

unicef
for every child

HEALTH BUDGET BRIEF[1]

Protecting Health Financing for Universal Health Coverage

October 2026



KEY MESSAGES AND ADVOCACY

Increase and Protect Health Financing

Ghana needs to continue protecting and promoting health sector financing – a further increase of 2.8% of GDP is required to reach the minimum expenditure levels necessary for achieving UHC.

Avoid any future capping of the NHIF

Government should safeguard health financing by avoiding future capping of the National Health Insurance Fund (NHIF), ensuring adequate fiscal space to sustain essential health services and advance universal health coverage. This is key in view of the transition and the projected continuous declining donor support.

Develop and implement a comprehensive vaccine financing and procurement sustainability strategy.

As Ghana transitions from Gavi support, it may lose access to the lower vaccine prices secured through UNICEF-Gavi-negotiated procurement, increasing costs and pressure on the national health budget. To safeguard affordability and supply security, a sustainable procurement strategy should complement the vaccine financing roadmap through pooled procurement where feasible, stronger forecasting, improved supply chain management and measures to address foreign exchange risks. These actions will help ensure uninterrupted access to vaccines and sustain Ghana's immunization gains beyond the Gavi transition.

Improve health financing efficiency.

Improve efficiency within the NHIA operations by ensuring that the newly expanded fiscal space is fully utilised for claims payments, so that every Ghana Cedi spent generates real, equitable health gains for children and communities. Provider claims, though still the largest share of NHIA spending has declined from 83% in 2015 to 57% in 2024, well below the best practice benchmark of 85%.

1 INTRODUCTION

The Government of Ghana remains steadfast in its commitment to developing a resilient, equitable, and sustainable health system that ensures access to quality healthcare for all citizens, regardless of geographic location or socioeconomic status. The Health Sector Medium-Term Development Plan (HSMTDP) 2026-2029 sets out the strategic priorities and interventions of the Ministry of Health and its agencies over the next four years, aligned with the Government's resetting Ghana Agenda, which focuses on job creation, accountability and shared prosperity[2].
The strategic plan is being shaped by major government-led health financing reforms, notably the Free Primary Healthcare (FPHC) Policy, which seeks to eliminate financial barriers to accessing essential health services, and the Ghana Medical Trust Fund (GMTF), which provides a predictable and sustainable source of domestic financing for health infrastructure, medical equipment, and essential medicines. At the same time, Ghana's transition from GAVI support presents a significant financing challenge, particularly for immunisation programmes, underscoring the need for enhanced domestic resource mobilisation and sustainable financing strategies to safeguard gains in public health[3].



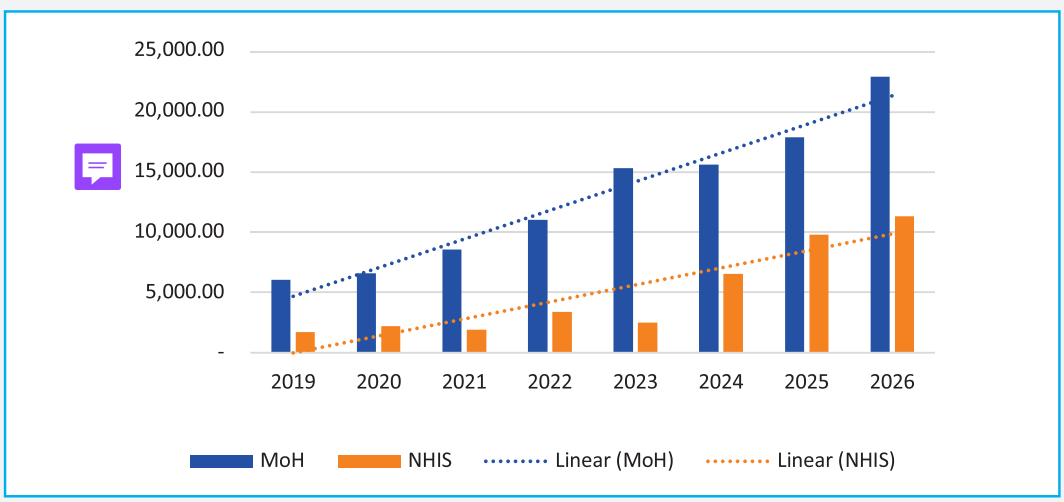
[1] This Budget Brief was produced with the technical assistance of UNICEF Ghana.
[2] Health Sector Medium-Term Development Plan (HSMTDP – (2026-2029))
[3] Ghana Health Service Strategic Plan (2026-2030)

2 HEALTH FINANCING – TRENDS IN BUDGET ALLOCATIONS

Budget allocation to the health sector has increased significantly over the period, rising from GHS 6.04 billion in 2019 to GHS22.80 billion in 2026. This represents an increase of more than 200% within eight years, reflecting the growing importance of the health sector within national development priorities and government expenditure frameworks. This growth in budgetary allocations to the Ministry of Health (MoH) has been complemented by significant increases in allocations to the National Health Insurance Authority (NHIA). **Allocation to the NHIA increased substantially from GHS1.7 billion in 2019 to GHS11.3 billion in 2026. When combined, total allocations to the health sector reached approximately GHS34.1 billion in 2026, highlighting the scale of public investment in the health sector.** The sharp increase in NHIA allocations is partly attributable to the uncapping of the National Health Insurance Fund (NHIF) in 2025.

