



BASIC HEALTHCARE PROVISION FUND

Guidelines

for

**Administration, Disbursement,
Monitoring & Fund Management**

Outline

1. BHCPF Overview
2. Summary of Suggested Approach
3. Rationale for the suggested approach
4. How the NHIS Gateway would work
5. How the NPHCDA Gateway would work
6. Administrative set-up
7. Monitoring and Evaluation
8. Proposed process for consultation and approval

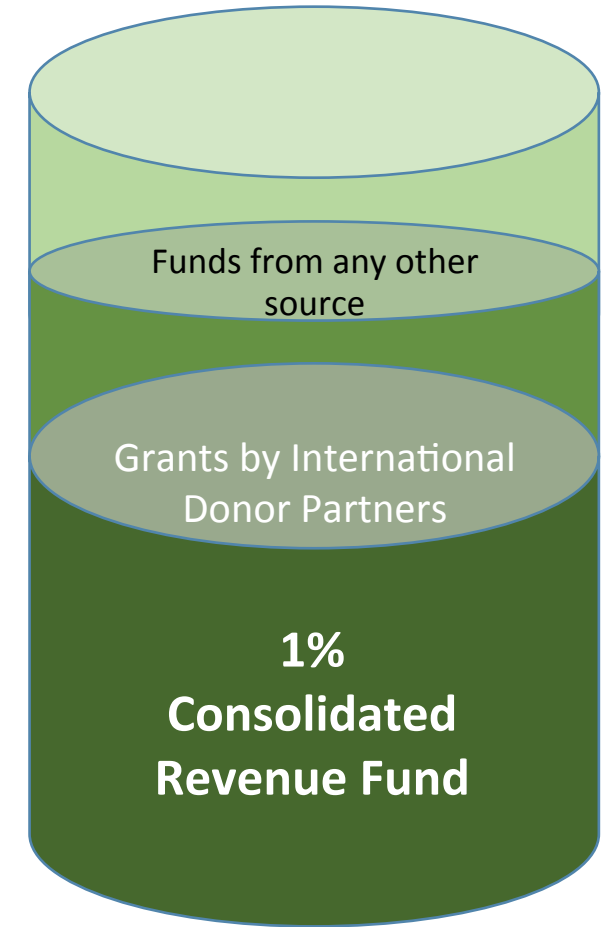
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The Basic Health Care Provision Fund

- The Basic Health Care Provision Fund (BHCPF or “The Fund”) is established under Section 11 of the National Health Act (NHA Act), as the principal funding vehicle for the Basic Minimum Package of Health Services (BMPHS)
- The Fund serves to increase the fiscal space and overall financing to the health sector to assist Nigeria achieve Universal Health Coverage (UHC).
- Funding of the BHCPF would be derived from contributions including
 - an annual grant from the Federal Government of Nigeria of not less than one per cent (1%) of its Consolidated Revenue Fund (CRF)
 - grants by international donor partners;
 - funds from any other source

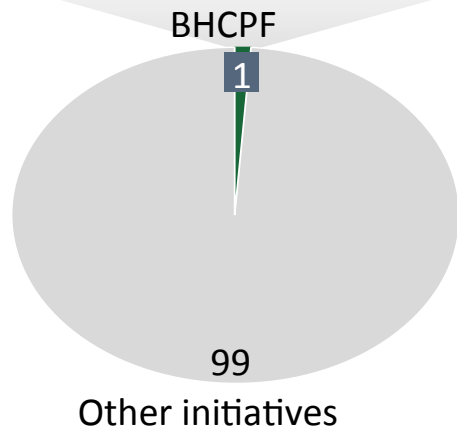
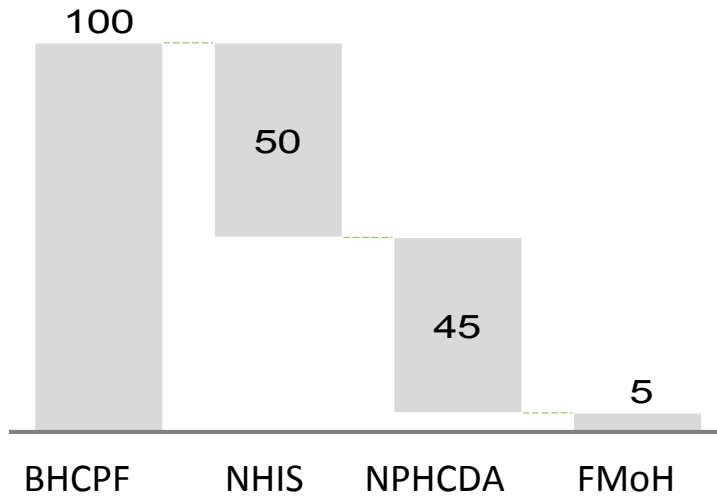
Basic Healthcare Provision Fund



