

**REPUBLIC OF KENYA**



**COUNTY GOVERNMENT OF KITUI**

**THE COUNTY ASSEMBLY**

**SECOND ASSEMBLY – (THIRD SESSION)-2019**

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**COMMITTEE ON HEALTH AND SANITATION  
REPORT ON  
RESPONSE TO STATEMENT REQUEST ON THE KITUI COUNTY  
HEALTH INSURANCE COVER**

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**Clerk's Chambers,  
Kitui County Assembly Buildings,  
P.O Box 694-90200  
KITUI.**

**OCTOBER , 2019**

## **LIST OF ABBREVIATIONS & ACRONYMS**

**CECM** - County executive committee member

**UHC** - Universal health care

**NHIF** - National hospital insurance fund

**AIDS** - Acquired Immune Deficiency Syndrome

**HIV** - Human Immunodeficiency Virus

**SDG** - Sustainable Development Goals

**AMREF** - Africa Medical Research Foundation

**TB** - Tuberculosis

**K-CHIC** - Kitui County Health Insurance Cover

## **BACKGROUND INFORMATION**

**Mr. Speaker,**

During the afternoon sitting of Thursday 22<sup>nd</sup> November, 2018 and pursuant to the provisions of the Standing Order No. 41 (2) (c), Hon. Jane Mutua M.C.A Kauwi Ward requested for a statement response from the Chairperson of the Committee on Health and Sanitation on the Kitui County Health Insurance Cover. (see annex 1)

In her statement, she required the Chairperson to inquire and report on:

**1. As at 6<sup>th</sup> November, 2018:**

- I. The number of persons per sub county, ward registered for the health insurance cover;
  - II. The amount of money collected;
  - III. The amount of money paid out/spent;
  - IV. The amount of money spent to implement the programme and register beneficiaries Vis a Vis the amount collected.
2. Whether there has been incidences of citizens being forced to take loans to register for the cover, especially the Financial Services Associations (FSAs) and if so, interest rates on the same;
  3. Whether involuntary issuance of such loans to these low income earners amounts to extra financial burden to them;
  4. Whether the county public officers have been forced to pay for the kitui County Health Insurance Cover despite their unwilling and noting that they pay for the National Hospital Insurance Fund (NHIF) through the check off system, and in compliance with the National Hospital Insurance Fund Act;
  5. The financial institution that administers the Fund, the Bank Account number, the signatories to the Account and bank statements since the implementation;

6. Contact person for the pay bill number 815815 who manages this pay bill number in case of money reversals.
7. Impact of the initiative on access to healthcare in kitui county since this cover was launched;
8. Whether a regulatory impact statement was prepared in compliance with Section 6 of the statutory Instruments Act, Noting the significant cost on the *Musangi's* and whether most of them can afford Ksh. 1100/= to enable them access the cover;
9. Measures that have been put in place to cater for access to the health cover for the elderly (over 70 years).
10. Whether the health cover caters for the Hospital bills accumulated before the registration /pre-existing conditions, and if so, the amount that has been paid out as such;
11. Suitability of the Kitui County Health Insurance Cover in the long run;
12. Avail any other information that will shed more light on this matter.

Further noting the allegations that the public through FSAs paid ksh. 1150/- as opposed to Ksh. 1100/- for the insurance cover, the County Assembly should write to the FSAs regulatory body(K-Rep Fedha Services) requesting for information on the purpose of the Ksh. 50/- that was paid between 21<sup>st</sup> August to October, 2018.

**Mr. Speaker,**

On 26<sup>th</sup> November, 2018, the statement was forwarded to the Chief Officer for County Ministry on Health and Sanitation and on 14<sup>th</sup> December, 2018, a response was provided as annexed to this report.(see annex II).