The uncapping of the National Health Insurance Levy (NHIL) has significantly expanded the fiscal space available to the NHIA, enabling higher allocations for claims payments. However, despite the increase in available resources, claims payments have accounted for a declining share of the NHIA's total expenditure since 2015, highlighting the need to improve spending efficiency and ensure that a greater proportion of resources is directed towards service delivery. Despite the substantial growth in allocations, it is important to assess whether the increases translate into improved service delivery outcomes and better health indicators.

Figure 1: *Trends in Budget Allocation to the Health Sector*

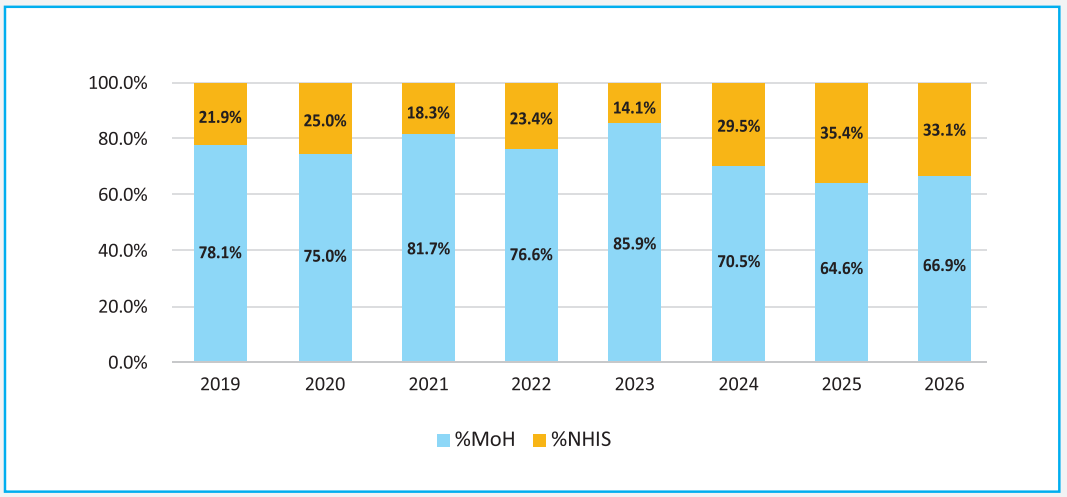


Source: *MoF Budget Statements (2019-2026)[4], MoH PBB (2019-2026)[5]*

[4] Ministry of Finance Budget Statements and economic Policy (2019-2026)
[5] MoH PBB = Ministry of Health Programme Based Budget

The National Health Insurance Scheme (NHIS) is increasingly becoming a major source of financing for health service delivery in Ghana. Over the years, the Scheme has played a critical role in improving access to healthcare services by reducing out-of-pocket expenditure and providing financial protection for households, particularly vulnerable populations. The contribution of the NHIS to overall health sector financing has fluctuated since 2020. Its share of total health sector financing declined from 25% in 2020 to 14.1% in 2023. The trend changed significantly, particularly after the uncapping policy for NHIL in 2025, which saw the **share of the NHIS to health sector financing increased sharply to 35.4% in 2025 before declining marginally to 33.1% in 2026.**

