



Does the FY 2020/21 budget address the current health needs of Ugandans amidst the COVID-19 pandemic?

Overview

The 2019 Coronavirus Disease (COVID-19) pandemic has not only affected the economy in general but has had far reaching implications on the health sector. It has created new and also exacerbated existing needs of the sector. These included urgent need for Personal Protective Equipment (PPE), rapid emergency response in form of ambulances, emergency staff, and referral systems among others.

The Parliament of Uganda approved the FY 2020/21 Budget in April 2020. However, the extent to which it took into account new needs of the health sector remains unclear to both policy makers and the public.

To assess the extent to which the budget addresses the sector needs, the Budget Monitoring and Accountability Unit (BMAU) undertook key informant interviews, reviewed secondary data sources including budget estimates for FY 2019/20 and FY2020/21 respectively, approved COVID-19 supplementary approvals (FY 2019/20), and approved corrigenda among other documents for all sector votes excluding local governments.

This policy brief highlights the current needs of the health sector as a result of the pandemic and the extent to which they are addressed by the newly passed budget for FY2020/21. It also highlights measures to mitigate the impact of COVID-19 in the new budget (FY 2020/21).

Background

The Central Government Votes are key in delivery of health services and their outputs have a direct impact on people's lives. They have taken center stage in the fight against the COVID-19 pandemic.

Analysis of the FY 2020/21¹ budget estimates for these Votes, however, indicated a budget cut of Ug

¹ Approved by Parliament in April 2020

Key Issues

- Limited response to current sector needs by FY 2020/21 budget.
- Approved Budget Corrigenda FY 2020/21 is silent about COVID-19 issues.
- Meagre allocations to critical emergency and response services.
- COVID-19 cases continue to rise amidst the less prepared health system
- Sustainability of COVID-19 testing in light of available resources is questionable.

shs 34.4billion on key budget line items critical in the fight against the pandemic.

The number of COVID-19 cases drastically increased in Quarter three and four of FY 2019/20 from one case on 22nd March 2020 to 260 cases on 19th May 2020². There is no guarantee that the number of infections will reduce in the short run.

It is against this background that analysis was done to assess the extent to which the supplementary COVID-19 budget of FY 2019/20 and the newly approved budget estimates (FY 2020-21) address the current health sector needs created, and/or amplified by the pandemic. The analysis aims at creating a policy discourse to enable building a strong and resilient system towards the fight against COVID-19 and other health emergencies.

Findings of the assessment

Prior to the pandemic, the health sector had a number of challenges which were partly due to inadequate planning, prioritization, financial and human resource among others. These challenges created a number of needs which the sector had "*painfully learned to live with.*"

² These were later revised to exclude foreign truck drivers, and the figures stood at 198 cases by 24th May, 2020.



The emergency of the pandemic therefore escalated some of these needs as emergencies, and also created new ones that required immediate attention by the sector.

The new needs include; Personal Protective Equipment (PPE); rapid emergency response, ambulance and referral systems; reliable diagnostic imaging and laboratory services; emergency health workers; accommodation for health workers; attention to mental health during and the post COVID-19 period among others.

Is the newly passed FY 2020/21 budget addressing the current health sector needs created by the pandemic?

Need for Personal Protective Equipment (PPE): Siddharth Etal (March 2020) in the publication titled “Health workers are the frontline soldiers against COVID-19. Let’s protect them” noted that pressure on healthcare workforce will intensify in the coming months in sub-Saharan Africa as elsewhere.

Amidst colossal increments in PPE prices internationally to over 1000%, the MoH, National, Regional and Specialized Health Facilities were allocated only Ug shs 5.4billion in the FY 2020/21 budget towards *Uniforms, Beddings and Protective Gear*. The budget line suffered a cut of Ug shs 5.7billion, while referral hospitals like Mubende, Jinja, Kawempe, and Lira did not have allocations towards the budget item.

