

CONCEPT NOTE

In 2014, the then President, signed the National Health Act after 2years of legislative process and engagement with the larger society. Unfortunately, the provision, according to Part 1, Section 11: Establishment of Basic Health Care Provision Fund, "*Federal Government Annual Grant of not less than one per cent of its Consolidated Revenue Fund*" was not provided for in the 2015 Budget.

This trend continued in the 2016 and the 2017 Budget until the National Assembly included this provision in their review of the 2018 Budget having been left out by the Federal Ministry of Health in its budget submission for review.

The Legislature included ₦55,150,000,000 under the budget line: "Provision For The Implementation of The National Health Act". This insertion by the Legislature, albeit a welcomed development, it is however wrongly placed under the Ministry of Budget and National Planning. The National Health Act (2014), was instituted by law in 2014 with its budget appellation "Basic Health Care Provision Fund" clearly captured as "at least 1% of the Consolidated Revenue Fund (CRF)" As a result, the due recognition for this NHA is for it to be rightly placed under the Statutory Transfers component of the Budget.

A concern similar to this NHA was the Universal Basic Education Commission (UBEC) grant that was instituted in 2014 by a law of the National Assembly. According to the law, UBEC receives 2% of CRF and this fund is used to meet the challenge of providing basic education in all States of the Federation. Today, UBEC is rightly placed under the Statutory Transfers component of the Budget while the NHA is recognized as a single budget line and placed wrongly under a Ministry. The implication of placing the NHA rightly under the Statutory Transfers is that subsequent government will accord the NHA the maximum acknowledgment it deserves as a fund established by the law. However, based on where it currently sits as a single line budget under the Federal Ministry of Budget and National Planning, it runs the risks that it can be easily forgotten by subsequent administration or in another budget cycle and that means we are back to square one.

The passing into law of UBEC at the national level, led to the establishment of State Universal Basic Education Boards (SUBEBs) for the administration of the grants from the Federal Government. In addition, States provide counterpart funding in order to access the UBE grant and this in part led to some of the successes we have seen in the improvements in basic education outcomes. However, the Basic Health Care Provision Fund is mainly funded by the Federal Government.

According to the National Health Act (2014), Part 1, Section 11: Establishment of Basic Health Care Provision Fund provides guideline on the use of the Fund is stated in Sub-section (3) below:

(3) Money from the fund shall be used to finance the following:

- a) 50% of the fund shall be used for the provision of basic minimum package of health services to citizens, in eligible primary/or secondary health care facilities through the National Health Insurance Scheme (NHIS);
- b) 20% of the fund shall be used to provide essential drugs, vaccines and consumables for eligible primary health care facilities;
- c) 15% of the fund shall be used for the provision and maintenance of facilities, equipment and transport for eligible primary healthcare facilities;
- d) 10% of the fund shall be used for the development of Human Resources for Primary Health Care; and
- e) 5% of the fund shall be used for Emergency Medical Treatment to be administered by a Committee appointed by the National Council on Health. (Page 7 & 8 of the National Health Act (2014))

Based on the above, the breakdown according to the different percentages of ₦55,150,000,000 is calculated and presented below:

No	Provision	Share	Amount (₦)
A	Basic minimum package of health services to citizens	50%	27,575,000,000
B	Essential drugs, vaccines and consumables	20%	11,030,000,000
C	Provision and maintenance of	15%	8,272,500,000

	facilities, equipment and transport		
D	Development of Human Resources for Primary Health Care	10%	5,515,000,000
E	Emergency Medical Treatment	5%	2,757,500,000

Past Health Budget Allocations and Performance

According to the data from the Budget Office of the Federation, allocation to the Federal Ministry of Health in 2008 was 5.54% of the National Budget. In 2018, it is 4.44% of the National Budget.

Year	Capital	Recurrent	Aggregate	National Budget	Health %
2006	39,162,800,002	67,777,199,998	106,940,000,000	1,876,302,363,351	5.70%
2007	51,171,005,425	71,228,994,574	122,399,999,999	2,266,394,423,477	5.40%
2008	49,366,720,000	88,812,937,132	138,179,657,132	2,492,076,718,937	5.54%
2009	50,803,276,901	103,764,216,256	154,567,493,157	2,870,510,042,680	5.38%
2010	53,006,615,191	111,908,323,964	164,914,939,155	4,608,616,278,213	3.58%
2011	33,527,630,328	202,338,852,916	235,866,483,244	4,226,191,559,259	5.58%
2012	57,010,886,138	225,760,885,287	282,771,771,425	4,749,100,821,171	5.95%
2013	60,047,469,275	222,453,995,179	282,501,464,454	4,987,220,425,601	5.66%
2014	49,517,380,725	214,943,830,225	264,461,210,950	4,695,190,000,000	5.63%
2015	22,676,000,000	237,075,742,847	259,751,742,847	4,493,363,957,157	5.78%
2016	28,650,342,987	221,412,548,087	250,062,891,074	6,060,677,358,227	4.13%
2017	55,609,880,120	252,854,396,662	308,464,276,782	7,441,175,486,758	4.15%
2018	141,635,848,198	262,968,764,478	404,604,612,676	9,120,334,988,225	4.44%

While it is commendable that Capital Expenditure has grown from 18% of the Health Budget in 2017, the 2018 Capital Expenditure is 35% of the Health Budget. Nevertheless, with higher percentage in 2008 than in 2018, it clearly shows that the Nigeria health system is not one of government's priority. With increasing population and reducing capital health spend per citizen by the Federal Government, Nigeria is definitely not investing enough in its people.