Figure 2: *Composition of Health Sector Budget*

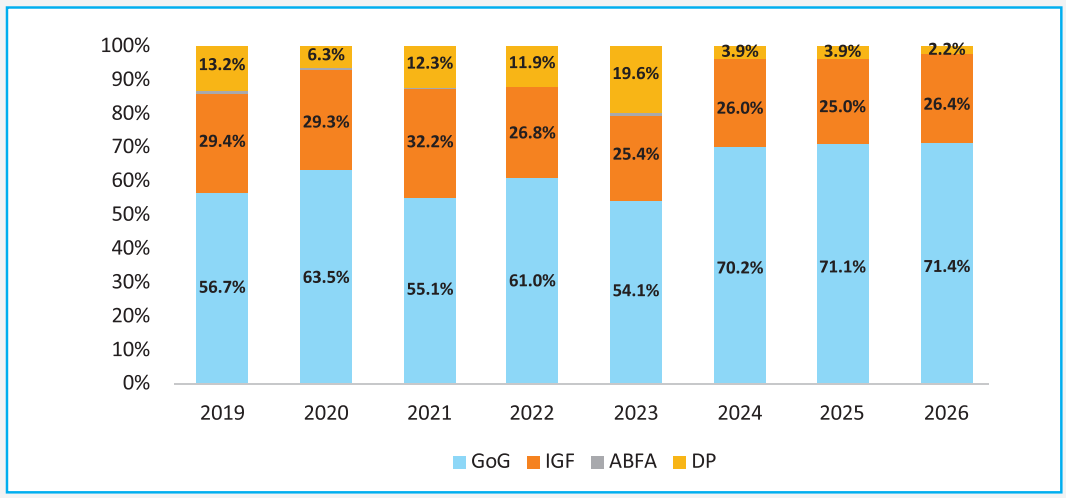


Source: *MoF Budget Statements (2019-2026); MoH PBB (2019-2026)*

2.1 Composition of Health Expenditure

The central government continues to be the main source of funding for the health sector, with its contribution increasing significantly from 56.7% in 2019 to 71.4% in 2026. This growing reliance on government financing reflects the increasing role of domestic public resources in sustaining health sector operations and service delivery. **Internally Generated Funds (IGF) have also emerged as an important and relatively stable source of financing for the sector, accounting for an average of about 28% of total health sector funding since 2019.** The growing importance of IGF highlights the role of health facilities and agencies in mobilising additional resources to support service delivery, particularly through user fees, reimbursements, and other internally generated revenues. However, **over reliance on Internally Generated Funds (IGF) may raise equity concerns, particularly in Ghana, where out-of-pocket payments (OOP) account for approximately 27% of total health expenditure.** This exceeds the recommended threshold of 15-20%, generally considered necessary to ensure that health services remain affordable and accessible to all segments of the population.

Figure 3: *Sources of Funding for the Health Sector*



Source: *MoF Budget Statements (2019-2026), MoH PBB (2019-2026)*

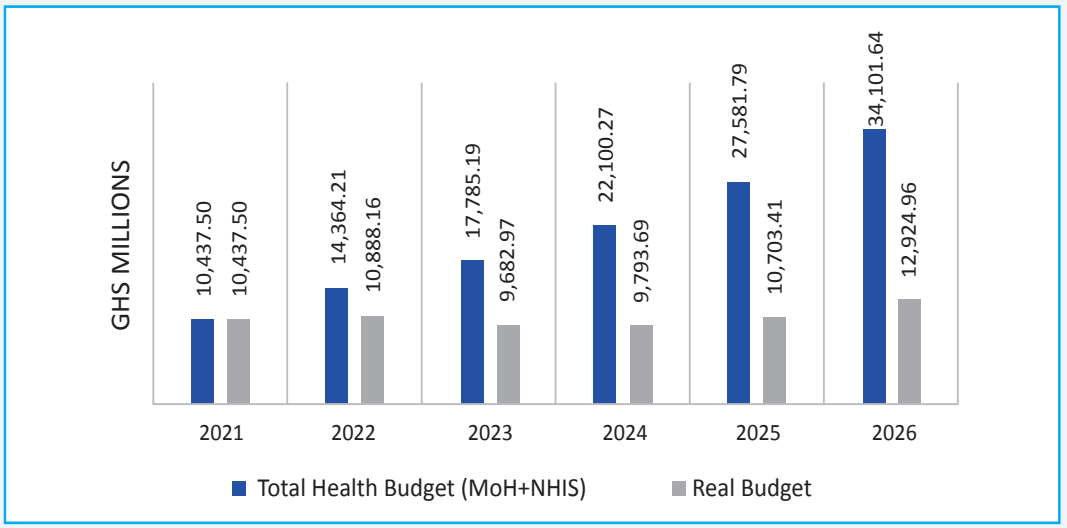
In contrast, funding from development partners has become increasingly unpredictable and has declined sharply over the period, falling from 19.6% in 2023 to just 2.2% in 2026. The steep reduction in donor support may reflect changing global financing priorities, transition dynamics associated with Ghana's lower-middle-income status, and the gradual withdrawal or scaling down of external assistance programmes.

The share of petroleum revenue allocated to the health sector has remained both minimal and highly inconsistent over the years. It increased slightly from 0.8% in 2019 to 0.9% in 2020, before falling sharply to 0.3% in 2022. The allocation subsequently rebounded to 0.9% in 2023. However, no petroleum revenue allocations were made to the health sector after 2024, highlighting the irregular and unpredictable nature of this funding source.

2.2 Inflation Adjusted Health Budget (Nominal Vrs Real)

Although the nominal health budget has increased steadily from GHS10.4 billion in 2021 to GHS34.1 billion in 2026, much of this growth has been eroded by inflation. In real terms, health sector allocations have been far less consistent. When adjusted to 2021 constant prices, the health budget declined from GHS10.8 billion in 2022 to GHS9.7 billion in 2024 before recovering to GHS12.9 billion in 2026. These fluctuations in real allocations reduce the sector's purchasing power, as inflation, exchange rate depreciation, and rising costs of imported medicines, medical commodities, and equipment increase the cost of delivering healthcare services.