Analysis indicated that the open market cost of the N95 facemask (recommended for frontline health workers by World Health Organisation-WHO)³ is Ug shs 40,000 each and according to the Human Resource Audit 2017, public health facilities reviewed had approximately 3,000 cadres of key health workers. This translates into a daily⁴ need of Ug shs 120million to cover frontline health workers in the fight against the pandemic and other health emergencies. This further translates into an annual requirement of Ug shs 44billion. However, the current budget

allocated only 18% of the annual requirement to this urgent need. In FY 2019/20, a supplementary of Ug shs 8billion was allocated to PPEs which is extremely inadequate to run into the coming FY 2020/21.

Need for real-time, reliable diagnostic and laboratory services: Uganda is currently using the Polymerase Chain Reaction (PCR) tests at a cost of US\$ 65 (Ug shs 240,500) per test. The cheaper option for antibodies test is approximately Ug shs 92,500 which will be rolled out in June 2020. Uganda undertakes an average of 1,500 tests daily at the border entries, the number is exclusive of community and airport entry testing once done. This means that the minimum daily budget required for diagnostics and medical supplies is approximately Ug shs 139million translating into an annual requirement of Ug shs 50.6billion. The requirement will definitely skyrocket once the government ends lock down, as mass community testing will be inevitable.

The Ministry of Finance, Planning and Economic Development (MFPED) provided only Ug shs 2billion as part of the supplementary budget during FY 2019/20 to procure test kits through National Medical Stores (NMS). The allocation is meagre given the increased number of tests done on a daily basis. The kits are not expected to run through the first months of the FY 2020/21.

No explicit allocations were made in FY 2020/21 for COVID-19 reagents and testing kits. The country received donations of test kits from WHO and other partners. Amounts available in terms of cash and actual kits were not clear yet by 18th May 2019. The MoH was stocktaking available supplies. However, given the magnitude of the pandemic, it is very risky for government to depend on donations entirely. A fully funded budget line by GoU is needed to boost the sector’s preparedness and response towards the requirement for mass testing once the government opens up the economy and all borders.

Need for functional rapid emergency response, ambulance and referral systems: According to the Ambulance Census 2019, Uganda has a total of 449 and 94 functional and grounded ambulances respectively, 24% of the functional ambulances are

³ Interim Guidance Report: Advise on use of masks in the context of COVID-April 2020

⁴ www.cdc.gov highlights a number of risks for extended or re use of masks.



found in Kampala Metropolitan Area and Western Uganda respectively, 19% in Northern Uganda, 12% Central region, 17% in the East and 3% in Karamoja. The central region has the most grounded ambulances at 28%, followed by Kampala Metropolitan Area at 10%.

The MFPED allocated a supplementary of Ug shs 11billion towards procurement of 38 new ambulances in the FY 2019/20 budget. However, the gap analysis of National Emergency Medical Services COVID-19 Plan indicated a deficit of 225 ambulances. This is In addition to Ug shs 57.8billion needed to foster establishment of call centers in all Regional Referral Hospitals (RRHs), coordinate, fuel and maintain ambulances in all regions of Uganda for a period of six months.

Emergency infrastructure, equipment and space:

The pandemic increased the need for critical equipment like assorted Intensive Care Units (ICU), mobile X-rays, emergency operational theaters, intensive care beds, ventilators, patient monitors, oxygen therapy apparatus, and all other accessories urgent for all RRHs and border health facilities.

The MFPED allocated a supplementary budget (FY 2019/20) of Ug shs 43billion towards procurement of emergency equipment. Remodeling and expansion of infrastructure at various health facilities with most of them at RRHs.

However, analysis of the COVID-19 Action Plan on infrastructure indicated a total gap of Ug shs 85billion. The supplementary did not take into consideration construction and equipping of seven border point health units (This is critical given that most COVID-19 cases are truck drivers moving across borders); Remodelling and expansion of Intensive Care Units (ICUs) at RRHs; construction and equipping of Isolation facilities at all RRHs among others.

Analysis of the new budget (FY 2020/21) indicates a budget cut of Ug shs 2.8billion from the Medical Equipment budget line of Butabika Hospital and 12 RRHs. The RRHs that did not have allocation towards medical equipment in their budgets included Mubende, Entebbe and Kiruddu.

