NHIS

Your access to healthcare

NATIONAL HEALTH INSURANCE AUTHORITY

2012 ANNUAL REPORT

NATIONAL HEALTH INSURANCE AUTHORITY

2012

ANNUAL REPORT

TABLE OF CONTENT

List of Figures

List of Tables

NATIONAL HEALTH INSURANCE AUTHORITY

VISION, MISSION AND CORE VALUES

VISION

To be a model of a sustainable, progressive and equitable social health insurance scheme in Africa and beyond.

MISSION

To provide financial risk protection against the cost of quality basic healthcare for all residents in Ghana, and to delight our subscribers and stakeholders with an enthusiastic, motivated, and empathetic professional staff who share the values of accountability in partnership with all stakeholders.

CORE VALUES

- Integrity
- Accountability
- Empathy
- Responsiveness
- Innovation

LIST OF COUNCIL MEMBERS

NATIONAL HEALTH INSURANCE COUNCIL	
Hon. Doe Adjaho	Chairman
Hon. Rojo Mettle-Nunoo (Dep. Minister of Health)	Member
Mr. Sylvester A. Mensah	Chief Executive
Dr. Elias Sory	Member
Dr. Stephen Ayidiya	Member
Mr. Samuel Akwei	Member
Mrs. Czarina Baeta Ribeiro	Member
Dr. Steve Ahiawordor	Member
Mr. Kwame Owusu-Bonsu	Member
Dr. Mercy Bannerman	Member
Mrs. Nyamikeh Kyiamah	Member
Mr. Kofi Asamoah	Member
Dr. Edward Abbah Foli	Member
Hajia Laadi Ayi Ayamba	Member
Mr. Anthony Dzadzra	Member
Dr. Hetty Asare	Member
Mrs. Aimee Yuori	Secretary

COUNCIL SECRETARY	**:**	**MRS. AIMEE YUORI**
REGISTERED OFFICE	**:**	**NO. 36-6 AVENUE, OPPOSITE AU SUITE, RIDGE INDUSTRIAL AREA, ACCRA**
AUDITORS	**:**	**ERNST AND YOUNG, CHARTERED ACCOUNTANTS**
BANKERS	**:**	**GHANA COMMERCIAL BANK, ECOBANK GHANA LTD**

EXECUTIVE MANAGEMENT	
Mr. Sylvester A. Mensah	Chief Executive
Mr. Nathaniel Otoo	Director, Admin. & General Counsel
Dr. Nicholas A. Tweneboa	Director, Operations
Mr. O. B. Acheampong	Director, Research & Development
Dr. Gustav Cruickshank	Chief Internal Auditor
Dr. Lydia Dsane-Selby	Director, Clinical Audit
Mr. Ben Kusi	Director, ICT
Mr. Ahmed Imoro	Ag. Director, Finance
Mr. Anthony Gingong	Ag. Director, Operations
Mr. Perry Nelson	Ag. Director, Claims
Mr. Winfred Agbeibor	Ag. Director Strategy & Corporate Affairs
Mr. Francis-Xavier Andoh-Adjei	Deputy Director, Strategy
Mr. Eric Ametor-Quarmyne	Deputy Director, Corporate Affairs
Dr. Francis Mensah Asenso-Boadi	Deputy Director, Research & Development
Mr. Rudolf Zimmermann	Deputy Director, Finance
Mrs. Adelaide Bunatal	Deputy Director, Claims
Ms. Mary Owusu	Deputy Director, Human Resource
Mr. Ben Yankah	Deputy Director, Actuary
Mr. Sam Buabasah	Deputy Director, Procurement (W&S)
Mrs. Aimee Yuori	Deputy Director, Legal (Council Secretary)
Mrs. Freda M. Bartels Mensah	Deputy Director, Procurement. (Goods)
Mr. Vitus G. Kaleo-Bioh	Deputy Director, ICT
Dr. Anang Adjetey	Ag. Deputy Director, Corporate Affairs

SYLVESTER A. MENSAH, CHIEF EXECUTIVE, NHIA

Sylvester A. Mensah is the Chief Executive of the National Health Insurance Authority**.** Prior to his appointment, Mr. Mensah was the Head of Public Sector Banking at the Intercontinental Bank (GH) Ltd., a lecturer at the Institute of Professional Studies (Ghana), and an Adjunct Lecturer at the Central University Graduate School. He had earlier worked as District Co-ordinator of the National Mobilization Program, rising through the ranks to the office of Greater Accra Regional Director of same in 1987/88. He has over 26 years working experience in the Public Services, Private Sector, Banking and Academia. Mr. Mensah was elected Member of Parliament for Dadekotopon constituency in the Greater Accra Region in 1997.

Under his stewardship as Chief Executive of the National Health Insurance Authority since July 2009, the NHIA has experienced significant growth in membership and utilisation, manifesting in increasing public confidence in the scheme. Mr. Mensah has introduced a raft of reforms and initiatives including the NHIA Call Centre, a modern Claims Processing Centre and Clinical Audit as an integral function of the Authority and piloted Capitation as an alternative provider payment mechanism. He has provided distinguished leadership and improved operational as well as financial efficiency of the scheme. Under his watch, Ghana's NHIS has become a leading global model, attracting international recognition.

Mr. Mensah holds an MBA in Finance from the UK, BSc. in Administration (Ghana), Diploma in Political Economy (Germany) and a Diploma in Public Administration (Ghana). He is a Member of the Institute of Business Consulting (MIBC), UK and a Council Member of the Global Marketing Network, Ghana. He serves on a number of private and public boards including the National Identification Authority of Ghana. He is an alumnus of the University of Ghana Business School, the University of Leicester in the UK and the Harvard University School of Public Health, where he pursued a number of health (insurance) financing related competency courses.

PROFILE OF DIRECTORS

NATHANIEL OTOO: DIRECTOR, ADMINISTRATION AND GENERAL COUNSEL

Mr. Otoo has over 22 years work experience spanning both the public and private sectors. Prior to assuming the position of Director of Administration & General Counsel at the Authority, he was Corporate Secretary at the Social Security & National Insurance Trust, an Export Development Officer at the Ghana Export Promotion Council and Projects Coordinator at Promasidor Ghana Limited.

A Lawyer by profession, Mr. Nathaniel Otoo completed his Professional Law Studies in 1988 after obtaining a Bachelor's degree in law from the University of Ghana. He also holds a Master of Arts Degree in International Relations from the International University of Japan, and has undertaken a Professional Training Course in Marketing and Management under the auspices of the Carl Duisberg Gesellschaft of Germany. He has participated in various health leadership courses.

DR NICHOLAS A. TWENEBOA: DIRECTOR, OPERATIONS.

With over 33 years working experience spanning several fields, particularly in the practice of medicine and in management, Dr Nicholas Tweneboa has over the years gained deep insight into the health sector, having worked in management capacity in several organizations and hospitals in the public, private and quasi-public sub-sectors. He has facilitated many workshops and undertaken consultancy services in health care quality management, strategy and systems development on behalf of a number of local and international organizations. He has intense interest in writing and health education which have won him a Valco Literary Award in poetry and an international award in diabetes education. He has a number of publications to his credit notable among which are: *Health care quality initiatives in Ghana: a case study of two district hospitals, Steps to Health and Echoes of Love.*

Dr Nicholas A. Tweneboa holds an MB, ChB degree from the University of Ghana Medical School and an MBA from the University of Leicester, UK.

AHMED IMORO: AG. DIRECTOR, FINANCE

Mr. Ahmed Imoro joined the Controller and Accountant General Department in 1995 and was seconded to National Health Insurance Authority as Principal Accountant in 2005. He was later appointed the substantive Deputy Director of Finance and has since 2006 been the Acting Director of Finance.

Mr. Ahmed Imoro has a Masters Degree in Business Administration (MBA-Finance) and a Bachelors degree in Business Administration (Accounting and Finance) from European University of Lefke.

OSEI B. ACHEAMPONG: DIRECTOR, RESEARCH AND DEVELOPMENT

Prior to joining NHIA, Mr. Acheampong worked for pharmaceutical companies developing contracting and marketing strategies for hospitals and health insurance companies. He also worked for health insurance companies where he managed provider networks and contracts, and developed and managed drug formularies.

Mr. Osei Boateng Acheampong holds a Master of Science degree in Health Policy and Management from Harvard School of Public Health specialising in healthcare financing, health insurance and international health. He had earlier studied at Brown University where he obtained a Bachelor of Arts degree in Urban Studies/Planning and Yale School of Management.

Mr Acheampong has served as a Temporary Advisor for WHO Guideline Panel on Pharmaceutical Pricing Policies.

BEN KUSI: DIRECTOR, ICT

Prior to his present appointment, Mr. Ben Kusi worked with Bank of Ghana as Head of Infrastructure and Project Manager on the IMPACT05 ICT project, between 2004 and 2005. He had also worked with the British National Health Service in the UK as ICT professional between 1998 and 2004. His expertise ranges from People Management, Information

Systems analysis and design, Project Management and implementation of Enterprise Architecture Solutions. Mr. Ben Kusi holds a Bachelor of Science degree in Electronic Engineering from Middlesex University, UK and a Post Graduate Diploma in Management Information Systems Design from the University of Westminster, UK.

DR. LYDIA DSANE-SELBY: DIRECTOR, CLINICAL AUDIT

A Medical Doctor by profession, Dr. Lydia Dsane-Selby worked as Medical Officer at Korle-Bu Teaching Hospital, Achimota Hospital and in the UK prior to taking appointment at the NHIA. She was a Deputy Director of R&D and later appointed the first Director of Clinical Audit of NHIA in 2010.

She holds an MBChB from the University of Ghana Medical School, Korle-Bu and a Post Graduate in ENT Surgery from the Royal College of England. She is an ICT Trained Microsoft Certified Professional.

DR. GUSTAV G.L. CRUICKSHANK: CHIEF INTERNAL AUDITOR

Prior to his present appointment, Dr. Gustav G.L Cruickshank was a lecturer in MBA, MSc and BSc degree programs in various institutions in the UK. He also worked with organizations such as Arthur Andersen representative office, Intercontinental Bank, LCBM (UK), Gabem Group (UK), Zenith Aegis Ltd (UK and Ghana). He has over 15 years international experience in management consultancy, accounting, finance, auditing and operations and strategic planning.

Dr. Gustav Cruickshank is a Chartered Accountant and has an MBA in Finance and PhD in Strategic Management. He is a Fellow of the Association of Chartered Certified Accountants, UK (FCCA), the Institute of Financial Accountants UK (FFA), the Institute of Business Consultancy UK (FIBC), a member of the Institute of Chartered Accountants, Ghana (ICAG) and the Institute of Internal Auditors (IIA). He is a project management professional with the PRINCE 2 Practitioner qualification.

PERRY NELSON: ACTING DIRECTOR, CLAIMS

Mr. Perry Nelson joined the NHIA in September 2009 as ICT Consultant and assumed his current role in June 2010. He has over 23 years working experience in the ICT industry and has played varied and critical roles in several major ICT projects across the USA, United Kingdom, Africa, and continental Europe. Perry has been ICT consultant to several blue chip companies such as IBM, Universal Music, Toyota Motor Company (for whom he spent over 7 years on several high profile projects), Bombardier, Lloyds TSB and Royal Bank of Scotland. Mr. Perry Nelson earned his Bachelor of Science degree in Computer Science from the Kwame Nkrumah University of Science and Technology in 1980.

Perry has been instrumental in the successful set up of the Claims Processing Centre and the development of strategies and policies for Claims Management within the NHIS.

WINFRED AGBEIBOR: AG. DIRECTOR, STRATEGY & CORPORATE AFFAIRS

Winfred is a business planner and marketing communicator with over 14 years experience in strategy, brand management, training and market research, from Banking & Finance, through International Development & Medical Industry to Consulting; both within and outside Ghana.

Before joining NHIA, he was the Commercial & Country Manager of The Nielsen Company (ACNielsen) Ghana, and also served as Head of Strategy & Corporate Affairs of Intercontinental Bank.

He has an MBA in Corporate Planning & Marketing from Vrije Universiteit Brussels, Belgium, a Master of Human Ecology from same, and a BSc. Agriculture (Agricultural Economics) degree from the University of Ghana.

CHAIRMAN'S ACKNOWLEDGEMENT

The NHIA presents its 2012 Annual Report in line with its enabling enactment.

During the year under review, management and staff of the NHIA exhibited a high sense of dedication to duty in order to record many achievements that inured to the benefit of all residents in Ghana. Many of the achievements recorded in 2012 would not have been possible without the support and selflessness of Board members who took time off their busy schedules to attend meetings and hold deliberations even at short notice. I do appreciate their commitment and valuable contributions.

I wish to congratulate the management and staff of NHIS for this work which has contributed to this remarkable performance during the year under review.

On behalf of the Board, I wish to express my gratitude to the Ministry of Health, the network of service providers across the country who provide valuable health care services to our insured, our cherished subscribers, our development partners and other stakeholders for their continued support and cooperation throughout the year.

Thank you.

