USAID
FROM THE AMERICAN PEOPLE

Palladium
MAKE IT POSSIBLE

BAUCHI STATE 2023 PRE-BUDGET RIGHT TO HEALTH MEMORANDUM

SCALE
STRENGTHENING CIVIC ADVOCACY AND LOCAL ENGAGEMENT

CSJ
Centre for Social Justice

First Published in July 2022

By

Centre for Social Justice

Plot 836, Block 1, Emmanuel Aguna Crescent, Off Idris Ibrahim Crescent, Off Obafemi Awolowo Way, Jabi

P.O. Box 11418 Garki, Abuja.

Website: www.csj-ng.org

Blog: csj-blog.org

Twitter: @censoj

Facebook: Centre for Social Justice, Nigeria

Email-censoj@gmail.com

TABLE OF CONTENTS

ACRONYMS

AIDS	Acquired Immunodeficiency Syndrome
BHCPF	Basic Health Care Provision Fund
BSCHMA	Bauchi State Contributory Health Management Agency
BSPHCDA	Bauchi State Primary Health Care Development Agency
CSJ	Centre for Social Justice
CSOs	Civil Society Organizations
EHP	Equity Health Plan
FRL	Fiscal Responsibility Law
HBV	Hepatitis B
HCV	Hepatitis C
HIV	Human Immune Deficiency Virus
ITN	Insecticide Treated Net
MDA	Ministries, Departments and Agencies of Government
MSP	Minimum Service Package
MSPAN	Multi-Sectoral Plan of Action on Nutrition
MTEF	Medium Term Expenditure Framework
MTSS	Medium Term Sector Strategy
NGN	Nigeria Naira
NHA	National Health Act
NHIA	National Health Insurance Authority
NHIS	National Health Insurance Scheme
NHP	National Health Policy 2016
NPHCDA	National Primary Health Care Development Agency
PHC	Primary Health Care
SPHCDA	State Primary HealthCare Development Agency
SDGs	Sustainable Development Goals
SHIS	State Health Insurance Scheme
SMOH	State Ministry of Health
SSHDP	State Strategic Health Development Plan
TB	Tuberculosis

TIHP	Tertiary Institution Health Plan
UHC	Universal Health Coverage
USD	United State Dollars

LIST OF TABLES

EXECUTIVE SUMMARY

This Memorandum is divided into seven sections. Section 1 is the background, provides the rationale for the exercise and reviews key sectoral goals, objectives, targets and strategies. Section 2 reviews Bauchi State specific health indicators and their implications. Section 3 reviews the health budget commitments of the State including the actuals and their compliance with the Abuja 15% Declaration. It also reviews whether the State has developed and costed a Minimum Service Package for PHC, and adopted the whole of government and health in all policies approach. Section 4 is on the implementation of the Basic Health Care Provision Fund in the State while Section 5 reviews the sustainability of the current health care financing model. Section 6 is on the operation of health insurance in Bauchi State while Section 7 is on recommendations.

The following recommendations for Bauchi State flow from the review and analysis in this Memorandum.

- Develop a New Strategic Health Development Plan.
- Mainstream the Plan, Policy and Budget Continuum in Health.
- Adopt a Whole-of-Government, Health-in-all Policies Approach.
- Stakeholder Engagement and Popular Participation in Preparation of MTSS.
- Adopt a Whole of Society Approach to Health.
- Prepare a Minimum Service Package for PHC.
- Increase Funding to the Sector and Invest in Value for Money.
- Moratorium on New Capital Projects.
- Invest in Transparency and Accountability.
- Prepare and publish Annual State of Health Report.
- Ensure Maximum Benefits from BHCPF.
- Full Implementation of Bauchi State Contributory Health Care Management Agency Law and the National Health Authority Act.

SECTION ONE: INTRODUCTION

1.1 Background

The Bauchi State Fiscal Responsibility Law (FRL) requires the State Government to prepare the Medium Term Expenditure Framework (MTEF) every year.[1] This is a three year rolling plan containing the macroeconomic framework, fiscal strategy paper, expenditure and revenue framework, consolidated debt statement and statement describing the nature and fiscal significance of contingent liabilities. However, after preparing the MTEF, every Ministry, Department and Agency of the State Government (MDA) is expected to submit its Medium Term Sector Strategy (MTSS), which should focus on the medium term goals of their sectors and will feed into the broad goals of the MTEF. Where the state neither prepares the MTEF nor the MTSS, it still has a constitutional obligation to prepare an annual budget.

Adapting the provisions of the National Health Act (NHA) to Bauchi State, the State Ministry of Health (SMOH) shall prepare strategic, medium-term health and human resource plans annually for the exercise of its powers and performance of its duties and ensure that this plan shall be the basis of the annual budget estimates for health.[2]

In the Nigerian context, the Centre for Social Justice (CSJ) articulates the principles of good health budgeting as follows:

- Pursue spending policies that are consistent with strategic and high level health plans and policies and which assures a reasonable degree of stability and predictability;
- Hinge health spending on a whole of government, health in all policies approach;
- Mainstream primary health care (PHC) which is the foundation for secondary and tertiary care levels;
- Provide an enabling environment and motivate domestic resource mobilization as a step towards universal health coverage;
- Pursue spending within a definitive macro-economic framework with, at a minimum, medium term horizon and which assures a prudent balance between available resources and planned spending;

[1] S.11 of the FRL.
[2] S.2 (2) of the NHA 2014. This may also be likened to the Annual Operational Plan prepared by the State.

