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# **RIVERS STATE 2023 PRE-BUDGET RIGHT TO HEALTH MEMORANDUM**

**SCALE** STRENGTHENING  
CIVIC ADVOCACY AND  
LOCAL ENGAGEMENT



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By

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## ACRONYM

AIDS	Acquired Immunodeficiency Syndrome
BCG	<i>bacille Calmette-Guérin Vaccine</i>
BHCPF	Basic Health Care Provision Fund
CSJ	Centre for Social Justice
CSOs	Civil Society Organizations
FRL	Fiscal Responsibility Law
HBV	Hepatitis B
HCV	Hepatitis C
HIV	Human Immunodeficiency Virus
ITN	Insecticide Treated Net
MDA	Ministry, Department and Agency 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 Act
NHIS	National Health Insurance Scheme
NHP	National Health Policy 2016
NHMIS	National Health Management Information System
NPHCDA	National Primary Health Care Development Agency
RSPHCMB	Rivers State Primary Health Care Management Board
PHC	Primary Health Care
SDGs	Sustainable Development Goals
SHIA	State Health Insurance Agency
SMOH	State Ministry of Health
TB	Tuberculosis
UHC	Universal Health Coverage
USD	United State Dollars

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## EXECUTIVE SUMMARY

This Memorandum is divided into seven sections. Section 1 is the background, it provides the rationale for the exercise and reviews key sectoral goals, objectives, targets and strategies. Section 2 reviews Rivers 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 set and costed a Minimum Service Package for PHC and reviews the whole of government and health in all policies approach. Section 4 is on the implementation of the Basic Health Care Provision Fund (BHCPF) 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 Scheme in Rivers State while Section 7 is on recommendations.

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

- Prepare a New Strategic Health Development Plan 2023-2027.
- Prepare a Health MTSS.
- Mainstream the Plan, Policy and Budget Continuum in Health.
- Adopt a Whole-of-Government, Health-in-all Policies Approach.
- Ensure Stakeholder Engagement and Popular Participation in Preparation of MTSS and Annual Budget.
- Adopt a Whole of Society Approach to Health.
- Prepare the Costing for the Implementation of the Minimum Service Package for Primary Health Care.
- Increase Funding to the Sector and Invest in Value for Money.
- Moratorium on New Capital Projects.
- Invest in Transparency and Accountability.
- Prepare and present Annual State of Health Report.
- Ensure Maximum Benefits from BHCPF.
- Full Implementation of Contributory Health Protection Programme Law and the National Health Insurance Authority Act in the State.

## SECTION ONE: INTRODUCTION

### 1.1 Background

The Rivers State Fiscal Responsibility Law (FRL) requires the State Government to prepare the Medium Term Expenditure Framework (MTEF) every year<sup>1</sup>. 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 sector and will feed into the broad goals of the MTEF. The MTEF is the basis for the preparation of the annual budget and the compositional and sectoral distribution of the estimates of expenditure must be consistent with the priorities stated in the MTEF<sup>2</sup>. 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 Rivers 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<sup>3</sup>

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 ensure 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 levels of care;
- Provide an enabling environment and motivate domestic resource mobilization as a step towards Universal Health Coverage (UHC);
- 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;

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<sup>1</sup> S. 10 of FRL.

<sup>2</sup> S.17 of the Law.

<sup>3</sup> S.2(2) of the NHA 2014.

- 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 MTSS is to be prepared with the Health Sector Envelope contained in the MTEF. It should inform the health component of the budget and is expected to incorporate the following:

- Key programs and projects that the Rivers State Government shall embark upon within the medium term (three-year period) 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;
- Implementation plan including phased plan for financing the costs of the programs and projects over the period of three years; and
- Definite and measurable outcomes of each of the identified programs and projects.

## 1.2 Rationale for the Exercise

The SMOH is required to consult 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 UHC.

For the Budget to be effective, it 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 Centre for Social Justice (CSJ), Right to Health Cluster and other CSO actors and align it 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 the 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<sup>4</sup>, NHA, etc. The National Health Policy 2016 is made with a vision of UHC for all Nigerians and 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, including the people of Rivers State by providing clear policy direction and implementing all necessary health plans with the participation of relevant stakeholders.