HON. DOE ADJAHO
COUNCIL CHAIRMAN, NHIA

REPORT OF CHIEF EXECUTIVE

INTRODUCTION

The National Health Insurance Scheme (NHIS) was established by the National Health Insurance Act 2003, (Act 650) to provide financial access to quality basic health care for residents in Ghana. The scheme is currently operational in on hundred and fifty-five (155) district offices across the country. It has a total active membership of 8.8 million representing 35% of the population. A total of 3,575 health care facilities have been accredited to provide services to the insured.

SIGNIFICANT EVENTS AND ACHIEVEMENTS

The year 2012 witnessed a number of events, including the implementation of cost containment initiatives designed to contribute towards financial sustainability of the Scheme. Key initiatives and achievements recorded include the following:

Legislative review

The NHIA succeeded in getting the National Health Insurance Act, 2003 (Act 650) replaced with the National Health Insurance Act, 2012 (Act 852). One key feature of Act 852 is the integration of the hitherto semi-autonomous District-wide Mutual Health Insurance Schemes into a Single-Payer System, and thereby transforming same into district offices of the NHIA. This transformation is expected to inject some efficiency into the operations and management of the NHIS.

Piloting of Capitation

Following the successful negotiation for stakeholder acceptance of capitation as an additional provider payment mechanism in 2011, Capitation pilot was launched and successfully implemented in the year under review.

Commissioning of regional and district office buildings

The NHIA embarked on construction of regional offices to provide permanent office accommodation for the NHIA in the regions. In 2012, three regional offices (Brong Ahafo, Upper East and Eastern) were commissioned, while Northern, Upper West and Volta regional offices were ready for commissioning. Additionally, a new district office was constructed for the Hohoe Scheme while that of Jasikan Scheme was renovated.

NHIS call centre

The NHIS Call Centre was launched on 20th April, 2012 as part of efforts to empower NHIS subscribers and other stakeholders to seek immediate attention to issues that they may have with the scheme. NHIS stakeholders' forum

The 2012 annual stakeholder engagement was convened to deliberate on issues related to the sustainability of the Scheme. The meeting was at the instance of H.E. John Dramani Mahama, the President of the Republic of Ghana.

It was attended by key government officials led by H.E. the President of the Republic of Ghana, John Dramani Mahama, Minister for Health, Deputy Minister for Finance as well as a representation from Parliamentary Select Committee on Health . In attendance and valuably supporting the deliberations was a broad spectrum of discussants garnered from critical stakeholders of the National Health Insurance Scheme representing civil society, experts on health financing, health professional associations, the NHIA, healthcare providers, academia, and subscribers, amongst others.

Conclusion

I appreciate the team spirit and cordial working relationship with a technically efficient management team who have always kept their “eyes on the ball”. I salute all Directors, Deputy Directors, Managers and Officers of the Authority and Schemes and emphasize that I value your collective talents, co-operation and friendship.

I wish to thank all NHIS stakeholders for their continued support and commitment to building a sustainable health insurance scheme.

Thank you.

Sylvester A. Mensah

Chief Executive

1.0 INTRODUCTION

The National Health Insurance Authority (NHIA) is mandated by law to secure the implementation of the National Health Insurance Scheme. The Authority is responsible for the registration, licensing and regulation of health insurance schemes in the country. It also plays the role of supervising the operations of District Mutual Health Insurance Schemes (DMHIS), granting accreditation to healthcare providers and monitoring their performance for efficient and good quality service delivery. It is responsible for managing the National Health Insurance Fund and devising mechanisms to ensure that indigents are adequately catered for under the NHIS.

1.1 GOVERNANCE

The Scheme is governed by a 16-member Council drawn from various stakeholder organisations. The Council is under the chairmanship of Hon. Doe Adjaho, the First Deputy Speaker of Parliament.

1.2 MANAGEMENT

The Executive Management of the scheme is led by Mr. Sylvester A. Mensah, the Chief Executive. Other members include technical directors and deputy directors of various directorates/departments. To ensure accountability to stakeholders, NHIS is decentralised to the regional and district levels. The full lists of Unit Heads and other Managers, including Regional Managers of the NHIS may be found in the annex.

1.3 NHIS VALUE CHAIN

The value chain demonstrates how NHIS delivers value to subscribers through its primary and supporting activities.

The primary activities are membership registration and ID card management, provider accreditation and quality assurance, claims management and provider payments. These are supported by secondary activities which include research and development, monitoring and evaluation, ICT infrastructure and data management, financial and clinical audits, effective communication with internal and external publics, human resource management, conflict resolution and stakeholder management. Another key supporting activity is financing, which refers to financial resource mobilization and distribution.

Figure 1 shows the value chain.

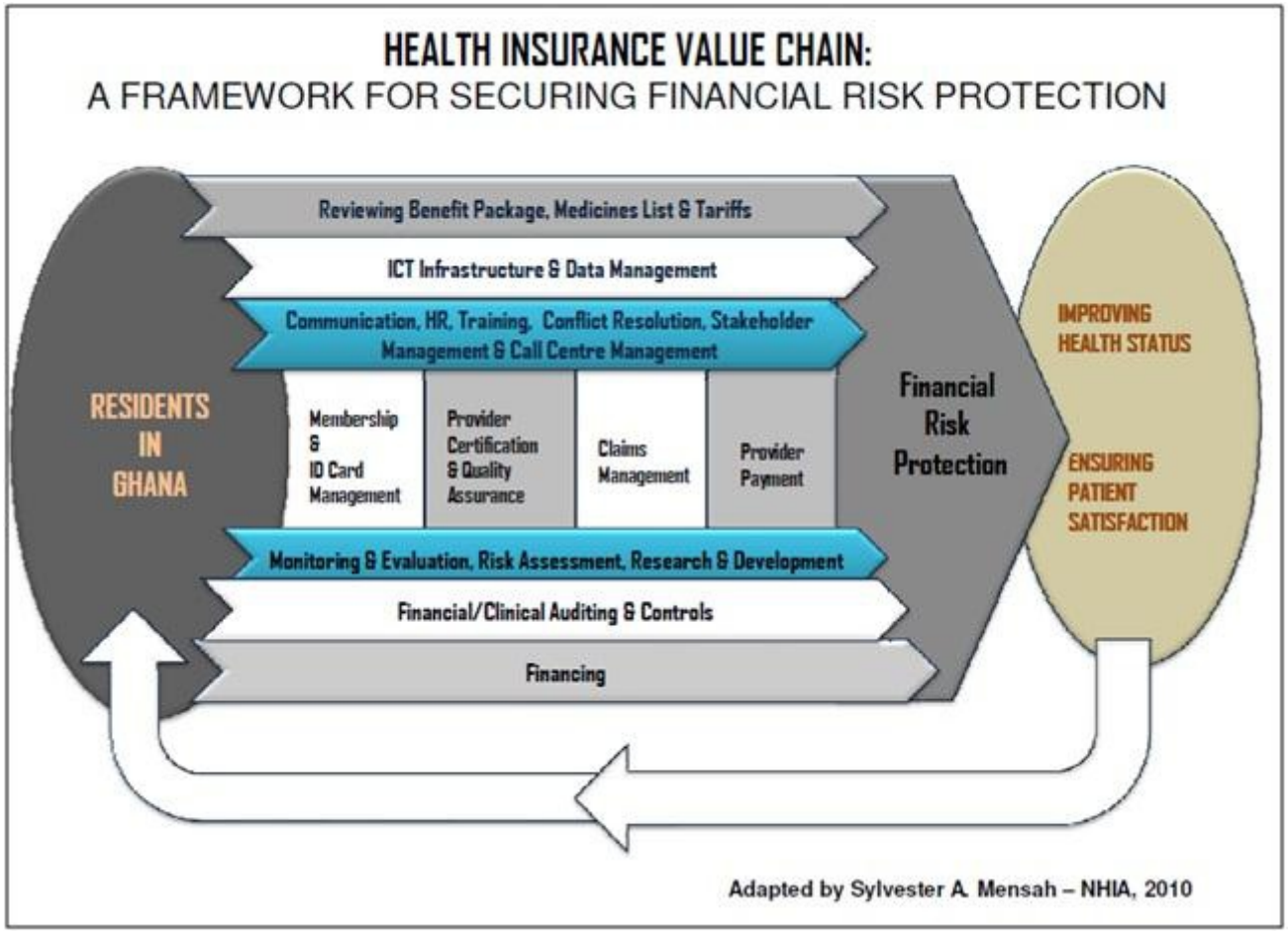


Figure 1: NHIS Value chain

1.4 CORPORATE GOALS

The corporate goals of the National Health Insurance Scheme are:

1. To attain a financially sustainable health insurance scheme.
2. To achieve universal financial access to basic health care services.
3. To secure stakeholder satisfaction.

1.5 CORPORATE OBJECTIVES FOR 2011-2014

The NHIS has developed a strategic plan to provide direction for the period 2011-2014 to enable management focus on its core mandate. The plan envisages achieving the following corporate objectives:

1. To mobilise 100% of the required funds by the end of 2014.

2. To increase efficiency in the financial operations of the scheme.
3. To increase active membership to 60% of the population by 2014.
4. To increase coverage of the vulnerable including the poor and the indigent to 70% by 2014.
5. To provide support to increase access to quality basic health care services in all districts.
6. To strengthen governance systems and improve human resource capacity.
7. To improve the quality of services accessed by members in the national health insurance system.
8. To improve the level of provider experience within the NHIS.
9. To improve involvement and participation in health insurance programmes.

2.0 OPERATIONAL AND FINANCIAL REPORTS

This section presents the operational and financial performance of the scheme for 2012.

2.1 OPERATIONAL REPORT

2.1.1 MEMBERSHIP

The total active membership of the scheme increased from 8,227,823 in 2011 to 8,885,757 in 2012 representing an increase of 8% over the previous year.

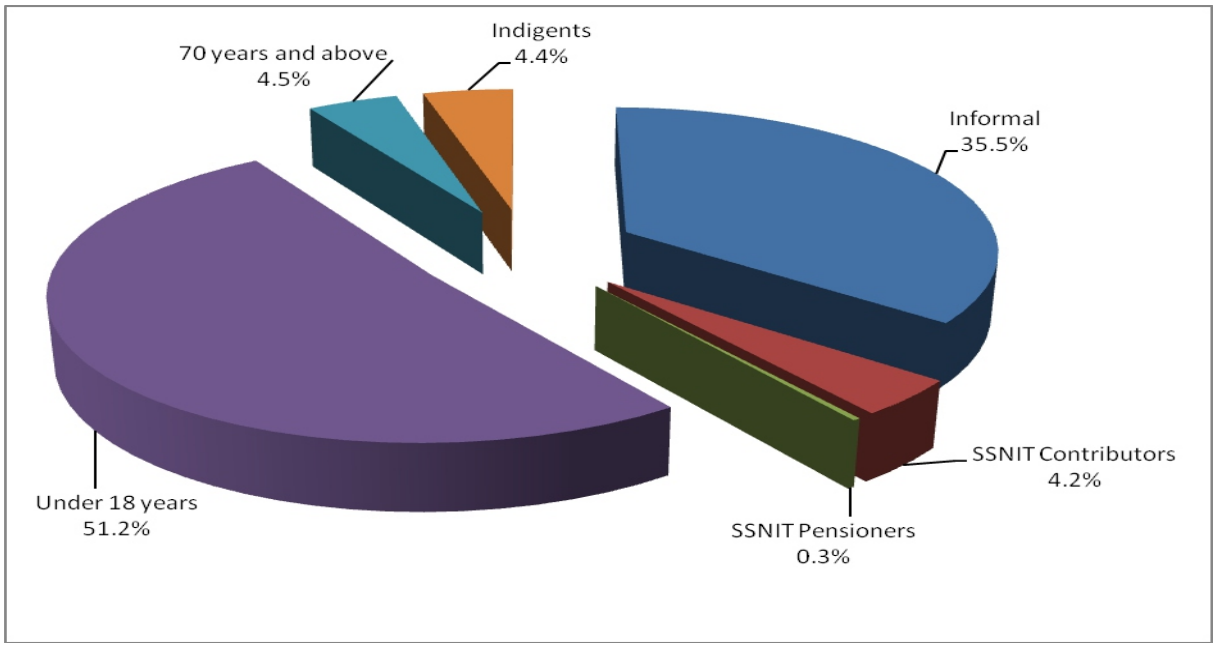
Table 1 shows the number of new members, renewals and total active membership distribution by region as at December 2012. In all, Ashanti Region recorded the highest number of active members followed by Greater Accra and Brong Ahafo Regions, respectively, with Upper West region registering the least.

Table 1: Active Membership (2012)

Region	New	Renewals	Active Membership
Ashanti	384,454	1,152,103	1,536,557
Brong Ahafo	355,534	738,680	1,094,214
Central	304,784	373,448	678,232
Eastern	368,063	668,202	1,036,265
Greater Accra	564,503	636,244	1,200,747
Northern	360,153	392,162	752,315
Upper East	177,239	384,120	561,359
Upper West	101,523	291,377	392,900
Volta	287,449	446,949	734,398
Western	345,965	552,805	898,770
National	**3,249,667**	**5,636,090**	**8,885,757**

Figure 3 shows that children under 18 years constitute more than half of active NHIS members. The premium paying members, that is, the informal sector constitutes approximately 35.5% of the active members. See chart below for details

Figure 2: Active NHIS Subscribers by Category 2012



2.1.2 FREE MATERNAL CARE (FMC)

The Free Maternal Care programme was introduced in July 2008 to contribute to meeting the Millennium Development Goals (MDGs) 4 and 5. Under this programme, pregnant women receive free medical care. The table below shows the new registrations under the FMC.