- Ensure that the scale and focus of health spending address the prevalent disease conditions found in epidemiological analysis in the State;
- Ensure optimal value for all Government health spending combining the realisation of improved (more) health from already available resources while pushing for more money for health;
- Maintain the integrity of the Health Information Management System;
- Provide full, accurate and timely disclosure of financial information relating to the health activities of the Government and its agencies, that is, ensuring transparency and accountability; and
- Manage health risks faced by the State prudently, having regard to economic, social and other circumstances.

The Health Sector Budget is to be prepared with the Health Sector Envelope contained in the MTEF. It is expected to incorporate the following:

- Key programs and projects that the Bauchi State Government shall embark upon within the financial year in order to achieve the health goals and objectives as detailed in high level subnational, national and international standards including the National Health Policy, National Strategic Health Development Plan, Sustainable Development Goals (SDGs 3, etc.) and ratified treaties and standards, etc.;
- Cost and prioritize the identified key programs and projects in a clear and transparent manner;
- Definite and measurable outcomes of each of the identified programs and projects.

Accordingly, priority programs and projects are to be ranked in accordance with their contribution to the strategic pillars of the State Strategic Health Development Plan, Annual Operational Plans as well as the National Health Policy's theme of "promoting the health of Nigerians to accelerate socioeconomic development".

1.2 Rationale for the Exercise

The SMOH is required to consult with relevant stakeholders including Civil Society Organizations (CSOs) that work in the Health Sector during the preparation of the annual budget. Therefore, this Memorandum presents the key inputs of CSOs into the 2023 State Government budget for the health sector. The primary focus is on PHC as an entry point for Universal Health Coverage (UHC).

For Budgets to be effective, they must be based on empirical evidence and in tandem with the plan, policy and budget continuum. Therefore, this exercise provides the opportunity to use evidence garnered by CSJ and other CSO actors, aligned with the minimum core content of the right to health, in a bid to implement the minimum core obligations of the state for the progressive realization of the right to health within the ambit of available resources. These state obligations reflected as activities, projects and programs should ensure the respect, protection, facilitation and to a great extent, the fulfillment of the right to health and as such should prioritize PHC including maternal, new born and child health, preventive care, water, sanitation and hygiene, promotional activities and respect the forward ever obligation in health provisioning - backward steps are not acceptable. The Budget should also be based on a plan for increased domestic resource mobilization and the optimum utilization of all available resources in a more health for money approach.

1.3 Sectoral Goals, Objectives, Targets and Strategies

Health Sector goals and objectives are clearly identified in key high level policy documents such as the National Health Policy 2016 (NHP), SDGs[3], NHA, etc. The National Health Policy 2016 is made with a vision of UHC for all Nigerians and specifically states that its goal is to strengthen Nigeria's Health System, particularly the PHC sub-system so as to deliver quality, effective, efficient, equitable, accessible, affordable, acceptable and comprehensive health care services to all Nigerians. These standards provide a clear policy direction and when backed by adequate resources, will improve the realization of the right to health in the State. The State has enacted a Contributory Health Management Agency Law which compliments these goals and objectives.

The NHA establishes a National Health System which is mandated inter alia to provide for persons living in Nigeria the best possible health services within the limits of available resources and to protect, promote and fulfill the right of the people of Nigeria to have access to health care services[4]. It entitles all Nigerians to a basic minimum package of health services[5]. The NHA further provides in S.11 for the Basic Health Care Provision

[3] Targets include: By 2030, reduce the global maternal mortality ratio to less than 70 per 100,000 live births: End preventable deaths of newborns and children under 5 years of age, with all countries aiming to reduce neonatal mortality to at least as low as 12 per 1,000 live births and under-5 mortality to at least as low as 25 per 1,000 live births: By 2030, end the epidemics of AIDS, tuberculosis, malaria and neglected tropical diseases and combat hepatitis, water-borne diseases and other communicable diseases: By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being. They further include: By 2030, ensure universal access to sexual and reproductive health-care services, including for family planning, information and education, and the integration of reproductive health into national strategies and programs: Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all: Substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination, etc.

[4] Section 1 (1) (c) and (e) of the NHA.

[5] Section 3 (3) of the NHA.

Fund (BHCPF) with a government annual grant of not less than one percent of the Consolidated Revenue Fund.

The foregoing goals, objectives, targets and strategies reinforce the core values and principles of the Bauchi State Government towards improving health outcomes and human welfare. Bauchi State has some state specific policies and institutions including Bauchi State Primary Health Care Development Agency under One Roof, etc. All these need to be considered in the preparation of the annual budget estimates.