Funding Sources

The BHCPF will catalyze the sector's plans towards achieving improved health for all Nigerians

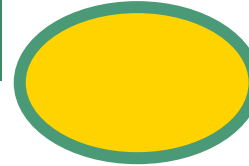
Flow of funds from the CRF, %



NHIS



50%



Basic Minimum Package of Health Services

The Basic Minimum Package of Health Services (BMPHS) for Nigeria (2016) shall consist of six (6) interventions; four (4) for Maternal Health, one (1) for Cardiovascular Disease and urinalysis test



NPHCDA



20%



Essential Drugs, Vaccines & Consumables in PHC's

15%



Provision & Maintenance of Facilities, Equipments & Transportation in PHC's



10%



Development of Human Resources in Primary Health Centers (PHCs)



FMOH



5%



Emergency Medical Treatment



As with other earmarked funds, the BHCPF is considered a statutory transfer, and a dedicated account will be created in the CBN for it.

Substitution

- The health sector seeks to avoid “substitution effect” that typically occurs when new resources are not distinct from existing ones.
- Global experience indicate that creating budget lines in recipient MDAs for newly earmarked funds, have reduced total sums received by the MDAs a few years after.

Additionality

- Unlike funds channeled directly through MDAs, funds in the statutory transfer do not have to return to treasury at the end of every year

Credibility

- The BHCPF includes funds from other donors and other sources.
- Creating an account in the CBN and showing transparency and accountability in the flow of funds is a critical step towards attracting additional resources for the funds

To ensure adequate stewardship, governance and oversight of the funds, a Ministerial Fund Oversight Committee (MFOC) shall be constituted

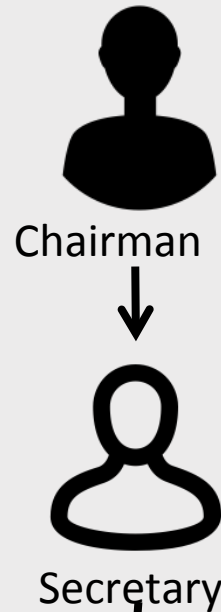
The functions of the committee includes

- A** Ensure that monies are disbursed, managed, and accounted for in a transparent and accountable manner, and in accordance with these Guidelines;
- B** Review, standardise and approve the service level agreements (i) between SPHCDAs/SFAs and the relevant public facilities under the NPHCDA gateway; and (ii) between SSHIS/TPAs and private or public providers under the NHIS gateway.
- C** Approve, together with the relevant agencies, payments to the recipients (SFAs, SPHCDAs, SSHIS's, TPAs) of the different gateways
- D** Establish and manage a system of complaints and redress for patients, communities, and providers
- E** Monitor the implementation of the Fund
- F** Procure, appoint and manage the Independent Verification Agents (IVAs) and the external auditors

