KWAMME NKRUMAH UNIVERSITY OF SCIENCE AND TECHNOLOGY,

KUMASI

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FINANCING HEALTH CARE IN GHANA, AN EVALUATION OF THE MUTUAL HEALTH INSURANCE SCHEME IN SUNYANI MUNICIPALITY

ALFRED KWAKU AGAMAH

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BY

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(BSc. AGRIC. TECH)

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DECLARATIONS

I hereby declare that this submission is my own work towards the CEMBA and that, to the best of my knowledge, it contains no material previously published by another person nor material which has been accepted for the award of any other degree of the university, except where due acknowledgement has been made in the text.

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Supervisor **Signature** **Date**

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Dean, IDL, KNUST **Signature** **Date**

DEDICATION

I dedicate this work to my loving mother Madam Alice Kumi (Mama) whose efforts, pieces of advice, inspiration and encouragement has brought me this far.

ACKNOWLEDGEMENTS

I wish to express my sincere gratitude and kind appreciation to all persons who have contributed in diverse ways to make my work a success. I am most grateful to God Almighty for his mercy and protection over me.

I wish to place on record my heartfelt thanks to my mother, (Mad. Alice Kumi) and my wife Mrs. Agamah (Josephine Asare-Gyamfi) for their prayers, motivation and support during this course.

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ABSTRACT

The main aim of establishing the National Health Insurance Scheme is protecting the poor and putting health in the hands of the people. It also aims at providing healthcare for all by abolishing the "cash and carry" system where patients are asked to pay before they are treated. This study was carried out to assess the new methods of financing Health Care in Ghana, An Evaluation of the Mutual Health Insurance Scheme in Sunyani Municipality. A questionnaire was designed using structured questions to collect primary data from health facilities and clients of the NHIS. Personal interviews were held to solicit views and comments from some respondents. The results indicated that the availability of adequate funding for health care services is critical to the survival of health insurance schemes. Adequate financing of health care services would aid in meeting the health care service and delivery requirements of health service facilities and clients in Ghana. Meeting the health requirement of Ghanaians would require the application of effective guideline policies and principles that integrate the inputs and concerns of all stakeholders of the health care service industry.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

The United Nations Millennium Development Goals 3, 4 and 5 have been particular about reducing child mortality, improving maternal health and combating the spread of HIV/AIDS respectively (UN, 2006). Over the years however some progresses have been made in the health sector but these have fallen below the measure.

While interim financing for some future pilots might be secured through international donors, ultimately the resources for funding the district mutual health insurance schemes will have to be provided through either social health insurance contributions or general tax revenues. One major issue of the NHIS is to ensure its efficiency and sustainability.

Following the introduction of the "cash and carry" system into Ghana's health sector in the late 1980s, many patients began to have difficulty with paying for their health care (especially admission) costs. As a result, many did not go to the hospital until it was too late or their illness had advanced to a more complicated phase. Others who were admitted and treated subsequently absconded without paying for their treatment. Many individuals quite simply could not afford to pay for their care.

Following the introduction of the national health insurance scheme, the National Health Insurance Authority was established under the National Health Insurance Act 2003, Act 650, as a body corporate, with perpetual succession, an Official Seal, that may sue and be sued in its own name (Government of Ghana,

2004). Under the law, there is a National Health Insurance Authority which licenses, monitors and regulates the operation of health insurance schemes in Ghana including the District Mutual Health Insurance Schemes (DMHIS), Private Mutual Health Insurance Schemes (PMHIS), and Private Commercial Health Insurance Schemes (PMHIS).

Funding for healthcare financing under the National Health Insurance Scheme as established by Act 650, comes from a Fund created by the Act, with income from two main sources, also created by the act. These are the National Health Insurance Levy (NHIL), a 2.5percentage top up of the Value Added Tax (VAT), and a 2.5percentage transfer from the existing Social Security and National Insurance Trust (SSNIT). Other source of finance for the Scheme was the National Health Insurance Fund that had been set up by the Government to help bridge the gap between premiums from contributors to the scheme and funding for the poor, who could not pay their premium. Government has decided to access funds from the Social Security and National Insurance Trust (SSNIT) to establish the Scheme.

One major issue affecting the NHIS is to ensure its financial sustainability, which refers to its long-term stability and potential for generating revenue. Financial sustainability has also been a major challenge to the Sunyani Municipal Mutual Health Insurance Scheme, the NHIS operating outlet in the Sunyani Municipality. If the revenue generated by a financing mechanism is subject to considerable and frequent fluctuations, the mechanism cannot be regarded as reliable and is likely to be replaced by financing mechanisms that are more predictable in the medium to long term (McPake and Kutzin, 1997).

It is in this view that the study is being undertaken to access the issue of financing health care in Ghana in reference to an evaluation of the Mutual Health Insurance Scheme In Sunyani Municipality.

1.2 Statement of the Problem

The main aim of establishing the National Health Insurance Scheme is protecting the poor and putting health in the hands of the people. It also aims at providing healthcare for all by abolishing the "cash and carry" system where patients are asked to pay before they are treated, which led to low rate of accessing health care by the poor.

Section 33 of Act 650, 2003 is subjective in meeting the financial needs for District Health Insurance Authority. Act 650, 2003 created schemes which are almost autonomous as it made it mandatory for the National Health Insurance Authority to make financial resources available to them from the Health Insurance Fund on a continuous basis. Section 33 of the Act states that, "A District Mutual Health Insurance Scheme shall be provided with subsidy from the National Health Insurance Fund" (Government of Ghana, 2003).

Another source of funding is the premiums which are collected from the in formal sector subscribers on the schemes. While the law does not make it mandatory for the schemes to render accounts on their financial dealings to the Authority even with funds made available to them from public money, the Authority regularly channels huge sums of money to them without the schemes being accountable for anything (NHIS, 2011). This has created financial management problems such as lack

of proper financial accountability for the Authority. The study seeks to evaluate this option of financing health care and how to sustain it.

1.3 Objectives of the Study

The research seeks:

1. To examine the challenges facing the National Health Insurance scheme in Ghana.
2. To evaluate the sources of funding available for the operation of the National Health Insurance scheme in Ghana.
3. To investigate clients perception and satisfaction with financing Health care from the NHIS in Ghana.
4. To identify the measures for the sustainability of the NHIS.

1.4 Research Questions

The following are the research questions which are set out in order to achieve the objectives of the research.

1. What are the challenges facing the National Health Insurance scheme in Ghana?
2. How effective are the sources of finance for the operation of the National Health Insurance scheme in Ghana?

3. What are the perceptions of clients about financing health care services in Ghana?

4. How sustainable are the available sources of funding for NHIS in Ghana?

1.5 Justification of the Study

The study will contribute to both theory and practice. The theoretical aspects will help to provide guidelines for an effective financial management of the NHIS. This in effect would help reduce the financial challenges facing the NHIS in Ghana.

It is envisaged that the study would provide a module for sourcing funding for health care services in Ghana. This would help ensure that clients get the best service at moderate cost that would also meet the cost of providing health care by the NHIS and the health institutions.

It is significant to mention that the outcome of the study would provide health care givers, especially the NHIS, an insight about the concerns of client on health care financing in Ghana. This would provide the basics for the health care givers to plan and implement health care delivery services including financing, to suit the relevant needs of their client. This would help reduce waste and improve the effectiveness and overall performance of health care institutions and bodies in Ghana. It will also go a long way to benefit the academia as it would help to contribute to knowledge in the field of health care financing in Ghana.

1.6 Scope of the Study

The research will cover the operations of the National Health Insurance Scheme within the Sunyani municipality. It would delve into the financial

arrangement in the NHIS but with particular reference to the Sunyani Mutual Health Insurance scheme. The research also explored opportunities for gaining sustainability in financing health care service in Ghana.

1.7 Limitation of the Study

Health care service providers have huge workload including providing health care delivery to the high number of their client such as patients, diagnosing diseases, providing dispensary and laboratory services. These have the potential to affect the willingness to accept to participate and respond to questionnaires. The absence or inaccessibility of accurate, current and reliable records and reports on health care financing in the Sunyani Municipal health directorate would make it difficult to adequately access relevant data for the study.

1.8 Organization of the study

The study is organized into five chapters. Chapter one introduces the study by giving the background information on the research problem, objectives, research questions and scope of the study. Chapter two covered the review of relevant literature on the theories and concepts with specific reference to how it applies to healthcare issues in Sunyani.

Chapter three discusses the research methodology adopted for the study. Also, it outlines the methodology context in which the study was carried out. Chapter four dealt with the presentation and discussion of the major findings of the study whilst chapter five dealt with the summary of major findings, conclusions and recommendations of the study.

CHAPTER TWO

LITERATURE REVIEW

2.1 Theoretical Framework

2.1.1 Concept of National Health Insurance in Ghana

The National health Insurance was established by ACT 650 of the parliament of Ghana. The act states that;

(1) There is established by this Act a body corporate to be known as the National Health Insurance Authority.

(2) The Authority shall have perpetual succession an official seal and may sue and be sued in its own name.

(3) The Authority may for the performance of its functions acquire and hold movable and immovable property and may enter into a contract or any other transaction.

The Object and functions of the National Health Insurance Authority as stated in Government of Ghana (2003) are;

(1) The object of the Authority is to secure the implementation of a national health insurance policy that ensures access to basic healthcare services to all residents.

(2) For the purposes of achieving its object, the Authority may

(a) Register, license and regulate health insurance schemes;

(b) Supervise the operations of health insurance schemes;

(c) Grant accreditation to healthcare providers and monitor their performance;

(d) Ensure that healthcare services rendered to beneficiaries of schemes by accredited healthcare providers are of good quality;

(e) Determine in consultation with licensed district mutual health insurance schemes, contributions that should be made by their members;

(f) Approve health identity cards for members of schemes;

(g) Provide a mechanism for resolving complaints by schemes, members of schemes and healthcare providers;

(h) Make proposals to the Minister for the formulation of policies on health insurance;

(i) Undertake on its own or in collaboration with other relevant bodies a sustained public education on health insurance;

(j) Devise a mechanism for ensuring that the basic healthcare needs of indigents are adequately provided for;

(k) Maintain a register of licensed health insurance schemes and accredited healthcare providers;

(l) Manage the National Health Insurance Fund;

(m) Monitor compliance with this Act and the Regulations and pursue action to secure compliance; and

(n) Perform any other function conferred on it under this Act or that are ancillary to the object of the Council.

The Act also makes provision for the governing of the NHIA. These as states shall include:

(1) The governing body of the Authority is a Council consisting of

(a) the chairperson,

(b) one representative of

(i) the Ministry of Health not below the rank of a Director,

(ii) the Ghana Health Service not below the rank of a Director,

(iii) the Society of Private Medical and Dental Practitioners nominated by the Ghana Medical Association,

(iv) the Pharmaceutical Society of Ghana,

(c) one representative each of licensed

(i) mutual health insurance, and

(ii) private health insurance schemes,

(g) one representative of the Minister responsible for Finance not below the rank of a Director,

(h) one legal practitioner with experience in health insurance nominated by the Ghana Bar Associations,

(i) one representative of the National Insurance Commission,

(j) one person representing organised labour,

(k) two persons representing consumers one of whom is a woman,

(l) one representative each from

(i) the Ministry of Local Government, and

(ii) Social Security and National Insurance Trust, and

(m) The Executive Secretary appointed under section 92.