The Bauchi State Primary Health Care Development Agency (BSPHCDA) is established by Law with a vision of reducing morbidity and mortality rates due to communicable diseases to the barest minimum; reverse the increasing prevalence of non-communicable diseases; meet global targets on the elimination and eradication of diseases; and significantly increase the life expectancy and quality of life of citizens of Bauchi State. The mission is to develop and implement appropriate policies and programs as well as undertake other necessary actions that will strengthen the State Health System to be able to deliver effective, quality and affordable health. The programmes of the BSPHCDA include immunization campaign, measles campaign, malarial elimination, HIV/AIDS control, Neglected Tropical Diseases and Onchocerciasis control. Key activities are in disease control, maternal health, nutrition, health education and primary eye care.

SECTION TWO: HEALTH SECTOR INDICATORS AND MAJOR CHALLENGES IN BAUCHI RELATED TO THE MINIMUM CORE OBLIGATION OF THE STATE AND PRIMARY HEALTH CARE

2.1 Health Indicators

The Bauchi State Health Sector is faced with a number of challenges. Some of the challenges include the poor health indicators in the midst of dwindling financial resources. The National Bureau of Statistics puts Bauchi State's population at 6.537milion as at 2016.[6] This figure increasing by 2.5% a year would have added not less than half a million persons over the last six years.

The implication of the population figure is that there is increasing pressure on available health facilities in the State. PHC has been identified as a critical part of the minimum core obligation of the state on the right to health.[7] Table 1 documents major health indicators relating to PHC and other tiers of health in Bauchi State. This will facilitate a

[6] https://nigerianstat.gov.ng/elibrary/read/474

[7] United Nations Committee on Economic, Social and Cultural Rights, General Comment No. 3 (Fifth Session, 1990) on the nature of State Parties obligations under article 2 (1) of the International Covenant on Economic, Social and Cultural Rights. Nigeria is a State Party to the ICESCR.

proper understanding of the health challenges in the State within the context of programming available public resources towards their resolution.

Table 1: Health Indicators – National Average vs Bauchi State

S/N	Health Indicator	National Average	Bauchi State
	Maternal and Child Health		
1	Neonatal Mortality*	39 per 1,000 live births	38 per 1,000 live births
2	Post-neonatal Mortality*	28 per 1,000 live births	31 per 1,000 live births
3	Infant mortality*	67 per 1,000 live births	69 per 1,000 live births
4	Child mortality*	69 per 1,000 live births	84 per 1,000 live births
5	Under-5 Mortality*	132 per 1,000 live births	147 per 1,000 live births
6	Adolescent birth rate**	120 per 1,000 population (15 – 19 years)	186 per 1,000 population (15 – 19 years)
7	Percentage of women with unmet need for contraception (spacing) **	18.5%	22.0%
8	Percentage of women without antenatal care**	31.6%	38.2%
9	Percentage of women who deliver at home**	60.2%	82.5%
10	Percentage of women with postnatal checks for their newborns (in a facility or at home)**	32.8%	14.1%
	Immunization		
11	Percentage of children (1-2 yrs) who receive BCG Vaccine**	53.5%	41.2%
12	Percentage of children (1-2 yrs) who receive Hepatitis B Vaccine at birth**	30.2%	14.2%
13	Percentage of children (1-2 yrs) who receive Polio Vaccine at birth**	47.4%	28.9%
14	Percentage of children (1-2 yrs) who receive Yellow Fever Vaccine**	38.8%	22.0%
15	Percentage of children (1-2 yrs) who receive Measles Vaccine (MCV 1)**	41.7%	22.2%
	Adequate Supply of Potable Water		
16	Unimproved Source*	34.7%	37.5%
17	Improved Source*	65.3%	62.5%
	Sanitation		

18	Improved facility usage*	53.4%	30.9%
19	Unimproved facility usage*	23.7%	59.8%
20	Open defecation*	22.9%	9.3%
	Others		
21	HIV/AIDS prevention knowledge* (a) Men: Using condoms and limiting sexual intercourse to one uninfected partner can reduce risk (b) Women: Using condoms and limiting sexual intercourse to one uninfected partner can reduce risk	 88.3% 74.1%	 46.3% 48.0%
22	Malaria* (a) Percentage who slept under any mosquito net last night (b) Percentage who slept under ITN by persons in the household the previous night (c) Percentage of pregnant women who slept under an ITN last night (d) Prevalence, diagnosis and prompt treatment of children with fever	 43.9% 43.2% 58.0% 24.2%	 49.2% 48.7% 71.0% 49.5%

*Source: * Indicates NDHS 2018; ** Indicates MICS (2016 – 2017)*

Table 1 makes very interesting findings. In maternal, new born and child health, the State's indicators were poorer than the national average in post neonatal mortality, infant mortality, child mortality and adolescent birth rates. However, the State performed better than the national average in neonatal mortality rate. Furthermore, the State performed poorer than the national average on percentage of women with unmet need for contraception (spacing, percentage of women without antenatal care, percentage of women who deliver at home and percentage of women with postnatal checks for their newborns [in a facility or at home]).

In immunization, the parentage of children aged 1-2years who receive BCG, Hepatitis B, polio vaccine at birth, yellow fever and measles vaccines falls below the national average. In terms of access to improved water supply and improved facility usage, the State lags behind the national average. The performance of the State in open defecation is better than the national average. The malaria related indicators about sleeping under insecticide

treated nets and prompt treatment of children with fever, the performance was better than the national average.

