

# Health Financing for Quality Care

## German Development Cooperation in Kenya

### Challenges and Opportunities

Every Kenyan has a constitutional right to quality and affordable healthcare, a requirement that the Government of Kenya has shown commitment to fulfilling. The Government's decision to ensure free maternity services indicates the high priority accorded to maternal and newborn health – a longtime primary area of focus for German Development Cooperation (GDC) in Kenya.

Kenya's rising economic growth and per capita income increases expectations for quality health services for a section of Kenyans. However, with more than 20 million Kenyans (around 40% of the entire population), living on less than USD 2 per day, many citizens are unable to access quality healthcare services. While maternal mortality, newborn mortality and other health indicators have shown positive trends (see table below), many targets set by the Millennium Development Goals (MDGs) have not been achieved. Progress needs to be accelerated.

### National Trends on Intervention-Related Key Indicators

MDG Target	Baseline 1990 <sup>(1)</sup>	MDG Target by 2015 <sup>(1)</sup>	Status as at 2014 <sup>(2)</sup>
Children under five mortality rate (per 1,000 live births)	98.9	32	52
Maternal mortality ratio (per 100,000 live births)	590	147	362
Births attended by skilled health personnel	44%	90%	62%
Contraceptive prevalence rate	39%	70%	58%

(1) Kenya Millennium Development Goals Status Report (2011); Government of Kenya and MDG stakeholders  
(2) Kenya Demographic and Health Survey 2014; Kenya National Bureau of Statistics; Ministry of Health et. al., Dec. 2015

National Health Insurance Scheme	2013	2016
Number of principal members (with 5 dependents on average also covered)	4.5 million	5.9 million

AT A GLANCE	
Years operating in the sector	20+
Number of counties covered	11+
Period addressed	2012–2016, perspective to 2018
Beneficiaries:	
<ul style="list-style-type: none"> <li>■ National strategies</li> <li>■ County management and governance</li> <li>■ Direct benefit from voucher programme</li> </ul>	45.5 million* 3.5 million** 700,000 ***

\* Population of Kenya  
\*\* Population of Kwale, Kisumu, Vihiga and Siaya counties  
\*\*\* Women in reproductive age who received vouchers for health services



Quality of health services and health insurance are important pillars of German Development Cooperation. Photos: GIZ Photo Archive

The Government of Kenya, GDC and several development partners are collaborating to improve access and quality of healthcare. Based on the country's vibrant private sector and well-established leadership in adopting innovative technologies, Kenya has the potential to make necessary improvements in efficiency, transparency and quality in the health sector.

## Our Approach

Through technical cooperation from the *Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH* and financial cooperation from KfW, the German Government supports national and county level administrations in establishing Universal Health Coverage, in line with the priorities of Kenya's Ministry of Health.

GDC focuses on improving access to quality health services for the poor, informal sector workers and disadvantaged groups. Quality management is reinforced throughout the healthcare system and beneficiaries are empowered to access quality services. The insurance payment mechanism encourages private sector participation, competition among health providers and financial contributions from beneficiaries.

GDC's health sector programme also improves quality management and accreditation processes for health facilities. Essential capacity development approaches developed with assistance from GDC are absorbed into national curricula and offered as training courses by academic and training institutions.



## Our Impact

- Improved access to safe delivery and quality family planning for more than 700,000 poor women through an innovative voucher system.
- About 200,000 pregnancies and 100,000 unsafe abortions averted due to voucher system.
- Service quality at facility level has been improved at 240 healthcare facilities.
- Health sector management and governance in Kenya's devolved system were strengthened with improvements and innovations in quality management, evidence-based decision-making, private sector involvement and civil society participation. For example, maternal death reviews have been institutionalised, and client satisfaction surveys and public expenditure tracking surveys have been introduced.
- Health services improved in three focal counties between 2013 and 2015: 39% more pregnant women attended all four antenatal checks, 27% more women delivered with the help of a skilled birth attendant, facility-based maternal mortality decreased by 20% and 28% more women received family planning commodities.
- National strategies for healthcare financing and healthcare quality have been informed by practice-based knowledge generation, studies and stakeholder consultation.
- Kenya's National Health Insurance Fund (NHIF), has increased its efficiency through leadership development and improved data management. GDC also contributes to conceptual modelling of approaches to cover members of the informal sector and the poor. Currently, about 1.5 million members of