Table 2: New registrations under Free Maternal Care

Year	New Members Registered
2008	421,234
2009	383,216
2010	504,609
2011	485,460
2012	754,658

2.1.3 SUSTAINABILITY AND COST CONTAINMENT

The NHIA has been experiencing increasing claims and other costs over the years. While this may be attributed to the increasing number of active members, moral hazards that are associated with Insurance Schemes may not be ruled out. Accordingly, management instituted cost containment measures such as the establishment of a Consolidated Premium Account (CPA), strengthening of the Clinical and Internal Audit Divisions, linking of treatment to diagnosis, piloting of a new prescription form for deployment across the country the establishment of Claims Processing Centres (CPCs) and the introduction of capitation as an additional provider payment mechanism, beginning with a pilot in the Ashanti Region. These measures registered considerable achievements in the year under review.

During the period, telephone and electricity monitoring systems were introduced as a cost containment measure. As a result of these monitoring systems, the NHIA made total savings of approximately GHc200,000.

Enforcement of financial controls by the Finance Division, including the establishment of Consolidated Premium Account (CPA) contributed to consolidate improvement in premium collection within the scheme. An amount of GHc28.38m as against a target of GHc30m was realised from premium collection. Similarly, an amount of GHc6.7m was retrieved from health care facilities after clinical auditing of such facilities.

NHIA piloted Capitation as an additional provider payment mechanism in Ashanti Region in 2012. The primary objective was to introduce efficiency in claims management. The pilot programme encountered challenges relating to the selection of Preferred Primary Provider (PPP) at the initial stages. This resulted in some subscribers being turned away by providers if their names were not found on the facilities' enrolment list. Some private providers also refused to provide health services to NHIS clients and rather demanded cash for services rendered to subscribers.

As a way of addressing the issues raised, Management intensified public education in both print and electronic media to explain the concept of capitation to the public. Community durbars were also held in all the districts to educate the public about capitation. The aforementioned measures resulted in buy-in of providers and subscribers. Additionally, Management reviewed the entire package by maintaining medicines and maternal services under fee for service and G-DRG respectively. Also, blanks were assigned to providers to cater for subscribers who visited the facility but whose names were not found in the facilities' enrolment list.

2.2 FINANCIAL REPORT

The National Health Insurance Authority (NHIA) was first established by the National Health Insurance Act, 2003 (Act 650). In 2012, the Act was repealed and replaced by a new law (Act

852). The object of the Authority under Act 852 is to attain universal health insurance coverage in relation to persons resident in Ghana, and non-residents visiting Ghana, and to provide access to healthcare services to persons covered by the Scheme.

Section 39 of Act 852 establishes the National Health Insurance Fund (NHIF) and gives responsibility of its management to the Board. The object of the Fund is to provide finance to subsidize the cost of provision of healthcare services to members of the National Health Insurance Scheme.
For the purpose of implementing the object of the Fund, section 40 (2) of Act 852 stipulates that the monies from the Fund shall be expended as follows:

- to pay for the healthcare costs of members of the National Health Insurance Scheme;
- to pay for approved administrative expenses in relation to the running of the National Health Insurance Scheme;
- to facilitate the provision of or access to healthcare services; and
- to invest in any other facilitating programmes to promote access to health services as may be determined by the Minister in consultation with the Board.

The sources of money to the NHIF are provided under section 41 of the Act as follows:

- The National Health Insurance Levy (NHIL)
- 2.5 percentage points of SSNIT contributions.
- such money that may be allocated to the Fund by Parliament;
- Grants, donation, gifts and any other voluntary contributions made to the fund,
- Interest that accrues to the Fund from investments made by the Authority
- Fees charged by the Authority in the performance of its functions;
- Contributions made by members of the Scheme; and
- Monies accrued under section 198 of the Insurance Act, 2006 (Act 724).

During the year under review, the Authority earned a total revenue of GH¢773.83 million and incurred total expenditure of GH¢788.32 million resulting in net operating deficit of ¢14.49 million. Claims cost for the period was GH¢616.47 million, representing 78.2% of the total expenditure.

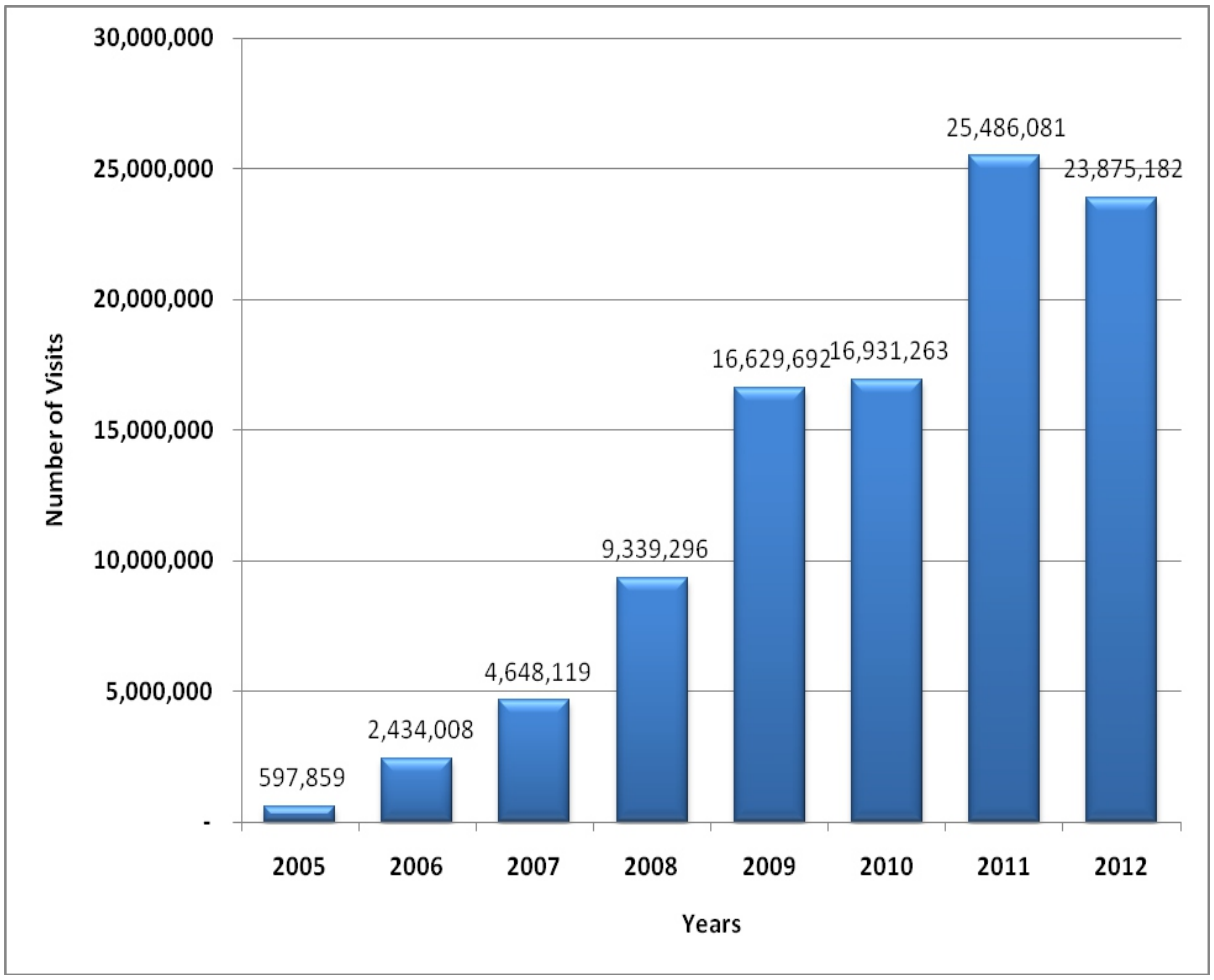
National Health Insurance Levy (NHIL) due from MOFEP at the end of 31 December 2012 was GH¢335.41 million. The Fund's investment portfolio stood at GH¢169.23 million as at 31 December 2012.

2.3 CLAIMS MANAGEMENT

2.3.1 OUT-PATIENT UTILIZATION

Out-patient utilization of healthcare services increased from 0.6 million in 2005 to 25.5 million in 2011. However, in 2012, outpatient utilization decreased to 23.9 million. Figure 3 presents outpatient utilization trend from 2005 to 2012

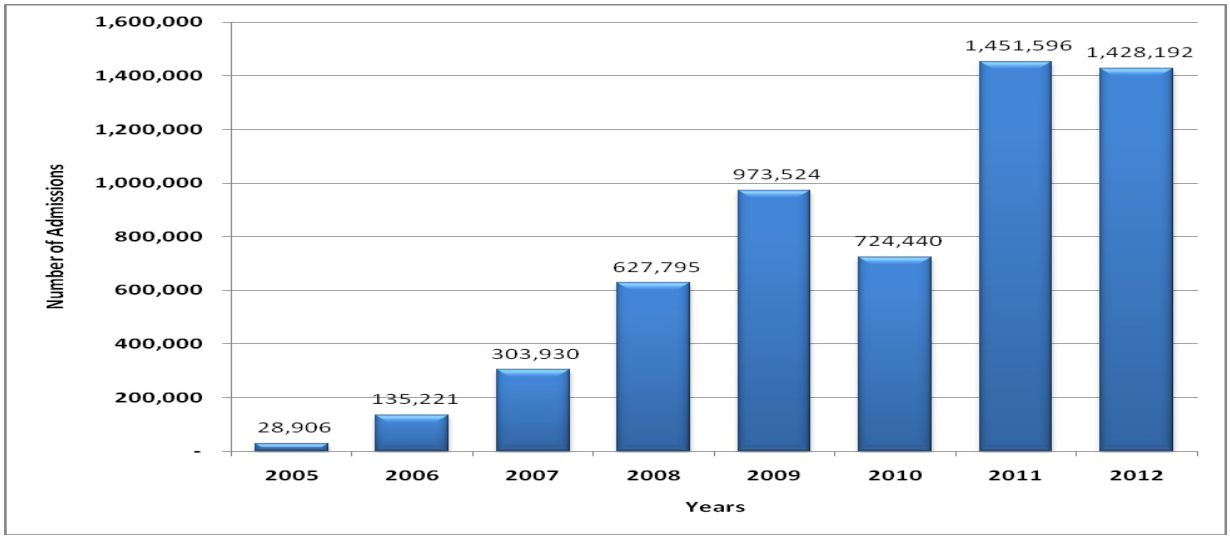
Figure 3: Out-patient Utilisation Trend



2.3.2 IN-PATIENT UTILIZATION

In-patient utilization increased from 28,906 in 2005 to 1,451,596 in 2011. In 2012, inpatient admissions decreased to 1,428,192. Figure 4 presents In-patient utilization trend from 2005 to 2012.

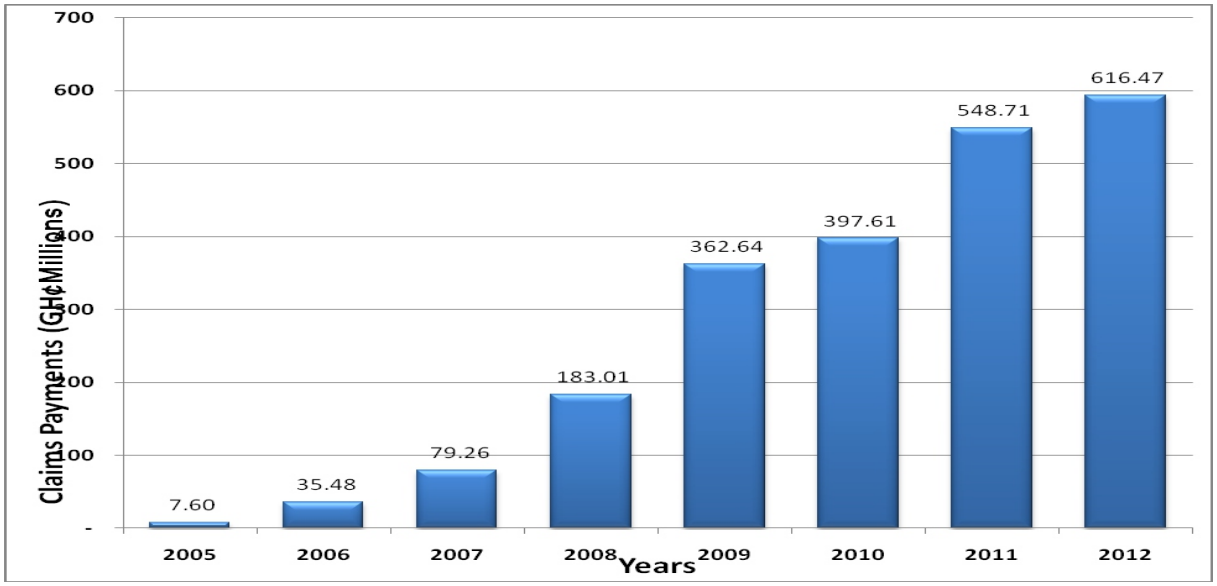
Figure 4: Inpatient Utilisation Trend



2.3.3 CLAIMS PAYMENT TREND

Claims payment is the major cost driver of the Scheme. Claims payment has increased from GH¢7.60 million in 2005 to GH¢616.47 million in 2012. Figure 5 shows the trend in claims payment from 2005 to 2012.