2.1.2 Historical Background

The issue of healthcare financing in Ghana has travelled a long and winding road. Starting from colonial times through the First Republic under the great Osagyefo Dr. Kwame Nkrumah the founder of our nation through the 'Cash and Carry' era under the Provisional National Defence Council (PNDC) and the National Democratic Congress (NDC) Governments both under former President Jerry John Rawlings, to the present health insurance regime of healthcare financing promulgated under the New Patriotic Party (NPP). It is still seeking refinement under the guide of NDC Government of President John Evans Atta Mills, to meet the aspirations of Ghanaians (NHIS, 2011). The challenge since 1981 has been how to find the best combination of Government-Peoples-Partnership that would meet each other part of the way and satisfy the needs and pockets of Ghanaians as well the Government's finances in the healthcare sector.

While interim financing for some future pilots might be secured through international donors, ultimately the resources for funding the district mutual health insurance schemes will have to be provided through either social health insurance contributions or general tax revenues. One major issue of the NHIS is to ensure its efficiency. Health systems could certainly play a critical role in this process but to do so they need adequate funding and good management (Freedman, Waldman, de Pinho, Wirth, Chowdury, and Rosenfield, 2005).

Following the introduction of the "cash and carry" system into Ghana's health sector in the late 1980s, many patients began to have difficulty with paying for their health care (especially admission) costs. As a result, many did not go to the hospital until it was too late or their illness had advanced to a more complicated phase. Others who were admitted and treated subsequently absconded without paying for their treatment. Many individuals quite simply could not afford to pay for their care.

Following the introduction of the national health insurance scheme, the National Health Insurance Authority was established under the National Health Insurance Act 2003, Act 650, as a body corporate, with perpetual succession, an Official Seal, that may sue and be sued in its own name (Government of Ghana, 2003). Under the law, there is a National Health Insurance Authority which licenses, monitors and regulates the operation of health insurance schemes in Ghana including the District Mutual Health Insurance Schemes (DMHIS), Private Mutual Health Insurance Schemes (PMHIS), and Private Commercial Health Insurance Schemes (PMHIS).

However, in recent years, the consensus has grown that prepayment health care financing, whereby people contribute regularly to the cost of health care through tax payments and/or health insurance contributions, provides greater financial protection to households than – what is, therefore, preferable to – out-of-pocket health care financing (Preker and Carrin, 2004; World Health Organization, 2000; World Health Organization, 2005a). Funding for healthcare financing under the National Health Insurance Scheme as established by Act 650, comes from a Fund created by the Act, with income from two main sources, also created by the act. These are the National Health Insurance Levy (NHIL), a 2.5percentage top up of the Value Added

Tax (VAT), and a 2.5percentage transfer from the existing Social Security and National Insurance Trust (SSNIT). Other source of finance for the Scheme was the National Health Insurance Fund that had been set up by the Government to help to bridge the gap between premiums from contributors to the scheme and funding for the poor, who could not pay their premium. Government has decided to access funds from the Social Security and National Insurance Trust (SSNIT) to establish the Scheme.

2.1.3 Overview of NHIS

In an attempt to increase access and improve the quality of basic health care services, the government of Ghana passed the National Health Insurance Act 650 (HI Act) in August 2003, establishing Ghana's National Health Insurance Scheme (NHIS). The primary goal of the act was to improve access to and quality of basic health care services in Ghana through the establishment of district-wide insurance schemes. The policy objective states:

Within the next five years, every resident of Ghana shall belong to a health insurance scheme that adequately covers him or her against the need to pay out-of-pocket at the point of service use in order to obtain access to a defined package of acceptable, quality health services (Government of Ghana, 2004). In addition to providing guidance on the structure of the district insurance schemes, the HI Act provides the legislative framework for the establishment of a regulatory body, the National Health Insurance Council (NHIC). The role of the NHIC is to register, license, and regulate health insurance schemes and to accredit and monitor health care

providers operating under the schemes. It plays a key role in guiding implementation efforts and management of the National Health Insurance Fund.

The HI Act authorized the NHIC to license any of the following schemes: District Mutual Health Insurance Schemes (DMHIS), Private Commercial Health Insurance Schemes, and Private Mutual Health Insurance Schemes. All public 2health facilities are automatically accredited to participate in the scheme, while private health facilities must apply for accreditation to participate in the NHIS. A Legislative Instrument, outlining the regulations for implementation at the district level, was approved and published in January 2005

2.2.2 Legal and Financial Management of Some Schemes

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2.3 Empirical Evidence

2.3.1 Financing Health Care and Insurance Services in Ghana

Providing an appropriate source of funding for health insurance whether national or specific case scenarios, is relevant for ensuing the success of such insurance projects. In Ghana the issue of health care funding has been critical on discussions on providing appropriate and affordable funding for health care services in Ghana.

Health care service in Ghana has been sourced from difference bodies and partners. Apart from the premium paid by members, the district mutual health insurance schemes receive regular funding from central government. This central government funding is drawn from the national health insurance fund. Every Ghanaian worker pays two-and-a-half percent of their social security contributions

into this fund and the VAT rate in Ghana also has a two-and-a-half percentage component that goes into the fund (Ghanaweb, 2011).

To sign up for the district mutual health insurance scheme, you need to get to the district assembly where you reside or look for the offices of the scheme and register. You will fill a form, offering some basic personal information and you will be asked to come for your image to be captured. You will need to fill forms for dependants below 18 years as well.

The second category of health insurance comprises the private commercial health insurance schemes, operated by approved companies. You can just walk into any of such companies and buy the insurance for yourself and dependants – just as you would for a car. Commercial health insurance companies do not receive subsidy from the National Health Insurance Fund and they are required to pay a security deposit before they start operations.

The third category of health insurance is known as the private mutual health insurance scheme. Under this, any group of people (say members of a church or social group) can come together and start making contributions to cater for their health needs, providing for services approved by the governing council of the scheme. Private mutual health insurance schemes are not entitled to subsidy from the National Health Insurance Fund.

Universal health care systems vary according to the extent of government involvement in providing care and or health insurance. In some countries, such as the UK, Spain, Italy and the Nordic countries, the government has a high degree of involvement in the commissioning or delivery of health care services and access is

based on residence rights not on the purchase of insurance. Others have a much more pluralistic delivery system based on obligatory health with contributory insurance rates related to salaries or income, and usually funded by employers and beneficiaries jointly (Wikipedia, 2011). Sometimes the health funds are derived from a mixture of insurance premiums, salary related mandatory contributions by employees and/or employers to regulated sickness funds, and by government taxes. These insurance based systems tend to reimburse private or public medical providers, often at heavily regulated rates, through mutual or publicly owned medical insurers. A few countries such as the Netherlands and Switzerland operate via privately owned but heavily regulated private insurers that are not allowed to make a profit from the mandatory element of insurance but can profit by selling supplemental insurance. (Wikipedia, 2011).

Although OECD members funded through social insurance have higher average total expenditure on health, tax funding can be as inefficiently spent as any other type of funding. The Netherlands and Germany illustrate that cost control can be effective in insurance systems (Mossialos and Le Grand, 1999).

When considering technical efficiency, it is the systems and incentives under which providers, payers and patients operate that are important. Mossialos and Dixon (2002), hypothesize that higher spending could be owing to greater transparency, less political interference, greater connection between contributions and benefits, and the existence of single or multiple insurers in social insurance systems. The greater roles of various stakeholders of health are therefore paramount to securing any appropriate funding opportunities for health care and insurance services.

Most countries' systems feature a mix of all five models. One study based on data from the OECD concluded that all types of health care finance "are compatible with" an efficient health care system. The study also found no relationship between financing and cost control (Glied, 2008). The term health insurance is generally used to describe a form of insurance that pays for medical expenses.

It is sometimes used more broadly to include insurance covering disability or long-term nursing or custodial care needs. It may be provided through a social insurance program, or from private insurance companies. It may be obtained on a group basis (e.g., by a firm to cover its employees) or purchased by individual consumers. In each case premiums or taxes protect the insured from high or unexpected health care expenses. The case is similar for Ghana that also has different health care financing arrangement in operation as some health care providers are into cash-and-carry and some a health care insurance policy.

By estimating the overall cost of health care expenses, a routine finance structure (such as a monthly premium or annual tax) can be developed, ensuring that money is available to pay for the health care benefits specified in the insurance agreement. The benefit is typically administered by a government agency, a non-profit health fund or a corporation operating seeking to make a profit.

In Ghana for example, health care insurance beneficiaries pay a yearly premium for accessing health care through the NHIS yearly (Claxton, 2002). Many forms of commercial health insurance control their costs by restricting the benefits that are paid by through deductibles, co-payments, coinsurance, policy exclusions, and total coverage limits and will severely restrict or refuse coverage of pre-existing conditions. Many government schemes also have co-payment schemes but exclusions

are rare because of political pressure. The larger insurance schemes may also negotiate fees with providers.

Merriman (2002) states that, according to the Agency for Health Care Research and Quality Report, Literacy and Health Outcomes (January 2004), low health literacy is linked to higher rates of hospitalization and higher use of expensive emergency services. This evidence-based literature review highlights numerous studies that provide a detailed analysis of the correlation between low health literacy and poor health. This is suggestive of the positive effects of education on knowledge on health care and delivery services.

Many forms of social insurance schemes control their costs by using the bargaining power of their community they represent to control costs in the health care delivery system. For example by negotiating drug prices directly with pharmaceutical companies, or negotiating standard fees with the medical profession. Social schemes sometimes feature contributions related to earnings as part of a scheme to deliver universal health care, which may or may not also involve the use of commercial and non-commercial insurers. Essentially the wealthier pay proportionately more into the scheme to cover the needs of the relatively poor who therefore contribute proportionately less (Saltman, 1995). There are usually caps on the contributions of the wealthy and minimum payments that must be made by the insured (often in the form of a minimum contribution, similar to a deductible in commercial insurance models). Premuim payment are non discriminatory for the rich and poor as they all pay equally.

However cost of accessing health care may increase with the quality of health care one wants to access as clients may be compelled to pay more if they require very good health care service to be provided.

In addition to these traditional health care financing methods, some lower income countries and development partners are also implementing non-traditional or innovative financing mechanisms for scaling up delivery and sustainability of health care, such as micro-contributions, public-private partnerships, and market-based financial transaction taxes. For example, as of June 2011, UNITAID had collected more than one billion dollars from 29 member countries, including several from Africa, through an air ticket solidarity levy to expand access to care and treatment for HIV/AIDS, tuberculosis and malaria in 94 countries (UNITAID, 2011).

