

5. MINISTRY OF HEALTH AND POPULATION

5.1 2001 Committee Recommendations

**2002 Committee Recommendation:** : Substantially increase the budget for training front-line health care professionals, and designate the same as a Priority Poverty Expenditure.

**2002 Committee Recommendation:** : Substantially increase the budget for personal emoluments (salaries and benefits) for front-line health care professionals, including nurses, and designate the same as a Priority Poverty Expenditure.

**2002 Committee Recommendation:** : Substantially increase the budget for drugs and medical supplies, include adequate funds for proper distribution and increased security for drug stores and designate the same as a Priority Poverty Expenditure.

5.2 Current Status

5.2.1 The Committee consulted with the Ministry of Finance and Economic Planning, the Ministry of Health and Population, and the Malawi Health Equity Network (MHEN). This civil society grouping is made up of twelve organizations focused on improving health care. MHEN first commented before the Committee in 2001, as it was drafting its recommendations for Priority Poverty Expenditures.

5.2.2 In May 2002, MHEN presented its preliminary findings on the implementation of the three Priority Poverty Expenditures in health. Its research was based on a survey of six District Health Offices and 36 Rural Health Clinics. These facilities were in all three regions of the country. MHEN also reviewed orders and deliveries from Central Medical Stores for a pre-selected list of 16 drugs found at health clinics and 39 drugs at District Health Offices. The drugs included in the survey were taken from the Malawi Drug List and all are classified as vital drugs for district hospitals or health clinics. While the MHEN report is not a scientific survey, it is a systematic attempt to determine what happened to Priority Poverty Expenditures at the grass roots.

**Table 10: Recurrent Expenditures for Priority Poverty Expenditures for the Ministry of Health and Population (in millions of Kwacha)**

Priority Poverty Expenditure	2000/01 Revised	2001/02 GOM	2001/02 HIPC	2001/02 Vote	2001/02 Projected to June	% Change
Training	30.3	70.0	82.0	152.0	69.5	229%
Salaries	482.2	327.7	98.1	425.8	807.4 <sup>5</sup>	167%
Drugs	721.3	833.5	547.0	1,380.5	823 <sup>6</sup>	17%

*Source:* Monitoring Unit of the Budget Department in the Ministry of Finance.

<sup>5</sup> This amount is the revised amount but it is not an end-of-year projection.

<sup>6</sup> Projected expenditures for May/June are K185.

5.2.3 The allocations for these Priority Poverty Expenditures, like Agriculture and Education, were revised during the year and there were variances in spending. The categories were also modified, which made it difficult for the Committee to monitor whether the allocation for training, for example, was revised upward or downward during the year.

5.2.4 The line item for health worker salaries was revised upward by 167% during the year. Through March of 2002, K589.1 million or 73% of that amount had been expended.

5.2.5 The allocation for drugs was reduced by almost K375 million during the year, and the final projection for the end of this financial year is that expenditures will total only K868.7 million, or 79% of the original allocation.

### **5.3 Expected Outputs**

5.3.1 The outputs for this financial year as reported in the Budget Document 4A are as follows:

- Train 410 Basic Nurse Technicians, 60 Generic Nurses and upgrade 150 Nurse Technicians
- Drug expenditures to equal US \$1.33<sup>7</sup> per capita

### **5.4 Training of Front-Line Health Workers**

5.4.1 According to the National Health Plan, Government Health facilities alone need at least 2,800 additional nurses, 383 medical assistants and 250 doctors. In Malawi, there is approximately 1 Physician per 50,000 people in contrast to the WHO recommendation of one per 12,000 people.

5.4.2 For the 2001/02 financial year, government stated that it planned to train 410 Basic Nurse Technicians, 60 Generic registered Nurses and upgrade 150 Nurse Technicians. The budget for the training of nurses was set at K150 million, of which K82 million was to be from HIPC resources. The revised budget for last year was only K30 million. However, it appears that Government has not yet used any of its own budget resources of K70 million for training.

5.4.3 For the other front-line health workers, the MHEN reported that the Ministry also planned to train 125 Medical Assistants, 75 Clinical Officers, 110 Technical Support Service personnel and post-basic training for 156 specialised personnel in various areas during this financial year.

5.4.4 Based on its survey of training institutions, MHEN concluded that, in general, Government is meeting its target for training nurses and other front-line health workers.

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<sup>7</sup> The training output listed above is found in Budget Document 4A. The \$1.33 per capita drug expenditure is taken from the Minister of Finance's Budget Address in June of 2001. Based on a population estimate of 10.1 million, and an exchange rate of K75 per \$1.00 US Dollar, the MK equivalent of \$1.33 per capita is K1,007 million.

5.4.5 The Ministry of Health & Population was invited to the Committee’s hearings to provide details about the number of health workers to be trained or in training this year. However, little information was provided on this or other specific outcomes. The Committee therefore still seeks information on the actual number of nurses and front-line health workers the Ministry trained or is training this year.

**5.5 Salaries of Front-Line Health Workers**

5.5.1 Budget Document 4A indicates an approved budget of K416 million and a revised figure of K614 million for 2000/01. The Ministry of Finance shows an approved figure of K312 million and a revised one of K482 million for the same period.

5.5.2 Information provided by the Ministry of Finance indicates that total allocation for Health Worker salaries were K425 million (GoM =K327.7 m + HIPC =98.1 m). However, recent reports from the Monitoring Unit of the same Ministry indicate a provision of K807.4 million and that actual funding through the month of March 2002 stood at K589.1 million, or 73% of the total.