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<sup>5</sup>. It entitles all Nigerians to a basic minimum package of

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<sup>4</sup> 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.

<sup>5</sup> Section 1 (1) (C) and (e) of the NHA

health services<sup>6</sup>. The NHA further provides in S.11 for the Basic Health Care Provision Fund (BHCPF) with a government annual grant of not less than one percent of the Federal Government's Consolidated Revenue Fund.

Rivers State Primary Health Care Management Board (RSPHCMB) is the agency of government mandated to plan, implement, monitor, and evaluate primary health care services and programmes in the State. Primary care is publicly delivered through primary health care services. RSPHCMB provides promotive, preventive, curative, pre-referral, and referral services to higher levels of care. The vision of RSPHCMB is to deliver the highest standard of primary health care services and programmes, in order to improve the health status of residents of Rivers State. The mission of RSPHCMB is to promote and deliver the highest attainable level of primary health care services in Rivers State. This will be achieved through: formulation of policies based on best-practices and adequate planning; provision of sustainable and high quality services to the people; promotion of teamwork and capacity building for employees; effective and efficient use of allocated resources.<sup>7</sup>

## **SECTION 2: HEALTH SECTOR INDICATORS AND MAJOR CHALLENGES IN RIVERS STATE RELATED TO THE MINIMUM CORE OBLIGATION OF THE STATE AND PRIMARY HEALTH CARE**

### **2.1 Health Indicators**

The Rivers 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. Rivers State's population was 5,198,716 in 2006. This figure increased to 7,303,924 in 2016<sup>8</sup>, representing 40.5% population growth from 2006 to 2016. The above analysis suggests that the Rivers State population grew by 4.05% per annum. Therefore, Rivers State's population is estimated to be 8.57 million by the year 2022.

The implication of the population figure is that there is increasing pressure on available health facilities in the State. Primary Health Care (PHC) has been identified as a critical part of the minimum core obligation of the state on the right to health<sup>9</sup>. Table 1 documents major health indicators relating to PHC and other tiers of health in Rivers State. This will facilitate a proper understanding of the health challenges in the State within the context of programming available public resources towards their resolution.

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<sup>6</sup> Section 3 (3) of the NHA

<sup>7</sup> See <https://www.rsphcmb.org.ng/about>

<sup>8</sup> National Population Commission and National Bureau of Statistics Estimates.

<sup>9</sup> 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.

**Table 1: Health Indicators – National Average vs Rivers State**

S/N	Health Indicator	National Average	Rivers State
	<b>Maternal and Child Health</b>		
1	Neonatal Mortality*	39 per 1,000 live births	27 per 1,000 live births
2	Post-neonatal Mortality*	28 per 1,000 live births	21 per 1,000 live births
3	Infant mortality*	67 per 1,000 live births	48 per 1,000 live births
4	Child mortality*	69 per 1,000 live births	33 per 1,000 live births
5	Under-5 Mortality*	132 per 1,000 live births	79 per 1,000 live births
6	Adolescent birth rate**	120 per 1,000 population (15 – 19 years)	18 per 1,000 population (15 – 19 years)
7	Percentage of women with unmet need for contraception (spacing) **	18.5%	13.3%
8	Percentage of women without antenatal care**	31.6%	9.6%
9	Percentage of women who deliver at home**	60.2%	16.4%
10	Percentage of women with postnatal checks for their newborns (in a facility or at home)**	32.8%	74.7%
	<b>Immunization</b>		
11	Percentage of children (1-2 yrs) who receive BCG Vaccine**	53.5%	82.0%
12	Percentage of children (1-2 yrs) who receive Hepatitis B Vaccine at birth**	30.2%	61.7%
13	Percentage of children (1-2 yrs) who receive Polio Vaccine at birth**	47.4%	75.0%
14	Percentage of children (1-2 yrs) who receive Yellow Fever Vaccine**	38.8%	69.4%
15	Percentage of children (1-2 yrs) who receive Measles Vaccine (MCV 1)**	41.7%	70.7%
	<b>Adequate Supply of Potable Water</b>		
16	Unimproved Source*	34.7%	23.0%
17	Improved Source*	65.3%	77.0%
	<b>Sanitation</b>		