Upon scrutiny to the responses provided, the committee observed that some issues were not satisfactorily responded to and thus resolved to invite the Chief Officer to appear before the Committee on 16<sup>th</sup> July, 2019 who provided further responses as required by the Committee. (See annex III)

## **RESPONSE TO THE STATEMENT REQUEST**

**Mr. Speaker,**

The Committee wishes to respond as follows to the requests made:

**i. The number of persons per sub county, ward registered for the health insurance cover as at at 6<sup>th</sup> November, 2018:**

The total number of persons/households registered under K-CHIC as at 6<sup>th</sup> November, 2018 was 77,442. Further the total number of persons/households registered as at 11<sup>th</sup> July, 2019 was 127,902.

**ii. The amount of money collected, spent to implement the programme and register beneficiaries Vis a Vis the amount collected:**

As at 13<sup>th</sup> December, 2018, a total of Ksh. 85,186,200 through the K-CHIC Programme. Further as at 30<sup>th</sup> June, 2019, a total of Ksh. 140,692,200 had been collected.

As at 13<sup>th</sup> December, 2018, the County had not spent any of the funds collected under the K-CHIC programme. (See bank statement annex 3).

For the purposes of the implementation/roll out of the K-CHIC programme a total of Ksh. 50,740,820/= was spent as a one-off expenditure at the initial stage.

Further as at 30<sup>th</sup> June, 2019, a total of Ksh. 90,702,977. Had been used as reimbursements to the various hospitals across the county.

**iii. Whether there has been incidences of citizens being forced to take loans to register for the cover, especially the Financial Services Associations (FSAs) and if so, interest rates on the same;**

Registration for K-CHIC is voluntary and the ministry has not received any complaints on citizens being forced to register for the K-CHIC programme.

**iv. Whether county public officers have been forced to pay for K-CHIC:**

Registration for K-CHIC remains voluntary both to members of public and county public officers. K-CHIC seeks to compliment other health insurance covers to enhance access to healthcare in the county.

**v. The financial institution that administers the Fund, the Bank Account number, the signatories to the Account and bank statements since the implementation:**

Pursuant to the K-CHIC regulations 2017, the fund is administered under the following accounts in CO-OPERATIVE BANK- KITUI BRANCH.

S/NGVT6	NAME OF BANK	A/C. NAME	A/C NO.	BRANCH	SIGANTORIES
1	COOPERATIVE BANK	KITUI COUNTY HEALTH INSURANCE COVER REVENUE ACCOUNT	0114181063200	KITUI	<ol style="list-style-type: none"> <li>1. DR. RICHARD MUTHOKA- C.O HEALTH</li> <li>2. MR. ENOCH NGUTHU- C.O FINANCE</li> <li>3. MR. ALEX MUTHYOI Ag. DIRECTOR HEALTH ADMINISTRATOR</li> </ol>
2.	COOPERATIVE BANK	KITUI HEALTH INSURANCE COVER OPERATIONS ACCOUNT	0114181063201	KITUI	<ol style="list-style-type: none"> <li>1. DR. RICHARD MUTHOKA- C.O HEALTH</li> <li>2. MR. ENOCH NGUTHU-C.O FINANCE</li> <li>3. MR. ALEX MUTHYOI Ag. HEALTH FUND ADMINSTRATOR</li> </ol>

See bank statements annex IV

**vi. Contact person for the pay bill number 815815 who manages this pay bill number in case of money reversals:**

This pay bill number is managed by the pay bill manager Mr. Robert Sivi (Revenue Officer) and Fund Administrator Mr. Alex Muthyoi.

**Vii. Impact of the initiative on access to healthcare in Kitui County since this cover was launched:**

Since the launch of the K-CHIC programme, 127,902 persons/households have been registered and healthcare has been provided for free using the K-CHIC card. The health seeking behavior has improved significantly. This implies that more people are able to access quality healthcare in the county health facilities.

**viii. Whether a regulatory impact statement was prepared in compliance with Section 6 of the statutory Instruments Act:**

K-CHIC aims at attaining universal health care in the county. This is as per the National Government Big Four Agenda Which the country has adopted and is piloting in four Counties before being rolled out countrywide.

