



NHIA clarifies issues raised by the Ranking Member on the Parliamentary Select Committee on Health

On May 10, 2022, the Ranking Member on the Parliamentary Select Committee on Health, Hon. Kwabena Mintah Akandoh in a press conference raised several issues in respect of the National Health Insurance Fund (NHIF) and the sustainability of the *National Health Insurance Scheme (NHIS)*. The Management of the National Health Insurance Authority (NHIA) would like to clarify as follows:

- Collections of the National Health Insurance Levies (NHIL) into the Consolidated Fund occur over a period and therefore releases into the NHIF may delay sometimes. In the Allocation Formula approved by the Parliament of Ghana on April 5, 2022, an amount of **GH1, 393.14 million** was duly referenced as the total amount released by the Ministry of Finance into the NHIF within the year 2021.
- However, after the application of standard accounting reporting principles by the NHIA, an amount of GH1, 266.14 million was treated as payment for liabilities of the government to the NHIA. This left an amount of GH127 million which in the standard accounting reporting framework was attributed to the 2021 financial year.
- NHIA's Investment cover for claims however has been declining since 2009. For the year 2014, the NHIA Investment Fund had a closing balance of GH104.32 million which declined to GH77 million as of the end of 2016 with disinvestments of GH39.82 million in that same year. Investment cover as of the end of December 2021, stood at GH100.72 million. It is instructive to note that there have been no disinvestments since 2017 till date. This cover equates to 1.06 months of claims should the Scheme rely solely on its investments.
- By the NHIA's claims payment arrangement, the Scheme will always be in arrears to its Service Providers. By an agreement, providers have 60 days to submit their claims whilst the NHIA has 90 days to vet, process, and pay. Based on this, an accurate arrears position will be difficult to be determined at any point in time as this will depend on when claims are submitted to the NHIA. For example, between 25 – 30% of healthcare providers have submitted their October to December 2021 (last quarter) claims as of March 2022. It will be quite erroneous to state emphatically that the NHIA owes GH2.5 billion to providers for claims submitted to March 2022.
- Despite some challenges, the NHIA's active membership is at an all-time high of 16.75 million members amounting to approximately 54% of Ghana's population at the end of 2021.



- In recognizing the current inflationary trends especially affecting medicines, the NHIA has completed a thorough stakeholder engagement that reviewed its service tariffs and is awaiting approval by the Minister of Health before publication.
- It is evident that 2020 was an extraordinary year during which the Covid 19 Virus was rife and resulted in low hospital attendance for several people who ordinarily would have visited the hospital for routine medical checkups. 2020 also witnessed zero cases of cholera, for instance, thereby naturally reducing hospital attendance. Considering this, comparing 2014 hospital utilization to 2020 would be a mismatch. Ironically, a reduction in hospital utilization could also signify an enhanced healthcare delivery system where fewer people are falling ill or requiring medical attention.
- Recent Ministry of Health (MOH) indicators however suggest that life expectancy in Ghana is improving year on year and is currently 64.42 years as of the end of 2021. The mortality rate is 7.153 signifying a growth rate of -0.900% from 2020.
- In relation to Biometric ID card procurement, the NHIA has significantly reduced the number of cards purchased since the merger of the NHIS cards with the Ghana cards resulting in substantial savings. Prior to the merger, on average, the number of ID cards purchased annually was around 4.3 million. For the 2022 Allocation formula, the NHIA made provision to procure only **2.6 million Biometric ID cards** to provide uninterrupted access to healthcare for persons who do not possess the Ghana card especially children under 16 years and below.

The NHIA is open to discussions with all stakeholders to improve the sustainability of the Scheme and wishes to re-assure the public that Management is working continuously to achieve this and to meet our targets of Universal Health Coverage for all by 2030.

Signed:

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