18	Improved facility usage*	53.4%	61.0%
19	Unimproved facility usage*	23.7%	20.7%
20	Open defecation*	22.9%	18.3%
	<b>Others</b>		
21	HIV/AIDS prevention knowledge*		
	(a) Men: Using condoms and limiting sexual intercourse to one uninfected partner can reduce risk	88.3%	90.0%
	(b) Women: Using condoms and limiting sexual intercourse to one uninfected partner can reduce risk	74.1%	80.0%
22	Malaria*		
	(a) Percentage who slept under any mosquito net last night	43.9%	21.5%
	(b) Percentage who slept under ITN by persons in the household the previous night	43.2%	21.3%
	(c) Percentage of pregnant women who slept under an ITN last night	58.0%	24.0%
	(d) Prevalence, diagnosis and prompt treatment of children with fever	24.2%	42.0%

Source: \* Indicates NDHS 2018

\*\* Indicates MICS (2016 – 2017)

Table 1 makes very interesting findings. With respect to maternal and child health indicators, Rivers State performed better than the national average in neonatal mortality, child mortality, post neonatal mortality and infant mortality. Furthermore, the State performed better than the national average in percentage of women without antenatal care, percentage of women who deliver at home, percentage of women with postnatal checks for their newborns (in a facility or at home), percentage of women with unmet need for contraception (spacing).

In immunization, Rivers State performed better than the national average in percentage of children (1-2 yrs) who receive BCG Vaccine, percentage of children (1-2 yrs) who receive Hepatitis B Vaccine at birth, percentage of children (1-2 yrs) who receive Polio Vaccine at birth, percentage of children (1-2 yrs) who receive Yellow Fever Vaccine, percentage of children (1-2 yrs) who receive Measles Vaccine (MCV 1).

The State performed better than the national average in improved source of potable water and open defecation. For malaria, the State performed poorer than the national average in percentage of people sleeping under any mosquito net, percentage of people sleeping

under insecticide treated net (ITN), and percentage of pregnant women sleeping under an ITN. However, the State performed better than the national average in prevalence, diagnosis and prompt treatment of children with fever.

However, the national and Rivers 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. They are also below the expectations and targets set in other SDGs (beyond SDG3), National Health Policy, other relevant policies and ratified international standards on the best attainable state of physical and mental health.<sup>10</sup>

## 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 trend 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 towards 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<sup>11</sup>. 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 Rivers State Budget per capita (using the 2016 population

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<sup>10</sup> The standards include the International Covenant on Economic, Social and Cultural Rights, Convention on the Rights of the Child, Convention on the Elimination of all forms of Discrimination against Women, African Charter on Human and Peoples Rights, etc.

<sup>11</sup> Article 2 (1) of the ICESCR ratified and binding on Nigeria

figure) for the years 2018, 2019, 2020, 2021 and 2022 was N69,825.71, N65,774.63, N41,124.61, N61,427.56 and N62,934.59 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 appropriated funds will be used to benchmark Rivers State’s health budget allocations in recent years.

### 3.1 Abuja Declaration

Under the Abuja Declaration, Nigeria (and this is binding on Rivers 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 Rivers State Allocation to Health Sector as a percentage of total State budget over a five-year period of 2018 – 2022.

From Table 2 below, health budget per capita for the years 2018, 2019, 2020, 2021 and 2022 is as follows: N5,535.81; N4,972.55; N2,981.80; N4,649.64 and N4,910.33 respectively

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

TREND OF RIVERS 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	510,000,000,000.00	40,433,001,034.00	7.9%	76,500,000,000.00	36,066,998,966.00
2019	480,411,324,647.00	36,319,028,079.61	7.6%	72,061,698,697.05	35,742,670,617.44
2020	300,370,071,183.32	21,778,738,659.01	7.3%	45,055,510,677.50	23,276,772,018.49
2021	448,660,773,476.00	33,960,534,185.61	7.6%	67,299,116,021.40	33,338,581,835.79
2022	459,667,927,093.00	35,864,580,416.87	7.8%	68,950,189,063.95	33,085,608,647.08
<b>Total</b>	<b>2,199,110,096,399.32</b>	<b>168,355,882,375.10</b>	<b>7.6%</b>	<b>329,866,514,459.90</b>	<b>161,510,632,084.80</b>