2.3.2 Clients Concerns about Satisfaction with Health Care Financing by the National Health Insurance Scheme (NHIS) in Ghana

Health care financing has met several comments especially in terms of financing and service delivery in many countries including Ghana. In a study in Alma Ata, India it came out that an increased emphasis on client satisfaction is driven by the perceived need for the democratization of primary health care. Patient satisfaction as a measure of health care is an important outcome measure. It is useful in assessing consultations and patterns of communications. If used systematically, feedback enables a choice between alternatives in organizing or providing health care (WHO, 1978).

The efficacy of medical treatment is enhanced by greater patient satisfaction. It can also be taken as the proxy measure for the quality of health care. Their study

was restricted to the views of the user's of the health services and it identifies various impediments in the delivery of health care services that may be important to the users of the healthcare services but may appear trivial to healthcare personnel. Incorporating the views of the users in the management of the health services will lead to fewer unsatisfied users Ortola, Blanquer, Rodriquez , Rodrigo, Villagrasa and Climent (1993). It is therefore important to note that incorporating the views of clients and management of facilities in the overall work plan of the NHIS and the Sunyani Mutual Health Insurance Scheme is vital to a successful health insurance plan in Ghana.

In addition the slow pace in recruiting new and contract staff into the Health Service which is attributed to delay in the issuance of Financial Clearance by Ministry of Finance and Economic Planning. There is ample evidence of large numbers of doctors, nurses, pharmacists, laboratory technicians/technologists, administrators, etc who have worked for more than one year without salaries. It is the candid opinion of the Association that if this problem is not urgently resolved, the quest by the government to attract and retain Ghanaian health professionals cannot be realized and the brain drain in the health sector will continue (ASHAG, 2006).

A study by Patro, Rakesh, Goswami, Nongkynrih, and Pandav Chandrakant S, (2008) showed that the mean waiting time for accessing health was similar in the community surveys and in exit interviews, which was about 30 minutes. The waiting time correlates well with the average waiting time in similar settings. It also emerges as one of the major areas of dissatisfaction with the health services as well as the cause of non utilization.

A reduction in the waiting time could improve patient satisfaction and enhance the utilization of health services provided by the mobile health clinic. The average consultation time in community surveys was more than 5 minutes while it was reported to be less than 5 minutes in exit interviews (Patro, Rakesh, Goswami, Nongkynrih, and Pandav Chandrakant S, 2008). However, this was twice as high as that reported from another study in similar settings. This could be the explanation for the higher level of satisfaction with the physician-related domains vs. the behavior of doctors/health staffs, competence of doctors, provision of information, and physical examination. Non availability of certain drugs and investigations emerged as major areas of client dissatisfaction. This correlates with the findings of the other studies. This is due to the general perception that being a government organization, the mobile health clinic should provide all the medicines and investigations free of cost. This may however challenge the NHIS in Ghana as this may make the scheme cashless since they currently face a lot of challenges in terms of meeting its operational cost.

The United States' system of using health insurance as a means of financing health care costs has been criticized by Holahan and Blumbery (2008). They stated that private plans are attractive because of their ability to be responsive to consumer demands for choice and their innovations resulting from both the profit motive and desire to attract a larger enrollment base," they also have disadvantages. Industry consolidation "has not led to strong insurers who are willing or able to negotiate effectively with dominant hospital systems," and insurance markets have become dominated by a small number of large insurers" with "shadow pricing" by smaller insurers. This may however not be persistent in Ghana as they is a standard national scheme providing health care delivery services to the population.

Insurance companies have high administrative costs as many be witness with the NHIS and SMHIS (Health Insurance Bureau, 2007). In the United States of America for example, private health insurers are a significant portion of the U.S. economy directly employing (in 2004) almost 470,000 people at an average salary of $61,409.

Health insurance companies are not actually providing traditional insurance, which involves the pooling of risk, because the vast majority of purchasers actually do face the harms that they are "insuring" against. Instead, as Edward Beiser and Jacob Appel have separately argued, health insurers are better thought of as low-risk money managers who pocket the interest on what are really long-term healthcare savings accounts (Beiser, 2008).

According to a study by a pro-health reform group published February 11, the nation's largest five health insurance companies posted a 56 percent gain in 2009 profits over 2008. The insurers (Wellpoint, UnitedHealth, Cigna, Aetna and Humana) cover the majority of Americans with health insurance.

Association of Health Service Administrators-Ghana (AHSAG, 2006) issued a statement in relations to concerns they have about the NHIS in Ghana. It came out that the continued implementation of the exemption policy for paupers, under five, aged, and free delivery serve as a disincentive for people to enroll into the scheme. More so the politicization and inadequate public sensitization of the scheme was a key impediment in meeting the scheme objective of providing quality and affordable health care to Ghanaians. Financial difficulties were also expressed and this related to the undue delay in release of funds from National Health Insurance Council (NHIC)

to the district wide mutual health Schemes to support payment of claims made on the schemes.

2.3.3 Challenges Facing the National Health Insurance Scheme in Ghana

The recent controversies surrounding the one-time premium payment under the National Health Insurance Scheme points to the obvious: that the healthcare needs of Ghanaians cannot be mortgaged. Access to healthcare is a necessity and clearly so, Ghanaians should have affordable healthcare as and when the need arises. This was the guiding philosophy that called for the National Health Insurance.

Although the introduction of the NHIS has brought an inescapable relief to the poor, majority of Ghanaians in the rural areas and urban slums still cannot access health care. However, the few that can seek health care outside are always responsible for toying with our health system. This ought to be jettisoned. There are myriad of challenges facing the health sector, and particularly, the National Health Insurance Scheme (NHIS). These challenges includes inter alia: lack of health facilities in many communities in the country, inadequate personnel in many of the facilities, and logistics for health care delivery (Ongoh, 2010). In Ghana the NHIS has not fared differently as it continues to grapple with the challenges of funds, adequate and well trained staff including others.

Oppong-Nyarko and Okertchiri (2011) writing of the NHIS in Ghana reiterated the concern of the CEO, NHIS, Ghana that, the CEO has observed that there will soon be a law to allow the scheme to operate as an independent legal entity with regards to accountability and efficiency. Addressing a delegation from Congo Brazzaville, the CEO admitted that the scheme had gone through some challenges.

We don't have a perfect system but what is good is that we have a good political system,' he said. He explained that the system is facing expenditure challenges as the outflows are exceeding inflows, adding that claim payments account for more than 75 per cent of total income generated from taxes and the Social Security and National Insurance Trust (SSNIT). He added that GH¢394.27 million representing 76.2 per cent was used as payments of claims for the year 2010, and this is a key drain on the financial viability of the NHIS.

Zakaria (2009) also add a voice to the issue of challenges facing the smooth administration of health care service provision by the NHIS in Ghana. He adds that The President of Ghana Medical Association (GMA), Dr Emmanuel Adom Winful, has observed that the challenges of the National Health Insurance Scheme (NHIS) have the potential to cripple health care delivery in the country. "The challenges in the management of the NHIS are not from doctors and for that matter the providers. If the current reforms are not speeded up, the NHIS will certainly not be sustainable," he stated. Further, he added that the NHIS was one of the best things that happened to the health care delivery system of this country. However, problems of management of the scheme particularly long delays in reimbursement are affecting the ability of institution to deliver service to the people.

"I am reliably informed that some private providers are opting out of the Scheme or refusing to continue to provide services" he disclosed. More so he called on the National Health Insurance Authority to regularly review tariffs while ensuring prompt reimbursement of claims submitted by providers to avoid compromising quality care to clients.

2.3.4 Health Insurance in Other Countries

There is no perfect healthcare system. Systems worldwide are subject to the same sort of pressures facing the NHS. In Germany, for example, there have been four major health reform packages since 1990, and debate continues about the need for further reform. In France, there has been growing disquiet amongst employers about the costs of the social insurance scheme. In the USA, both Presidential contenders, George W. Bush and Al Gore, are proposing major changes to deal with the problem of the over forty million Americans not covered by health insurance.

No healthcare system is beyond reform and political controversy. But the way that the NHS is financed continues to make sense. It meets the tests of efficiency and equity.

The principles on which the NHS was constructed in 1948 remain fundamentally sound. Its practices, sometimes stuck in the world of 1948, need fundamental reform. Investment and reform are the twin solutions to the problems the NHS face (Hall, De Abreu and Viney, 1999).

According to Hoare and Mills, (1986) an efficient financing mechanism is one that generates a relatively large amount of funding and thus obviates the need for multiple funding mechanisms, with each generating only a limited amount of funds. In addition, the costs of fund collection and administration will be low with an efficient financing mechanism, leaving as much revenue as possible for actual health service provision (Emmerson, Frayne and Goodman, 2000).

La Ford (1995) also indicated that rooted in review of the role of external support to health systems, suggests that system sustainability is the capacity of the

health system to function effectively over time with a minimum of external inputs (La Fond 1995). Achieving sustainability in this sense requires the capacities to

- Secure sufficient resources to enable improvements in the effectiveness of health care
- Use resources effectively and efficiently to meet health needs
- Perform these functions on a continuous basis
- Perform these functions with minimum external inputs.

It can further be explained that generating revenues through some sort of financing mechanism is insufficient by itself to ensure sustainability.

Additional measures to redress existing inefficiencies in resource use and to enable any additional revenue to be used effectively over time are vital elements of a sustainable and effective user fee system (Adams and Harnett 1995).

This usefulness of this mode can also be access to ensure that the NHIS secures appropriate and sustainable funding for improving the health service delivery of national, district and local insurance schemes in Ghana.

International analysts have also suggested that using revenues from user fees to improve the quality of services will generate efficiency and equity gains through their impact on utilization (Griffin 1992; Shaw and Griffin 1995; World Bank 1987, 1993). However, while some countries have employed user charges to foster efficiency-related objectives, such as discouraging unnecessary use and preventing by-passing of lower level facilities, only one of the countries surveyed by Nolan and Turbat (1995) explicitly identified improving equity as an objective. Tapping

revenues from user fees can also be used to improve health care delivery and services in Ghana because of the high patronage for using such services.

CHAPTER THREE

METHODOLOGY

3.0 Introduction

3.1 Research Design

The descriptive analytical sample survey was the research design used for the study. Gay (1987) sees descriptive surveys as the process of collecting data in order to test hypothesis or answer questions concerning the status of the study**.** The researcher therefore opted for the descriptive survey design because taking the purpose of the study into consideration; it was the appropriate design that could lead to the drawing of meaningful descriptions from the study.

