

**IMPLEMENTATION AND IMPACT OF COST-SHARING IN KENYA'S
HEALTH CARE SECTOR**

BY

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ABSTRACT

Introduction

The basic aim of this study is to examine the Role of Information in the Implementation of Cost-Sharing in Kenya's Health Service Sector, specifically among the middle income groups and the low income slum dwellers in Nairobi. Since the attainment of independence, in 1963, the Kenya Government health care Policy was not based on Cost-Sharing per se. Rather, the government subsidized heavily both health care programmes and education.

However, this policy was changed in 1989 when the Government adopted the Cost-Sharing Policy as a component of the Structural Adjustment Programmes demanded by both the World Bank and the International Monetary Fund.

METHODOLOGY

In studying the government's policy of Cost-Sharing in Health Service Sector, we conducted field work in Nairobi between February and November, 1993. Our study sample comprized of 194 respondents of whom 67 were middle income government employees. The remaining 127 were drawn from the low income slum dwellers in Kibera.

The respondents were purposively chosen. A prepared questionnaire was administered to all the 194 respondents and the results computerized and analyzed. The study also used secondary library data as well as results from oral interviews.

FINDINGS

Our findings revealed that the new government policy of Cost-Sharing in Health Service Sector has not fully addressed the health needs nor has it solved health problems of the slum dwellers in Kibera, Nairobi, where the field work for the study was done. It is evident from our field data that contrary to the assumptions of planners of the World Bank, the International Monetary Fund and the Kenya Government, the envisaged successful outcomes from the implementation of Cost-Sharing in Health Care Services Sector have not been forthcoming.

On the contrary, evidence shows that the programme is adversely affecting the vulnerable groups, the poor, particularly children and women more than was anticipated initially. The programme seems to favour the high income members of our society who can afford the high cost of treatment. Whereas, the low income groups as we discuss in chapter three tend to seek other forms of treatment such as going to herbalists and other forms of traditional treatments.

POLICY IMPLICATIONS

Arising from our study of the Implementation and Impact of Cost-Sharing in Kenya's Health Care Sector; we have identified four key areas that have critical policy implications to the Government of Kenya. These areas include :-

- (i) The early failure of the Government of Kenya, The World Bank and International Monetary Fund to integrate Poverty as part of the Structural Adjustment Reforms. Yet, poverty related concerns are extremely crucial in ensuring the success or failure of the implementation of the Structural Adjustment Reforms, more so the reforms that rely on the implementation

of Cost-Sharing such as Health and Education. (ii) The inability of the Government of Kenya to address conclusively the issues of Equity and Access to health services through Cost-Sharing. This is critical given the current Regional and National disparities with regards to Equity and Access to health care services and needs in Kenya. (iii) The problems arising from lack of adequate financial resources at the disposal of the government and the technical expertise; both of which are critical in the successful implementation of Cost-Sharing in health. (iv) Finally, the lack of adequate, relevant, appropriate and accurate information on health in general and in Cost-Sharing in particular have serious policy implications relating to the implementation of cost-sharing in health in Kenya. These policy implications are discussed in great detail in chapter five.

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