However, it is imperative to note that the national and Bauchi State's indicators are very poor compared to the demands of the SDG 3 Target 2 which requires that by 2030, end preventable deaths of newborns and children under 5 years of age, with all countries aiming to reduce neonatal mortality to at least as low as 12 per 1,000 live births and under-5 mortality to at least as low as 25 per 1,000 live births.

2.2 Implications of the Indicators

The first major implication of the indicators listed in Table 1 is the urgency of taking deliberate and targeted steps within the context of available resources to begin to reverse the negative trends as well as sustaining and improving on the relatively positive trends. The second implication is the need to increase the resource outlay through domestic resource mobilization for the task of promoting improvements in health indicators and the third is the need to improve value for money and resource optimization in the deployment and expenditure of available resources.

Improving the standard of health in the State in a constrained fiscal environment will require the mainstreaming of health in governance through the whole of government and health in all policies approach to the realization of the right to the highest attainable standard of physical and mental health using PHC as the entry point towards UHC.

SECTION THREE: REVIEW OF EXISTING BUDGET COMMITMENTS AND EMERGING ISSUES

There is a state obligation to take concrete and targeted steps and to use the maximum of available resources for the progressive realization of the right to health including PHC.[8] This is to be done with a view to the realization of UHC. Resource includes financial resources appropriated through the budget and other finances leveraged through collaboration with state and non-state actors. Resources also include information, environment, technology and human resources. To set the context for the state health budget review, the overall Bauchi State Budget per capita (using the 2016 population figure of 6.537million) for the years 2018, 2019, 2020, 2021 and 2022 was N25,683, N36,493, N19,863, 3,7222 and N30,207 respectively.

There are standards used to benchmark state financial resources dedicated to health. Two of the standards vis, the Abuja Declaration and the utilization of appropriate funds will be used to benchmark Bauchi State's health budget allocations in recent years.

[8] Article 2 (1) of the ICESCR ratified and binding on Nigeria.

3.1 Abuja Declaration

Under the Abuja Declaration, Nigeria (and this is binding on Bauchi State being a component of the Federation of Nigeria) made a commitment to dedicate not less than 15% of its overall budget to funding the health sector. Table 2 shows the trend of Bauchi State Allocations to Health Sector as a percentage of total State budget over a five-year period of 2018 – 2022. It shows the health budget per capital for the years 2018, 2019, 2020, 2021 and 2022 as N3,823, N3,760, N3,080, N3,887 and N3,361 respectively.

Table 2: Trend of Bauchi State Allocation to Health Sector as % of Total State Budget (2018 - 2022)

TREND OF BAUCHI STATE ALLOCATION TO HEALTH SECTOR AS % OF FG TOTAL BUDGET (2018 - 2022)					
Years	**Total Budget (NGN)**	**Health Budget (NGN)**	**% of Health Budget to Total Budget**	**15% of Total Budget (NGN; Benchmark)**	**Variance from 15% Benchmark (NGN)**
2018	167,899,220,800.00	24,993,829,130.00	14.9%	25,184,883,120.00	191,053,990.00
2019	238,566,207,246.58	24,586,730,822.10	10.3%	35,784,931,086.99	11,198,200,264.89
2020	129,851,545,380.42	20,141,177,544.03	15.5%	19,477,731,807.06	-663,445,736.97
2021	213,914,559,426.99	25,412,769,132.31	11.9%	32,087,183,914.05	6,674,414,781.74
2022	197,475,607,143.85	21,973,628,832.17	11.1%	29,621,341,071.58	7,647,712,239.41
Total	**947,707,139,997.84**	**117,108,135,460.61**	**12.7%#**	**142,156,070,999.68**	**25,047,935,539.07**

Source: Bauchi State Budgets and Author's Calculation

From Table 2 above, the year 2018 had a 14.9% vote and it depreciated to 10.3% in 2018 and in 2020, it moved up to 15.5%. In 2021, it came down to 11.9% and decreased further in 2022 to 11.1%. The highest vote of 15.5% was recorded in 2020 while the lowest of 10.3% was recorded in 2019. However, the average vote over the five years was 12.7% - being 75% of the Abuja Declaration. The variance in terms of shortfall between the expected 15% in the Abuja Declaration and allocated resources amounts to N25.047 billion. The implication of Table 2 is that the State has not met the demands and commitments of the Abuja Declaration. However, 75% is a good and encouraging start towards meeting the target.

In Table 3, the disaggregation between appropriated capital and recurrent expenditure over the five years period is shown.

Table 3: Trend Analysis of Bauchi State Health Budget (2018 - 2022): Recurrent and Capital Expenditure

TREND DISAGGREGATION OF BAUCHI HEALTH BUDGET (2018 - 2022)					
Year	**Health Budget (NGN)**	**Capital Expenditure Component (NGN)**	**Recurrent Expenditure Component (NGN)**	**% of Capital Exp to Total Health Budget**	**% of Recurrent Exp to Total Health Budget**
2018	24,993,829,130.00	18,099,962,371.00	6,893,866,759.00	72.4%	27.6%
2019	24,586,730,822.10	14,678,146,752.10	9,908,584,070.00	59.7%	40.3%
2020	20,141,177,544.03	11,775,786,743.97	8,365,390,800.06	58.5%	41.5%
2021	25,412,769,132.31	14,991,279,268.67	10,421,489,863.64	59.0%	41.0%
2022	21,973,628,832.17	13,088,081,105.87	8,885,547,726.30	59.6%	40.4%
			Average	61.84	38.16

Source: Bauchi State Budgets and Author's Calculation

Table 3 clearly shows that capital expenditure received more votes than recurrent expenditure. The highest capital vote was in 2018 while the lowest was in 2020. Capital expenditure over the five years averaged 61.84% while recurrent expenditure averaged 38.16%.