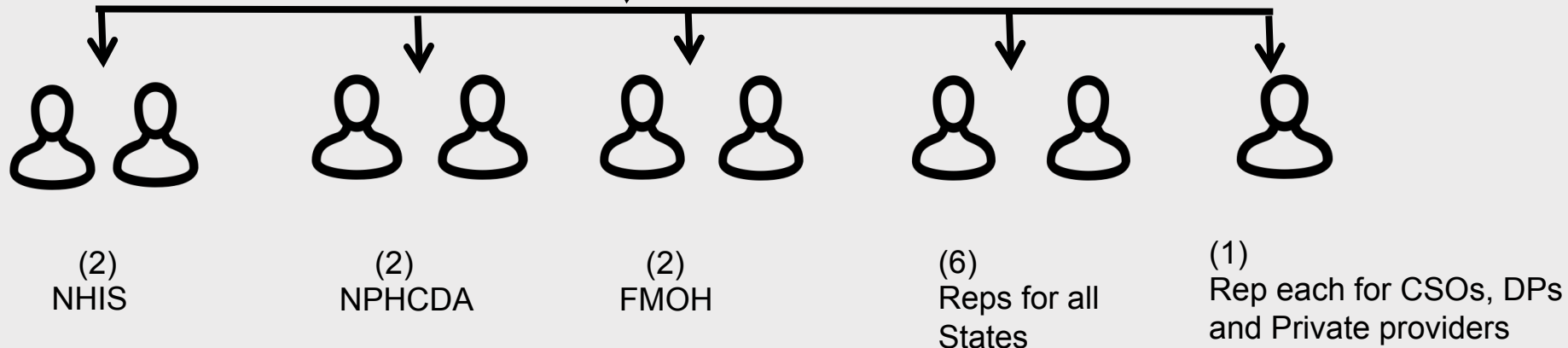
The Secretariat will comprise of State and Non- State Actors in health

To ensure adequate stewardship, regulation, governance and oversight of the Fund, the Minister of Health shall constitute a Ministerial Fund Oversight Committee (MFOC)

Chairperson of the Committee – Part-time, proven integrity. Shall have a four (4) year tenure.



Secretary - Person from either the Private or Public healthcare sector. Shall be the full-time and will manage the MFOC. Such person shall be appointed by the Minister of Health. Shall be entitled to a four year renewable term.



Objectives of the BHCPF Guidelines

BHCPF Guidelines

- Set out the criteria for administration, disbursement, monitoring and financial management of the Basic Health Care Provision Fund
- Specify the eligibility requirements, terms of participation and attendant responsibilities for parties to access the Fund;
- Set out the requirements to be met by beneficiary health facilities;
- Enumerate the course of action for all other matters which would ensure that the Basic Health Care Provision Fund achieves its intended objectives, as stated in the National Health Act

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Summary of Suggested Approach

NHIS Gateway

- Basic package of services deemed to be: 1) BP check; 2) BCC; 3) **maternal and child care**
- Maternal care package includes: **4 ANC visits; delivery (including C/S); 2 PNC visits**
- **FREE** maternal care for ALL mothers in **rural** Nigeria – really **FREE, NO user charges**
- Payments (fee for service) made to **ACCREDITED** Providers **in both private & public sectors**
- Accreditation will start off **EASY** so as to promote equity, will get harder over time
- NHIS will contract **SSHIS or Third Party Administrators** to pay providers **standard tariff**

NPHCDA Gateway

- 1st tranche paid to all states governed by **MOU** with FMOH
- SPHCDA provide **cash grants to PHC** facilities to meet **operating costs**
- **Electronic transfer** of funds to **PHCC's bank account** controlled by OIC & WDC
- PHCC and community given **substantial autonomy** on how they use funds
- **Subsequent payments** to SPHCDA depend on **verification** of transfers to PHCCs
- **SPHCDA**s to receive incentive grants for swift disbursements

FMOH Gateway

- Intervention program to reduce mortality associated with **Road Traffic Accidents** in the five most dangerous route in Nigeria and also to increase disease surveillance
- Collaboration with Federal Road Safety Corps, Nigerian Police and other **ambulance service** providers to transport accident victims to designated emergency service providers
- Emergency care providers along the highways **are contracted and retrospectively** paid a global sum based on case type

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This Approach Addresses Strategic Priorities of Government