Figure 4: *Real Health Budget Allocation (Constant 2021 Prices)*



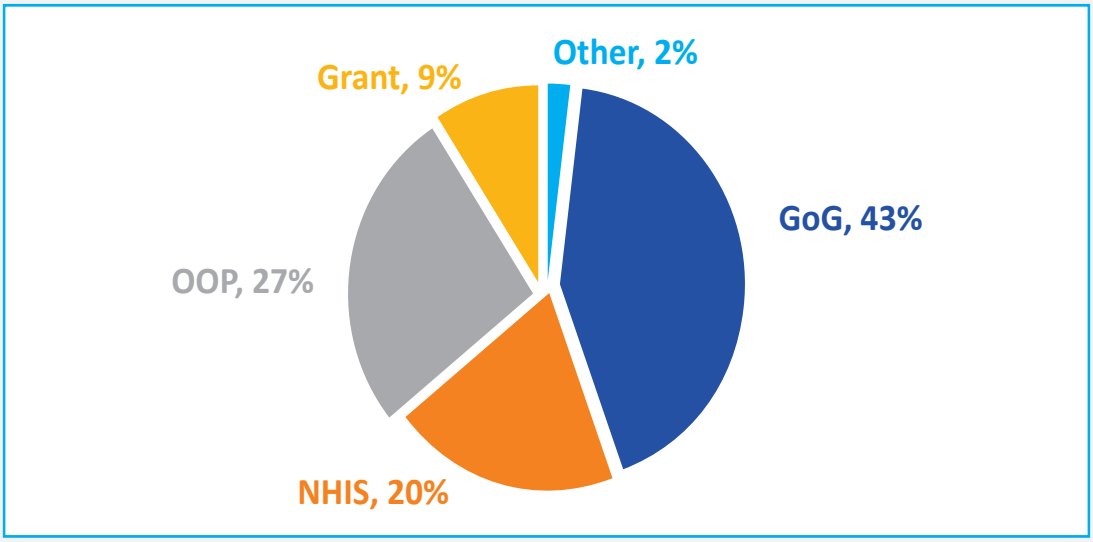
Source: *Ministry of Finance Budget Statements (2019-2026)*

2.3 Structure of Health Financing

Ghana's health sector is primarily financed through domestic resources, demonstrating strong national commitment to health financing. Government funding accounted for nearly 43% of total health expenditure, while the National Health Insurance Scheme (NHIS) accounted for an additional 20%. However, out-of-pocket (OOP) payments account for 27% of total health expenditure, exceeding the World Health Organization's recommended maximum threshold of 25%. This indicates persistent financial barriers to accessing healthcare and underscores the need for stronger financial risk protection. Meanwhile, 9% of health financing comes from external sources, while the remaining 2% is financed through other sources, including voluntary prepayments.



Figure 5: *Sources of Health Expenditure in Ghana (2023)*[6]



2.4 Ministry of Health Expenditure by Economic Classification

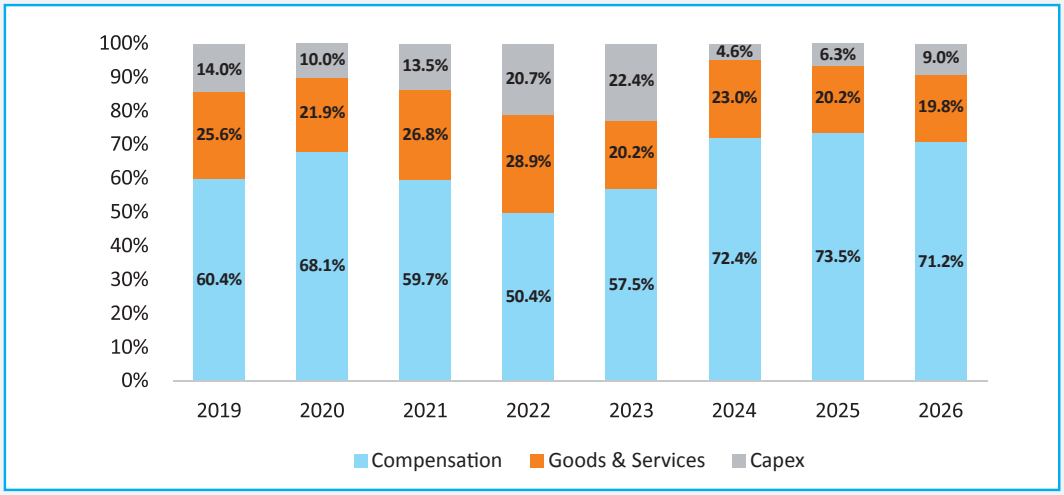
Compensation continues to dominate the expenditure profile of the MoH. The share of the compensation budget increased sharply from 50.4% in 2022 and has consistently remained above 70% since 2024. This trend suggests that a growing proportion of the health sector budget is being absorbed by personnel emoluments, leaving limited fiscal space for other critical expenditure items necessary for effective health service delivery.

By contrast, the proportion allocated to Goods and Services declined significantly from a high of 28.9% in 2022 to 19.8% in 2026, representing a reduction of nearly 10% within four years. This decline has important implications for the operational efficiency of the health sector. **Similarly, the proportion of the MoH budget dedicated to capital expenditure has declined considerably over the period. After peaking at 22.4% in 2022, the share of capital expenditure fell to less than 10% in 2026.** This sharp decline raises concerns about the sector's ability to expand and maintain critical health infrastructure and equipment needed to meet growing healthcare demands.