It is imperative to present information on the actual expenditure especially where there are variances between appropriation and actual releases and implementation. Tables 4A and 4B show the actual expenditure between the years 2019-2021, being the years in which implementation reports are available.

Table 4A: Trend Analysis of Approved and Actual Bauchi State Health Sector Budget (2019-2021)

TREND ANALYSIS OF APPROVED AND ACTUAL BAUCHI STATE HEALTH SECTOR BUDGET (2019-2021)			
Year	**Approved/Revised Health Budget (NGN)**	**Actual Health Budget (NGN)**	**% of Actual Health Budget to Approved Health Budget**
2019	20,141,177,544	10,492,187,214	52.09%
2020	25,412,769,132	7,625,767,223	30.01%
2021	21,973,628,832	13,173,775,894	59.95%

Source: Approved Budgets and Budget Implementation Reports

Table 4A shows that 52.09%, 30.01% and 59.95% respectively were released in the years 2019, 2020 and 2021. This is an average budget utilization of 47.35% over the three years. This shows that the Bauchi State budget requires more credibility to reduce the gap between appropriation, released and utilized budget sum.

Table 4B below shows the breakdown of the ratios between recurrent and capital expenditure in 2019 - 2021.

Table 4B: Trend of Actual Health Expenditure- Capital and Recurrent 2019-2021

TREND OF ACTUAL HEALTH EXPENDITURE - CAPITAL & RECURRENT BUDGET (2019-2021)					
Year	**Actual Health Budget (NGN)**	**Actual Recurrent Expenditure (NGN)**	**Actual Capital Expenditure (NGN)**	**% of Recurrent Exp to Total Health Budget**	**% of Capital Exp to Total Health Budget**
2019	10,492,187,214	8,515,899,965.13	1,976,287,248.44	81.2%	18.8%
2020	7,625,767,223.28	5,898,552,123.94	1,727,215,099.34	77.4%	22.6%
2021	13,173,775,893.67	7,556,444,351.87	5,617,331,541.80	57.4%	42.6%

Source: Approved Budgets and Budget Implementation Reports

From Table 4B, in 2019, the ratio of actual capital to recurrent expenditure was 18.8% to 81.2%; 2020 was 22.6% to 77.4% while 2021 was 42.6% to 57.4% respectively. It is imperative to note that this continues the trend observed at the federal level and in many States of the Federation where recurrent expenditure trumps capital expenditure.

3.2 Forward Ever, Backward Never Commitment

The right to health, which is to be realized progressively, under the jurisprudence of economic, social and cultural rights is a "forward ever, backward never" right. Deliberate retrogressive measures are not permitted and if any such measure is to be undertaken by the State, it requires the most careful consideration and justification by reference to other compelling rights and in the context of the full use of the maximum of available resources.[9]

Considering that the Naira has been depreciating over the years, the health allocations have been converted to a more stable international currency being the United States Dollar to bring out the real value of the votes and overall budget over the years. Table 5 tells the story.

From Table 5 below, the overall available resources being the total budget figures have been diminishing in real terms between 2018 and 2022. However, it has taken the shape of an undulating framework- rising and falling. It initially increased between 2018 and 2019 (from $546.902million to $777.088million); diminished to $341.714 million in 2020 and rose again to $517.339 million in 2021 and decreased to $475.123 in 2022. The health allocations started with $81.413 million in 2018, reducing to $80.087 million in 2019 and further down to $53.003 million in 2020. It increased to $61.459 million in 2021 and decreased again to $52.868million in 2022. Essentially, the funding for health has decreased from $81.413 million in 2018 to $52.868million in 2022.

[9] General Comment No.3 (Fifth Session, 1990) on the nature of State Parties obligations under the ICESCR, paragraph 9.

Table 5: Trends of Bauchi State Allocation to Health Sector in USSD as % of State's Total Budget (2018 - 2022)

TREND OF BAUCHI STATE ALLOCATION TO HEALTH SECTOR AS % OF FG TOTAL BUDGET (2018 - 2022)					
Years	**Total Budget (NGN)**	**Health Budget (NGN)**	**Exchange Rate (1$=NGN)**	**Total Budget (USD)**	**Health Budget (USD)**
2018	167,899,220,800.00	24,993,829,130.00	307	546,902,999.35	81,413,124.20
2019	238,566,207,246.58	24,586,730,822.10	307	777,088,622.95	80,087,071.08
2020	129,851,545,380.42	20,141,177,544.03	380	341,714,593.11	53,003,098.80
2021	213,914,559,426.99	25,412,769,132.31	413.49	517,339,136.20	61,459,210.94
2022	197,475,607,143.85	21,973,628,832.17	415.63	475,123,564.57	52,868,245.39
TOTAL	**947,707,139,997.84**	**117,108,135,460.61**		**2,658,168,916.18**	**328,830,750.42**

Source: Bauchi State Budgets, Central Bank of Nigeria Website https://www.cbn.gov.ng/rates/exchratebycurrency.asp and Author's Calculations

The resources available to the health sector has decreased at a percentage higher than the overall decrease in the overall budget envelope. While the overall budget of 2018 is 15% higher than the 2022 budget, the health allocation of 2018 as a percentage of the overall budget is 14.8% while that of 2022 is 11.1%. So, the State Government in the Appropriation Laws has not strictly complied with the forward ever, backward never commitment.