5.5.3 Using the revised allocation of K614 million for 2000/01 and the provision of K807.4 million for 2001/02, the percentage increase from last year is only 31.5% in nominal terms. In real terms however, the allocation has remained constant.

5.5.4 MHEN reviewed salary data for every available employment grade in two clinics in each of six DHOs. The sample should be considered as indicative and not necessarily representative. Nonetheless, their findings indicate that salaries have increased substantially with the highest average increase of 113% for CEO grade and 43% for Health Service Assistants (HSAs). MHEN observed that although the percentage changes may seem high, for the most part they are measuring changes that continue to be grossly inadequate to attract the most qualified and committed candidates to health care service and delivery.

<b>Grade</b>	<b>Low</b>	<b>High</b>	<b>Average</b>	<b>Change</b>
HSA	3,202	3,991	3,522	43.2%
SHSA	3,422	10,299	5,219	54.8%
TA	5,153	8,501	6,457	106.4%
STA	5,854	10,399	7,522	83.8%
TO	6,625	14,609	9,754	100.0%
STO		5,996	12,058	10 1%
CEO	8,230	18,333	13,365	112.9%
P8	10,164	15,536	12,256	51.3%

5.5.5 Salary information from the Ministry of Health & Population is similar to the MHEN findings. On top of the average salaries indicated above, which include housing allowances, some health workers receive monthly professional/medical allowances that range from K545 for SC1 grade (hospital attendants, laboratory assistants & Health Surveillance Assistants) to K4,100 per month for clinical staff such as Medical Officers (PO), Nursing Officers, Medical Officers and Clinical Superintendents (P8) [see annexe 2A for full details].

5.5.6 The Ministry of Health and Population indicates that there are many vacancies for front-line health workers. At the Community Level, the Ministry has 5,875 units nation-wide that require 11,750 Health Surveillance Assistants (HSAs) but currently only 6,474 are in post, leaving a gap of 5,276. At the Health Centre level, the gap for all types of front-line health workers is currently at 900 for the 569 units under Government-run health centres. For the 27 District Hospitals and 3 central hospitals, the current gap is at 7,140 health workers with the highest gap of 2,096 for Enrolled Nurses.

## 5.6 Drugs

5.6.1 According to the Budget Document 4A, the approved allocation for *drugs vaccines & pharmaceuticals* for the 2000/01 financial year was K587 million. The revised total was K926 million<sup>8</sup>. The Committee was informed that K288 million of HIPC resources were allocated to the purchase of drugs in the previous financial year. It is not clear whether the revised budget of K926 million includes HIPC funds.

5.6.2 For 2001/02, the recurrent budget for the purchase of drugs is K833.543 million of Malawi Government resources and K547 million of HIPC resources, making a total of K1,380.543 million. Spending at this level easily meets and exceeds the goal of \$1.33 U.S. per capita expenditure. There is also a provision of K109.9 million under Development Account for drugs.

5.6.3 However, the 2001/2002 drug allocation was subsequently revised downward and is, as mentioned earlier, projected to total only K868.7 million. Based on this projection, the Ministry will not expend \$1.33 U.S. per capita for drugs this year.

5.6.4 Out of the projected K547 million of HIPC resources, K424 million has already been allocated. It appears then, that Government has spent only K170 million of its own resources to date for the purchase of drugs. This is on the low side and the HIPC resources that are regarded as supplementary financing are not being used as such. Using the Ministry of Finance figures, the increase in the allocation by the GOM is 39% over last year in nominal terms, but the value remains constant in real terms.

5.6.5 Table 5 in the Annex indicates the distribution of the K1,008.5 million allocation among the 33 Central and District Hospitals. Karonga District Hospital had already spent its budgetary allocation for drugs, whereas Zomba Mental Hospital had only consumed 7.4% of the budget. The Committee wishes to know why the

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<sup>8</sup> According to the Ministry of Finance, the revised figure is K721.3 million.

consumption in some district hospitals remains unacceptably low when there are shortages in almost all hospitals and clinics (Mzuzu 32%, Thyolo 32%, Mangochi 32%, Blantyre 28%, Salima 29%, Ntcheu 30%, Lilongwe 23% Zomba 18%).

### **5.7 Preliminary Findings by MHEN on Drugs**

5.7.1 Based on its survey of six District Health Offices and 36 Rural Health Clinics, the Malawi Health Equity Network concluded that:

- District Health Offices do not always receive the drugs they request from Central Medical Stores (CMS) and clinics surveyed received drugs that were not requested.
- In total, 26 vital drugs were entirely out of stock at one or more of the five hospitals where MEHN collected data. Of the 36 clinics surveyed, each facility was out of stock of at least one vital drug on the MHEN list. One clinic was out of stock of 15 of the 16 essential drugs surveyed. Drugs used to treat cholera and malaria were available in most clinics but the drug most commonly out of stock was Salbutamol, used for asthma.
- In general, record keeping is inadequate and drug tally cards are not serving their intended purpose in clinics. Clinics claim that it is difficult to note which drugs were ordered because the requisition forms used to do that remain at the district hospitals.
- Neither Government nor CMS keeps record of what clinics used last year, how many drugs per capita are used, or an average usage for each clinic. CMS personnel said that this information is being compiled and will be available, hopefully, some time later this year.
- Drugs are transported to clinics in boxes that allow for quantities to be stolen.. In some cases, what the pharmacist from the district indicates to have sent does not tally with what is received at the clinics.

### **5.8 2002 Committee Recommendations**

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