3.2 Population

The population was for the Sunyani Municipality, that is, 147,301 people (Sunyani Municipal Assembly, 2006). The researcher has worked in the Sunyani Municipality for a number of years and believes that it is appropriate to investigate the variables in the Municipality so that it can be replicated in the other areas, hence the choice. The focus was staff and clients in the National Health Insurance Scheme including health service providers. These included hospitals, clinics, maternity homes, health centres and pharmacy shops that partner the Sunyani Mutual Health Insurance Scheme in providing health care for people in the Sunyani Municipality. The municipality cuts across areas like Sunyani township, Chiraa, Abesim, Odumasi, Fiapre, Nsoatre just to mention a few. Sunyani has 40 facilities.

Facilities here referred to accredited healthcare providers under the National Health Insurance Schemes.

3.3 Sample

A sample size of two hundred and thirteen respondents made up of clients who have registered with the scheme, the facilities and the scheme itself were used for the study. The distribution was made up of hundred twenty (120) NHIS clients, eighty NHIS health service providers (80) and thirteen (13) scheme staff. The distribution of the target population and the sample of the staff are shown in Table 3.1 and 3.2.

Table 3.1: Distribution of population and sample selected for staff and clients in Sunyani Municipality Mutual Health Insurance Scheme (Hospitals, Clinics and Maternity Homes)

Facility			Total
	Staff	Client	
Hospitals			
Sunyani Regional Hospital	2	3	5
Sunyani Municipal Hospital	2	3	5
S.D.A Hospital	2	3	5
Owusu Memorial Hospital	2	3	5
Health Lane Hospital	2	3	5
Clinics			
Kenam	2	3	5
Green Hill Medical Centre	2	3	5
Rafchik	2	3	5
Penkwase	2	3	5
Holy Daniel	2	3	5
Abesim Eye	2	3	5
ICAM	2	3	5
Opoku	2	3	5
Maternity Homes			
Florence	2	3	5
Peace	2	3	5
Hanna	2	3	5
Amponsah	2	3	5
Mercy	2	3	5
Monica	2	3	5
Total	38	57	95

Source: Field Survey, 2011

Table 3.2: Distribution of population and sample selected for staff and clients in Sunyani Municipality Mutual Health Insurance Scheme (Pharmacies, Health Centres, Diagnostic centres and SMHIC Office)

Facility			Total
Pharmacy Centres/Others			
Moses	2	3	5
Green light	2	3	5
Jilpharma	2	3	5
Joe Benneth	2	3	5
Manuel	2	3	5
Senti	2	3	5
Odumaseman	2	3	5
Alfred Korang	2	3	5
Machubert	2	3	5
Obise	2	3	5
Health Centres			
Abesim	2	3	5
Kwatire	2	3	5
Fiapre H/C	2	3	5
Nsoatre H/C	2	3	5
Chiraa H/C	2	3	5
Antwikrom	2	3	5
Methodist	2	3	5
Bofourkrom	2	3	5
Diagnostic centres/others			
Joe Carla Physio Centre	2	3	5
Hospital view Scan Centre	2	3	5
Healthway Medical lab.	2	3	5
Sunyani Mutual Health Insurance Scheme	**13**	**-**	**13**
Total	**55**	**63**	**118**

Source: Field Survey, 2011

3.4 Sampling Procedure

To ensure representative result, health service providers in the Sunyani Municipality were put into clusters of hospitals, Clinics, maternity homes, health centres, pharmacy shops and diagnostic centres.

The choice of the 213 sample size was based on Krechie and Morgan (1970) table for determining sample size of a given population. Each sample represented the views of a household, which is 4.7 for Sunyani Municipality (Ghana Statistical Service, 2000). In each of the cluster inclusive, at least 10% of the total population was selected thereby giving the proportional representation to the areas selected for the study. Two hundred and thirteen questionnaires were distributed to staff and clients of the Sunyani Municipality Mutual Health Insurance Scheme.

The purposive and incidental (lottery) sampling methods were used in selecting some key respondents for the study. In the case of specific position held by one person e.g. the Heads of Health service facility, such personnel were selected purposively due to their strategic roles. The selection of this category was incidental and based on the availability and readiness for such client to respond to the questionnaire.

3.5 Research instruments

The instrument used by the researcher to collect data was basically the use of questionnaire and interviews. The choice of these instruments was necessitated by the fact that almost all the respondents under consideration could read and write.

The questionnaire contained 23 items. They consisted of both open-ended and close-ended questions. Section A contained four items used to elicit the background information about the staff. Section B sought information about sources of funding available for the operation of the National Health Insurance scheme in Ghana well as their knowledge about financing of health service. Section C sought to investigate clients' perception and satisfaction with financing Health care from the NHIS in

Ghana. Section D consists of items that dealt with eliciting respondents' comments on alternative sources of finance as well as the sustainability of these sources of finance for the operation of National Health Insurance scheme in Ghana. These processes were adapted to suits the type of scale for the measurement of attitudes and perceptions. This is because it enables respondents to indicate the degree of their belief in a statement (Best and Khan, 1996).

The statements were expressed on a four point scale which asked respondents to indicate the extent of their agreement ranging from very extensive/important, extensive/important, less extensive/important Indifferent/not at all. The researcher as well made use of secondary data from libraries and the Internet for the purpose of reviewing literature on the topic under study.

3.6 Administration of Instruments

The researcher sought the permission from the management of Sunyani Municipal Mutual Health Insurance Scheme and explained the essence of the work to the officers. Accordingly, a letter was issued to the researcher, giving approval to carry out the interviews and administer the questionnaire in all the areas under study.

Copies of the questionnaire were given to the selected (sample) staff to complete. The edited copies of the questionnaires were administered to two hundred and thirteen clients, staff and representative of health providers in the Sunyani Municipality.

To obtain the appropriate responses the instruction and items were read and explained to the respondents. The administration and collection of the questionnaires took two weeks to complete.

3.7 Coding and Data analysis

The completed questionnaires were first edited for consistency. For the open-ended items, a short list was prepared from a master list of responses in order to get the key responses given by respondents. All the responses ticked on the questionnaire were recorded on a broad sheet before being fed into the computer for computer analysis, using the Statistical Package for Social Sciences (SPSS).

To enhance scoring and analysis of the data, the various categories on the data, and the various categories on the questionnaire were coded according to scoring keys such as:

Very active1, active 2, less active 3, not at all 4. The scoring scale was reversed for negative statement as follows; Not at all 4, less active 3, active 2, and very active 1 to help the researcher to place value on responses received.

The descriptive nature of the study demanded both inferential and descriptive statistical tools were used in the analysis of the data.

The data was put into tables of frequencies and critically interpreted to answer the research questions. Analysis and discussions were based on two hundred and thirteen (213) responses.

CHAPTER FOUR

PRESENTATION AND ANALYSIS OF FINDINGS

This part of the research presents the results of the findings obtained from respondents during the field survey and the discussions resulting from the findings. The results and discussions were based on responses from two hundred (200) respondents since thirteen (13) questionnaires could not be retrieved. The presentation is divided in various sections including the background characteristics of respondents, sources of funding available for the operation of the National Health Insurance scheme in Ghana well as their knowledge about financing of health service, clients' perception and satisfaction with financing Health care from the NHIS in Ghana and respondents' comments on alternative sources of finance as well as the sustainability of these sources of finance for the operation of National Health Insurance scheme in Ghana.

4.1 Demographic Characteristics of Respondents

4.1.1 Sex Against Category of Respondents

The survey showed that 23.5% (50) were males as against 75.6% (161) that were females. Of the 23.55 males, 9.0% (19) came from the staff category, 12.8% (27) for client of facilities and 1.9% (4) staff of Sunyani Mutual health Insurance Scheme (SMHIS).

Table 4.1: Sex against Category of Respondents

		Category Of Respondent			
		Staff Of Facility	Client Of Facility	Staff Of SMHIS	Total
Sex Of Respondents	Male	19	27	4	50
		9.0%	12.8%	1.9%	23.7%
	Female	56	97	8	161
		26.5%	46.0%	3.8%	76.3%
Total		75	124	12	211
		35.5%	58.8%	5.7%	100.0%

Source: Field Survey, 2011

For the 76.3% females, 26.5% (56) came from the staff of facility category, 46% for clients of facility and 3.8% staff of SMHIS. The summary of the data showed that females represented a higher percentage of respondents including the fact that females dominated in the level of representation for the various categories.

4.1.2 Educational background and Age of Respondents

In the survey, it came out that less than 1%(1) of the 23.5% males has a Senior High School or Advanced (A) level certificates, 5.7% (12) with ordinary (o) level certificates with non having a university degree.

Table 4.2 Educational background and Sex of Respondents

		Educational level						
		SHS	'O' Level	A level	HND	Ist Degree	Others	Total
Sex of respondents	Male	1	12	1	0	0	36	50
		.5%	5.7%	.5%	.0%	.0%	17.1%	23.7%
	Female	31	5	8	39	78	0	161
		14.7%	2.4%	3.8%	18.5%	37.0%	.0%	76.3%
Total		32	17	9	39	78	36	211
		15.2%	8.1%	4.3%	18.5%	37.0%	17.1%	100.0%

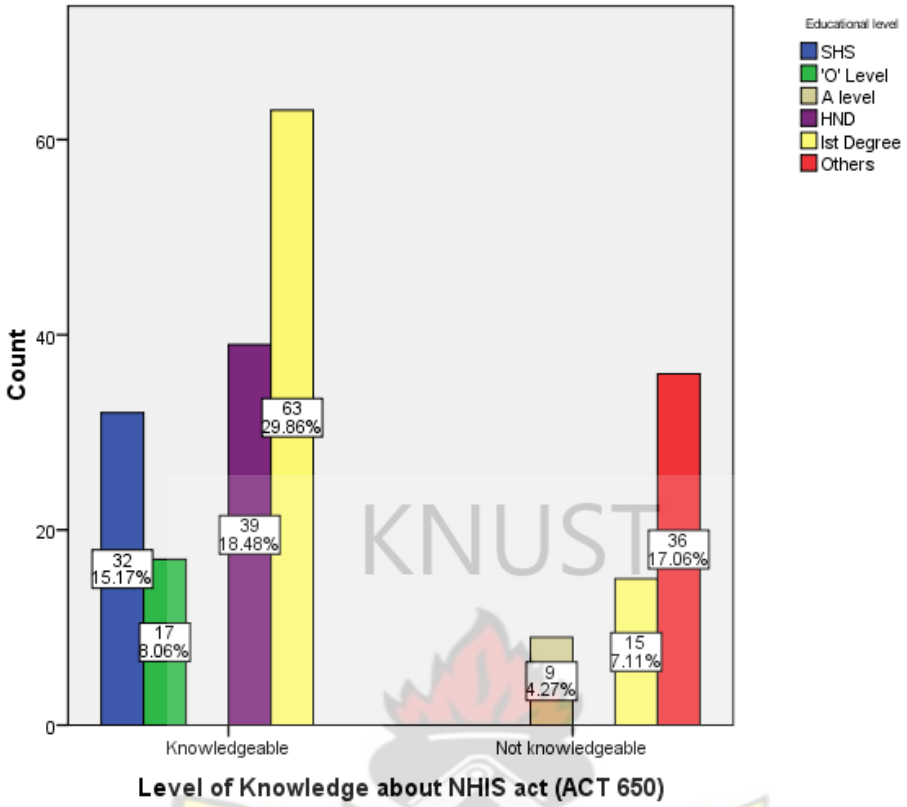
Source: Field Survey, 2011

However a majority (17.1%) of the males have other professional certificates. Of 76.3% females 37% (78) has first degree and 18.9% (39) having HND as shown in Table 4.2. The results are suggestive of the fact that female respondents have higher levels of education compared to their male counterparts.