Figure 5: **Claims Payment Trend (GH¢ Millions)**



2.4 PROCUREMENT AND PROJECTS

NHIA procured various printing works and furnishings for satellite schemes across the country. Computers and accessories for the satellite offices, membership identification cards and renewal stickers were also procured for the schemes. Contract for the Biometric Membership Authentication System was signed to pave way for the introduction of biometric ID cards to subscribers. Contract for the construction of the Head Office Annex building project was signed and the project was planned to commence in March, 2013.

With regard to the construction of regional offices, six (6) out of the ten (10) were completed and the remaining four (4) which includes Ashanti, Central, Western and Greater Accra Regions were due for completion by end of February, 2013. Brong Ahafo, Upper East and Eastern Regional Offices have been commissioned, while Northern, Upper West and Volta Regional Offices are ready for commissioning. Five (5) out of ten (10) planned satellite offices were established and furnished with furniture and ICT items. 2.5 ADMINISTRATION AND HUMAN RESOURCE

In view of the new law the HR policies and procedures were reviewed together with Job Description for all jobs within the Authority. An Appeals Committee was established and a Staff Induction Handbook developed. To meet the human resource needs of the organization, a recruitment plan was developed in accordance with the revised organisational structure. Human Resource Department conducted sensitisation on Provident Fund, Job Evaluation and Conditions of Service among others. Performance Management was instituted through series of meetings with scheme staff and a Collective Agreement signed with the unionised staff.

The Authority successfully intercepted about five (5) high risk cases and effectively settled them through Alternative Dispute Resolution (ADR), and published over 80% of court cases against offending staff. Also, fraudulent acts or cases in which the crimes involved money above a certain financial threshold were prosecuted with ten (10) of such cases pending before the courts, and two (2) convictions secured. In the area of provision of logistical support, security was provided for all regional offices, and all company cars had GPS equipment installed on them.

2.6 PLANNING, MONITORING, EVALUATION, RESEARCH AND DEVELOPMENT

Weekly management meetings were held throughout the year to review activities and plan for ensuing weeks. As a way of reviewing performance and charting the way forward, management retreat was held at Akosombo from 13th-17th May 2012. It was attended by Council Members, Directors, Deputy Directors and Managers and 5 external facilitators. It afforded management the opportunity to deliberate on key policy initiatives such as One Time Premium, Capitation, and ID card management. Divisional Heads made presentations on their divisional performance for the past year and the outlook for the year 2012 while external consultants made presentations on specific areas of interest to the NHIS

.

Chief Executive making remarks after a divisional presentation

A cross section of staff at the meeting

Besides divisional performance monitoring at the head office, monitoring and supervision of the Schemes and the Health Service Providers was conducted by the regional office staff, while the Operations Division embarked on support visits to determine early challenges experienced by Schemes, Providers and Subscribers.

To strengthen the monitoring and evaluation system, 1,266 regional and district staff were trained on post-accreditation monitoring and evaluation, eight (8) staff were also trained abroad. The Research and Development Division conducted two (2) medicine pricing surveys, analysed data for new proposed prices and planned stakeholder engagement and implementation of new price list.

Surveys to identify problems associated with premium collection, NHIS Call Centre, supplier satisfaction, and evidence based surveys on membership registration and ID card management were conducted. Concept papers were written on new technological ways of collecting premium, and a common definition for indigents.

2.7 ICT AND DATA INTEGRITY

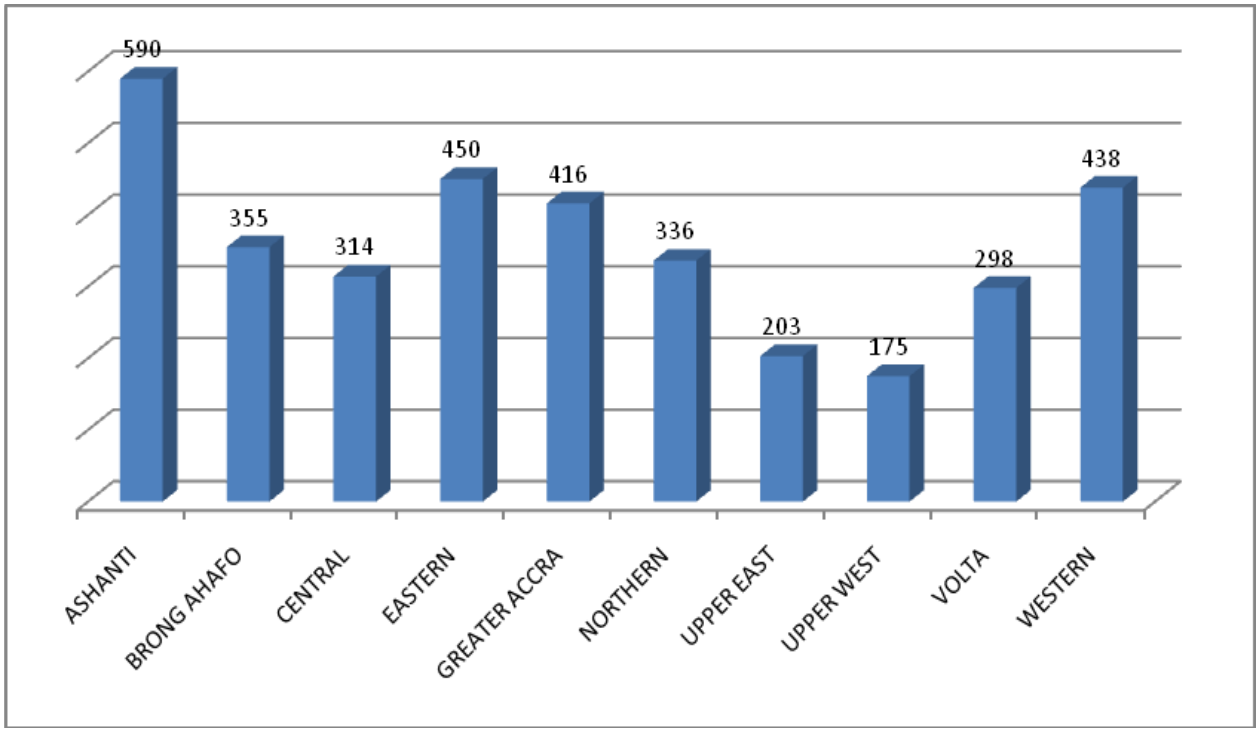
As part of measures to improve data integrity within the NHIS, the Authority commenced the process of introducing biometric solution in member registration. The project seeks to ensure clean membership database, prevent duplication of membership data, thereby preserving data integrity. Additionally, there will be instant issuance of ID cards at points of registration, thereby reducing challenges associated with ID card management. Additionally, the process to upgrade the data centre to ensure continuous system availability and improved performance commenced and would be completed by 2013.

2.8 ACCREDITATION AND QUALITY ASSURANCE

Accreditation in health care is a formal process by which a recognized body assesses health care institutions to determine whether or not they meet agreed pre-determined standards. It is a legal requirement in Ghana's NHIS with the mandate being given to NHIA for its implementation. The goal is to promote delivery of quality, safe, efficient and effective health care services to subscribers of the NHIS. NHIS accreditation started in 2005 on provisional basis using a minimal set of criteria with no inspection of facilities. A formal accreditation system was developed in 2008 and inspections began in 2009.

By the end of 2012, eight (8) batches comprising 4,069 facilities had been inspected, with 3,575 facilities having been accredited. Ashanti Region has the highest number of accredited facilities followed by Eastern Region with Upper West Region recording the least number of health facilities (see Chart on the next page)

Figure 6: NHIS ACCREDITED FACILITIES PER REGION



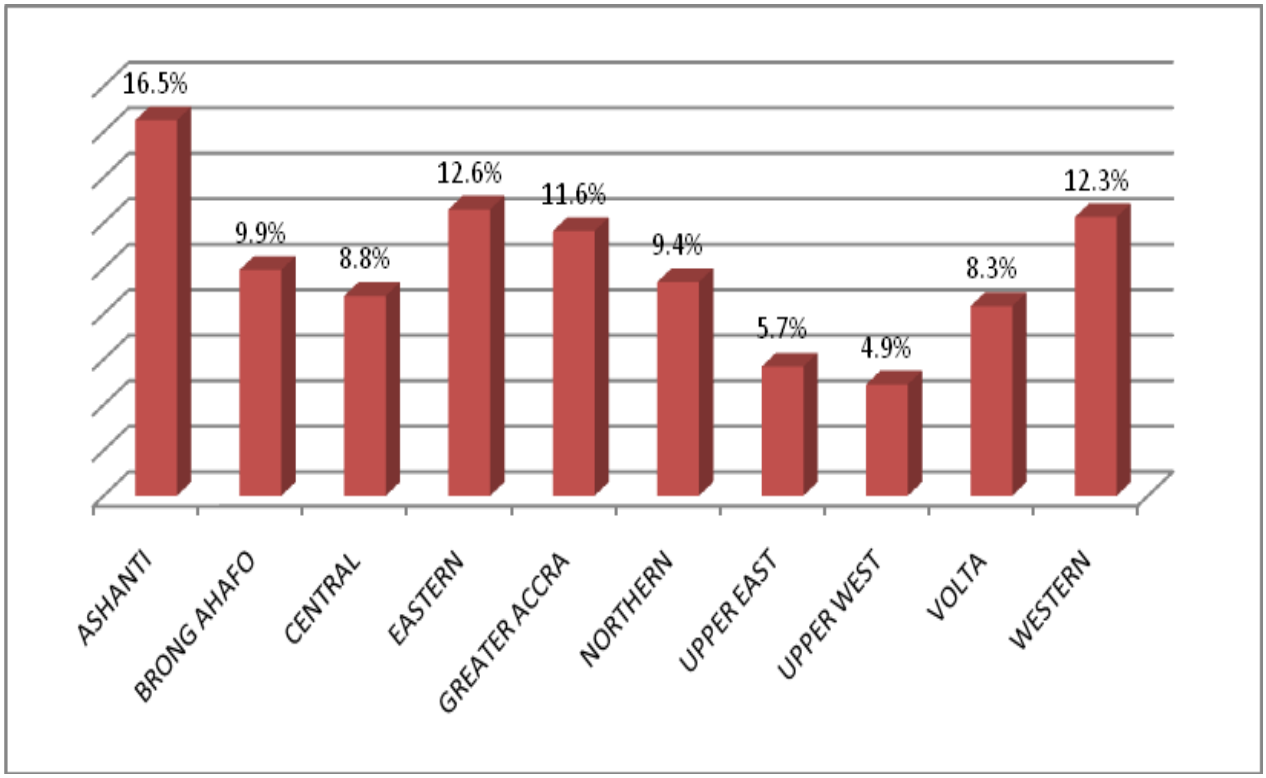
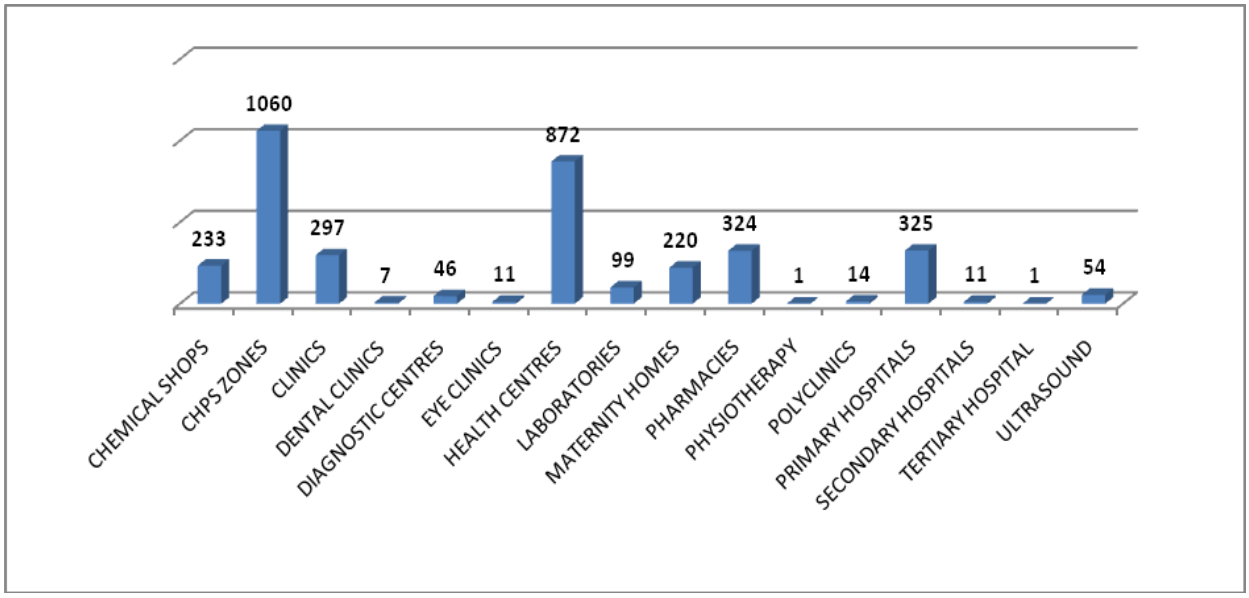