**700,000**

BENEFICIARIES OF IMPROVED  
ACCESS TO SAFE DELIVERY AND FAMILY  
PLANNING THROUGH THE VOUCHER PROGRAMME



HEALTHCARE FACILITIES WITH  
SUPPORTED QUALITY  
**240** IMPROVEMENT

**100,000**  
UNSAFE ABORTIONS  
AVERTED

MEMBERS IN THE LARGEST PRIVATE  
**30,000** HEALTH INSURANCE  
FOR THE INFORMAL SECTOR,  
SUPPORTED BY GDC

*Left: An upgraded and well-equipped hospital unit for premature babies. Photo: KfW Photo Archive*



Counties in Kenya with health programmes supported by German Development Cooperation

**39%** MORE PREGNANT WOMEN ATTENDED ALL THEIR ANTENATAL CHECKS

**28%** MORE WOMEN RECEIVED FAMILY PLANNING COMMODITIES

**27%** MORE WOMEN DELIVERED WITH THE HELP OF A SKILLED BIRTH ATTENDANT

**20%** FEWER MATERNAL DEATHS IN HEALTH FACILITIES

Results between 2013 and 2015 in three focal counties with GDC advisors to the County Health Management Teams

the informal sector are covered under NHIF and 141,000 poor people are covered under a special programme piloted with support of development partners.

- GDC has successfully supported the establishment of the largest private health insurance for the informal sector, which now has 30,000 registered members.
- The Kenya Quality Model for Health (KQMH) for standardised assessment of quality in healthcare facilities has been operationalised and successively introduced at public and private healthcare facilities.

An expectant mother signs up for the voucher programme that gives her access to affordable antenatal, delivery and postnatal care as well as family planning services. Photo: KfW Photo Archive

### Examples in the Field

Lydia Awino Okore, 28, works as a casual labourer at a rice farm in Kisumu County, Western Kenya, earning KES 150 (about USD 1.42) per day. Her first child was born at home. However, she delivered her second and third children at the Nyangande Health Centre, thanks to a programme supported by GDC and the Government of Kenya, which issues safe motherhood and family planning vouchers to the poor.



Photo: KfW Photo Archive





A premature baby is kept warm in an incubator, in a hospital upgraded with GDC support. Photo: KfW Photo Archive

The KES 200 (USD 1.90) vouchers enabled Lydia to access quality antenatal, delivery and postnatal care at the health centre.

After her third delivery, Lydia bought a family planning voucher, and had a hormonal implant inserted. She opted for long-term family planning so as to dedicate her resources to raising and educating her three children in a manner that would secure their future.

Nyangande Health Centre received technical support from GDC in supervisory and management skills for essential health. This, along with reimbursements from the voucher programme, enabled the facility to improve the work environment and staff morale, upgrade infrastructure and refer complicated cases to other accredited amenities. Overall, Nyangande Health Centre has registered increased service provision in family planning, delivery and antenatal care, as well as reduced neonatal and maternal mortality. Previously a dispensary, the facility was upgraded to a health centre after renovating its maternity unit.

**FUNDS FOR THE HEALTH SECTOR**

Commitments 2010–2013	EUR 41.2 million
Commitments 2014–2016	EUR 19.1 million
Planned disbursements 2017–2019	EUR 17.7 million

A medical intern at Kisumu County Hospital holds the premature baby everyone fought to save, pictured here at the age of five months. Photo: Dr Magdalene Kuria/ GIZ Photo Archive



In Kisumu County Hospital, where GDC is supporting the establishment of quality management (QM) processes in cooperation with the facility, county and national agencies, a young woman delivered a premature baby, who, weighing just 700 grammes, had slim survival chances. By applying skills obtained from the QM training, the hospital's newborn unit team, led by the paediatrician who is also the county quality focal person, were able to save the baby, now a thriving 20-months-old child.

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