[6] https://apps.who.int/nha/database/country_profile/Index/en



Figure 6: *Ministry of Health Expenditure by Economic Classification*



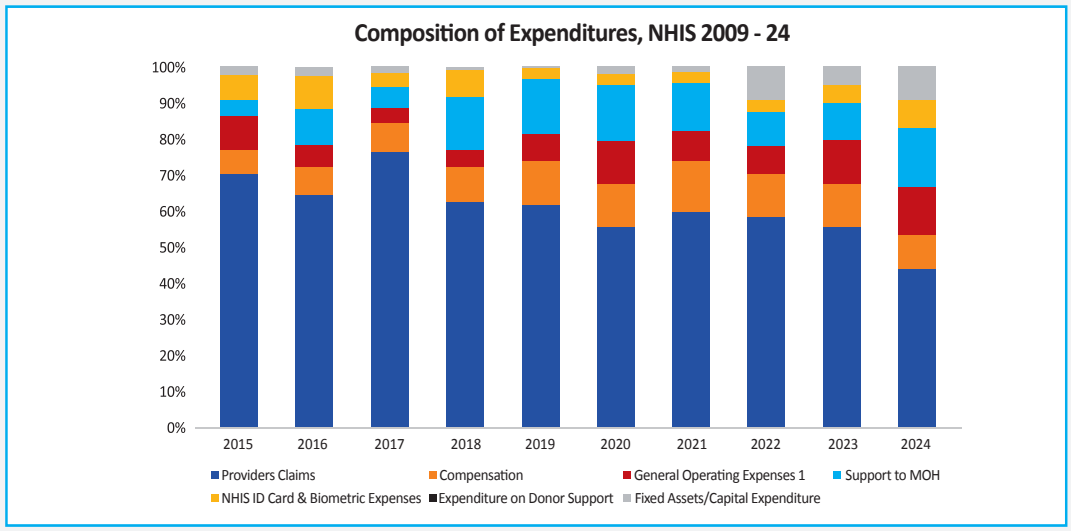
Source: *Ministry of Finance Budget Statements (2019-2026)*

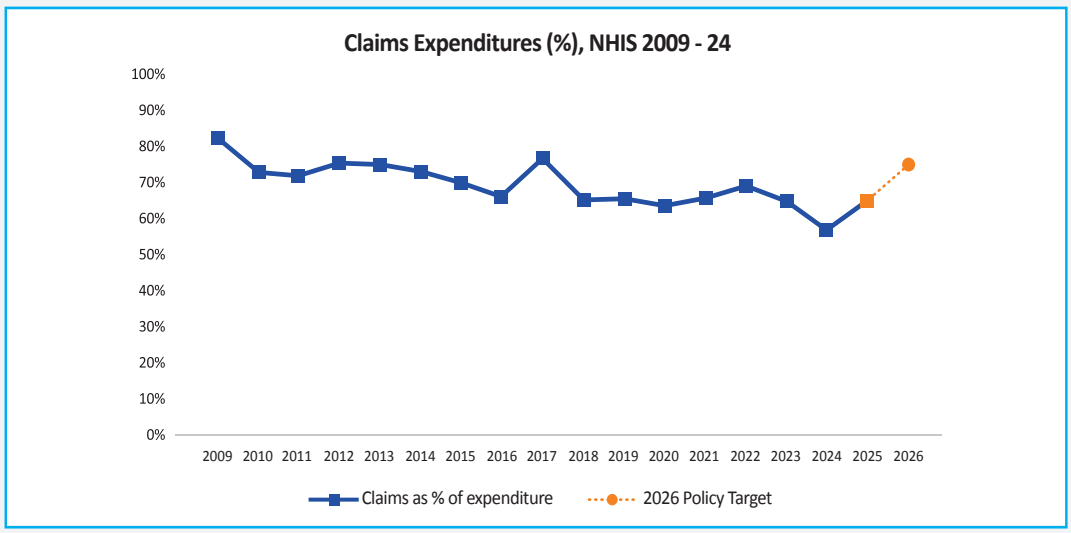
2.5 NHIA Operational Costs vs. Claim Payments

The growing share of NHIA operational expenditure is placing increasing pressure on the resources available for provider claims reimbursement. As the NHIS matures, greater operational efficiency should enable administrative costs to decline as a share of total expenditure, allowing a larger proportion of available resources to be directed towards claims payments and service delivery. Improving efficiency and containing operational costs will therefore be critical to ensuring the financial sustainability of the Scheme, timely reimbursement of health providers, and continued access to quality healthcare.

Provider claims, while still the largest share of NHIA's expenditure category, declined from 83% of total spending in 2015 to 57% in 2024 (figure 7) – well below the international benchmark of 85%. It is recommended that the NHIA spends at least 75% of its total expenditure on claims while looking for opportunities to improve operational efficiency.