4.1.3 Knowledge about NHIS and Category of Respondent

In the survey, the majority (over 71%) of respondents displayed knowledge about the National Health Insurance Scheme (NHIS) as against less that 30% respondents who had less knowledge about NHIS.

Figure 4.1: Knowledge about NHIS and Category of Respondent



Source: Field Survey, 2011

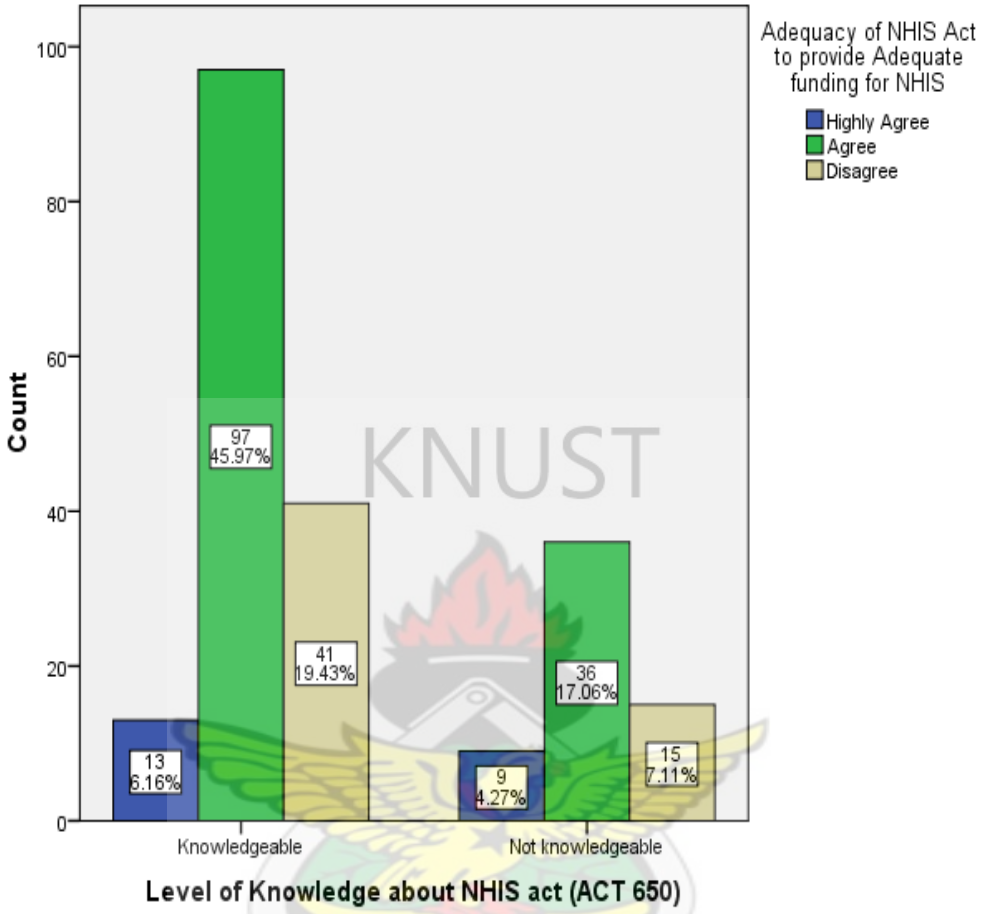
Of the respondents with knowledge about the NHIS, 29.86% hold first degree, 8.065 with 'O' level and less that 16% with SHS certificates. People with higher levels of education have a higher knowledge about NHIS Act 650. This therefore shows a reward to higher education in the health service sector. This supports a study by Merriman (2002) which states that, according to the Agency for Health Care Research and Quality Report, Literacy and Health Outcomes (January 2004), low health literacy is linked to higher rates of hospitalization and higher use of expensive emergency services. This evidence-based literature review highlights numerous studies that provide a detailed analysis of the correlation between low health literacy and poor health.

4.2 Sources of Funding Available for the Operation of the National Health Insurance Scheme in Ghana

4.2.1 Knowledge about NHIS and Suitability of the NHIS Act and NHIF to fund the NHIS

The researcher also sought information about the knowledge of respondents about the NHIS and the suitability of the NHIS Act and National Health Insurance Fund in providing adequate funding for NHIS. It came out that of the over 71% respondents who are knowledgeable about the Act 650, over 52% (110) agree that the NHIS Act and NHIF are adequate for providing funds for the NHIS, whilst 19.43% (41) disagree. It was however different for respondents with less knowledge about the Act as 21.33% (45) agreed to the adequacy of the Act and Insurance fund to fund NHIS as against 7.11% (15) that disagreed (Figure 4.2).

Figure 4.2 Knowledge about NHIS and Suitability of the NHIS Act and NHIF to fund the NHIS

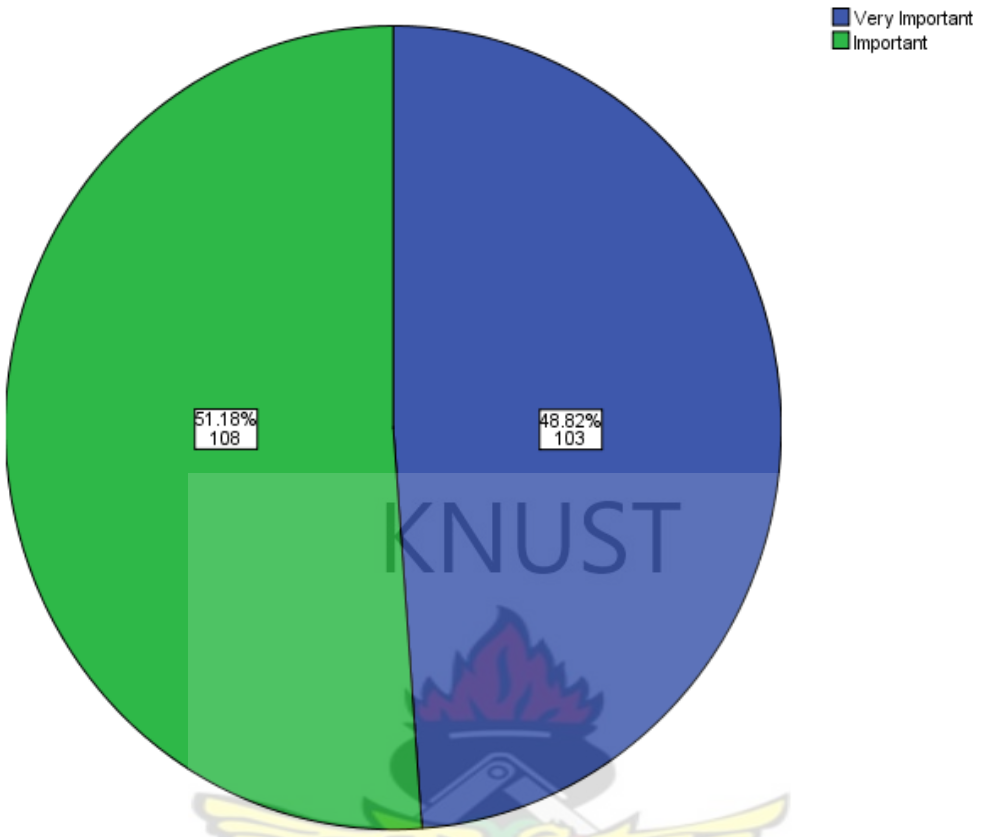


Source: Field Survey, 2011

4.2.2 Role of NHIA and NHIF to Provide Funding for NHIS in Ghana

In another development respondents clearly showed their support in respect of that National Health Insurance Authority (NHIA) and National Health Insurance Fund (NHIF) should be forthwith in providing funding for the NHIS in Ghana (Figure 4.3). This was shown by the support of all respondents as they all (100%) indicated that the roles of NHIF and NHIA are critical to securing adequate funding for the NHIS in Ghana.

Figure 4.3: Role of NHIA and NHIF to Provide Funding for NHIS in Ghana



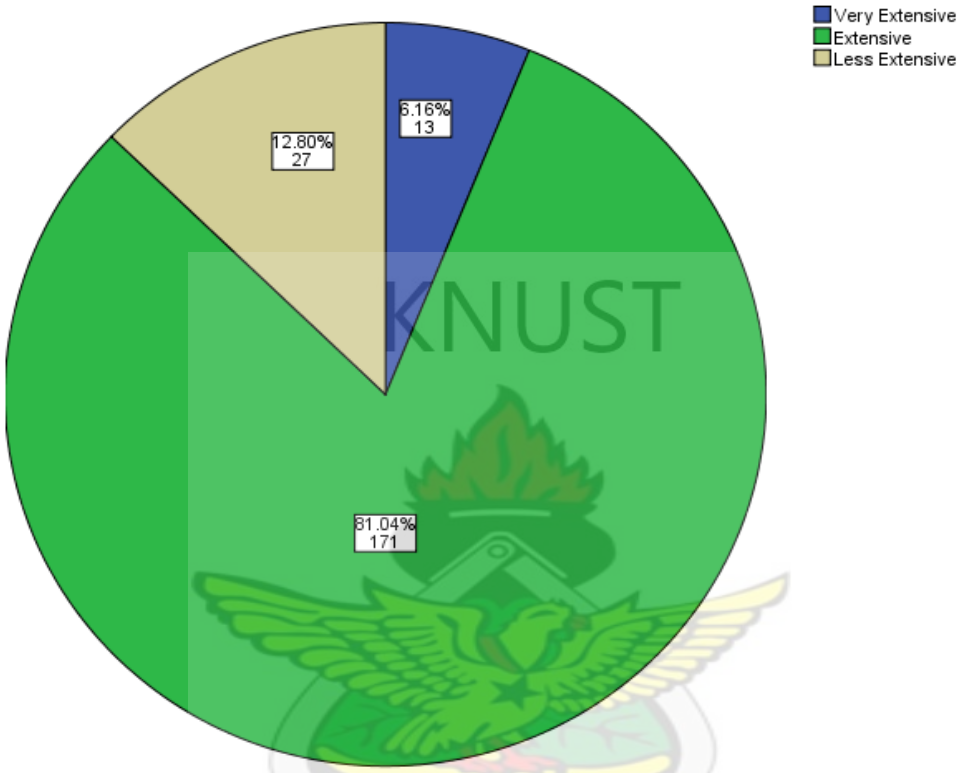
Source: Field Survey, 2011

4.2.3: Adequacy of Funding from NHIA and NHIF

On whether it is adequate to have the NHIA and NHIF fund National Health Insurance in Ghana, 87.20 % (184) were positive about that and this was against the backdrop of 12.60% (27) that disagreed. This in effect showed that respondents were confident about the critical roles of the NHIF and NHIA in funding the NHIS in Ghana. This is in line with a government of Ghana policy for the NHIA and NHIF to fund a health care service through ACT 650 of the NHIS (Government of Ghana, 2004). In addition to providing guidance on the structure of the district insurance

schemes, the HI Act provides the legislative framework for the establishment of a regulatory body, the National Health Insurance Council (NHIC).