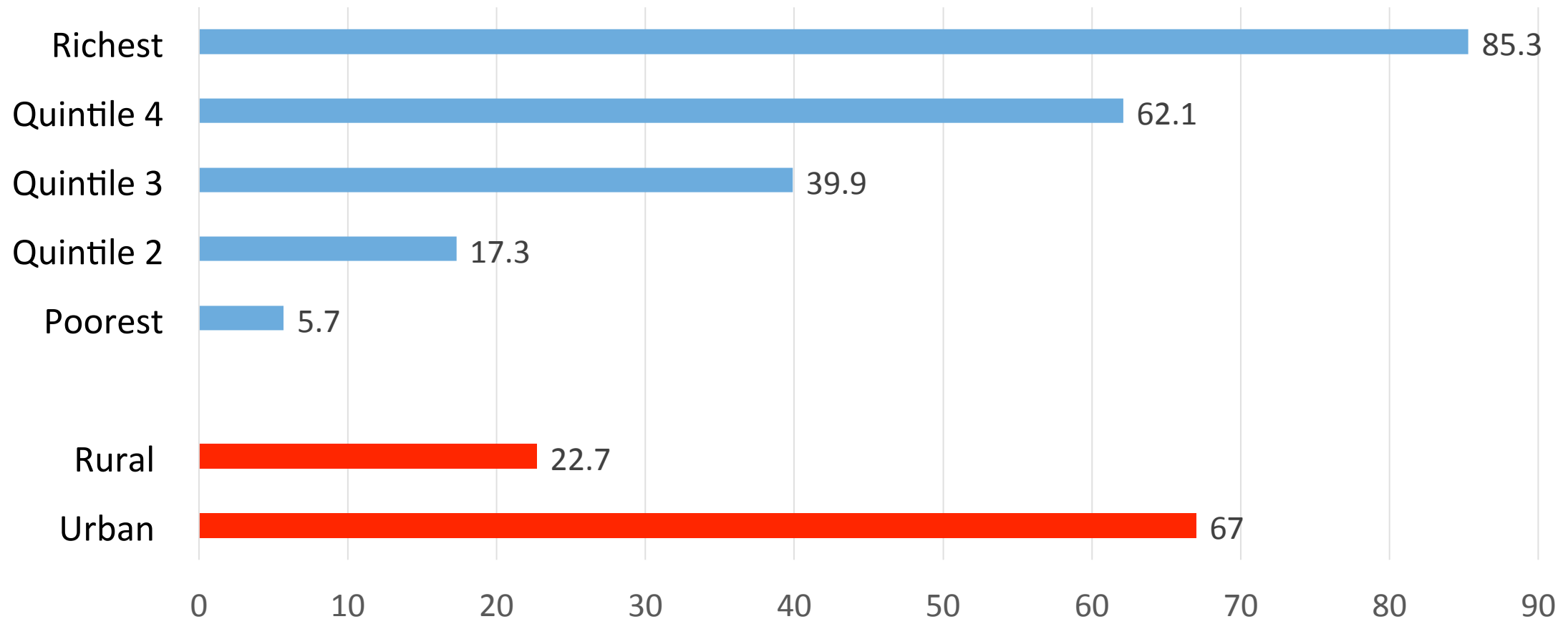
Rationale

- The suggested approach is actively **PRO-POOR**
- It builds on **successful experiences** in Nigeria
- It focuses on **RESULTS** not inputs
- It establishes **systems and approaches** that will be very useful in accomplishing **UHC**, including:
 - Government becomes a **PURCHASER OF SERVICES** not inputs
 - Government buys services **from public and private providers**
 - Establishes system of **ACCREDITATION** to improve quality of care
 - Sets up rigorous system of **VERIFICATION**, helps ensure value for money
 - Creates **ROBUST PAYMENT SYSTEMS** directly to providers, less chance of fraud

The Amount of Money Available is Modest

- Based on 2017 MTEF, 1% of the CRF = **₦35 Billion**
- **That amounts to about ₦ 194 per capita per year**
- In 2015 total health expenditure in Nigeria was estimated at **₦14,632 per capita, mostly out of pocket**
- At current levels BHCPF can **NOT** buy any real kind of “basic package”
- NHIS gateway could possibly buy **FREE maternal and child care for rural dwellers**
- The NHIS Gateway **cannot equitably** buy free maternal and child care for **ALL, only** those in **rural** areas
- The NPHCDA Gateway could provide **reasonable operating budgets for many PHCs**

Rationale for focusing on poor, rural areas - very low SBA likely results in High Maternal Mortality



Percent of Women Receiving Skilled Birth Attendance – NDHS 2013

NPHCDA Gateway is constrained by National Health Act – requires Creativity

- Funds must go **through States** (and LGAs)
- **Percentages specified** for drugs, infrastructure, human resources
- Small amount per capita



Facilities that receive operational expenses have improved inputs for service delivery