Figure 7: *Composition of NHIA Expenditures*





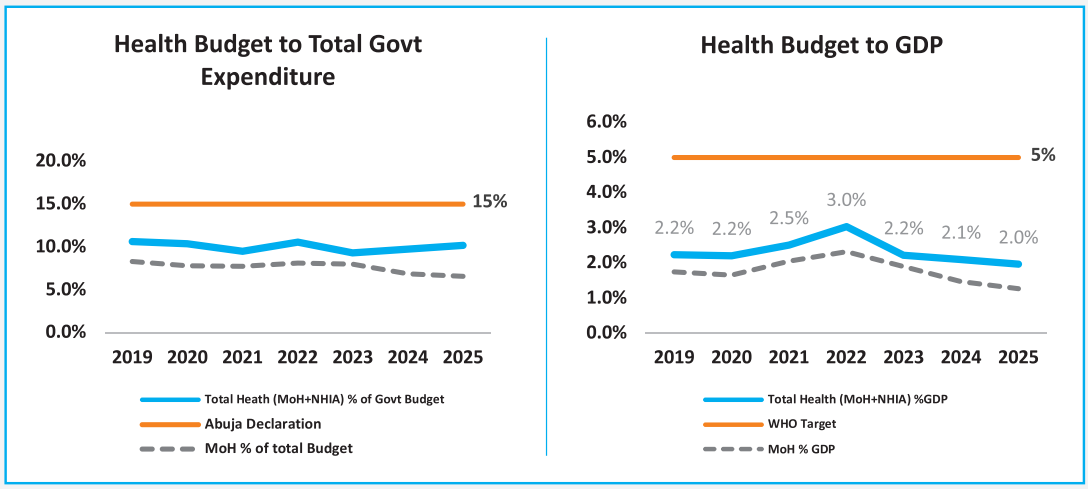
2.6 Health Sector Budget against Global Benchmarks

Despite the nominal increases in budget allocations to the health sector, funding levels remain below internationally recommended benchmarks. The health budget as a share of total government expenditure has averaged approximately 10% since 2019, reaching a peak of 10.6% in 2022 – still short of the 15% target set under the Abuja Declaration.

Similarly, health expenditure as a share of GDP has remained below 3% since 2022 and is projected to decline to 2% in 2026, significantly lower than the World Health Organization's (WHO) recommended benchmark of 5% of GDP. These trends underscore the need for government to progressively increase health sector financing toward these targets in order to strengthen health system capacity and improve the delivery of quality healthcare services.



Figure 8: *Health Budget against Global Benchmarks*



Source: *MoF Budget Statements (2019-2026), MOH PBB (2019-2026)*

2.7 Health Budget ExecutionBenchmarks

Table 1 presents the MoH's budget execution rates from 2019 to 2024. Overall, budget execution remained relatively consistent over the period, both for the aggregate MoH budget and across the main economic classifications. MoH demonstrates relatively strong aggregate budget execution. However, disaggregating expenditure by economic classification reveals important budget credibility challenges, particularly in the execution of capital expenditure. While most deviations remain within the internationally accepted budget credibility benchmark of ±10% of the approved budget, the persistent and substantial under-execution of CapEx suggests weaknesses in planning, procurement, or project implementation that warrant further investigation. On average, the MoH executed 86.2% of its approved budget, leaving approximately 13.8% unspent. Overall budget execution was above average though at 65% in both 2020 and 2022, largely due to significant underspending on capital expenditure (CapEx). CapEx execution was particularly low, with only 4.6% of the approved allocation

spent in 2020, falling further to just 1.3% in 2022. These figures point to substantial implementation challenges for capital investment projects.

The compensation budget generally exhibited strong budget credibility, with execution rates remaining close to the approved allocations. The notable exception was 2020, when 70% of the compensation budget was executed, representing an underspending of 30%. This was followed by an overspending of 10% in 2023, while execution in 2024 was almost exactly on target, with a marginal overspend of 1%. A similar pattern is observed for the Goods and Services budget. Execution fell sharply to 58% in 2022, indicating considerable underspending, whereas expenditure exceeded approved allocations by 17% in 2021 and 10% in 2023. While most deviations remain within the internationally accepted budget credibility benchmark of ±10% of the approved budget, the persistent and substantial under-execution of CapEx suggests weaknesses in planning, procurement, or project implementation that warrant further investigation.

Table 1: *MoH Budget Execution Rate*

Budget Execution (%)	2020	2021	2022	2023	2024
Compensation	70%	91%	85%	110%	101%
Goods & services	74%	117%	58%	110%	82%
Capex	5%	59%	1%	23%	90%
Overall Budget	**65%**	**93%**	**65%**	**91%**	**96%**

Source: *Own Computation based on MoF Budget Data*





3 PRIORITY ACTION

Establish a Dedicated Budget Line and Ensure Timely Disbursement of Funds for Vaccine Financing

KEY FACT:
[Ghana faces a vaccine financing gap of US$11.6 million in 2026, equivalent to nearly 30% of total vaccine requirements]

Every cedi invested in vaccines today helps avoid far greater costs from disease outbreaks, treatment, and lost productivity. Vaccination remains one of the most cost-effective public health investments, generating substantial health and economic returns. Globally, immunisation programmes in low- and middle-income countries prevented an estimated 18.8 million deaths between 2000 and 2023 and generated more than US$250 billion in economic benefits. In Ghana, UNICEF estimates that a reduction in routine immunisation would result in long-term health and economic losses estimated at over US$2.3 billion (considering mortality and DALYs only)[7] within a decade[8]. Such losses would undermine progress towards Primary Health Care (PHC), Universal Health Coverage (UHC) and Sustainable Development Goal 3 (SDG 3).