3.3 Minimum Service Package

The Bauchi State Primary Health Care Development Agency is required to develop a Minimum Service package (MSP) for PHC through the Ward Health System Service Package. The MSP is the minimum core content of PHC, being the minimum package of health services to be delivered at the primary and secondary levels of care funded by the state. This is to ensure the best health/value for money in government expenditure so that scarce resources are deployed to the areas of greatest need and impact. This will ensure the provision of the best possible health services to citizens within the limits of available resources.

It is reported that Bauchi State has a framework in place to monitor the implementation of the MSP for PHC facilities identified for the one PHC per political ward strategy.[10]

3.4 Whole-of-Government and Health-in-all-Policies Approach

Although there are indications of collaboration across Ministries, Departments and Agencies of Government in the State, there is no policy mandating the whole of government and health in all policies approach. For example, there is little in the budget

[10] State of Primary Health Care Delivery in Nigeria (at page 71) by ONE Campaign, Et al.

to show the involvement of the ministry in charge of information in the critical task of information dissemination as a resource for preventive and promotive health interventions.

The whole-of-government approach is an understanding that securing the health of the population cannot be achieved by the Ministry of Health and its departments and agencies alone. It requires inter-ministerial/agency collaboration and mainstreaming health in other sectors. Health is made an explicit objective of every policy decision. Health in all policies approach is a collaborative approach that integrates and articulates health considerations into policy making across sectors to improve the health of all communities and people.

SECTION FOUR: THE BASIC HEALTH CARE PROVISION FUND

According to the State of Primary Health Care Delivery in Nigeria, 2019-2021;[11]

> *Bauchi State has attained full capacity to utilise BHCPF disbursements from the NPHCDA and NHIS gateways, has provided and released equity funds for at least one round of disbursements from the NHIS Gateway, but has failed to provide its counterpart funding for the NHIS gateway. Although the State also has an active oversight committee, it has not sent reports of any Gateway Forum and SOC meetings from Q4 2021 to NHIS. The State does not have any formal sector health insurance scheme.*

According to the summary of key steps to improvement, the following is recommended:[12]

- Provide all rounds of equity funds for the NHIS gateway of the BHCPF;
- Mandate the Quarterly Gateway Forum meetings of the SPCDA and SHIA to strengthen implementation of the BHCPF;
- Commission a legal assessment and provide political leadership for the drafting and passage of a Comprehensive State Health Law;
- Develop a Health System Wide Accountability and Performance Management Framework, and engage technical assistance to support its implementation;
- Create a pipeline for private sector involvement in overcoming the health infrastructure deficit in the State, by aligning with the new national drive to adopt a PHC building on its strong Diaspora community.
- Develop a State MSPAN and fit into the SSHDP 111 and this should form the basis for state budgeting for health;

[11] Supra, State of Primary Health Care Delivery in Nigeria.
[12] State of Primary Health Care delivery in Nigeria, supra.

- Invest in an integrated logistics and supply chain management system, to leverage gains and experience from ensuring last mile availability of vaccines and TB control health products, and ensure that family planning, malaria and HIV control commodities are also available at service provision points.

From available information, the State is on the right path in terms of accessing resources from the BHCPF but needs to deepen the engagement with the Fund by paying its counterpart funds, and enhancing transparency, accountability, value for money and citizens' engagement.

SECTION FIVE: SUSTAINABILITY OF CURRENT HEALTHCARE FINANCING MODEL IN BAUCHI STATE

The sustainability of healthcare services is to a great extent dependent on the quantum and sources of healthcare financing. From section 3 on the review of existing budget commitments, it is clear that the State's public budget allocations do not meet the requirement of the funding needed to achieve UHC. This is compounded by the dwindling fiscal resources and fiscal space available to the State Government. Also, the complimentary funding from the BHCPF is not sufficient to fill the funding gap while the contributions expected from donors, the private sector and other non-state actors have been unable to fill the funding gap.

Nigeria's out of pocket expenditure on health is one of the highest in the world and has been stated by the World Bank at 70.52 percent. This is in contrast to the Sub-Saharan Africa average of 29.98 percent.[13] Bauchi State, as a part of the Nigerian Federation falls under this umbrella of high out of pocket health expenditure. Out of pocket health expenditure is a reference to direct expenses on health care which is not covered by any prepayments for health services. It is paid from an individual's cash reserves. It forces people, especially the poor to make unnecessary choices between their health and expenditure on other basic rights such as food, housing and education.

