



## “PRIORITIES OF HEALTH ECONOMICS IN AFRICA”

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### **Parallel session 6: Facility funding, Costing and Budgeting of health services**

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#### **PS 06/5**

#### **Assessing the implementation and effects of direct facility funding in health centres & dispensaries in Coast Province, Kenya**

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#### **Background**

Health centres and dispensaries are a major source of primary level care for poor groups in rural Kenya, but there are a number of problems with their performance. This partially reflects inadequate access to resources at the facility level, especially since the reduction in official user fees charged. Moreover, there are concerns that the reduction in funds has in turn reduced community engagement through facility committees.

To address these issues, direct facility funding (DFF) has been piloted in all government facilities in Coast Province since 2006. Very few examples of similar funding mechanisms exist internationally for such peripheral health facilities. The funds can cover basic operating and maintenance expenses at facility level. The money is transferred directly into the facility's bank account, and each facility prepares a workplan and budget. As far as possible facility management committees (made up of community members and the facility in-charge) should be involved in planning and use of funds.

#### **Aim**

To explore the implementation and effects of direct facility funding in health centres and dispensaries.

#### **Methods**

This study was based on a conceptual framework which maps out how DFF may be hypothesized to increase utilization, improve quality of care, and reduce the financial burden of health care on households. The study aimed to document these hypothesized pathways, and any breakdowns in the chain, as well as looking for other unexpected consequence of facility funding.

The study was conducted in 2007-8 in two districts in Coast Province, purposively selected to include one stronger and one weaker performer based on managerial views. Quantitative data collection at a random sample of 30 public health centres and dispensaries included an interview with the facility in-charge, record reviews, and exit interviews with 10 patients per facility. In addition, in-depth interviews were conducted with the facility in-charge, and members of the health facility committee at a sample of 12 purposively selected health facilities, as well as with district staff and other stakeholders.

### **Key Findings**

Results will be presented on

- DFF income and expenditure, and how this complements existing health facility resources
- Key activities financed by DFF and their reported impact on health worker performance, quality of care and accessibility
- User fees charged
- Patients' knowledge and experience of health facility committees and other community engagement mechanisms
- Challenges encountered in DFF implementation

The implications for the planned nationwide rollout of DFF will be discussed.