Figure 4.4: Adequacy of Funding from NHIA and NHIF



Source: Field Survey, 2011

4.2.4 Funding Autonomy for SMHIS against Satisfaction with Service of SMHIS

Many people have expressed diverse views about whether the Sunyani Mutual Health Insurance Scheme (SMHIS) should be autonomous in exploring and providing funding for health insurance in Ghana (Table 4.3).

Table 4.3: Funding Autonomy for SMHIS

	Frequency	Percent
very relevant	36	17.1
relevant	148	70.1
irrelevant	27	12.8
Total	211	100.0

Source: Field Survey, 2011

Of the study, it came out that 87.2% (184) of respondents think it is appropriate to advocate for financing autonomy for SMHIS as against 12.8% (27) that were of a diverse opinion. Of the 87.2% respondents that supported the autonomy, 53.6% (113) said they were satisfied with the service provision of SMHIS whilst 33.7% (71) disagreed. For respondents who didn't support any autonomy 12.8% (27) said they were satisfied with the service delivered by the SMHIS.

Claxton (2002) study highlights the issue of funding autonomy by advocating for some innovation in fund generation for the services of NHIS by estimating the overall cost of health care expenses, a routine finance structure (such as a monthly premium or annual tax) can be developed, ensuring that money is available to pay for the health care benefits specified in the insurance agreement.

The outcome of the survey also is in line with Oppong-Nyarko and Okertchiri (2011) as he wrote on the NHIS in Ghana. He reiterated the concern of the CEO, NHIS, Ghana that, the CEO has observed that there will soon be a law to allow the scheme to operate as an independent legal entity with regards to accountability and efficiency.

4.3 Clients' Perception and Satisfaction with Financing Health Care from the National Health Insurance Scheme (NHIS) in Ghana

4.3.1 Aspects and Levels of Satisfaction with the Service of the NHIS

The researcher was also interested in knowing which aspects of the service delivery of SMHIS were satisfactory to respondents. The survey therefore showed that 17.1% (36) were satisfied with payment of claims, 20.4% (43) for customer service delivery, 45.5% (96) prompt response to complaints and 17.1% (36) this it rather centered on other options of service delivery other than those selected by other respondents (Table 4.4).

Table 4.4: Aspects and Levels of Satisfaction with the Service of the NHIS

		Extent To Which NHIS Addresses The Health Concern Of Ghanaians			
		Very Satisfied	Satisfied	Less Satisfied	Total
Aspect Of Insurance Scheme That You Are Satisfied With	Payment Of Claims	0 .0%	0 .0%	36 17.1%	36 17.1%
	Customer Service	5 2.4%	38 18.0%	0 .0%	43 20.4%
	Prompt Response To Complaints	49 23.2%	47 22.3%	0 .0%	96 45.5%
	None Of Options	0 .0%	36 17.1%	0 .0%	36 17.1%
Total		54 25.6%	121 57.3%	36 17.1%	211 100.0%

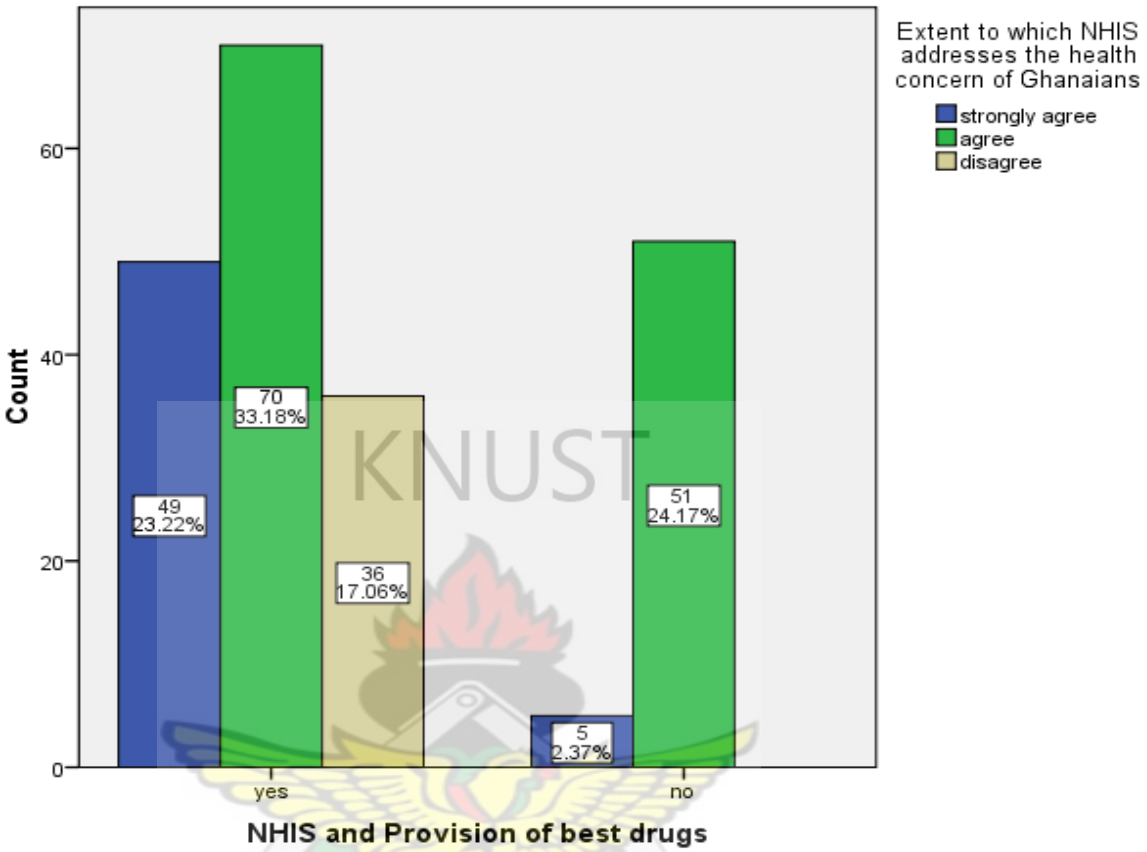
Source: Field Survey, 2011

Of the 82.9% (175) respondents who said NHIS addresses the health concerns of Ghanaians, 20.4% (43) said they were satisfied with the customer service of NHIS, 45.5% (96) for prompt response of complaints and with 17.1% (36) saying it was for reasons different from the provided options. For respondent who thought NHIS is not addressing their health concern, they all said they were satisfied with the service delivery of payment of claims. In a similar vein Ortola, Blanquer, Rodriquez , Rodrigo, Villagrasa and Climent (1993) advocates for an incorporation of the views of the users in the management of the health services as this will lead to fewer unsatisfied users.

4.3.2 NHIS and Access to Best Drugs against Extent to Which Health Concerns are Addressed

The survey also provided a feedback on whether clients of NHIS receive the best drugs when served under the health insurance scheme. It came out that 73.46% (156) of respondents think that they received the best drugs from the NHIS as against 26.54% (56) who thought otherwise (Figure 4.5).

Figure 4.5: NHIS and Access to Best Drugs against Extent to Which Health Concerns are Addressed



Source: Field Survey, 2011

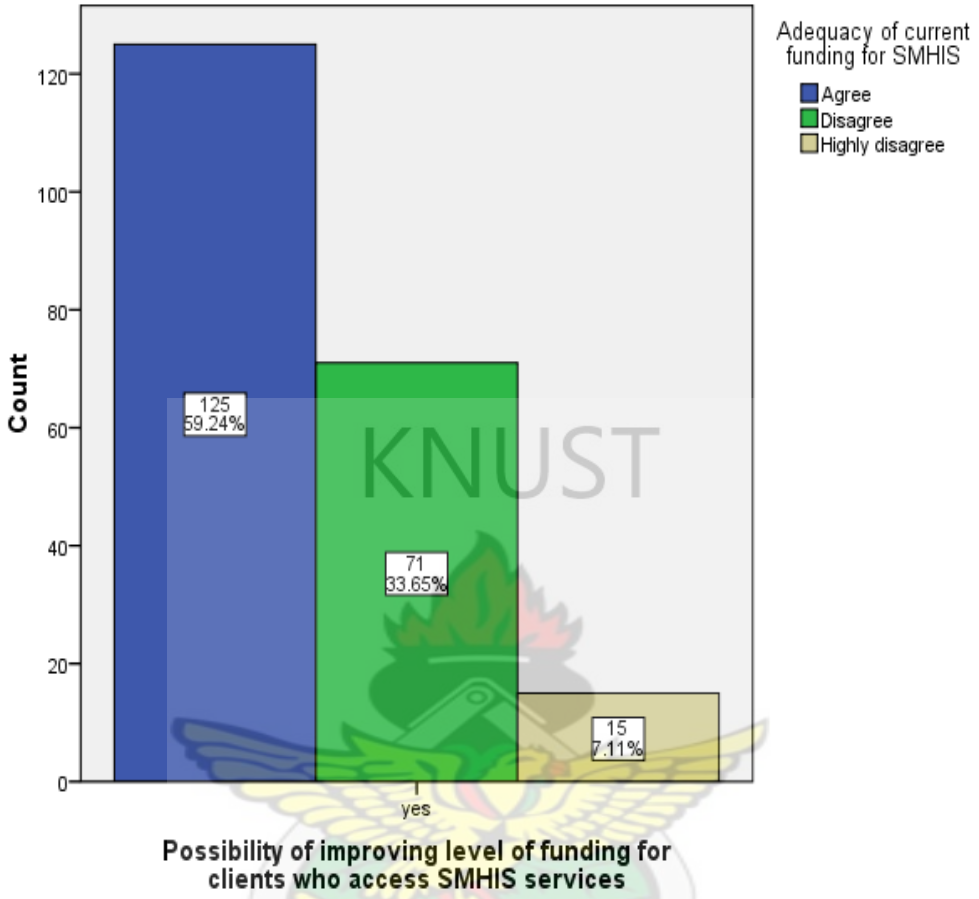
Of the 73.46% (156) of respondents think that they received the best drugs from the NHIS, 56.40% (119) said NHIS is addressing their health concerns as against 17.06% (36) who thought otherwise. However, all the 26.54% (56) said that the NHIS is addressing their health requirements. The study is however at variance with Patro, Rakesh, Goswami, Nongkynrih, and Pandav Chandrakant S, (2008) that indicated that a major client dissatisfaction has been the non availability of certain drugs.