**ix. Measures that have been put in place to cater for access to the health cover for the elderly (over 70 years):**

K-CHIC is a complimentary programme to other social protection programmes being implemented in the country. For this reason, the elderly population is currently accessing free healthcare through the National Government initiative under the National Health Insurance Fund(NHIF).

Any additional package which is not catered for under NHIF, and is available at the public health facilities is offered for free to K-CHIC members.

**x. Whether the health cover caters for the Hospital bills accumulated before the registration /pre-existing conditions, and if so, the amount that has been paid out as such:**

K-CHIC does not cater for hospital bills accumulated before one has been duly registered.

**xi. Suitability of the Kitui County Health Insurance Cover in the long run:**

K-CHIC programme aims at complementing other health insurance covers to promote universal health coverage in the country, provide beneficiaries relief from high out of pocket spending for health services and guarantee access to affordable high quality health services for beneficiaries.

For this reason the county has put in place measures to increase the uptake of NHIF and other commercial health insurance covers. This will reduce the amount of claims by the hospitals through the K-CHIC programme hence making it sustainable.

**i) Any other information that will shed more light on this matter.**

The ministry has invested substantial amounts to ensure enough drugs and equipment are available in both dispensaries and health centers.

These facilities offer treatment at no cost courtesy of the National Government programme (compensation for user fees) the county has been improving these to facilities to ensure 60% of the all the curative services are offered at that level.

The county has done this through deployment of more health workers to these facilities, minimizing drug stock outs and improving laboratory services in all the 56 health centers. This will ease the burden at the hospitals hence making K-CHIC sustainable.

**RECOMMENDATIONS BY THE COMMITTEE ON HEALTH AND SANITATION**

1. In order to reinforce sustainability of the K-CHIC programme the committee recommends that:
  - i. **Adoption of automated registration-** this will ensure easy identification of persons duly registered and eligible for treatment with the K-CHIC card.

ii. **Control of administrative costs-** the K-CHIC management committee should transact its business in line with the terms stipulated by the regulations so as to ensure monies meant for core services provision is not used to pay allowances.

iii. **Advance selection of persons**

The persons eligible for registration to the K-CHIC program must register first before they are issued with a card, which should take at least 30 days to mature. This encourages persons to register in advance even when they are not sick while enabling the county to pool more resources from a larger population.

iv. **Mobilizing households to take up NHIF** cover- this will lessen the burden of financing healthcare provision in the county significantly hence less cost of running the K-CHIC program thus ensuring its sustainability.

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**Confirmed by**

**Anthony N. Mwanzia**

**Chairperson, Committee on Health and Sanitation**

**Response compiled by Onesmus M. Mbwang'a- Clerk Assistant**

## **AUTHENTICATION AND ADOPTION OF RESPONSE TO STATEMENT REQUEST**

<b>+</b>	<b>NAME</b>	<b>DESIGNATION</b>	<b>SIGNATURE</b>
<b>1</b>	HON. ANTHONY N, MWANZIA	CHAIRPERSON	
<b>2</b>	HON, STEPHEN I. KATANA	VICE CHAIRPERSON	
<b>3</b>	HON. GEOFFREY M. MWALIMU	MEMBER	
<b>4</b>	HON. ELIUD M. NDING'URI	MEMBER	
<b>5</b>	HON. CHARLES M. MAEMA	MEMBER	
<b>6</b>	HON. MARY K. PHILIP	MEMBER	
<b>7</b>	HON. REGINA M. ISHMAIL	MEMBER	
<b>8</b>	HON. JOSEPHINE K. MUTIE	MEMBER	
<b>9</b>	HON. DR. GRACE MUTUA	MEMBER	
<b>10</b>	HON. GRACE M. SAMMY	MEMBER	
<b>11</b>	HON. ELIZABETH N. PETER	MEMBER	