*Source: Rivers State Budgets and Author’s Calculation*

From Table 2 above, the year 2018 had a 7.9% vote to health. It depreciated to 7.6% in 2019 and depreciated even further to 7.3% in 2020. It then appreciated to 7.6% in 2021 and appreciated further to 7.8% in 2022. The highest vote of 7.9% was recorded in 2018 while the lowest vote of 7.3% was recorded in 2020. The average vote of the period was 7.6% which represents 51% of the Abuja Declaration. The variance in terms of shortfall between the expected 15% in the Abuja Declaration and allocated resources amounts to N161.51 billion. The implication of Table 2 is that the State has not met the demands and

commitments of the Abuja Declaration. The 51% mark should be scaled up progressively towards the Abuja Declaration target.

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

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

Trend Analysis of Rivers Health Budget (2018 - 2022)					
Year	Health Budget (NGN)	Capital Expenditure (NGN)	Recurrent Expenditure (NGN)	% of Capital Exp to Total Health Budget	% of Recurrent Exp to Total Health Budget
2018	40,433,001,034.00	31,300,000,000.00	9,133,001,034.00	77.4%	22.6%
2019	36,319,028,079.61	27,155,000,000.00	9,164,028,079.61	74.8%	25.2%
2020	21,871,232,174.85	13,260,000,000.00	8,518,738,659.01	60.6%	38.9%
2021	33,960,534,185.61	24,823,770,000.00	9,136,764,185.61	73.1%	26.9%
2022	35,864,580,416.87	27,490,370,682.54	8,374,209,734.33	76.7%	23.3%

*Source: Rivers 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 72.52% while recurrent expenditure averaged 27.38%.

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 for the years 2019 and 2020 being the years in which implementation reports are available.

**Table 4A: Trend Analysis of Approved and Actual Rivers State Health Sector Budget (2019 and 2020)**

Trend Analysis of Approved and Actual Rivers State Health Sector Budget (2019-2020)			
Year	Approved/Revised Health Budget (NGN)	Actual Health Budget (NGN)	% of Actual Health Budget to Approved Health Budget
2019	36,319,028,080	9,175,590,624	25.26%
2020	21,871,232,175	12,894,824,372	59.96%

*Source: Rivers State Budgets and Author's Calculation*

Table 4A shows that 25.26% and 59.96% respectively were utilized in the years 2019 and 2020. This is an average budget utilization of 42.61% over the two years. This shows that the Rivers State budget requires more credibility to reduce the gap between appropriation, releases and utilized budgets sum.

Table 4B below shows the breakdown of the ratios between recurrent and capital expenditure in 2019 and 2020.

**Table 4B: Trend of Actual Health Expenditure - Capital and Recurrent (2019 and 2020)**

Trend of Actual Health Expenditure - Capital & Recurrent Budget (2019-2020)					
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	9,175,590,623.99	9,175,590,623.99	0.00	100%	0.0%
2020	12,894,824,372.33	12,894,824,372.30	0.00	100%	0.0%

*Source: Rivers State Budgets and Author's Calculation*

From Table 4B, in 2019 and 2020, the percentage of recurrent expenditure to total health budget is 100%. It means that the entire health budget for the given years were spent on recurrent 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<sup>12</sup>.

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.

<sup>12</sup> General Comment No.3 (Fifth Session, 1990) on the nature of State Parties obligations under the ICESCR, paragraph 9.