May 2014

PHC
Arumangye
Drug store



PHC Ungwan
Nupawa
front view
store



PHC Doma
Town,
Record
section



May 2015



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The Basic Minimum Package of Health Services will consist of a set of interventions

- The Basic Minimum Package of Health Services (BMPHS) will consist of the following interventions:
 - Maternal and Child Health
 - Screening and facilitated referrals for Cardiovascular and Diabetic Disease
- Every Nigerian will be entitled to access these services without charge at the point of care
- This package guarantees most interventions required for safe antenatal care and delivery, as well as regular blood pressure screening and behaviour change communications
- **Package can be expanded as Government revenues grow**
- Introduction of the BMPHS to the population will be **phased**
- During the first five years of operation of this initiative, the BMPHS will be available to only those who live in **RURAL** areas

BMPHS



NHIS Gateway: Disbursements will pay for BMPHS



Intervention

- Basic Minimum Package of Health Services:
- Blood pressure checks, Urinalysis, Maternal and Child Care

Beneficiaries

- All Nigerians

Delivery points

- Accredited public and private sector health care facilities enrolled in this program

Payment Model

- Global Fee to providers for Basic Package of services

Payment Mechanism

- Payments will be made through State Health Insurance Schemes or Third Party Agents (TPAs) to providers by MFOC/NHIS based on number of patients seen

Reimbursable Cost

- Global fee and or capitation

NHIS Gateway: Provider Payment Process

Provider



Monthly claims



SSHIS/TPA



Provider bank account



Central Bank TSA



NHIS with TMSOF approval



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NPHCDA Gateway: Disbursements will pay for PHC OPEX

Intervention	Conditions for disbursement	Amount to be disbursed
<div>Disburse funds to state to support PHC operations</div>	States (SPHCDA) make provision for PHC operational expenses in annual budget	<ul style="list-style-type: none">40% of grants total disbursed to PHCs through SPHCDA following verification of published state budgets.
	States (SPHCDA) disburse budgeted funds to PHCs for operational expenses	<ul style="list-style-type: none">Additional 20% of funds disbursed to SPHCDA following verification of funds disbursement
	States (SPHCDA) disburse at least 100% of budgeted funds to PHC at the end of the year	<ul style="list-style-type: none">Final 20% of funds disbursed to SPHCDA following verification of published audited accounts

NPHCDA Gateway: Disbursements will support service delivery at PHCs

Recipient

- Identified and revitalized PHCs and SPHCDA

Payment Model

- Decentralized facility financing, giving considerable autonomy over fund utilization to PHCs and communities to improve service delivery

Payment Mechanism

- Funds are disbursed to the SPHCDA for transfer to PHCs.
- Each PHC operates a bank account under the control of the Facility Officer-in charge and the WDC.

Frequency

- Quarterly payments

Amount

- Each accredited and revitalised PHC receives a **FIXED SUM** per month
- SPHCDA will receive a bonus based on timely release of funds to PHCs

Fund Utilization

- To support critical interventions such as: community outreaches, health promotion and prevention activities, basic repairs, procurement of basic commodities and vaccine retrieval from the cold chain store.

FMOH Gateway: Disbursements will pay for BMPHS



Intervention

- Emergency Medical Treatment for victims of road traffic accident

Beneficiaries

- All Nigerians

Delivery points

- Accredited health care facilities enrolled in this program

Payment Model

- Global Fee to providers for Basic Package of services

Payment Mechanism

- Monthly payments through Third Party Agents (TPAs) to providers by MFOC based on number of patients seen.
- Providers present an invoice through the TPAs to TMSOF for services rendered which triggers payments.

