**ECONOMIC IMPLICATIONS OF DELAYED REVIEW OF REIMBURSEMENT PRICES OF TRACER ESSENTIAL MEDICINES ON ACCREDITED HEALTH FACILITIES IN EJISU-JUABEN MUNICIPALITY, GHANA**

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**ABSTRACT**

In most developing countries where the menace of poverty places majority of the population beyond the reach of quality healthcare, governments have resorted to the use of social health insurance schemes in addressing financial gaps in accessing care. Fortunately, Ghana introduced National Health Insurance in 2004 to step up efforts at achieving universal health coverage and addressing gaps in health outcomes. However, infrequent reviews of the medicines reimbursement prices to contain the fluctuating economic trends renders National Health Insurance Authority’s (NHIA) reimbursement prices obsolete as quickly as they are set. This impedes quality healthcare delivery. This study evaluates the economic implications of delayed review of NHIA reimbursement prices for tracer essential medicines on NHIA accredited facilities in Ejisu-Juaben Municipality, Ghana. A cross-sectional study involving review of inventory records and invoices of purchases of thirty-four tracer medicines allowable at all levels of healthcare was done retrospectively from March 2016-December 2016. A multi-stage cluster sampling was deployed to initially form clusters of health facilities based on ownership types of public, private and mission facilities. Consequently, fifteen facilities were selected through simple random sampling from a sub-cluster of facilities formed within the main clusters based on level of care of the facilities. Quantitative method was used to assess per capita loss on medicines dispensed while the qualitative method explored providers’ perceptions on economic implications of price difference on pharmaceutical care. Data were analysed using Stata software version 12 and Microsoft Excel Version 2013. Sensitivity analysis was done to assess the robustness of the estimates over time. While Providers asserted that price difference in pharmaceuticals leads to loss of clientele, the study established a net per capita loss on the medicines surveyed in majority (8 in 10) of public and private facilities. Majority (6 in 10) of the mission-owned facilities have a net per capita gain on the dispensing of same medicines. Generally, the mean per capita loss is not statistically significant among the various facility ownership type (F {2, 12} =2.710 p-value=0.107).

Therefore, National Health Insurance Authority’s reimbursement prices for tracer essential medicines leads to net per capita loss on revenue generation and De-capitalization of the revolving drug fund in private and public health facilities. Frequent reviews or indexation of reimbursement may be helpful.

**Keywords:** **Insurance, Reimbursement, Health, Pharmacy, Tariff, Price, Medicine**

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