**Table 5: Trend of Rivers State Allocation to Health Sector in US\$ as % of State's Total Budget (2018 - 2022)**

<b>TREND OF RIVERS STATE ALLOCATION TO HEALTH SECTOR AS % OF FG TOTAL BUDGET (2018 - 2022)</b>					
<b>Years</b>	<b>Total Budget (NGN)</b>	<b>Health Budget (NGN)</b>	<b>Exchange Rate (1\$=NGN)</b>	<b>Total Budget (USD)</b>	<b>Health Budget (USD)</b>
2018	510,000,000,000.00	40,433,001,034.00	307	1,661,237,785.02	131,703,586.43
2019	480,411,324,647.00	36,319,028,079.61	307	1,564,857,735.01	118,303,023.06
2020	300,370,071,183.32	21,778,738,659.01	380	790,447,555.75	57,312,470.16
2021	448,660,773,476.00	33,960,534,185.61	413.49	1,085,058,341.14	82,131,452.24
2022	459,667,927,093.00	35,864,580,416.87	415.63	1,105,954,640.17	86,289,681.73
<b>TOTAL</b>	<b>2,199,110,096,399.32</b>	<b>168,355,882,375.10</b>		<b>6,207,556,057.07</b>	<b>475,740,213.61</b>

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

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 decreased between 2018 and 2019 (from \$1.661 billion to \$1.564 billion); diminished to \$790.447 million in 2020 and increased to \$1.085 billion in 2021 and increased again to \$1.105 billion in 2022. The health allocations started with \$131.703 million in 2018, decreasing to \$118.303 million in 2019 and reducing to \$57.312 million in 2020. It increased to \$82.131 million in 2021 and increased again to \$86.289 million in 2022. Essentially, the funding for health has decreased from \$131.703 million in 2018 to \$86.289 million in 2022.

From the foregoing, the State Government in the Appropriation Laws has not complied with the forward ever, backward never commitment.

### **3.3 Minimum Service Package**

The Rivers State Primary Health Care Management Board is required to develop a Minimum Service package (MSP) for PHC identified for the one PHC per Political Ward Strategy. 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 Rivers State has developed the MSP for PHC facilities identified for the one PHC per political ward strategy, but the package has not been fully costed.<sup>13</sup>

<sup>13</sup> State of Primary Health Care Delivery in Nigeria by ONE Campaign, et al; at page 155.

### 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 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 PROVISIONS FUND (BHCPF)

According to the State of Primary Health Care Delivery in Nigeria, 2019-2021;<sup>14</sup>

*Rivers State has not attained full capacity to utilize BHCPF disbursements from the National Primary Health Care Development Agency (NPHCDA) gateway or the National Health Insurance Scheme (NHIS) gateway although the state has received disbursements from the national level.*

According to the summary of key steps to improvement, the following is recommended:<sup>15</sup>

- Commission a legal assessment and provide political leadership for the drafting of a comprehensive State Health Law;
- Provide political leadership for the establishment of a State Health Insurance Agency;
- Provide counterpart and equity funds for the NHIS gateway to the BHCPF;
- Complete all required trainings, establishment of health facility management committees and regularization of primary health facility bank accounts in all wards, so that health facilities can start accessing funds from the BHCPF;
- Develop a State MSPAN and an investment plan to accompany the fully costed MSP and ensure that both plans fit into the SSHDP and forms the basis for state health budgeting;

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<sup>14</sup> State of Primary Health Care Delivery in Nigeria, supra at page 154.

<sup>15</sup> State of Primary Health Care delivery in Nigeria, supra at page 156.

- Fund the printing and distribution of NHMIS reporting tools for all health services, including HIV services;
- 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.
- 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.

Compared to other States, Rivers State is at a preliminary stage in building its capacity to access the BHCPF. It needs to take targeted steps towards meeting the requirements for accessing the BHCPF.

## **SECTION FIVE: SUSTAINABILITY OF CURRENT HEALTHCARE FINANCING MODEL IN RIVERS STATE**

The sustainability of healthcare service delivery 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 has not been accessed and from the experience of states accessing the fund, it will 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<sup>16</sup>. Rivers 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

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<sup>16</sup> <https://data.worldbank.org/indicator/SH.XPD.OOPC.CH.ZS?locations=NG>, 2019

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 Rivers 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 Rivers 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 at 10million, about 5% of the population<sup>17</sup>. However, there is no disaggregation of this overall national figure according to States. On the other hand, Rivers State is yet to establish a State Health Insurance Scheme.<sup>18</sup> Generally, the contribution of health insurance to overall healthcare financing is still very low. 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:<sup>19</sup>

*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.*

Although the report on the State of Primary Health Care Service Delivery in Nigeria indicated that Rivers State has not established a Health Insurance Scheme, there are

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<sup>17</sup> See the Guardian Newspaper of 25<sup>th</sup> 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.”

