working under a very constrained budgetary situation.

Let us compare resourcing of the Health Sector at the Two Levels of Government;

1) National

During the 2014/2015 planning period and budget, the National Ministry of Health was allocated about Ksh. 34 billion. In addition the National MOH managed Ksh. 9.7 Billion conditional grants meant for County functions and especially resources to finance User Fees and Maternity Services. In total, the National MoH was allocated and managed Ksh 44.7 billion last financial year.

From the 9.7 billion meant for Counties what is coming out from the different counties is that the Ministry of Health owes monies that was meant for maternity services and User fees. Thika for example is owed 129 million for levels 4 and 5 for delivery of babies, and 49 million for dispensaries and health centers. Kisumu County is owed 55 million for levels 5 and 4. and the Ministry needs to explain where these monies went to.

The National MoH also in the financial year 2014/2015 controlled Funds from Development Partners including Global Funds, GAVI (for Vaccines) , German KFW (Bank). Suffice to note that out of all the donor funds held by the Ministry, it is not clear the total amount that counties have received. However, information received by COG indicate that there is already

an audit on GAVI funds that cater for immunization. The likelihood of Kenya losing the GAVI funds is real, leaving Kenyan children with no immunization.

The current Financial Year 2015/2016 has allocated National MOH a budgetary allocation of Ksh. 50 Billion. Of this amount, Kenyatta Hospital – Ksh. 6,7 billion; and Moi Teaching and Referral Hospital – Ksh.4.5 Billion. Both are parastatals not under direct management of MOH.

Specifically Kenyatta, has a total bed capacity of 2,063 and workload per day for special clinics is 2,000. Casualty for walk- ins’ manages 600 patient per day. Kenyatta with 6.7 billion has own employee doctors, it also benefits from employees doctors from Nairobi University, Registrars who are doctors on Masters degree, paid by respective Counties and interns who are under MOH payment. Thus there is need to understand why the National Government allocates such huge amount of money while most of the services are provided by staff that are not under Kenyatta budget. An analysis of Moi Referral hospital similar to Kenyatta need to be undertaken to identify what the allocated budget of 4.5 billion pays for. We understand that indeed Uasin Gishu County provides laundry and other cleaning services for the Moi Referral hospital.

In addition to the above, the National MoH is also managing Ksh. 16 Billion conditional grants for County functions which cover Maternal Services, User Fees and level five hospitals and Ksh 4.5 billion for the controversial Managed Equipment Services (MES); and which the procurement process is currently under audit by Auditor General.

2) Counties

This Financial Year, 2015/2016, the 47 Counties have been allocated only Ksh. 287 Billion. Out of this amount health is allocated about on average 27%- 30 % about 45 billion. Out of this amount, 60% amounting to 30 billion goes to salaries of health workers as Counties have 95% of total health workforce. Counties also procure medicines and medical supplies for 3,800 health facilities across the levels. This leaves very little for any development and Counties are using funds generated from their own revenue to support health functions.

Counties support health services for about 90% of the Kenyan total population. It is therefore not a wonder that there are problems in the Counties.

Challenges facing County Health Services include

1) Low budget allocation:

The principle that funds follow function has not been respected as indicated in the highlighted analysis of the limited resources provided to the Counties, visa vis what is provided to the National MoH.

It is important to note that funds allocated as conditional grants in the last financial years to Counties but managed by the National Ministry of Health were neither disbursed on time nor were the full amounts allocated availed to the Counties

It is important to note that even funds borrowed from World Bank amounting to Ksh, 2 billion, the Ministry declined to sign the MOU that would provide the funds directly to County facilities. The Ministry is yet to explain where the funds went since they are not included in the current financial year's budget.

In addition, the Ministry was in the process of secretly developing another programme funded by the World Bank for an amount of Ksh. 14.5 billion. We thank the National Treasury for bringing this to the attention of the Council and rejecting the Mission that was coming to finalise the programme without Counties consultation.

These represent some of the examples of the Health Ministry's sabotage of County functions.

2. Delayed disbursements by the national government:

Counties in general experience delayed disbursements from the National Treasury. The delays experienced since the beginning of the current financial year unfortunately have led to delayed salaries for July 2015 leading to strikes by health workers.

3. Arrears from pending promotions

The issue of pending promotions has been discussed many times under the Inter-Governmental arrangements. The National Treasury needs to provide additional funds to cover the arrears because this issue predates devolution. The problem was exacerbated by the failure of MOH to provide personnel files to facilitate over- due promotions. Files were only delivered to Counties in June 2015. Even without any support from National Government, the Counties are addressing the issue of delayed promotions of health care workers and this may totally erode our ability to undertake any investments in the water sector, roads, agriculture and early child education

We are shocked to learn that the Health Cabinet Secretary is on record in response to queries by the Auditor General about use of Ksh. 22.5 billion; saying he paid salaries for the Counties in 2013. While this may be true, the money was recovered from the County Bank Accounts. Some counties like Meru and Baringo refunded more money than the Ministry paid for their staff. The Ministry is yet to repay the overpaid amounts to date yet Ministry of Agriculture refunded Counties for any amounts over paid for the same purpose. We would urge the Auditor General to seek clarification from the MOH how monies recovered from the Counties was committed or used. For Meru County, we woke up one morning to find Ksh. 576 Million had been withdrawn from the County's Central Bank Account as recovery of the money that Mr. J. Macharia says his Ministry used to pay salaries for our health staff!

In Conclusion

I wish to note that Counties take great exception to comments made by the Health Cabinet Secretary, James Macharia, and carried by Sunday Nation of 23rd August 2015, page 9 (and his many TV interviews) threatening Counties that the National Government would take back the Health functions. The Council of Governors wishes to note that the Cabinet Secretary has on many occasions refused to meet the Governors to discuss issues affecting the health sector. It is very unfortunate that he stated on national television that while other Governors are working, a small number of known Governors are making noise instead of solving the problems facing Counties. We would wish to state that this is the position of all Governors in relation to the problems facing the health sector in the Counties. Mr Macharia should refrain from treating Governors with contempt.

The Council of Governors read mischief and incitement of health workers by the Cabinet Secretary as a canary in the devolution mineshaft. It is also noted that his incitement comes at time when health bill is due for second reading.