Figure 7: ACCREDITED FACILITIES BY TYPE



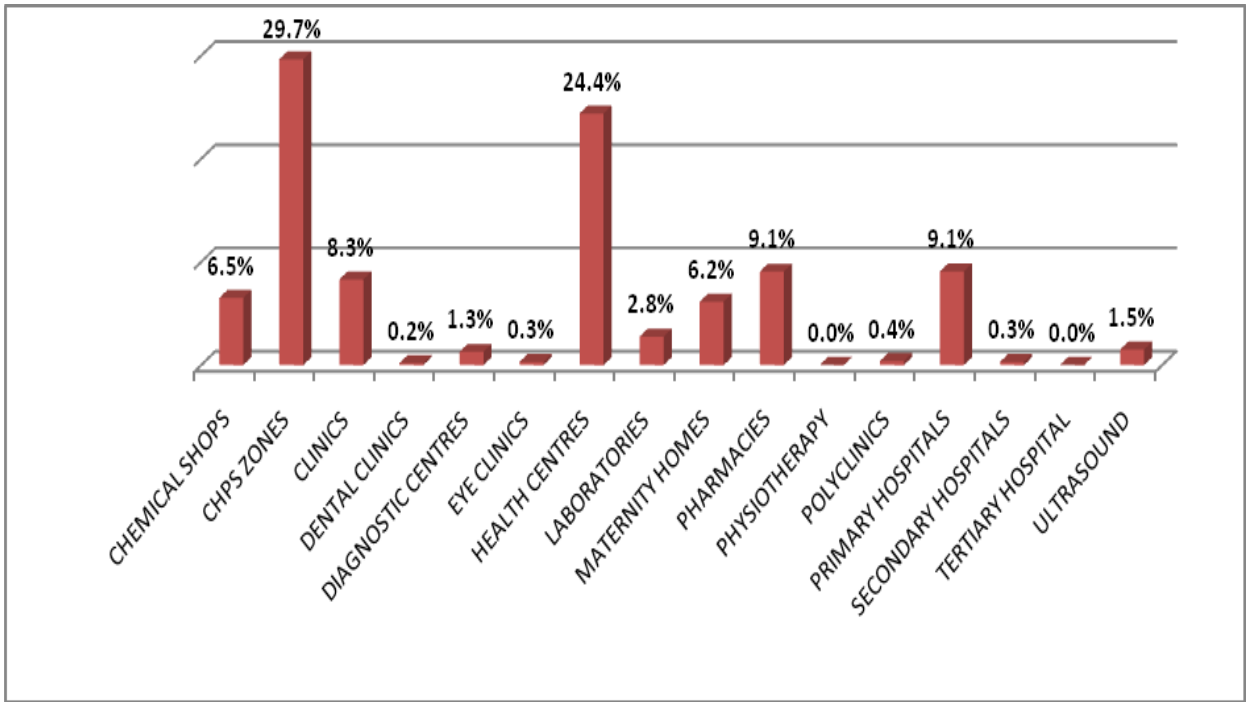


Figure 8: NHIS ACCREDITED FACILITIES BY OWNERSHIP

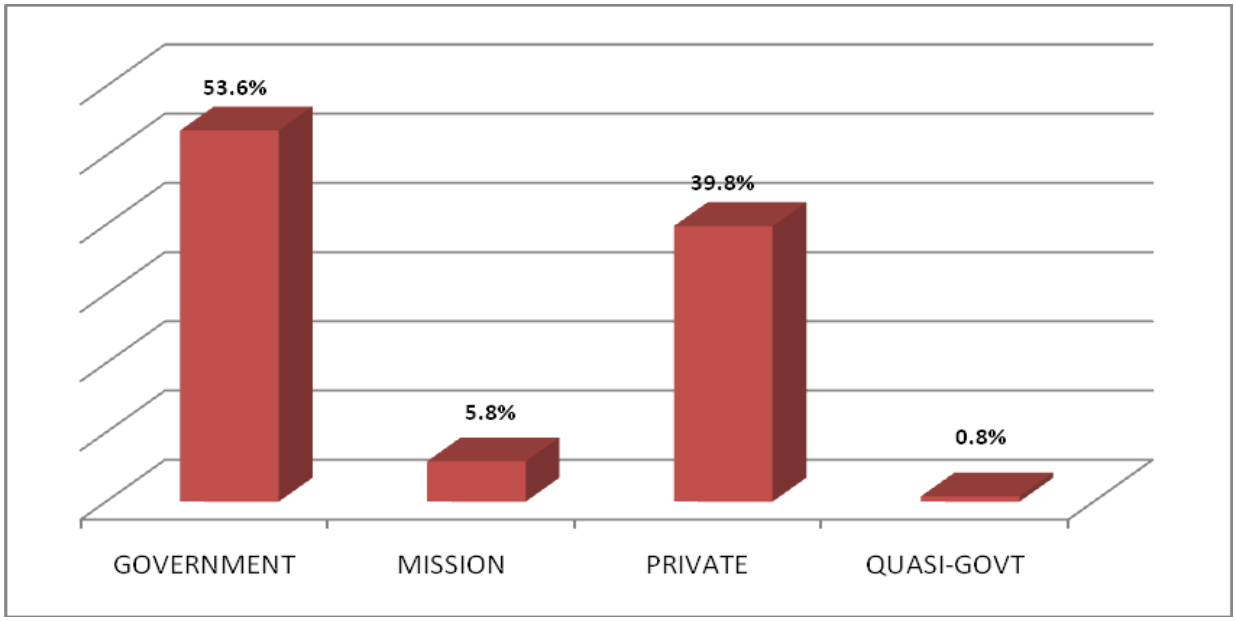
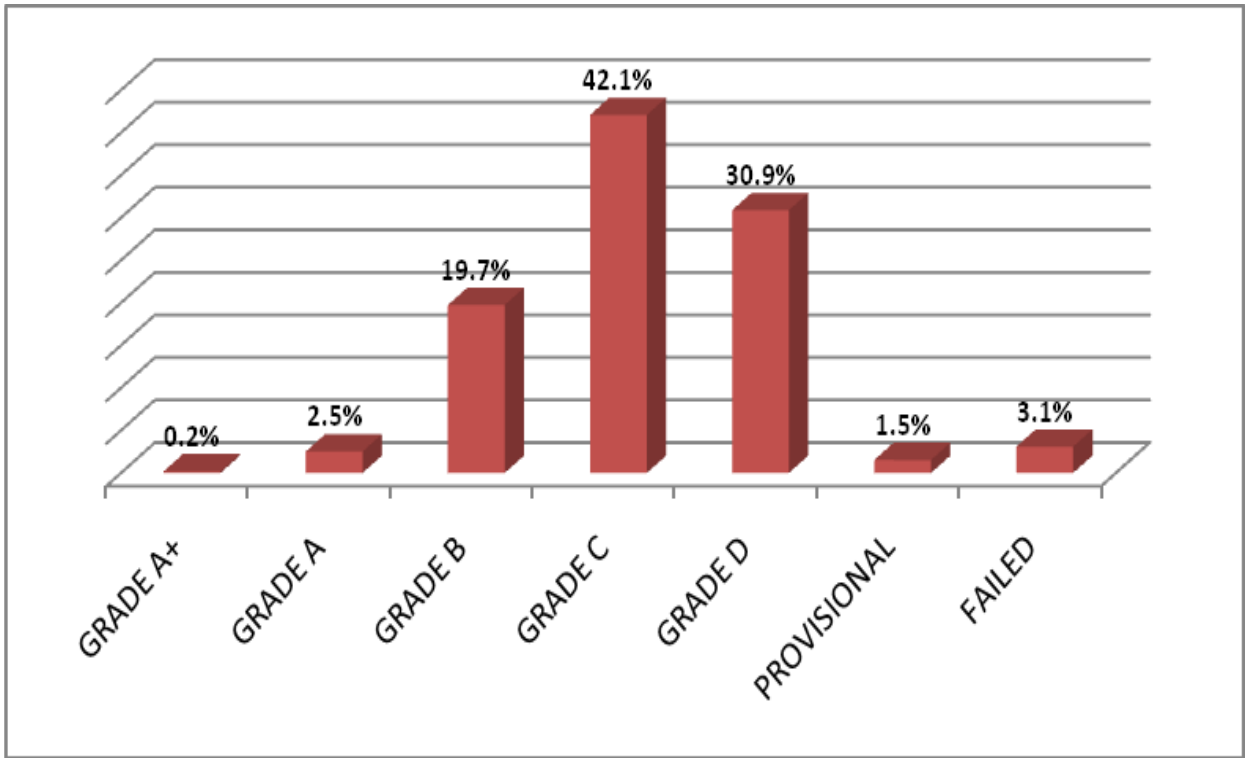


Figure 9: NHIS ACCREDITED FACILITIES BY GRADE



2.9 DISSEMINATION OF NHIA STRATEGIC PLAN

The NHIA Medium Term Strategic Plan was approved by Council for implementation in 2011. As part of the implementation process, a nationwide dissemination of the plan was carried out among staff of the NHIS from 26th March to 4th April, 2012. The rationale behind the exercise was to offer opportunity for presentation and discussion of the plan, highlighting responsibilities for success, and what to expect and to provide a platform for staff to interact with the strategic planning team. Each scheme was represented by the Scheme Manager and Public Relations Officer. At the regional office, the Regional Manager, Regional Accountant and Senior M&E Officer attended the meeting. Each Scheme Manager and Regional Manager was tasked to disseminate the plan to all other staff within their respective Schemes and Regional Offices.

2.10 MID-TERM REVIEW OF THE NHIA STRATEGIC PLAN

After two (2) years of implementation, the Authority, in line with its monitoring plan, conducted a mid-term review to assess its performance in relation to set objectives for the period.
Pursuant to that, the strategic planning team had conducted a desk review of relevant documents and produced an inception report which had been taken into consideration by Council Committee on Strategic Planning.

As part of the review process, Council Ad hoc Committee members on Strategic Plan tasked the NHIA Strategic Plan team to develop instruments for field data collection. The development of the instrument was first carried out in February, 2012, which was reviewed and finalized by the Council Ad hoc Sub-committee on Strategic plan. After the finalization of the instruments for the data collection, the Council Ad hoc committee then led teams to carry out nationwide field data collection exercises.

The first and second phases of the exercise were conducted from 15th- 21st July and 8th- 12th October 2012 in nine regions and Greater Accra respectively to interview scheme staff, providers, subscribers, non-subscribers and other key stakeholders including development partners, policy makers (general and provider groups) on the implementation of the NHIA Strategic Plan.

2.11 COMMUNICATION AND STAKEHOLDER ENGAGEMENT

The year under review witnessed a significant improvement in communication with key stakeholders and intensification of public education on NHIS operations. Below are some of the key activities conducted.

2.11.1 ANNUAL STAKEHOLDER MEETING

The 2012 annual stakeholder engagement was convened to secure consensus by key stakeholders on the way forward for financial re-engineering of the National Health Insurance Scheme (NHIS). The meeting was at the instance of H.E. John Dramani Mahama, the President of the Republic of Ghana. The meeting was held at the La Palm Royal Beach Hotel in Accra, Ghana on the 20th and 21st of December 2012. It was attended by key government officials headed by H.E. the President of the Republic of Ghana, John Dramani Mahama. Other members were the Minister for Health, Deputy Minister for Finance as well as a strong representation from Parliament, specifically the Parliamentary Select Committee on Health. Key stakeholders of the National Health Insurance Scheme, including civil society, health professional associations, experts in health financing, the NHIA, healthcare providers, academia, and subscribers, amongst others attended the meeting.
The crux of the meeting was the presentations by four key panelists from Ghana and Abroad who provided key insights into four critical areas around the issues of the long-term sustainability of the National Health Insurance Scheme (NHIS), and the feasibility of the One Time Premium Payment (1TPP) Policy. Key discussants as well as all discussants were given the opportunity to provide inputs to the presentations.

A Communiqué issued on the second day of the meeting was personally received by the President of the Republic of Ghana. Key among the consensus reached at the meeting and echoed in the Communiqué was the need for increased efficiency in health insurance expenditure, a call for a multi-faceted alternative revenue sourcing strategy; use of standardization, technical cooperation, product development, among others, to ensure that health care financing and service provision become mutually reinforcing in the spirit of providing universal healthcare coverage. On the issue of the implementation of the 1TPP, it was recognized that despite the probable useful role of the 1TPP in ensuring universal coverage, it is essential to acknowledge the financial burden and possible funding gap it will create which may deeply erode the capacity of the NHIS to remain sustainable. It was therefore the considered opinion of key stakeholders that the implementation of the 1TPP would be ill-advised.

Stakeholders also requested for His Excellency the President's commitment to provide high level advocacy for health insurance with the aim of achieving universal coverage; to provide leadership for the engagement of key stakeholders and implementation of strategic policy options; to ensure timeous and sufficient funding to the Scheme. Also, His Excellency the President was implored to lead a process where Cabinet considers and approves strategies other than the implementation of the one-time premium policy for accelerated realisation of universal healthcare coverage.