Need to pay extra attention to mental health during COVID and post COVID period: The WHO noted effects of lockdown on people's usual activities, routines and livelihoods; leading to increased levels of loneliness, depression, harmful alcohol and drug use, and self-harm or suicidal behavior. The Health Management Information System (HMIS) preliminary data for 63% of reporting facilities indicated 3,139 mental cases, 2,004 alcohol use cases and 819 for tobacco use (March-April 2020⁵). The budget for mental health under Butabika Hospital was however reduced by over Ug shs 33 billion, budget cuts affected critical aspects like medical equipment, medical supplies and utilities among others.

Human resource in emergency departments of various facilities:

At the start of the pandemic, Mulago NRH already had 40 ICU beds but lacked critical staff like intensivist and emergency technicians among others. The Health Service Commission (HSC) was tasked to recruit emergency health workers. By 18th May 2020, the HSC had recruited over 600 health workers to enhance service delivery during the pandemic.

Gap analysis indicated a budget requirement of Ug shs 18.8billion under MoH to deploy and remunerate 356 temporary staff including epidemiologists, medical officers, critical care nurses, ambulance drivers, anesthetics, laboratory technologists and scientific advisers on COVID-19. The MFPED provided 89% of this requirement (Ug shs 16.6billion) in the COVID-19 supplementary budget-FY 2019/20 towards allowances, contract staff salaries (for only three months) and social security contribution. This left a gap of over Ug shs 2billion.

Analysis of the MoH budget estimates-FY 2020/21 indicated a fall of Ug shs 2.5billion under Allowances and general staff salaries.

Urgent need to accommodate emergency workers at health facilities:

Pandemics and other health emergencies require essential health workers to stay on ground to offer emergency services in a timely manner. However, the budget line on

⁵ Data extracted on May 7th 2020



residential buildings did not receive any supplementary allocation in FY 2019/20 and also registered a cut of Ug shs 4.4 billion in new FY 2020/21. Approximately 30% of the hospitals reviewed did not have any allocation towards staff accommodation.

Despite the fact that critical sector budget items like medical equipment, protective gears, emergency services and staff accommodation among were inadequately funded in the two FYs, other items, not very critical given the current situation registered budget increments. For example **Consultancy Services**⁶ received an increment of Ug shs 22 billion, **Workshops and Seminars** received an increment of Ug shs 6 billion, **Printing, Stationery, Photocopying and Binding** received Ug shs 3.9 billion, Ug shs 313 million for **Travel Abroad**, and Ug shs 226 million for **furniture**.

Conclusion

The GoU has made steady efforts in responding to the COVID-19 pandemic by swiftly allocating resources towards the fight. However, allocations towards critical budget items in the health sector remain meagre and to a larger extent not addressed in the new budget estimates of FY 2020/21. The approved corrigenda for FY 2020/21 is silent on COVID-19. Gap analysis indicates budget gaps under emergency services, PPEs, medical equipment and infrastructure amidst increasing COVID-19 cases in Uganda. The need to strategize and prioritize funds from the National Budget to the health sector is critical in mitigating the need for mid-year supplementary budgets by various Votes in response to the pandemic and other health emergencies.

Recommended measures to mitigate impact of COVID- 19 in the current Budget

- The MFPED, MoH and other stakeholders should hastily support Makerere University to develop the cheaper anti-body COVID-19 test kit. This will save GoU over Ug shs 47 billion in the coming FY 2020/21.

- The MoH should prioritize functionalization of the 94 grounded ambulances in order to reduce the gap on the ambulance requirement.
- The MoH should take stock of all donations in terms of PPEs and testing kits to inform gap analysis and establish actual budget requirements in FY 2020/21.
- The MFPED should mobilize and allocate resources towards the current needs of the sector to close the budget gap needed to reduce the impact of COVID-19, and other health emergencies on the economy.
- The MoH should encourage and follow WHO guidelines on extended or re-use of masks for all health workers in bid to reduce budget gap on PPE requirements.
- The MFPED, MoH, Parliament and related stakeholders should review the current budget and make amendments in the corrigenda to avoid mid-year budget supplementary requests from affected votes.

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⁶ Mostly for development projects under MoH