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Ghana's Health Sector Gets a US\$40 Million Boost

As World Bank Board approves two new projects to strengthen National Health Insurance, scale up fight against malaria and improve nutrition and child survival

WASHINGTON, July 3, 2007 - The Government and people of Ghana are to benefit from two new health sector Projects following World Bank Board approval of assistance totaling US\$40 million today. The Projects are:

- i. Health Insurance Project - US\$15 million
- ii. Nutrition and Malaria Control for Child Survival Project - US\$25 million

Ghana has enjoyed sustained economic growth in recent years. According to a recent Ghana Living Standard Survey (GLSS) report released by the Ghana Statistical Service, poverty indicators show a remarkable improvement, down to 28.5% in 2005/2006, from 39.5% in 1998 and 51.7 in 1991. This puts Ghana in the lead of its African peers as it positions itself to become the first nation to achieve - ahead of schedule - the MDG of halving poverty by 2015.

However, this favorable situation has not been equally translated into every aspect of human development, leaving the health and nutrition status of children lagging behind. Despite the health sector's general improvement over the past two decades, boosted particularly by the introduction of the National Health Insurance Scheme (NHIS), there remains a great deal to be done before the country can be given a relatively clean bill of health. Of all eight MDGs, the health related ones are those that are proving more difficult to achieve.

It is in light of this that, in its Growth and Poverty Reduction Strategy (GPRS II) and the new Health Policy - 2006, the Government of Ghana outlined a number of critical steps to be taken to improve the health of the nation. And development partners are ready and willing to support Ghana in this drive. Indeed, the sector-wide approach adopted by Ghana and her development partners in harmonizing and organizing assistance to the sector over the past decade is seen as global best practice.

World Bank assistance to Ghana's health sector, through its concessionary finance affiliate, the International Development Association (IDA), has increased over the past 10 years, and more than US 160 million has already been disbursed for various health related Projects including HIV/AIDS.

According to Evelyn Awittor, a Health Sector Specialist in the World Bank Ghana Office, *"these two new projects are strategic to the realization of the goals of Ghana 's Health Sector Policy, and it is our hope that all efforts would be made to implement the Project without delays to ensure improvements especially in child health. "*

Health Insurance Project

In 2003, the Ghanaian Parliament approved the Health Insurance Act 650 and in 2005 the National Health Insurance Scheme (NHIS) was officially launched. Health insurance was part of a broader policy to improve access to health care for the poor and improve financial sustainability of the health system. In particular, the NHIS was intended to eliminate the system of user-fees ("cash and carry") which was limiting access to health services for the poor. These user fees are thought to have contributed to recent stagnation in key health indicators.

The beneficiaries of the Health Insurance Project include (i) the National Health Insurance Council which will have improved processes for management oversight of the National Health Insurance Scheme and, therefore, greater control over the finances of the Scheme; (ii) the District Mutual Health Insurance Schemes which will have streamlined mechanisms for local level administration; (iii) the provider network including relevant institutions under the Ministry of Health and other quasi-governmental organizations and private providers which will have improved financial management and administrative mechanisms to improve management performance; and (iv) the Ghana Institute for Management and Public Administration, the Kofi Annan Centre for Information Technology and other training centers that will provide training in executive leadership, management and information technology.

Nutrition and Malaria Control for Child Survival

Despite improvements in poverty and food security levels, with poverty headcount declining by 7 percentage points since 1997, it is also a fact that the proportion of people with insufficient food has declined from 37% in 1991 to 18% in 1996 and further decreased to 11 % in 2003. Furthermore, health outcomes such as infant mortality (71 in 2006 vs. 65 in 2003 and 61 in 1998 per 1000 live births) and under five mortality rates (110 per 1000 live births in 2006, 2003, and 1998), have also stagnated since the late 1990s.

The main objectives of the Project are i) to improve utilization of selected community-based health and nutrition services for children under the age of two and pregnant women in the selected districts; ii) to strengthen institutional capacity of relevant institutions to deliver services at all level; iii) to create demand for and expand community-based delivery of selected health and nutrition services; and iv) promote the utilization of insecticide-treated nets for malaria prevention.

The Project will focus on outcomes with known links to child survival such as nutrition and malarial prevention and scaling up of strategies of community mobilization and communication as a means of building capacity for basic health and nutrition service delivery at the community level.

Mats Karlsson, World Bank Country Director for Ghana notes: *"It is regrettable that childhood deaths caused by preventable or treatable health conditions like malaria (26%), pneumonia (J 8%), diarrhea (J 8%), and neonatal factors (38%) are still with us. There is a lot to be said about people's attitude to hygiene and environmental sanitation, but whatever the case, let us not put the lives of children in danger, because of unacceptable behavior by adults. Let us clean up our acts and save lives, take advantage of the National Health Insurance Scheme and make Ghana a healthy happy nation for all of us and for future generations to come. "*

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For more information on the Health Insurance Project, visit