2.11.2 PUBLIC EDUCATION

A number of public education activities were carried out during the period under review. A thirteen (13) week radio campaign was launched with five (5) radio stations. Interviews were arranged for the Chief Executive and other officials of the NHIA to educate the public about NHIS policies and programmes. As a way of sensitising the public on capitation in the Ashanti Region, NHIA embarked on intensive community durbars in all the 28 districts in the Ashanti Region. The exercise was generally successful as it helped in improving public understanding of capitation in the region.

2.11.3 PUBLICATION

NHIA produced public education materials on policies and projects such as clinical audit, capitation, and free maternal care for the purpose of educating the public. The half yearly corporate magazine and the 2011 NHIA Annual Report were also produced to further inform the public about issues related to the implementation of the scheme. A copy of the Annual Report has been posted on the NHIS website to allow the general public and other interested parties have access to NHIS operations.

2.11.4 NHIS CALL CENTRE

To improve communication between NHIA and subscribers and other stakeholder groups within NHIS, management commenced the process of establishing a call centre in 2011.

The NHIS Call Centre was piloted from 1st February, 2012 to 19th April, 2012. During this period, members of staff were encouraged to make calls to the centre to test the preparedness of the systems set up for the public launch. It was also intended to ascertain the agents' knowledge of NHIS products, policies and procedures and their attitude and general professional expertise.

A total of 2,263 calls were made by different individuals from different parts of the country. A feedback form was used to obtain feedback from callers on their experiences. The form also helped to evaluate the responses given by agents during the test call period.

A random sample of a hundred responses from respondents proved that the call centre agents were professional, and responses given to the questions posed were largely helpful. It was also confirmed that the agents picked calls on time. These positive indicators then paved the way for the launch of the NHIS Call Centre.

Staff of NHIS Call Centre busily responding to calls

The NHIS Call Centre was officially launched on 20th April, 2012 at the main conference room of the Authority. The Minister of Information, Honourable Fritz Baffour performed the launch. Other guests who graced the occasion were some members of the Parliamentary Select Committee on Health, Ministers of State and members of the NHIA Council and other stakeholder groups. The call centre numbers 054-444-6447 and short code 6447(for MTN and Vodafone subscribers only) were unveiled.

Minister of Information Mr. Fritz Barfour delivering his speech to launch NHIA Call Centre

2.11.5 NATIONAL POLICY FAIR

NHIA participated in a seven-day National Policy fair organized by Ministry of Information at the International Conference Centre in Accra in May 2012. The purpose of the fair was to afford all the Ministries, Departments and Agencies, (MDA's) as well as the Metropolitan, Municipal and District Assemblies, (MMDA's) the opportunity to showcase government policies, programmes and activities they are executing and to enable the general public to have direct contact with officials of those MDA's and MMDA's. The National Health Insurance Authority and two (2) Mutual Health Insurance Schemes- Ashiedu Keteke and Osu Klottey jointly mounted an exhibition on the NHIS highlighting national membership registration, utilization, sources of income and expenditure and landmark achievements of the scheme.

2.12 STUDY VISITS BY FOREIGN DELEGATIONS

The period under review saw a number of foreign delegations from Africa and beyond visiting NHIA. The delegations from Zambia and Cameroon were in Ghana on different dates to study NHIS operations for possible adoption in their respective countries. Presentations were made on NHIS operations highlighting the history, achievement and challenges of the scheme. The teams were also taken on field visits to selected schemes and their accredited service providers.

Korean Delegation listening attentively to Director of Administration of the NHIA at the meeting

A Korean delegation was also in Ghana to explore the possibility of collaborating with NHIA to further improve the operations of the scheme. After lengthy discussions with NHIA management, the team unveiled a plan to support the NHIA. Per the road map outlined by the delegation, the first year will be a mutual learning process; staff of NHIS could visit Korea on study visits and vice versa for the first six (6) months. The ensuing six (6) months will be used to establish priority areas for assistance.

Additionally, USAID had series of meetings with the NHIA to identify areas and programmes they could support. NHIA is currently developing proposals for priority areas identified for financial and technical assistance.

Leader of the USAID delegation Dr. Ariel Pablos Mendez addressing NHIA management at NHIA board room

3.0 ACHIEVEMENTS

3.1 INCREASE IN ENROLMENT

The year under review witnessed an increase in NHIS enrolment. The total active membership of the Scheme increased from 8,227,823 in 2011 to 8,885,757 in 2012 representing an increase of approximately 8%. The high patronage expresses the confidence residents in Ghana have in the scheme. To ensure equity in financial access and coverage of the poor and vulnerable, the Authority embarked on special registration exercises to enrol persons with mental disorders, residents of Leprosaria, pupils in special needs schools, children in orphanages and LEAP beneficiaries among others.

3.2 PASSAGE OF NEW LAW

A critical feature of the year 2012 was the repeal of the National Health Insurance Act, 2003 (Act 650) and the subsequent passage of the new National Health Insurance Act, 2012 (Act 852). The law makes it mandatory for all residents in Ghana to belong to NHIS in line with NHIS objective of achieving universal health coverage. The law also seeks to establish a unitary scheme as opposed to individual district mutual schemes and the harmonisation of the NHIS operations to ensure effective and efficient delivery of service

3.3 LAUNCHING OF NHIS CALL CENTRE

The NHIA launched a Call Centre with thirty (30) seats with calls received in six (6) languages. This initiative exhibits the open door policy and effort to make the scheme accessible to all stakeholders especially our cherished subscribers. It also seeks to provide feedback for management decision making.

3.4 COMMISSIONING OF REGIONAL OFFICES

During the period under review, three regional offices (Brong Ahafo, Upper East and Eastern) were commissioned, while Northern, Upper West and Volta regional offices were ready for commissioning. Additionally, a new district office was constructed for the Hohoe Scheme while that of Jasikan Scheme was renovated.

4.0 CHALLENGES

In spite of progress made over the years, there are still some challenges militating against the implementation of the scheme. These challenges include financial sustainability of the scheme, identification of the poor and vulnerable, ID card management, quality of care and slowness of the ICT system.

4.1 FINANCIAL SUSTAINABILITY OF THE SCHEME

Financial sustainability of the scheme remains a big challenge to management given the increasing demand for health insurance and its consequential increase in health care service utilisation. Other challenges identified include demand and supply side moral hazards, non adherence to the gatekeeper system and efficiency challenges.

4.2 IDENTIFICATION OF THE POOR IN THE INFORMAL SECTOR

The National Health Insurance scheme is a pro-poor programme that focuses attention on targeting the poor for exemption. The general perception, however, is that the poor are not adequately covered by the scheme. The inadequate coverage could be attributed to the difficulty in identifying them for exemption.

Management is therefore collaborating with officials managing the Livelihood Empowerment Against Poverty (LEAP) programme to identify as many poor people as possible for health insurance coverage. Other methods of targeting the poor for exemption are also being explored to improve coverage of the poor.

4.3 ID CARD MANAGEMENT

ID card management is one key constraint facing the scheme. There are delays in members obtaining their cards on time because there are delays along the entire ID card management chain, arising from data entry, data batching, card production and distribution. Card distribution constraints are occasioned by several factors including difficulty in locating places of residence particularly in the urban centres, change of residence and double registration. Management has therefore taken the initiative towards the introduction of biometric registration and instant issuance of ID cards to NHIS subscribers.

4.4 ICT

The slowness and frequent down time of the ICT system continue to pose serious challenges to efficiency and effectiveness at all levels of the NHIS operations. Data entry and batching of data for ID cards production, intranet and internet operation, checking of subscriber eligibility at provider sites are all affected by the slowness and frequent downtime of the ICT system.

4.5 QUALITY OF CARE

The increased attendance at many health care facilities coupled with poor attitude of some health workers has affected the quality of care received by NHIS subscribers. This is manifested in some providers extorting monies from the subscribers under the pretext of co-payment - an illegal form of cost sharing. In some cases, NHIS subscribers are given prescription forms to purchase medicines from pharmacies and chemical shops instead of being served at the healthcare facility.

5.0 OUTLOOK FOR 2013

With the passage of the new health insurance law, (Act 852), the operations of the Scheme will require restructuring and reorganisation in line with the provisions of the law. Additionally, issues on increasing universal health coverage and attainment of financial sustainability will be given attention. Below are key strategies and activities to be pursued:

5.1 SUSTAINABILITY AND COST CONTAINMENT

Management will continue to pursue the various cost containment strategies started in 2010 and introduce other innovative measures to reduce cost and thus ensure financial sustainability of the scheme. Among the strategies to be pursued are:

1. Strengthening the operationalisation of the *Consolidated Premium Account* by intensifying monitoring at the scheme level.
2. Intensifying Clinical Audits.
3. Collaborating with providers and subscribers to enforce the gatekeeper policy of the Ministry of Health.
4. Operationalising the linking of treatment to diagnosis to improve rational use of medicines.
5. Implementing uniform prescription forms to promote rational prescribing.
6. Intensifying *mystery shopping* to identify inefficiencies and abuse in the entire NHIS system for redress.

5.2 FUND MANAGEMENT

Prudent fund management policies will be pursued to ensure judicious use of available funds. In this regard, measures will be put in place to achieve a 4% Real Return on Investments and an interest income of GH¢25.0 million for the NHIA in 2013. Additionally, the Authority will secure two higher yield and relatively safe Investment opportunities, prepare Risk Profiling Policy by June 2013 and work towards minimizing investment risks. A draft Fund Management Procedural Manual will be prepared while monthly portfolio status reports, monthly Investment Maturity Reports, monthly Investment Register as well as quarterly Portfolio Performance Report, quarterly Portfolio Reconciliation Report, half-year Portfolio Risk Report, Accurate investment balances with the banks and NHIF Annual Investment Portfolio Performance and Risk Reports will be prepared on schedule.

5.3 ADDITIONAL INFLOWS

Management will diversify the sources of funds by securing additional stable sources of funds, and collaborate with stakeholders to increase the value derived from these sources. Sources to be considered include petro-chemical levy, 'sin tax' and NHIL increase.

5.4 SUPPORT FROM DEVELOPMENT PARTNERS

The NHIS will continue to welcome support from Development Partners (DP). Ongoing collaboration and discussions with DANIDA, USAID, DfID, Korea Foundation for International Health Care for both financial and technical assistance will continue. Additionally, the Health Insurance Project (HIP) supported by the World Bank is expected to maintain support for the strengthening of the purchasing policies and mechanisms, and the integrated claims management systems.

5.5 INCREASE ACTIVE MEMBERSHIP TO 40% OF THE POPULATION

Innovative measures will be put in place to increase coverage especially of the poor and vulnerable. Key strategies to be carried out include carrying out special registration exercises across the country, conducting institutional registration to enroll SSNIT contributors and registration of groups and associations. In conformity with the new law, the NHIA will enroll persons with mental disorders and persons with disability. Other vulnerable groups to be registered are beneficiaries of Livelihood Empowerment Against Poverty (LEAP) programme, children in orphanages, inmates of Leprosaria among others.

5.6 CLAIMS MANAGEMENT

Setting up of Claims Processing Centres (CPCs)

As part of efforts to reduce claims turn-around time and to introduce efficiency into the overall claims management system, three (3) additional CPCs will be established and operationalised in the year 2013. These CPCs will, among other things, bring efficiency in claims vetting and adjudication. With the establishment of the CPCs, the schemes will have time to concentrate on other activities other than claims vetting. The CPCs are also to help reduce financial leakages as a result of low capacity of vetting officers at the schemes.

5.7 INTRODUCTION OF E-CLAIMS SUBMISSION

The e-Claims project is a key legacy of the World Bank Project for the NHIS. A significant expected gain of the e-claims is efficiency since it seeks to simplify claims processing and save time. There is the added benefit of acquiring real time knowledge due to the amount of timely data that will be captured in the system and the elimination of paper claims interface. The e-Claims project will be achieved by the development of a new Claims Enhanced Software and hardware at the CPC and the installation of an efficient Wide Area Network (WAN), and the provision of new computers and power assurance (by inverters) at the provider sites. Other benefits of the projects are the ability of the system to do E-Vetting, ability to perform E-Adjudication, ability to process paper claims, ability to process E-Claims (on storage devices), ensuring timely payment of claims, provision of structured statistical data for analysis and management information and intelligent Claims forms. The E-claims software will incorporate Business Rules that will use the G-DRG and ICD 10 codes linked to treatments based on Ghana's Standard Treatment Guidelines and MOH treatment protocols to adjudicate the claims..

5.8 INFORMATION, COMMUNICATION AND TECHNOLOGY DATA CENTRE UPGRADE

The Data Centre will be upgraded to curtail the frequent downtime and other ICT challenges which impeded progress of work of the scheme during the year. The project will involve upgrading the low capacity application and database (DB) servers to high capacity servers, increasing storage capacity, upgrade the oracle with the E-business suite remaining unchanged (version 11i). The membership module and all the other modules with their associated tables will be migrated onto the new 64 bit applications and database servers. The project also involves implementing the BI (Hardware) and configuring them according to NHIS and NHIA requirements. Benefits to be derived from the upgrade project include high availability and drastically reduced downtimes, a high performance system that runs on high capacity servers (64 bit platform), availability of online schemes operational status reports and generation of own reports from the application. There will be improved systems response time making BI usage more effective to generate needed reports, enforcement of mandatory fields for receipts and better data storage capacity.