[7] UNICEF Ghana, "Cost Benefit Analysis on Preventive Health Care Services in Ghana" (2025)
[8] https://www.gavi.org/news/media-room/13-million-future-deaths-prevented-gavi-supported-vaccines-2023?utm_source=chatgpt.com

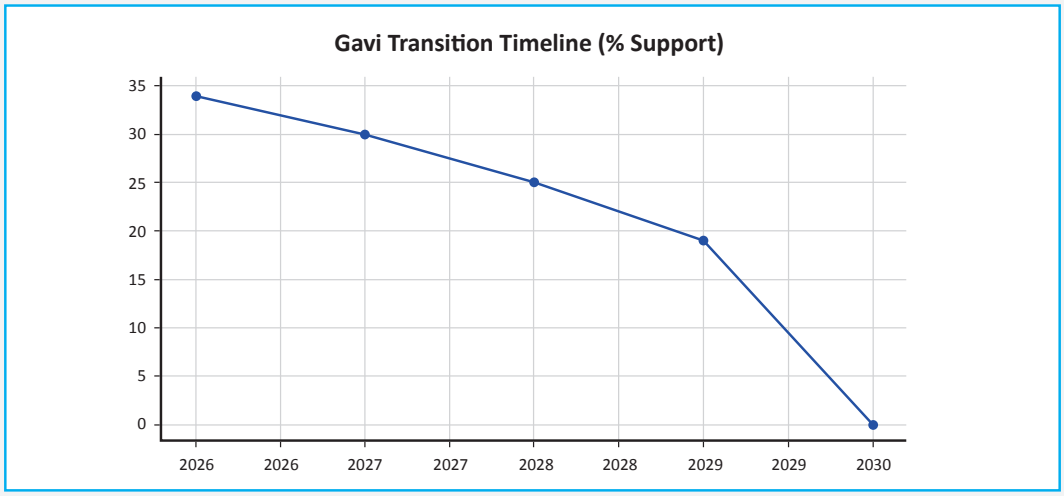
These benefits arise from reduced healthcare costs, lower mortality and morbidity, improved educational attainment and increased productivity throughout the life course. Reduced immunisation coverage would increase the incidence of vaccine-preventable diseases, place additional pressure on already constrained health services and undermine progress towards SDG 3. Recent episodes of vaccine stockouts, largely linked to financing constraints and delays in the release of funds, demonstrate the importance of predictable and timely financing. Without adequate financing, Ghana risks recurring vaccine shortages, expensive outbreak response campaigns, increased treatment costs, and losses in future productivity. These challenges could also undermine the impact of the Government's Free Primary Healthcare policy and adversely affect children and other vulnerable populations.

3.1 Ghana Transitions to Full Domestic Vaccine Financing

Recent vaccine stockouts, driven largely by financing constraints and delays in the release of funds, underscore the importance of ensuring predictable and timely financing for immunization programmes. Without adequate financing, Ghana risks recurring vaccine shortages, expensive outbreak response campaigns, increased treatment costs, and losses in future productivity. These challenges could also undermine the implementation of the Government's Free Primary Healthcare policy and adversely affect children and other vulnerable populations. **Ghana's transition to full domestic vaccine financing marks a critical milestone in the country's efforts to build a sustainable and resilient health financing sovereignty**[9]. The Government is expected to assume full financial responsibility for vaccine procurement from January 2030 as support from Gavi is progressively phased out by December 2029. Gavi co-financing policy has helped about 19 countries transition to fully self-financing since 2008[10]. However, without adequate and timely domestic financing, widening funding gaps could undermine the sustainability of Ghana's immunization programme, reverse hard-won gains in vaccine coverage, increase the risk of vaccine-preventable disease outbreaks, and lead to higher healthcare costs over the long term. While Gavi's financial support for vaccine procurement will gradually phase out, it will continue to support Ghana through non-financial assistance, including technical support, health systems strengthening, market shaping, supply chain and procurement assistance, and efforts to improve immunization programme performance and sustainability.

[9] Ghana Launches Parliamentarian Caucus on Immunization Ahead of 2029 Gavi Transition - Ghana Health Nest
[10] How Gavi's pioneering co-financing model ensures sustainable vaccine programmes

Figure 9: *Gavi Transition Timeline*



Source: *Own graph based on Gavi Data*

In May 2026, the Government announced its commitment to fully finance all vaccines and critical medicines from domestic resources beginning in January 2030. The announcement reflects the Government's broader commitment to strengthening health financing sustainability and reducing dependence on external assistance.

In 2025, the Government fully met its vaccine co-financing obligation of US$24.5 million. This helped support the continuity of immunization services, reduced vaccine stockouts, and underscored the Government's strong commitment to safeguarding children's health and strengthening the national immunization programme[11]. The Government has introduced a series of reforms aimed at strengthening domestic health financing and preparing for the gradual withdrawal of donor support[12]. The transition extends beyond vaccines. The Government is also preparing for the planned withdrawal of support from the Global Fund for critical medicines used in the prevention and treatment of HIV, tuberculosis and malaria. To mitigate financing risks and safeguard continuity of essential services, Ghana is restructuring its health financing arrangements to ensure that domestic budgetary resources progressively replace external funding. The 2030 domestic financing target is underpinned by a series of health financing reforms introduced since 2025 to strengthen the sustainability of the health sector and support a gradual transition from donor dependence. These include the **Free Primary Health Care** (PHC) policy, which removes financial barriers to essential primary healthcare services and advances progress towards Universal Health Coverage (UHC) while complementing the National Health Insurance Scheme (NHIS), and the **Ghana Medical Trust Fund (MahamaCares)**, which provides financial support for the treatment of costly chronic and non-communicable diseases that are not fully covered by the NHIS[13].