To fulfil the vision of UHC where all Bauchi residents can have access to the health care services they need at any time without being constrained by the depth of their pocket and personally available resources, will require optimum health financing from a plethora of sources which minimizes the need for out-of-pocket health expenditure. The current Bauchi State Health Financing Model is not sustainable and needs to be improved upon.

SECTION SIX: HEALTH INSURANCE TO THE RESCUE

The enrolment numbers into the various plans of the National Health Insurance Scheme (NHIS) and various private health insurance schemes across the Federation is reported

[13] https://data.worldbank.org/indicator/SH.XPD.OOPC.CH.ZS?locations=NG, 2019.

at 10million, about 5% of the population.[14] However, there is no disaggregation of this overall national figure according to States. On the other hand, the Bauchi State Contributory Health Care Management Scheme is relatively new and may not have covered majority of the population. Generally, the contribution of health insurance to overall healthcare financing is still very low. A total of 45,000 has been enrolled in the state through the collaboration of the BSHCMA and the Basic Health Care Provision Fund.[15] The majority of health insurance enrollees seem to be in the NHIS schemes which have been generally rated not to be very impactful. A health scholar has posited of the low enrolment numbers as follows:[16]

> *A number of reasons could be attributed to the small proportion of this veritable source of healthcare financing. One of the major reasons is the administrative bottlenecks within the National Health Insurance Scheme in Nigeria. Another important reason is the non-comprehensiveness and non-inclusiveness of the Scheme. A number of those that have NHIS accounts are deprived of some services with the flimsy reason that the Scheme does not cover all the healthcare services they may have need of. Certain healthcare services have been deliberately excluded under the scheme. This does not encourage more take-up of the Scheme. This is compounded by the fact that the Scheme has not been made marketed to non-government workers. An all-inclusive Scheme will do Nigeria a greater and better deal than the current state of the National Health Insurance Scheme.*

Considering the beautiful provisions of the Bauchi State Health Contributory Management Agency Law and its plans, the Agency should take steps to popularize the available schemes as well as enforce the mandatory provisions of S.5(2) and (3) of the Law vis:

> *The programmes shall be compulsory and apply to all residents of the State that are not covered by an existing health scheme.*
>
> *All residents in the formal and informal sector already covered by an existing health scheme must provide evidence of same to the Agency and see to the integration of the plans/scheme into the existing Agency's programme.*

[14] See the Guardian Newspaper of 25th September 2020: https://guardian.ng/features/Over 170 million Nigerians without health insurance — Features — The Guardian Nigeria News – Nigeria and World News quoting Head, Media and Public Relations of NHIS, Mr. Ayo Osinlu who stated: "There are over 10 million Nigerians currently covered by health insurance under various programs by NHIS, State health insurance agencies and private plans by HMOs". It also cited with approval a study published in The Lancet, a medical journal, where it was noted that more than ''90 per cent of the Nigerian population were uninsured, despite the NHIS that was established in 2006. Less than five per cent of Nigerians in the formal sector are covered by the NHIS. Only three per cent of people in the informal sector are covered by voluntary private health insurance. Uninsured patients are at the mercy of a non-performing health system."

[15] https://radionigerianortheast.gov.ng/enrollees-of-health-insurance-programme-applauds-bauchi-govt/

[16] David Agu in Contributions to Health Sector MTEF 2019-2021.

The mandatory provisions of BSHCMA Law are further supported by the National Health Insurance Authority Act which makes health insurance compulsory and universal. The available plans under S.5 of the BSHCMA Law include (a) the State Equity Health Plan (EHP);[17] (b) Community Based Health Plan (CBHP);[18] (c) Private Health Plan (PHP);[19] (d) the Formal Health Plan;[20] (e) Tertiary Institution Health Plan (TIHP)[21] and (f) any other component as may be developed by the Agency such as the Vital Contributor Social Health Programme.[22]

Table 6 shows the amount appropriated for the Agency from 2019 to date.

Table 6: Votes to the Contributory Health Management Agency 2019-2022

YEAR	RECURRENT	CAPITAL	TOTAL
2022	196,110,211.84	1,113,129,735.59	1,309,239,947.43
2021	211,110,211.84	2,240,043,744.16	2,451,543,955.84
2020	17,712,000	1,059,930,500	1,077,642,500.00
2019	176,770,000.00	2,072,465,245	2,249,235,245
TOTAL	601,702,423.68	6,485,959,224.59	7,087,661,648.27

Source: Bauchi State Appropriations

Table 6 shows an undulating set of figures allotted to the Agency. The highest allocation was in 2021 while the lowest was in 2020. It is not clear whether one percent of the Consolidated Revenue Fund of the State and Local Governments have been set aside for the Agency as required by Law.[23] Evidently, more funds should be made available to the Agency to fulfil its mandate.

[17] The Bauchi State, Equity Health Plan (EHP) - shall be a plan for vulnerable groups as defined in Section 1 of this Law. Other criteria for eligibility into the-health plan shall-be as approved by the State Executive Council. The only point of entry shall be public Primary Health Care Centres who shall refer if necessary to designated public secondary and tertiary health facilities.

[18] The Community Based Health Plan (CBHP)- This shall be the affordable Plan providing a prescribed package of health care services at uniform contributions accessible to all residents at the grassroots, and will be accessible from both Public and Private Facilities.