5.9 BIOMETRIC REGISTRATION

Preparation for the introduction of biometric registration and instant issuance of ID cards are underway. This project is expected to reduce the number of transactions thereby reducing the load on the ICT system. It will further free up some bandwidth for data entry and other activities. Some of the benefits that the biometric system will bring to the NHIS are a clean membership database, prevention of duplication of membership data, thereby preserving data integrity, instant issuance of ID cards at point of registration, thereby eliminating ID cards management challenges, online and offline authentication at all providers sites, biometric authentication at health facilities to drastically reduce fraudulent claims, and the generation of Claims Check Code [CCC] during authentication and linking it to claims vetting process.

5.10 E-PAYMENT

The objective of the system is to "Implement a Mobile and Electronic payment platform to manage NHIS premium and processing fees to ensure efficiency, accountability, and transparency". Two (2) solutions were being proposed by the ICT Division: a Mobile Money Payment System and an Electronic Voucher Payment System.

5.11 MOBILE MONEY PAYMENT SYSTEM

The Mobile Money Payment System solution is a system where the scheme will take advantage of electronic money transfers offered by the Telecom Companies and set up an account with one of them. A client who wants to register will then transfer his premium and registration fees into the schemes mobile money account. The scheme upon receiving the payment notification will generate and submit a payment acknowledgement code to the client. At the registration centre, the client will produce the acknowledgement code and get registered.

5.12 ELECTRONIC *VOUCHER PAYMENT SYSTEM*

Electronic Voucher Payment System involves the use of payment vouchers for purpose of subscriber registration. The NHIA will benefit from "no cash collection" by agents or any person at point of registration or renewal, fraud prevention, control and accountability of premium collection, transparency on premium and other fees collected. Management will benefit from provision of timely information on premium and other fees collected.

5.13 STRENGTHENING THE GOVERNANCE SYSTEM AND IMPROVING HUMAN RESOURCE

5.13.1 ORGANIZATIONAL REFORMS

The passage of the new law (Act 852) will require a review of the structure and functions of some divisions within the NHIA. The new organisational structure will be implemented at national, regional and district levels. Staff orientation on the provisions of the new law will be carried out to ensure a smooth transition. Steps will be taken to dissolve all the district mutual schemes to pave way for the establishment of a unitary scheme.

5.13.2 ATTRACTING, DEVELOPING AND RETAINING RELEVANT HUMAN RESOURCE

The NHIS will attract, develop and retain relevant human resource capacity by providing a conducive and engaging working environment. It will recognise, reward and reinforce the right behaviour and attitudes. The Authority will review its Manpower Plan, provide support to divisions in the redesigning of jobs in view of the new structure, review Job description (JDs) for all jobs in collaboration with Divisional heads / job holders, and circulate JDs for new jobs in order to give direction on job roles and responsibilities.

Management will further review competencies for jobs and seek approval to implement them, review corporate training needs, and develop a Training Plan and seek approval to implement same so that staff retention will be enhanced. In addition, the Authority will complete HR review at the district offices, and implement the staff recognition scheme and seek approval to provide training on records keeping to staff in view of the new law.

5.14 COMMUNICATIONS AND STAKEHOLDER ENGAGEMENT

NHIA will continue to improve communication with the general public and other key stakeholders. Regular stakeholder meetings aimed at explaining NHIS policies and programs will be organized. Innovative communication and marketing strategies will be employed to market the scheme. Key among them will include the following:

1. Facilitate interviews and discussions on all major FM and TV stations across the regions as part of preparations towards the national implementation of capitation.

2. Organise media education for both the print and electronic media.

3. Develop theme song to be used as jingles and ringtones.

4. Organise NHIA quarterly dialogue meetings

5. Monitor the operations of the NHIS call center to ensure that it meets the agreed key performance indicators

6. Produce flyers and brochures with basic information on health insurance activities for distribution to the public.

7. Develop brand guide to consistently communicate the NHIS brand.

6.0 CONCLUSION

Ghana's NHIS continues to attract attention on the international scene as a home grown pro-poor social intervention policy. This is demonstrated in the number of countries in Africa and beyond sending delegations to study our operations for possible replication in their respective countries. This calls for hard work and innovation on the part of management to introduce efficiency in the operations of the scheme to maintain its leadership in health financing in Africa. The passage of the new law therefore gives hope for the future as it seeks to streamline the governance structure and improve the operations of the scheme

In the years ahead, management is determined to introduce more innovative measures to increase coverage especially for the poor and vulnerable and to pursue cost containment measures to ensure the financial sustainability of the scheme.

ANNEXES

ANNEX 1: List of Unit Heads

NO.	NAME	GRADE/RANK	DIVISION
1	AIMEE YUORI	Dep. Dir. Council Secretary	ADMIN
2	RAPHAEL Y. SEGKPEB	Administrative Manager	ADMIN
3	THERESA T. KUNLIE	Legal Officer	ADMIN
4	MARY OWUSU	Deputy Director, Human Resources	ADMIN
5	DANIEL K. AMEKUDZI	HR Manager, Talent & Recruitment	ADMIN
6	KWAMENA N. GHANSAH	HR Manager, Operations & Reward	ADMIN
7	ANGELA DEDENAMO AUCH	HR Manager, Learning & Development.	ADMIN
8	WASHINGTON K. DARKE	Head, Fund & Investment Unit	ADMIN
9	EVA OKAI	Investment Analyst	CEO'S SECRETARIAT
10	BENJAMIN YANKAH	Ag. Director. Actuary	ACTUARY
11	GEORGE OMABOE	Ag. Deputy Director	INTERNAL AUDIT
12	PRINCE A. DEBRAH	Audit Manager	INTERNAL AUDIT
13	RUDOLF ZIMMERMANN	Dep. Dir. Finance	FINANCE
14	GEORGE ASAMOAH-BAAH	Finance Manager	FINANCE
15	ZUURE FRANCIS SAMPANA	Finance Manager	FINANCE
16	ANTHONY GINGONG BUETEEM	Deputy Director/Ag. Dir. Operations	OPERATIONS
17	VIVIAN ADDO-COBBIAH	Ag. Deputy Director Provider Services	OPERATIONS
18	DR. CATHERINE ADU-SARKODIE	Ag. Deputy Director Scheme & Regions Ops.	OPERATIONS
19	REBECCA AKATUE	Operations Manager	OPERATIONS
20	DR. ABENA AGYEIWAA AMOAKO	Provider Relations Manager	OPERATIONS
21	PATRICE FUGAH	Operations Manager	OPERATIONS
22	DIANA OYE AHENE	Operations Manager	OPERATIONS
23	GIFTY APPIASIE	Operations Manager	OPERATIONS
24	FRANCIS ATTOR	Operations Manager	OPERATIONS
25	VITUS KALEO-BIOH	Dep. Dir. ICT	ICT
26	THOMAS ADOBOE	IT Infrastructure Manager	ICT

27	EDWARD BUCKMAN	IS Manager	ICT
28	ISAAC MARFUL DAPAAH	ICT Applications Manager	ICT
29	MAXWELL ADDICO	ICT Standards & Security Manager	ICT
30	JOSEPH ANNOR	ICT Business Manager	ICT
31	FRANCIS ASENSO BOADI	Deputy Director Research & Development	RESEARCH & DEVT.
32	RUBY AILEEN MENSAH	Manager Pharmaceutical Services	RESEARCH & DEVT.
33	CONSTANCE ADDO-QUAYE	Ag. Deputy Director	CLINICAL AUDIT
34	ISHMAIL OSEI	Clinical Audit Manager	CLINICAL AUDIT
35	ADELAIDE AKOWUAH-BUNATAL	Ag. Deputy Director, Claims	CLAIMS
36	NICHOLAS AFRAM OSEI	Ag. Deputy Director, Claims	CLAIMS
37	STEPHEN N. BEWONG	ICT Business Manager	CLAIMS
38	IDDRISU HUDU	Claims Manager	CLAIMS
39	AMADU ALI	Claims Manager	CLAIMS
40	APPIAH SARFO KANTANKA	Claims Manager	CLAIMS
41	WILLIAM OMANE-AGYEKUM	Claims Manager	CLAIMS
42	FRANCIS X. ANDOH-ADJEI	Deputy Director Strategy	SCAD
43	DR. NII ANANG ADJETEY	Ag. Deputy Director, Corporate Affairs	SCAD
44	STELLA ADU-AMANKWA	Protocol & Public Relation Manager	SCAD
45	COLLINS D. AKUAMOAH	Planning & Programming Manager	SCAD
46	MARGUERITTA PLANGE	Client Relations Manager (Southern Sector and NHIS Call Centre)	SCAD
47	EMMANUEL R. OKYERE	Client Relations Manager (Northern Sector)	SCAD
48	SERLORM ADONOO	Communications & Media Relations Manager	SCAD
49	OSWALD ESSUAH MENSAH	Marketing Manager	SCAD
50	SAMUEL BUABASA	Dep. Dir. Projects & Procurement	PROJ. & PROC.

Acting Managers

51	DANIEL ADIN-DARKO	Ag. Finance Manager	FINANCE
52	RICHARD ATTIAH	Ag. HR Manager - Industrial Relations	ADMIN
53	ESTHER CHARWAY	Ag. PA to CE	ADMIN
54	FRANCIS O. LAWSON	Ag. Monitoring & Evaluation Manager	SCAD

Regional Managers

55	FRANCIS ASANTE-MENSAH	Regional Manager	Eastern
56	WINDHAM EMIL AFRAM	Regional Manager	Western
57	RASHID TANKO	Regional Manager	Northern
58	EMMANUEL BAAH-DANQUAH	Regional Manager	Ashanti
59	ELIOT NESTOR AKOTOTSE	Regional Manager	Volta
60	LAWRENCE AMARTEY	Regional Manager	Greater Accra
61	JAMES METTLE	Regional Manager	Central
62	JOHN BOSCO ZURY	Regional Manager	Upper West
63	AYINE APOSS ROGER	Regional Manager	Upper East
64	FOSTER AGYEI-KORANG	Regional Manager	Brong Ahafo

ANNEX 2: Training programs organised in 2012

		PROGRAMME	NO.
	DANIDA FUNDED TRAINING	Strategic Plan Dissemination Meeting PRO Sub Total **1**	1
	HIP FUNDED TRAINING	1. Study Tour- Thailand Health Insurance (HIP) 2. Results Based Mgt.: Perf. Indicators M & E System, (HIP) Sub Total **15**	7 8
	JLN TRAINING	1. Joint Learning Workshop Technology Track Meeting Sub Total **3**	3
	OTHER LOCAL TRAINING	1. Training on Oracle Payroll Applications : Provident Fund, Payroll History & Backdated Pay 2. Improving Employees' Performance Through Effective Human Relations 3. 6th Conference of Public Service Chief Executives, Chief Directors & Chairmen of Governing Boards/Councils 4. Occupational Health Safety Forum 5. The Emotionally Intelligent Manager 6. Implementation of the New Pension Scheme: The Way Forward For Companies With Existing Provident Fund Schemes or Pension Schemes 7. National Drivers Forum 8. Role of the Professional Accountant in Change Management 9. Seminar on Strategic Human Resource Management 10. Human Resource Functions for Non-HR Managers / Officers 11. Managing Discipline in an organization: The Law & Practice 12. Professional Project Management Pts 1 & 2 GRP I	1 2 2 1 11 3 5 1 2 2 2 15

		13. Information Security Management 14. Workshop On The Code of Conduct For Public Officers of Ghana 15. Advanced Executive Education -Unleashing Brand Power 16. CITG-WTS Annual Tax Conference 17. IT Governance & Leadership 18. Professional Project Management Pts 1 & 2 GRP II 19. Goods & Services Procurement Course 20. Professional Project Management Pts 1 & 2 GRP III Sub Total **91**	3 1 4 1 3 15 2 15
	IN HOUSE TRAINING	1. Performance Management 2. Training Programme for Scheme Accountants and Assistants (Only Greater Accra) 3. Training of Health Providers on MOH Referral Policy, Guidelines on the Gatekeeper System & Free Maternal Health Policy (DFID) 4. Internal Audit Manual Training 5. Accreditation Training 6. Excellent Customer Care, Filing & Record Keeping 7. Advanced Health Insurance Portability & Accountability Act CHP 8. Advanced Health Insurance Portability & Accountability Act CSCS 9. Driver Training Sub Total **1461**	400 34 719 19 20 54 45 22 148
	EXTERNAL TRAINING	1. Study Tour of South Africa 2. Advanced Strategic Public Relations Management 3. Study Tour of India on Call centre Operations, ICT and Claims process automation and management, and use of Smart Cards (Biometric Information) in claims and subscriber management 4. E-Health Africa Conference 5. Global Health leadership Forum 6. US Government Evidence Summit on Use of Maternal Health Services Through Financial Incentives 7. Dynamic Office Management & Administration 8. 2nd International Quality & Accreditation and	3 2 7 4 3 3