4.4 Sustainability of the SMHIS

4.4.1 Alternate Sources of funding

The survey showed that 59.24% (125) of respondents agree that the NHIS is important in providing adequate funding for SMHIS, 33.65% (71) disagree where as 7.11% (15) highly disagree. In all, the 211 respondents agree that there is room to look for possibilities of improving funding for SMHIS services (Figure 4.6). Emmerson, Frayne and Goodman (2000) were rather of a different opinion to the process of deriving sustainable funding for NHIS. They rather states that, in addition to the costs of fund collection, cost administration will be low with an efficient financing mechanism, leaving as much revenue as possible for actual health service provision.

Figure 4.6: Suitable Funding against Adequacy of Current Funding Provided by NHIS



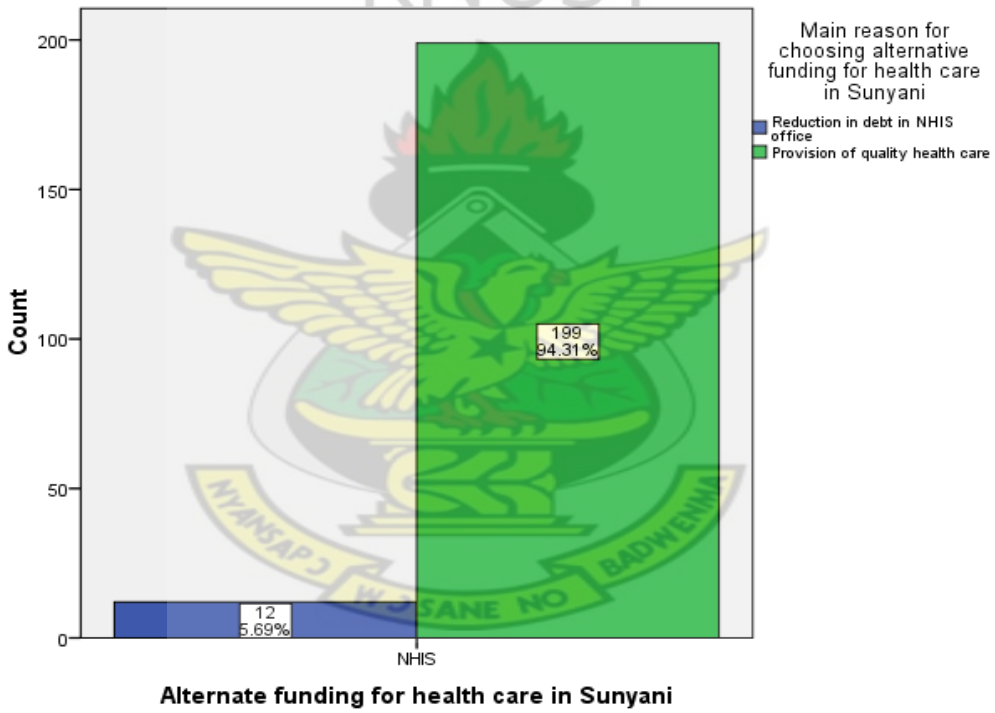
Source: Field Survey, 2011

La Ford (1995) also rooted their support in a review of the role of external support to health systems and suggests that system sustainability is the capacity of the health system to function effectively over time with a minimum of external inputs. Fond adds that sustainability in funding should include securing sufficient resources to enable improvements in the effectiveness of health care, use resources effectively and efficiently to meet health needs continuously basis and functioning with minimum external inputs. This indeed is a critical tool for providing sustainable funds for service delivery of SMHIS.

4.4.2 Reasons for Alternative Funding Arrangements for NHIS

Respondents have advocated for some alternatives to the present arrangement for NHIS. All respondents were emphatic about the fact that NHIA should continue funding the NHIS. This is suggestive of confidence clients have in the funding available for NHIS (Figure 4.7). In addition, 5.69% (12) of respondents asked the NHIS to reduce their debt in NHIS whilst 94.31% (199) advocated for the provision of quality health care by the health providers and NHIS in totality.

Figure 4.7: Reasons for Alternative Funding Arrangements for NHIS



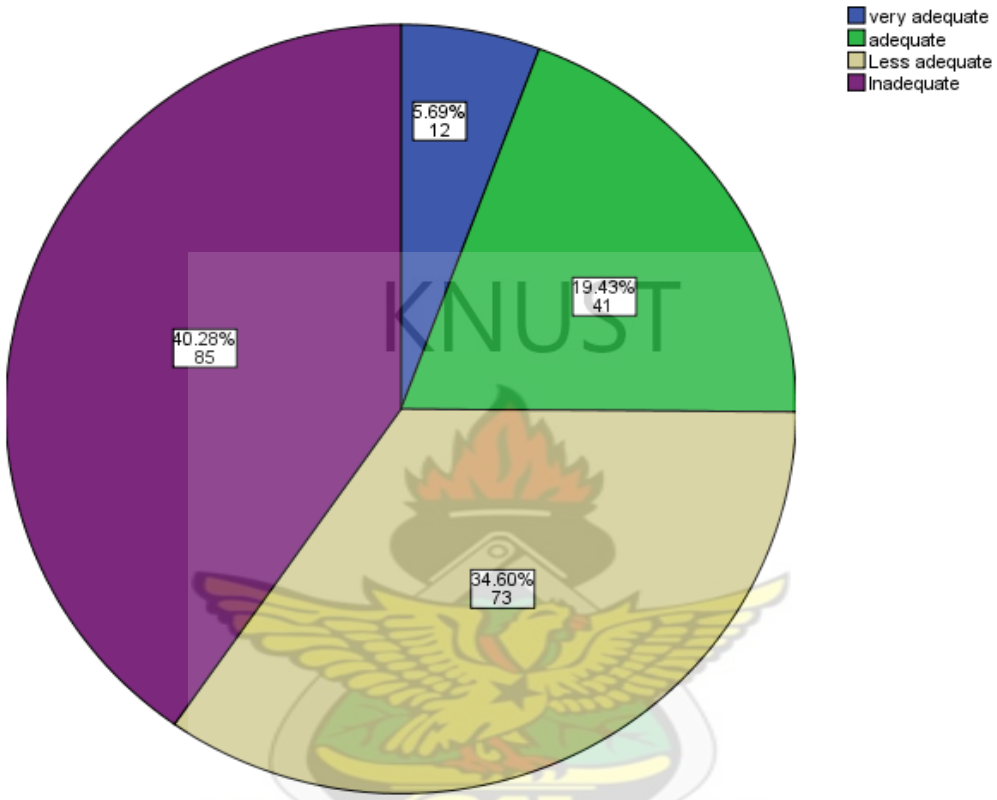
Source: Field Survey, 2011

4.4.3 Meeting the Expectations of the SMHIS

It came out of the survey, that the SMHIS have an expectation of improving the health care service delivery of its clients. Over twenty-five percent of respondents

agreed that SMHIS is adequate in meeting its health care service expectations. On the sustainability of funding,

Figure 4.8: Meeting the Expectations of the SMHIS



Source: Field Survey, 2011

In all, 25.12% (53) said the SMHIS is adequate in meeting the health care service expectations of its clients as against 34.60% (85) and 40.28% (85) for less adequate and inadequate in meeting the expectations of SMHIS respectively (Figure 4.8). Griffin 1992; Shaw and Griffin 1995; World Bank 1987, 1993 attempts to justify the reasons for sustainable funds by saying that international analysts suggests that using revenues from user fees to improve the quality of services will generate efficiency and equity gains through their impact on utilization.

4.4.4 Whether SMHIS is challenged in the Provision of Health Care Service to Facilities and Clients

The research sought information on whether the SMHIS is challenged in its work of providing health care services to facilities and clients in the Sunyani Municipality.

Over eleven percent of respondents agree that the SMHIS is highly challenged in its quest to provide quality health care service for its facilities and clients. This response was against that of 88.2% (186) respondents who said it is challenged. The outcome is an indication that the SMHIS should re-examine its work of service provision and ensure that it improves its health service performance adequately (Table 4.5).

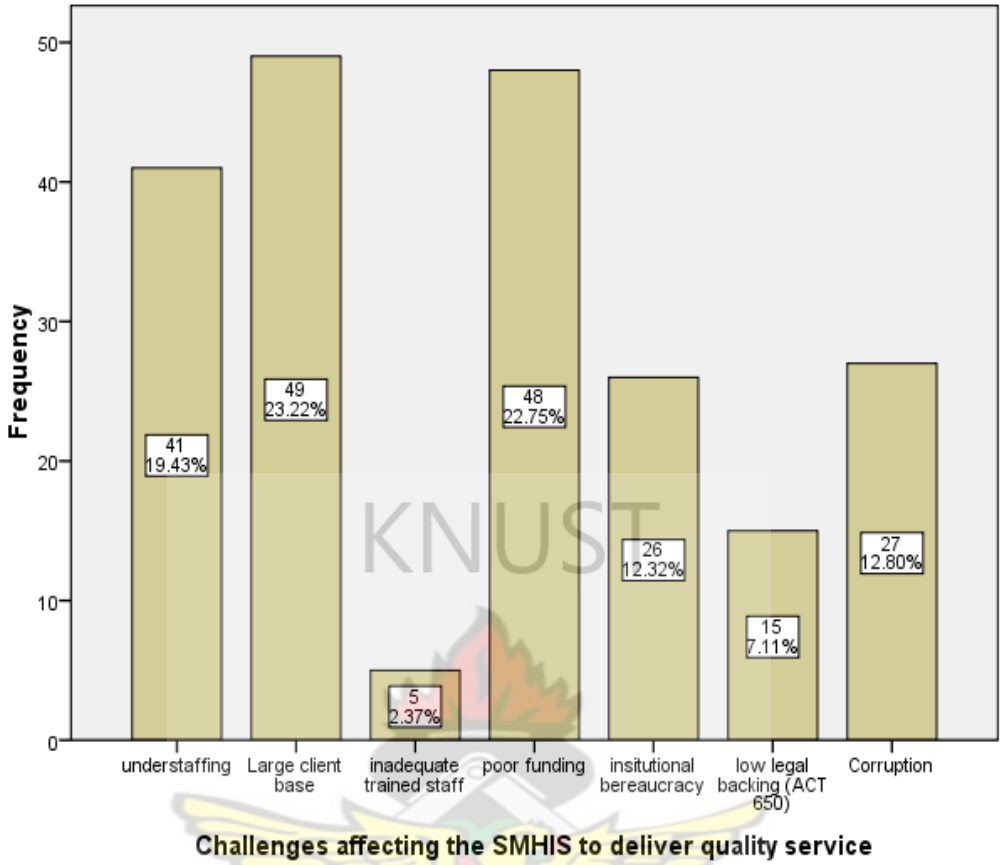
Table 4.5: Whether SMHIS is challenged in the Provision of Health Care Service to Facilities and Clients

	Frequency	Percent
Highly Challenged	25	11.8
Challenged	186	88.2
Total	211	100.0

Source: Field Survey, 2011

Figure 4.7 presents respondents' comments on the challenges facing service delivery of SMHIS. It came out that 19.43 % (41) of respondents think the challenge is that of understaffing at the SMHIS office, 23.22% (49) large client base, and this incidentally is the highest challenge that respondents identified (Figure 4.9).