Now, it is one thing to allocate money for health, the other and most important conversation is the use of the allocation funds for their exact purpose. Unfortunately, Nigeria health budget has performed woefully in full implementation.

Year	Health (Nbn)	Capital (Nbn)	Implemented (Nbn)	Implemented %
2011	235.87	33.53	32.17	95.94%
2012	282.77	57.01	45.00	78.93%
2013	282.50	60.05	34.78	57.92%
2014	264.46	49.52	20.47	41.34%
2015	259.75	22.68	16.45	72.53%

The Health Budget components comprises of Recurrent and Capital Expenditures. While the Recurrent component represent allocations to Salaries, Pensions and Benefits of employees, the Capital Expenditures component are investment in health infrastructure, people and the health system. While Recurrent Expenditure often achieve 100% release, as shown above, the Capital Expenditures are seldom used completely.

From 2011 to 2015, Nigeria Health budget has not performed 100%. It therefore goes without saying that while allocating money to health is an evidence of government's intention to invest in her people's health, it is however not sufficient. The question therefore are why are allocated monies not released for the purpose for which they were allocated and what is the assurance that the newly provisioned fund of the National Health Act will be released and implemented?

Achieving the Nation's Health Priorities through the NHA Fund

The Economic Growth & Recovery Plan (ERGP) has Health as one of its 24 Programmes with 5 Strategies and 16 Key Activities. In line with the Federal Government Policy objectives, which are: Improve the availability, accessibility, affordability and quality of health services; Expand healthcare coverage to all Local Governments; Provide sustainable financing for the health care sector; and Reduce infant and maternal mortality rates, the recommended action points below are worth considering in preparation to the appropriate and effective deployment of the fund.

Action Points:

- A. Taking lessons from the Universal Basic Education Commission grant and for the successes that have been recorded in some States, the Federal Government alone cannot be at the driver seat of health investment in Nigeria, it is therefore important that similar governance structure such as was done for the UBEC grants where States established state-level governance structure (SUBEBs) should be established in all the 36 States + the FCT so as to ensure the effective deployment of the Basic Health Care Provision Fund.

- B. The Federal Ministry of Health and the National Assembly through its Committees on Health should ensure that the Basic Health Care Provision Fund is rightly placed under the Statutory Transfers component of the Budget for effective release of funds in subsequent budget years.
- C. The Federal Ministry of Health should ensure proper monitoring of budget releases and the use of the funds for the intended purpose. The National Assembly Committees on Health should specifically broaden their oversight function to the proper use of the Basic Health Care Provision Fund
- D. The Federal Ministry of Health should develop and publicize the eligibility criteria for primary/or secondary health care facilities to benefit from the Fund.
- E. While the National Health Insurance Scheme (NHIS) already provides for the health of civil servants at the Federal level, the Ministry of Health should develop a plan leveraging this fund to expand the NHIS towards universal health care coverage. **(ERGP, Health Strategy II, Key Activity 1).**
- F. In line with the Sustainable Development Goals (SDGs) – Health & Well Being, develop plan to drive progress to meet the United Nations SDGs health targets, such as Maternal & Infant Mortality. **(ERGP, Health Strategy I, Key Activity 3, 4)**
- G. Deploy a percentage of the “Basic minimum package of health services to citizens” to Scale up the Mobile Health Insurance Programme to provide coverage for the poor. **(ERGP, Health Strategy II, Key Activity 4)**
- H. Deploy a percentage of the “Basic minimum package of health services to citizens” to Pilot the Public Primary Pupils Social Health Insurance Programme to provide quality health services to pupils in middle- and lower-income socio-economic levels who are less likely to have insurance. **(ERGP, Health Strategy II, Key Activity 3).**
- I. Essentials drugs such as anti-retroviral medication to people living with HIV/AIDS, ramp up projects to eradicate polio, measles and yellow fever from the 20% fund for the provision of “Essential drugs, vaccines and consumables”. **(ERGP, Health Strategy III, Key Activity 1, 2).**

- J. Leverage the 15% fund for “Provision and maintenance of facilities, equipment and transport” to revitalize 10,000 primary health care centres and establish at least one functional primary health centre (PHC) in each ward to improve access to health care. Also, develop and adopt an e-health scheme to connect specialized hospitals to rural communities via mobile tele-medicine **(ERGP, Health Strategy I, Key Activity 1) & (ERGP, Health Strategy III, Key Activity 4)**
- K. From the 10% of the Fund for “Development of Human Resources for Primary Health Care”, develop definite plan to (a) Provide a rural service allowance and basic amenities to health workers in rural areas to retain qualified personnel, and (b) Identify and fill gaps to optimize the health worker-to- population ratio by recruiting & training more health workers and attracting talent from abroad. **(ERGP, Health Strategy V, Key Activity 1, 2).**
- L. National Council on Health should setup a Committee that will administer 5% fund set aside for the “Emergency Medical Treatment”. The Committee should develop a Terms of Reference that stipulates the eligibility requirements to qualify for the Emergency Medical Treatment.