		Healthcare Management Conference	1
		9. R12.x Install/Patch/Maintain Oracle E-Business Suite	4
		10. Public Sector Governance: Risk & Compliance	2
		11. Health Systems Management	
		12. PRINCE2 Project Management Training	5
		13. Enterprise Risk Management Workshop	4
		14. Federation of International Pharmaceutical Centennial Conference	3
		15. Modern Office Management Skills for Executive Secretaries & office Administration	3 1
		16. Advanced Course on Monitoring & Evaluation	1
		17. Advanced Course on Health Sector Reforms & Financing	4
		18. "Moving Towards Universal Health Coverage: learning Through South-South Partnerships"	7
		19. Work, Health & Wellbeing: Strategic Solutions for Integrating Wellness & Occupational Safety & Health in the Workplace	1
		20. Organisational Risk Management Workshop	2
		21. Global Symposium on Health Systems Research "Migrating From User Fees to Social Health Insurance: Exploring The Prospects and Challenges For Hospital Management	3 2
		22. Annual Hospital Build Conference	2
		Sub Total **67**	
		Summary Danida Funded Training -1 HIP Funded Training - 15 JLN Training - 3 Other Local Training - 91 In house Training - 1461 External Training - 67 **GRAND TOTAL - 1638**	

ANNEX 3: Unaudited Financial Statement

NATIONAL HEALTH INSURANCE AUTHORITY (UNAUDITED)
REVENUE AND EXPENDITURE ACCOUNT
For The Year Ended 31st December 2012

REVENUE	Note	2012	2011
		GH¢'m	GH¢'m
NHIL Levies	2	573.36	449.97
SSNIT Contribution		141.76	107.61
Investment Income		28.79	32.00
Premium		28.38	27.64
Reinsurance - NIC		0.30	0.23
Sundry Income		1.24	0.34
		773.83	**617.79**
RECURRENT EXPENDITURE			
Claims Incurred to Service Providers		616.47	548.71
Support to Partner Institutions	3	74.72	49.93
Social Intervention Program		-	92.08
Admin. & Logistical Support to Schemes		28.19	19.59
NHIA General Operating Expenses	4	38.77	31.62
I.D. Card Production		20.05	9.62
Depreciation	5	10.12	12.67
		788.32	**764.22**
Excess of Recurrent Expenditure over Revenue		**(14.49)**	**(146.43)**

BALANCE SHEET
As at Year Ended 31st December 2012

	Notes	2012	2011
		GH¢'m	GH¢'m
NON-CURRENT ASSETS			
Property, Plant & Equipments	5	**48.12**	**42.30**
INVESTMENTS	6	**169.23**	**156.29**

CURRENT ASSETS			
NHI Levies Receivables		335.41	229.44
Investment Income Receivable		15.50	7.24
Loan Interest & Fees Receivable-MOF		11.15	1.31
Claims Prepayment – Capitation		1.64	2.12
Other Receivables	7	1.71	7.48
Cash & Bank	8	25.07	44.35
Total Current Assets		**390.48**	**291.94**
TOTAL ASSETS		**607.83**	**490.53**
ACCUMULATED FUNDS & LIABILITIES			
Liabilities			
Claims Payable		220.79	120.67
Payable to Partner Institutions & others	9	17.43	29.76
Bank Loans		140.00	105.00
Bank Loan Interest Accrued		9.40	0.40
Total Liabilities		**387.62**	**255.83**
Accumulated Funds		234.70	381.12
Excess Expenditure over Income		(14.49)	(146.43)
Net Accumulated Funds		**220.21**	**234.70**
TOTAL ACCUMULATED FUND & LIABILITIES		**607.83**	**490.53**

CASHFLOW STATEMENT
For The Year Ended 31st December, 2012

	Notes	GH¢' million	GH¢' million
Cashflow from Operating Activities			
Excess Expenditure over Income			(14.49)
Adjusting for Non-cash item			
Provision for Depreciation		10.12	
Increase in Accounts Receivable		(118.30)	
Decrease in Prepayment		0.48	
Increase in Claims Payable		100.12	
Decrease in Other Payables		(3.33)	(10.91)
			(25.40)
Cashflow from Investing Activities			
Increase in Investments		(12.94)	
Purchase of Fixed Assets		(15.94)	**(28.88)**
Cashflow from Financing Activities			
Bank Loan Repaid		(105.00)	
Bank Loan Received		140.00	**35.00**
Changes in Cash & Cash Equivalent			**(19.28)**

Analysis of Changes in Cash & Cash Equivalent During the Year			
Balance as at Jan-1, 2012			44.35
Changes in Cash & Cash Equivalent			(19.28)
Balance as at Dec-31, 2012			**25.07**
Analysis of Cash & Cash Equivalence As Shown in the Balance Sheet			
Cash			0.02
Bank			25.05
			25.07

NOTES FORMING PART OF THE ACCOUNTS

NOTE 1 - ACCOUNTING POLICIES

1.1 Basis of Preparation

The principal accounting policies applied in preparation of these accounts are set out below:

The Financial statements have been prepared on a historical cost basis. The statements are also prepared in accordance with Ghana Accounting Standards issued by the Ghana National Accounting Standards Board (GNASB), companies codes 1963 (Act 179), and in compliance with the National Health Insurance Act 852.

The accounting policies have been applied consistently throughout the period.

1.2 Revenue

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Authority and can be reliably measured. Revenue is measured at the fair value of the consideration received or fair estimate of the amount receivable.

The main revenue for the Authority are the following; the 2.5% national health insurance levy, 2.5% social security contribution, income from investment and premium from subscribers.

1.3 Investments

Investment in fixed deposits is valued at cost plus interest reinvested. Investment in any other financial instrument is valued at market price.

Interest earned on investment is accrued and recognized as revenue in the account.

1.4 Accounts Receivable

Accounts receivable are carried at anticipated realizable value. However receivable accruing from NHI levy is stated at full value per the collection reports issued by the Ghana Revenue Authority.

1.5 Foreign Currencies

Transactions in foreign currencies during the year are translated into Ghana cedis at prevailing rates at the time of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into Ghana cedis at the rates of exchange ruling on that date. The differences resulting from the translation are dealt with in the income statement in the period in which they arise.

1.6 Property, Plant & Equipment

Property, plant and equipment are stated at cost less accumulated depreciation. The cost of an asset comprises its purchase price any direct attributable costs of bringing the assets to working condition for its intended use.

Expenditure on its repairs and maintenance are charged to the income statement.

1.7 Depreciation

Property, plant and equipment are depreciated from the date of purchase on straight line basis at fixed annual rates over the estimated useful life as follows;

Land & Buildings	-	5%
Nationwide ICT Infrastructure	-	25%
Computers & Accessories	-	25%
Office Equipments	-	20%
Furniture & Fittings	-	25%
Motor Vehicle	-	20%

At the end of each reporting period, the Authority checks whether there is any indication that any of its tangible assets have suffered an impairment loss. If there is indication of an impairment loss, the recoverable amount of the asset is estimated to determine whether there has been a loss, if so, its amount.

If there has been any impairment loss, the asset is written down to its recoverable amount, with the loss charged to the statement of performance.

1.8 Expenditure

Expenditure on support to schemes and partner institutions are recognized when the Authority has paid or has obligation to transfer funds to the schemes and other beneficiary institutions. Other operating expenses are recognized when, and to the extent that, the goods and services have been received.

1.9 Taxation

The Authority is not liable to corporation tax. Expenditure is shown inclusive of irrecoverable VAT. The irrecoverable VAT is charged to the most appropriate expenditure heading or capitalized if it relates to an asset.

NOTE 2 - NHIA LEVIES

	GH¢ 'million	GH¢'million
	2012	2011
CEPS	364.95	282.56
VAT	208.41	167.41
Total	**573.36**	**449.97**

NOTE 3 - SUPPORT TO PARTNER INSTITUTIONS

	GH¢ 'million	GH¢'million
	2012	2011
Primary Health & Preventive Care	43.21	33.67
District Health Projects & Parliamentary M & E	10.65	9.51
Health Service Investments	20.86	6.75
Total	**74.72**	**49.93**

NOTES 4 - NHIA GENERAL OPERATING EXPENDITURE

	GH¢ 'million	GH¢'million
	2012	2011
Authority Operating Expenses		
Staff Emolument & Allowances	13.45	9.68
Other Allowances	0.41	0.44
Staff Training	1.52	1.45
Staff Welfare	0.20	0.15
Council Fees & Allowances	1.06	1.10
Allowances- Health Select Cttee	0.79	0.78
Maintenance	0.46	0.20
Utilities	0.49	0.47
Printing, Publication & Stationery	0.94	5.73
Monitoring & Evaluation	0.45	0.32
Travelling Allowances & Expenses	1.05	0.91
Audit Fees	0.36	0.35

Consultancy & Technical Assistance	0.53	0.16
Financial Charges	0.02	0.32
Legal & Professional Subscription & Services	0.09	0.11
Publicity & Business Promotion	1.01	0.82
Rent & Insurance	0.37	0.57
Conferences & Meetings	0.68	0.34
Tariff & Review of Drug List	1.04	1.00
Sundry Expenses	0.14	0.18
Vehicle Running Cost	0.57	0.45
	25.63	**25.53**
Other General Expenses		
Data Center Management & Maintenance	9.22	5.66
Archival Services	0.14	
Corporate Social Responsibility	0.59	-
Call Centre expenses	3.19	0.43
	13.14	**6.09**
	38.77	**31.62**

NOTES – 5 PROPERTIES, PLANT & EQUIPMENT

GH¢'million	Nation-wide ICT	Office Land & Buildings	Computers & Access	Office Equipment	Office Vehicles	Furniture & Fittings	Total
Cost							
Balance b/d	44.85	15.66	2.75	0.83	1.24	2.05	67.38
Additions	11.43	3.28	0.60	0.18	0.37	0.08	15.94
Balance c/d	**56.28**	**18.94**	**3.35**	**1.01**	**1.61**	**2.13**	**83.32**
Depreciation							
Balance b/d	**21.00**	**0.60**	**1.01**	**0.43**	**0.77**	**1.27**	**25.08**
Charge	7.84	0.57	0.80	0.20	0.27	0.44	10.12
Balance c/d	**28.84**	**1.17**	**1.81**	**0.63**	**1.04**	**1.71**	**35.20**
Net – 31/12/12	**27.44**	**17.77**	**1.54**	**0.38**	**0.57**	**0.42**	**48.12**
Net – 31/12/11	**23.85**	**15.06**	**1.74**	**0.40**	**0.47**	**0.78**	**42.30**

NOTES -6 INVESTMENTS

	GH¢' million 2012	GH ¢million 2011
Access Bank	11.33	10.00
Intercontinental Bank (Access Bank)	7.27	13.75
Agricultural Development Bank	5.65	5.34
Bank of Africa	19.82	9.28
CAL Merchant Bank	17.62	15.44
CDH Securities	2.00	2.00
Ecobank Ghana	9.86	8.72
Fidelity Bank	2.01	10.71
First Atlantic Merchant Bank	14.95	4.39
Merchant Bank	5.64	5.00
National Investment Bank	19.96	22.03
Prudential Bank	5.57	4.93
Unibank Ghana Limited	18.05	7.13
Unique Trust Bank	8.35	7.36
Zenith Bank	0.75	30.21
First Capital Plus	15.40	-
All-Time Capital Ltd	5.00	-
TOTAL	**169.23**	**156.29**

NOTES -7 OTHER RECEIVABLE

	GH¢' million 2012	GH¢'million 2011
Outstanding Loan Balance from IBG	-	3.69
Health Insurance Project	-	1.87
Claims Prepayment - KATH	0.93	
Rent & Insurance	0.13	0.26
Prepayment E-Service	-	0.76
Staff Loans	0.50	0.58
Other Receivables	0.15	0.32
	1.71	**7.48**

NOTES- 8 BANK & CASH

	GH¢'million 2012	GH¢'million 2011
BANKS		
Bank of Ghana	-	-
Ghana Commercial Bank	8.92	26.17
Ecobank Ghana	0.88	3.98
Merchant Bank	0.89	0.76
Bank of Africa	0.46	0.46
HFC Bank	0.22	0.08
Stanbic Bank	4.94	4.59
Energy Bank	5.25	5.00
GCB (CPA)	1.72	1.95
ADB (CPA)	1.73	1.29
CAL Bank	0.04	0.04
	25.05	**44.32**
CASH	0.02	0.03
Total	**25.07**	**44.35**

NOTES- 9 ACCOUNTS PAYABLE

	GH¢'million2 012	GH¢'million 2011
Ministry of Health- Primary Health Care	5.50	14.77
Ministry of Health – Health Service Investment	0.24	3.38
Parliamentarians – District Health Project	1.48	3.12
SSNIT Contribution	2.03	0.41
Ghana Revenue Authority	1.99	0.62
Provident Fund	1.20	-
Premium Deposit	-	1.33
STL	0.82	0.81
Accrued Expenses & Others	3.88	5.21
Sundry Payables	0.29	0.11
	17.43	**29.76**

National Health Insurance Authority
No. 36 - 6th Avenue Ridge Residential Area, Accra
Private Mail Bag, Ministries, Accra, Ghana
T: +233 302 233555 / 254710 / 216970 F: +233 302 254253
NHIS Call Centre No: 054 444 6447 or short code 6447 (MTN & Vodafone)
Email: info@nhis.gov.gh website: www.nhis.gov.gh