Reimbursable Cost

- Global fee

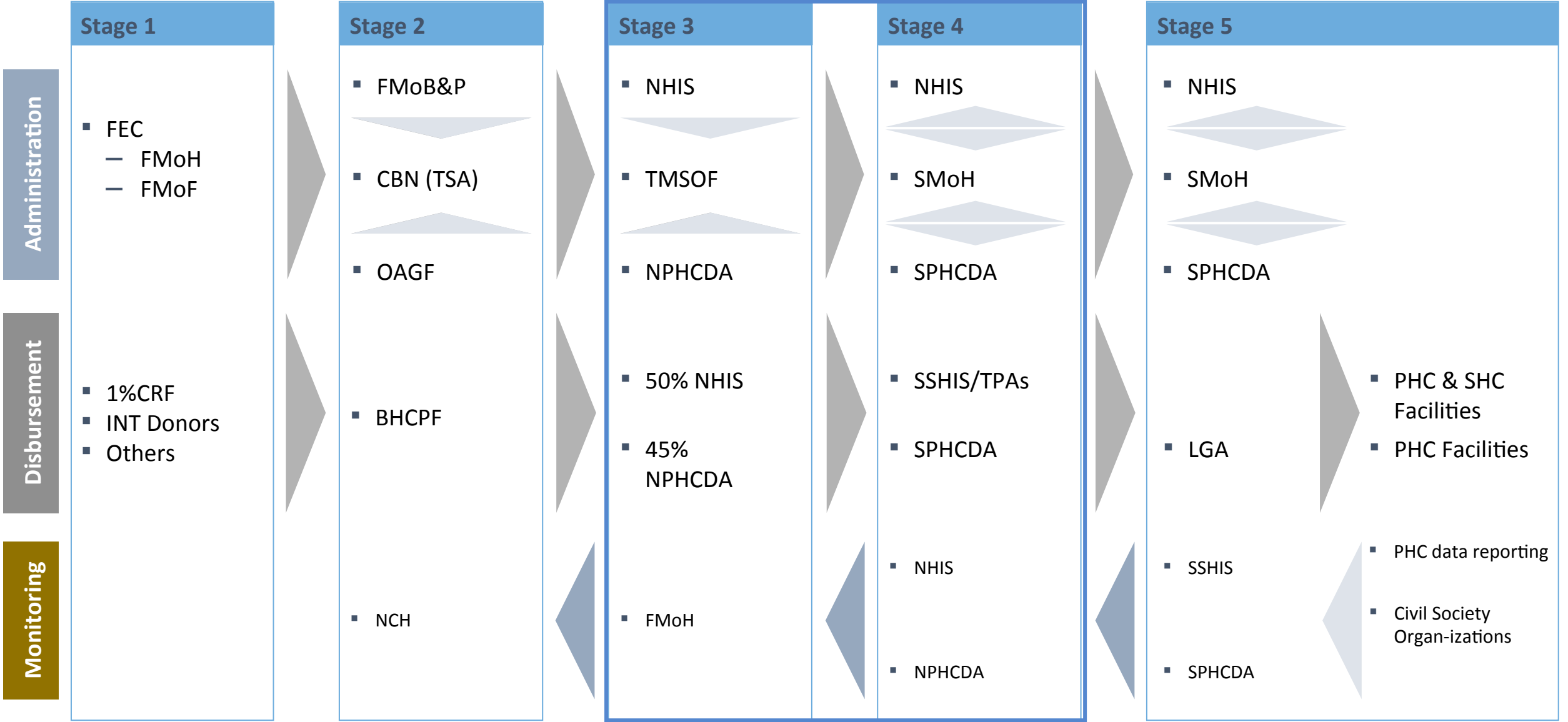
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Governance of the BHCPF

Guidelines for Administration, Disbursement and Monitoring of the Basic Healthcare Provision Fund



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Monitoring and Evaluation Framework

NHIS Gateway

- Based on utilization data at provider level and records of third party administrators
- Provider accreditation prior to program enrolment assessing basic minimum criteria
- Ex-post Verification to ascertain veracity of provider payment claims.
- Ex-post Verification of timely disbursement of payments to providers by the TPA. (Subsequent payment trigger)
- Continuous quality of Care assessments

NPHCDA Gateway

- Based on disbursement records from facility and State level
- Ex Ante verification before initial disbursement to ensure states have met criteria for participation
- Ex-post Verification to confirm timely disbursements to PHCs, appropriate utilization of funds by PHCs in accordance to the guidelines

MFOC

- Performance will be assessed half yearly
- Assessment will evaluate timeliness of conducting independent verification activities; timeliness of disbursements to Fund recipients; submission of annual report and audit from the previous disbursement year, as well as, public disclosure of performance data
- Bonus will be given for satisfactory performance

An Impact Evaluation study will be designed to measure the impact of the Fund and progress on utilization of key MNH services