<sup>18</sup> State of Health Care Service Delivery in Nigeria, supra.

<sup>19</sup> David Agu in Contributions to Health Sector MTEF 2019-2021.

reports indicating the governor’s assent to the Rivers State Contributory Health Protection Programme Law No.3 of 2020.<sup>20</sup> To further buttress the existence of a State Health Insurance Scheme, Table 6 below shows the amount appropriated to the Rivers State Contributory Health Insurance Scheme through the Rivers State Ministry of Health.

**Table 6: Allocations to Rivers State Health Insurance Scheme**

<b>Year</b>	<b>Rivers State Contributory Health Insurance Scheme</b>
2022	4,000,000,000.00
2021	3,000,000,000.00
2020 (Revised)	3,500,000,000.00
2019	9,500,000,000.00
2018	9,500,000,000.00
<b>Total</b>	<b>29,500,000,000.00</b>

*Source: Rivers State Approved Budgets*

Subject to information on releases, the votes above appear to be a good start for the Scheme. However, the vote to support the indigent and vulnerable members of society in an equity fund arrangement should be based on empirical evidence vis, the number of vulnerable and indigent persons multiplied by the cost of the minimum service package to get the actual cost which should be the basis of the allocations. There is no information on the basis for the calculation of these allocations.

## **SECTION SEVEN: RECOMMENDATIONS**

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

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

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<sup>20</sup> CSJ, despite all efforts, was unable to get access to the said Law. The governor’s assent was given on June 21 2021. See *Signing Rivers State Contributory Health Protection Programme Bill into law - WHO Representative commends Governor for honouring pledge*; <https://www.afro.who.int/news/signing-rivers-state-contributory-health-protection-programme-bill-law-who-representative>. See further *Rivers civil servants reject new contributory healthcare law* <https://dailypost.ng/2021/07/03/rivers-civil-servants-reject-new-contributory-healthcare-law/>

**7.2 Prepare a Health MTSS:** The State Ministry of Health should take steps towards the preparation of a Health MTSS. This is to compliment section 10 of the Rivers State Fiscal Responsibility Law which demands the preparation a Medium Term Expenditure Framework. It is mandatory for the compositional distribution of the annual budget to be in accordance with the priorities of the MTEF.

**7.3 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 largely been responsible for poor PHC outcomes in most states of Nigeria.

**7.4 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.

**7.5 Stakeholder Engagement and Popular Participation in Preparation of MTSS:** 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.

**7.6 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.

**7.7 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.

**7.8 Cost the MSP:** To ensure proper implementation and funding of the Minimum Service Package, the MSP should be costed and an Investment Plan that is guided by a Fiscal Space Analysis prepared. 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.

**7.9 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.

**7.10 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.

**7.11 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 Rivers to the Governor and the State House of Assembly and publish same on the State Government's website.

**7.12 Ensure Maximum Benefits from BHCPF:** The State should ensure that it derives the maximum benefits available from the BHCPF through meeting the basic criteria for accessing funding, guaranteeing the required counterpart funding, accrediting health institutions especially PHCs, timely and meticulous retirement of disbursed funds from the National Primary Health Care Development Agency and Health Insurance Gateways, etc.

**7.13 Full Implementation of the National Health Insurance Authority Act and the Rivers State Contributory Health Protection Programme Law No.3 of 2020:** The

National Health Insurance Authority Act envisages a universal and compulsory health insurance regime in Rivers State and across the Nigeria Federation. Rivers State Government should take urgent steps to implement this regime on compulsory health insurance in the State as well as facilitate the implementation of provisions for an Equity Fund to support the premiums of indigent and vulnerable residents of the State.