Figure 4.9: Challenges Affecting Service Delivery of SMHIS



Source: Field Survey, 2011

Again, it came out of the survey that, 22.75% (48) of respondents believe that poor or inadequate funding was the major block affecting service delivery at SMHIS and this was against that of institutional bureaucracy and low legal backing which registered 12.32% (26) and 7.11% (15) respectively. Corruption as a challenge at SMHIS was selected by 12.80% (27) of respondents. The highest and lowest registered challenges were large client base and inadequate staffing respectively. In a similar dimension Ongoh, (2010) indicated that challenges to the service delivery of health schemes includes inter alia: lack of health facilities in many communities in the country, inadequate personnel in many of the facilities, and logistics for health care

delivery. In Ghana the NHIS has not fared differently as it continues to grapple with the challenges of funds, adequate and well trained staff including others. More so NHIS (2011) adds to the discussion in the challenges by stating that, while the law does not make it mandatory for the schemes to render accounts on their financial dealings to the Authority even with funds made available to them from public money, the Authority regularly funnels huge sums of money to them without the schemes being accountable for anything.

4.4.5 Addressing Challenges associated with Health Care Service delivery of SMHIS

In addressing the challenges associated with service delivery at SMHIS, respondent advocated for some important guidelines. This included 38.9% (82) who asked for an improvement in the staffing policies and practices of SMHIS. Over 6% (13) stated that training of staff at SMHIS office should be the prime attempt chosen at improving service delivery (Table 4.6).

Table 4.6: Addressing Challenges associated with Health Care Service delivery of SMHIS

	Frequency	Percent
Improved Staffing	82	38.9
Inadequate Trained Staff	13	6.2
Increasing Funding	63	29.9
Reducing Institutional Bureaucracy	53	25.1
Total	211	100.0

Source: Field Survey, 2011

Respondents who wanted the SMHIS office reduce institutional bureaucracy were 25.1% (53) whilst 29.9% (63) said that funding should be improved at SMHIS office.

It was quite clear that respondents have greater inputs for improving service delivery at SMHIS. In addressing the challenges of NHIS the President J. E. A. Mills advocates that, the National Health Insurance Authority (NHIA), should set for itself, the arduous task of delivering on what it calls "the NHIS promise" (NHIA, 2011). The salient ingredients of this gargantuan task set by the Authority for itself include a health insurance system that guarantees a one-time premium payment, a fully portable and sustainable national health insurance scheme fully supported and driven by a robust information technology (ICT) solution and an entirely restructured administrative and legal architecture of the Authority and scheme.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

This part of the survey provides the summary of key findings, conclusions and recommendations of the study.

5.1 Summary of Findings

The study showed that several challenges are affecting the smooth operations and service delivery of the National Health Insurance Scheme (NHIS) and the Sunyani Mutual Health Insurance Scheme (SMHIS). The challenges identified included understaffing, difficulty of serving large client base, inadequate funding and corruption.

Sources of funding for the operation and service delivery of NHIS are the National Health Insurance Authority (NHIA) and National Health Insurance fund (NHIF) as the funding roles of the two bodies are critical to the life blood of the health insurance industry in Ghana. Majority of respondents indicated that funding provided by the NHIA and NHIF were adequate to support the service operations of the NHIS.

A minority of respondents opted for autonomy in fund generation for the NHIS. Respondents unanimously agreed that there is no other alternative to the delivery of quality and affordable health care in Ghana as they believe NHIS should be adequately supported to delivery their function of health care service delivery.

Customers' perceptions on the quality of health care service delivery by the NHIS were diverse. Majority of respondents were happy with the prompt response to

complaints whilst the minority were satisfied with the process for the payment of claims.

Majority of respondents agreed that the NHIS was providing appropriate drugs for them and that the NHIS's health service delivery was very good.

5.2 Conclusions

Meeting the health requirement of Ghanaians would require the application of effective guideline policies and principles that integrates the inputs and concerns of all stakeholders of the health care service industry. Of outmost concern should be the incorporation of the perceptions of management of facilities and clients of the health care industry.

Availability of adequate funding for health care services is critical to the survival of health insurance schemes and for that matter the meeting the of the health care service and delivery requirements of health service facilities and clients in Ghana. Sustainable funding should therefore be the guiding principle for exploring any option for providing funding for the delivery of appropriate health care service in Ghana.

Currently, the NHIA and the SMHIS are appropriate for providing quality and affordable health care service delivery in Ghana more especially in the Sunyani municipality. It is therefore important the government, donor agencies and the people of Ghana actively embrace and support the activities and operation of these bodies in the provision of health care service to the ordinary Ghanaian.

5.3 Recommendations

It is recommended that NHIA should adopt ways of improving its funding challenges as it hold a key position to providing quality health care service to the people of Ghana. The NHIS should address these challenges by improving Staffing through effective and appropriate training programmes, removing unnecessary barriers that impede the progress of work.

The government of Ghana should review the NHIA Act 650 to suit the funding structure and requirements of the NHIS and SMHIS. It should also explore opportunities to increase the level of fund availability for the NHIS and its associated district offices. In this view too, the management should actively pursue a financial policy that seeks to reduce waste and corruption and encourage good financial practice and management at all offices, facilities and client service points in the country.

The NHIS and Sunyani Mutual Health Insurance Scheme (SMHIS) should frequently conduct action oriented researches; organize workshops and dissemination workshops to discuss the best practices in the health insurance industry. It should also open customer service outlets in their offices and use such places to source the concerns of partners and stakeholders in the health insurance industry.

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APPENDIX A

QUESTIONNAIRE

KNUST

Institute Of Distance Learning

Financing Health Care in Ghana: An Evaluation of the Mutual Health Insurance Scheme in Sunyani Municipality

This questionnaire has been designed to solicit information for purely academic purposes and your anonymity is guaranteed. I shall be grateful if you would answer them to the best of your ability. Indicate your answer(s) by a tick like this ( ), a short answer and a simple explanation where necessary".

Thank you.

DEMOGRAPHIC BACKGROUND OF RESPONDENTS

1. Name of Facility (Where being Assessed)

……

2. Sex of Respondent

Male ( ), Female ( )

3. Age of respondent

18 – 30 ( ), 31 – 40 ( ), 41 – 50 ( ), 51 – 60 ( ), 61+ ( )

4. How long have you been working with this health service facility.

0-5 years ( ) 6-10 years ( ),

11-15 years ( ) 16-20 years ( ), over 21 years ( )

5. Educational Background

a) Senior High School( ) b) Ordinary Level( ) c) Advance Level ( )

d) Higher National Diploma ( ) e) First Degree ( ) f) Masters Degree ( )

g) Other (please specify) ( )

6. Category of respondent in the Sunyani Mutual Health Insurance Scheme

a) Staff of Facility ( )

b) Client of Facility ( )

c) Staff of Sunyani Mutual Health Insurance Scheme ( )

THEORETICAL FRAMEWORK

Meaning, Types and Legal Concept of National Health Insurance in Ghana

7. Are you knowledgeable about the NHIS act (ACT 650)?

a) Yes ( ) b) No ( )

8. Is the NHIS act and Legislative Instrument (LI) adequate in sourcing adequate funding for the work if the National Health Insurance Scheme (NHIS)?

a) Yes ( ) b) No ( )

9. Are you aware of the roles of the National Health Insurance Authority and National Health Insurance Fund in providing funding for NHIS in Ghana?

a) Yes ( ) b) No ( )

OVERVIEW OF NHIS

Financial Management of Some Schemes

10. To what extent do you think the National Insurance Authority and National Insurance Fund adequate in providing funding for NHIS and SMHIS?

a) Very Extensive ( ) Extensive ( )

c) Less Extensive ( ) Not at All ( )

11. How relevant do you think the SMHIS should be autonomous (independent) in sourcing funding to meet the health service needs of its facilities and clients?

a) Very relevant ( ) b) Relevant ( )

c) Less relevant ( ) d) Irrelevant ( )

EMPIRICAL EVIDENCE

Clients Perception and Satisfaction with Financing Health Care from the NHIS in Ghana

12. Are you satisfied with the service of the Sunyani Mutual Health Insurance Scheme

a) Yes ( ) b) No ( )

13. What aspects of the Insurance scheme are you satisfied with?

a) Payment of Claims ( ) b) Customer service ( )

c) Prompt response to complaints ( ) d) Professionalism of staff ( )

e) None of a-d ( )

e) Others ( ) please specify ----------

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14. To what extent do you think your health concern addressed by the National Health Insurance Scheme (NHIS)?

a) Very Extensive ( ) Extensive ( )

c) Less Extensive ( ) Not at All ( )

15. Do you get the best drugs when you access health care through the use of the NHIS?

a) Yes ( ) b) No ( )

Financing Health Care and Insurance Services in Ghana

16. Do you think the current funding arrangement provided by the SMHIS is adequate?

a) Yes ( ) b) No ( )

17. Is it possible to improve the level and ways of providing funding for clients who access the SMHIS?

a) Yes ( ) b) No ( )

18. Which alternative would you choose for funding health care in Sunyani?

a) Cash and carry ( ) b) National Health Insurance Scheme ( )

c) Others( ) please specify ----------

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19. What is your main reason for choice your choice of 18 above?

a) Reduction in debt at NHIS office ( )

b) Quick claims ( )

c) Provision of quality health care ( )

d) Minimization of queues at health service centres ( )

e) Other ( ) please specify ----------

Challenges Facing the National Health Insurance Scheme in Ghana

20. Is the Sunyani Mutual Health Insurance Scheme adequate in meeting your expectations?

a) Yes ( ) b) No ( )

21. Do you think the SMHIS is challenges in the provision of health care service to its clients and facilities?

a) Yes ( ) b) No ( )

22. What are some of the challenges you think is affecting the ability for the MUHIS to deliver quality service?

a) Understaffing ( )

b) Large client base ( )

c) Inadequate trained staff ( )

d) Poor funding ( )

e) Institutional bureaucracy ( )

f) Low legal backing (ACT 650) ( )

g) Corruption ( )

h) Others ( ) please specify ----------

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23. How do you think the challenges of the SMHIS could be addressed?

a) Improved staffing ( )

b) Reducing work schedule ( )

c) Inadequate trained staff ( )

d) Increasing funding ( )

e) Reducing Institutional bureaucracy ( )

f) Effective Auditing ( )

g) Others ( ) please specify ----------