[19] The Bauchi State Private Health Plan (PHP) -This shall consist of a variety of Packages providing healthcare' services in direct proportion to the contribution.

[20] The Formal Health Plan - This shall be a contributory plan for all public and private formal sector employees wherein the employer and employees shall make contributions as determined by the Board.

[21] The Tertiary Institution Health Plans (TIHP): - A Plan for all Students in the Tertiary Institutions in the State for Health Coverage on and out of the Session within academic year.

[22] Any other component as may be developed by the Agency with the approval of the Board, such as Vital. Contributor Social Heath Programme (VCSHP).

[23] See S.17 (2) (d) of the BSCHMA Law on the Equity Fund.

SECTION SEVEN: RECOMMENDATIONS

Based on the foregoing review, this Memorandum makes the following recommendations.

7.1 Develop a Strategic Health Development Plan: Considering the need for a State Strategic Health Development Plan, prepare a new Bauchi State Strategic Health Development Plan 2023-2027 to provide a framework, guide and policy basis for state level health budgeting.

7.2 Mainstream the Plan, Policy and Budget Continuum in Health: Plans and policies provide the legal and policy framework for sectoral governance and service delivery while budgets activate plans and policies through providing resources for their implementation. The disconnect between plans, policies and budgeting has been largely responsible for poor PHC and health outcomes in most states of Nigeria.

7.3 Whole-of-Government, Health-in-all Policies Approach: The Ministry of Health should prepare an executive memorandum and seek the approval of the State Executive Council for a whole-of-government and health-in-all policies approach. The whole-of-government approach is an understanding that securing the health of the population cannot be achieved by the Ministry of Health and its departments and agencies alone. It requires inter-ministerial/agency collaboration and mainstreaming health in other sectors. For example, the ministry in charge of information should be involved in the critical task of information dissemination as a resource for preventive and promotive health interventions.

Health-in-all-policies approach is a collaborative approach that integrates and articulates health considerations into policy making across sectors to improve the health of all communities and people. Health should be made an explicit objective of every policy decision.

7.4 Stakeholder Engagement and Popular Participation in Preparation of MTSS and Annual Budget: In the preparation of the MTSS, formulation and preparation of the annual health budget, there is the need to mobilize all stakeholders in the Health Sector, engage them and ensure popular participation. Most policy and budget failures in Nigeria have been attributed to top-down approach to policy development and implementation. Conscious involvement of all relevant stakeholders in the development and implementation of health sector plans and budgets will be of great benefit to the sector.

7.5 Whole of Society Approach to Health: Further to the last recommendation, the State should adopt the *whole-of-society approach involving the* engagement of all relevant stakeholders in society to address socio-economic and livelihood issues that affect health. This includes public health, education, food security, agriculture, power and energy, communications, environment, employment, industry, and social and economic development.

7.6 Prepare a Minimum Service Package for Primary Health Care: The MSP is the minimum core content of PHC, being the minimum package of health services to be delivered at the primary and secondary levels of care funded by the state. This is to ensure the best health/value for money in government expenditure so that scarce resources are deployed to the areas of greatest need and impact.

7.7 Increase Funding to the Sector and Invest in Value for Money: It is imperative to increase health sector funding to ensure that the 15% target is met in actual releases and utilization of the vote. Furthermore, the Ministry of Health should invest in value for money tools and processes to increase economy, efficiency, effectiveness and equity of its investments across the health value chain. This should include the timely release of funds.

7.8 Moratorium on New Capital Projects: Considering that the year 2023 will witness a change in the executive and legislative leadership of the State, there should be a moratorium on new capital projects and the focus should be on completing existing and ongoing projects. In this way, the resources of the State will not be spread too thin and project abandonment will be minimized.

7.9 Invest in Transparency and Accountability: The SMOH should invest in improving the transparency and accountability of its operations through collating and publication of timely and quarterly line item by line-item expenditure details. This will build the confidence of stakeholders and increase contributions and collaborations for improving the standard of health in the State.

7.10 Annual State of Health Report: To boost transparency and accountability and in accordance with S.2 (2) (d) of the National Health Act, the Commissioner for Health should prepare and present an annual report on the state of health of residents in Bauchi State to the Governor and the State House of Assembly and publish same on the State Government's website.

7.11 Ensure Maximum Benefits from BHCPF: The State should ensure that it derives the maximum benefits available from the BHCPF through guaranteeing the required equity and counterpart funding, accrediting more health institutions especially PHCs, timely and meticulous retirement of disbursed funds from the NPHCDA and Health Insurance Gateways. The SPHCDA should provide detailed information on its engagement with the NPHCDA Gateway of the BHCPF.

7.12 Full Implementation of BSHCMA Law and the National Health Authority Act: BSHCMA Law and the National Health Insurance Authority Act envisage a universal and compulsory health insurance regime in Bauchi State and across the Nigeria Federation.

The State should ensure that one percent of the Consolidated Revenue Fund of the State and Local Governments are appropriated to the Agency in accordance with the Law.

The Agency should draw up an action plan that will start from awareness creation and massive sensitization to enforcement over a period of four years. The first one year should focus on awareness creation and enforcement follows in the outer three years.

The Agency should establish a website to provide information on its activities including details of receipts, expenditures on its engagement with the BHCPF.