[11] UNICEF Ghana (2025)
[12] UNICEF Ghana (2025)
[13] Ghana to Finance All Vaccines and Essential Medicines From 2030



3.2 Vaccine Financing Trends

Vaccine procurement in Ghana is financed primarily through resources transferred from the NHIS to the MoH. These resources finance Ghana's co-financing commitments to Gavi and fully fund government-supported traditional vaccines. The funding is dedicated to **vaccine procurement only** and does not cover operational costs associated with immunization, such as syringes, cold chain logistics, distribution, service delivery, or other programme-related expenses. The Government will assume greater responsibility for financing vaccines and managing procurement.

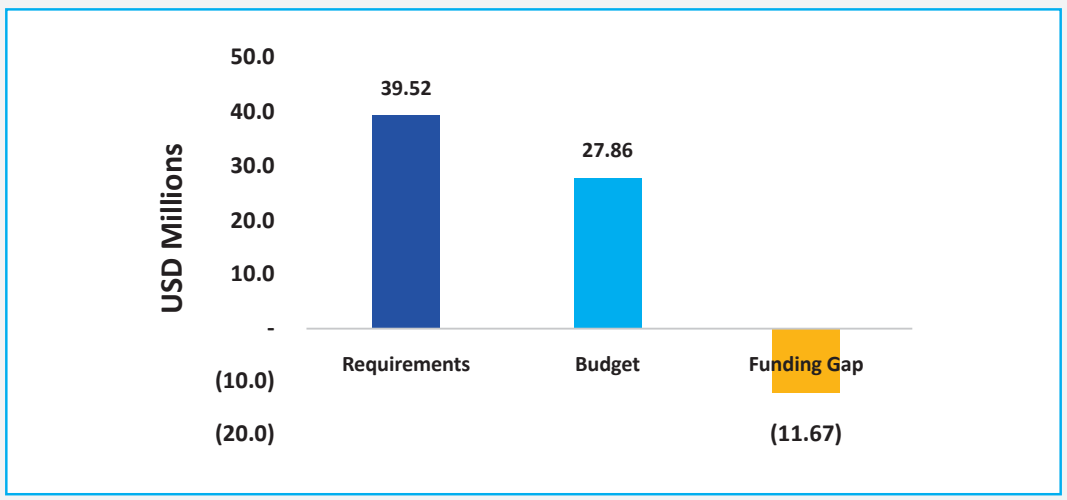
An important implication of this transition is the potential loss of access to the lower vaccine prices negotiated through UNICEF-Gavi pooled procurement mechanisms. Procuring vaccines at higher market prices could substantially increase programme costs, placing additional pressure on the national health budget. Without adequate planning and sustained domestic financing, these higher procurement costs could constrain the introduction of new vaccines, affect routine immunization financing and increase the risk of vaccine stockouts. Strengthening domestic resource mobilisation, improving procurement efficiency and ensuring predictable budget releases will be critical to sustaining immunization coverage and safeguarding recent public health gains. However, **as Ghana transitions towards full self-financing, Gavi's contribution to vaccine financing is expected to decline significantly, increasing the Government's responsibility for sustaining immunization financing.**

Vaccine financing requirements are expected to increase substantially over the coming years. Annual vaccine costs averaged approximately US$59.9 million during the 2023-2025 period and are projected to rise to about US$76.1 million annually between 2026-2030. The increase reflects rising vaccine procurement costs, the introduction of new vaccines, population growth and expanded immunisation needs. At the same time, donor financing is expected to decline significantly. Gavi's contribution accounted for an estimated 34% of vaccine financing during the 2023-2025 period but is projected to decline to approximately 19% for the last year of support, in 2029 as Ghana progresses through the transition process. Consequently, the Government's share of vaccine financing is expected to increase from an average of 66% to 81% over the same period, before reaching full financing responsibility by 2030[14].

3.3 The 2026 Vaccine Financing Gap

The 2026 budget highlights the magnitude of the challenge. Government allocated approximately US$27.9 million for vaccines in 2026. While this represents a significant commitment, total vaccine financing requirements for the year are estimated at US$39.5 million. This leaves a financing gap of approximately US$11.6 million, equivalent to nearly 30% of total vaccine requirements. Given procurement lead times of up to three months and current stock levels, the financing gap increases the risk of stockouts for specific antigens and could disrupt routine immunisation services if additional resources are not mobilised in a timely manner. The persistence of a financing gap at this stage of Ghana's transition is concerning because financing requirements are expected to increase further as donor support continues to decline over the coming years.

Figure 10: *Vaccine Financing Gap*



Source: *UNICEF Ghana*

[14] UNICEF Ghana Budget Brief (2023)







unicef | for every child

United Nations Children's Fund (UNICEF)
UNICEF Country Office
P.O. Box 5051, Accra-North Ghana

4-8th Rangoon Close | Cantonments | Accra

www.facebook.com/@unicefghana
www.x.com/@unicefghana
www.instagram.com/@unicefghana
www.youtube.com/@unicefghana
www.linkedin.com/@unicefghana
www.tiktok.com/@unicefghana

Ghana