



Health Budget Brief 2024



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Introduction

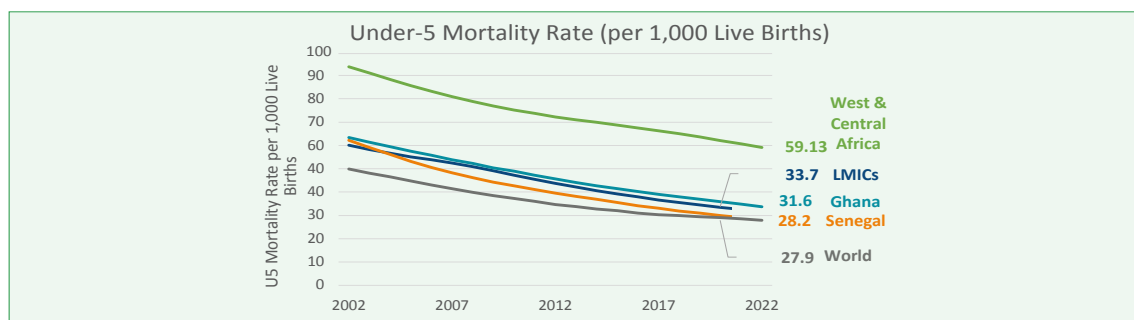
Ghana is committed to attaining universal healthcare¹ (UHC) and Sustainable Development Goal (SDG 3) – ‘Good health and wellbeing for all’. SDG 3 sets out specific targets, several of which relate to maternal and child health (including childhood immunization and malaria), to addressing barriers to care (including financial), and to protecting households from catastrophic health expenditures².

On current trends, Ghana will not meet its SDG targets relating to maternal, neonatal, infant, and child mortality by 2030³. High rates of maternal and child mortality persist⁴, public financing has not kept pace with institutional and policy development,

and the government recognises the need for significant increases to investments in health⁵. Ghana needs to mobilize significant additional domestic resources for public health. **Focused improvements in perinatal and newborn care, childhood vaccination, infection prevention, health education, and health systems strengthening are required to maintain and accelerate progress⁶.**

It is estimated that, on average, every GHS 1 invested in public health interventions yields a return equivalent to GHS 14.3 in benefits to individuals and society as a whole⁷. Specific interventions, such as childhood immunization, have even higher rates of return.

Figure 1: Under-5 Mortality Rate per 1,000 Live Births for Ghana and Selected Comparators⁸



1 MOH 'Universal Healthcare Roadmap 2020-2030; Ghana is a party to several international agreements relating to UHC, for example the African Union 2001 Abuja Declaration

2 Ghana's SDG 3 Targets are detailed at <https://ghana.un.org/en/sdgs/3>

3 Paulson, Katherine R et al., 2019. 'Global, regional, and national progress towards Sustainable Development Goal 3.2 for neonatal and child health: all-cause and cause-specific mortality findings from the Global Burden of Disease Study 2019'. The Lancet 398(10303)

4 Kallah-Dagadu, G., 2024. 'Investigation of Factors Influencing Infant Mortality at Greater Accra Regional Hospital, Ghana'

5 MOH 'Ghana Health Financing Strategy 2023-2030'

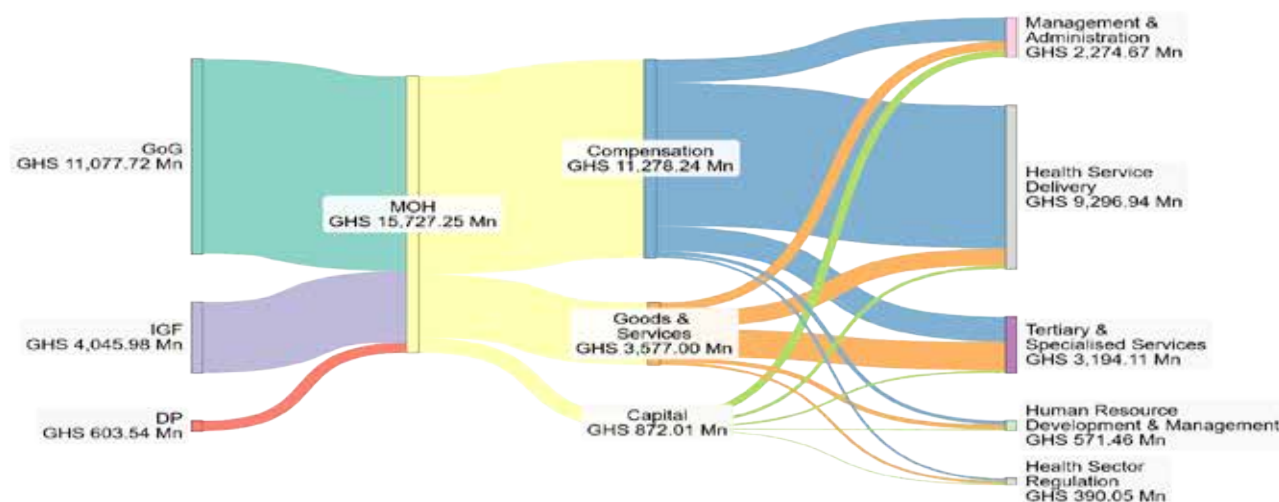
6 Paulson, Katherine R et al., 2019. 'Global, regional, and national progress towards Sustainable Development Goal 3.2 for neonatal and child health: all-cause and cause-specific mortality findings from the Global Burden of Disease Study 2019'. The Lancet 398(10303)

7 Masters, R., et al., 2017. 'Return on investment of public health interventions: a systematic review'. Journal of Epidemiology and Public Health 71(8)

8 Estimates developed by the UN Inter-agency Group for Child Mortality Estimation (UNICEF, WHO, World Bank, UN DESA Population Division) at www.childmortality.org.

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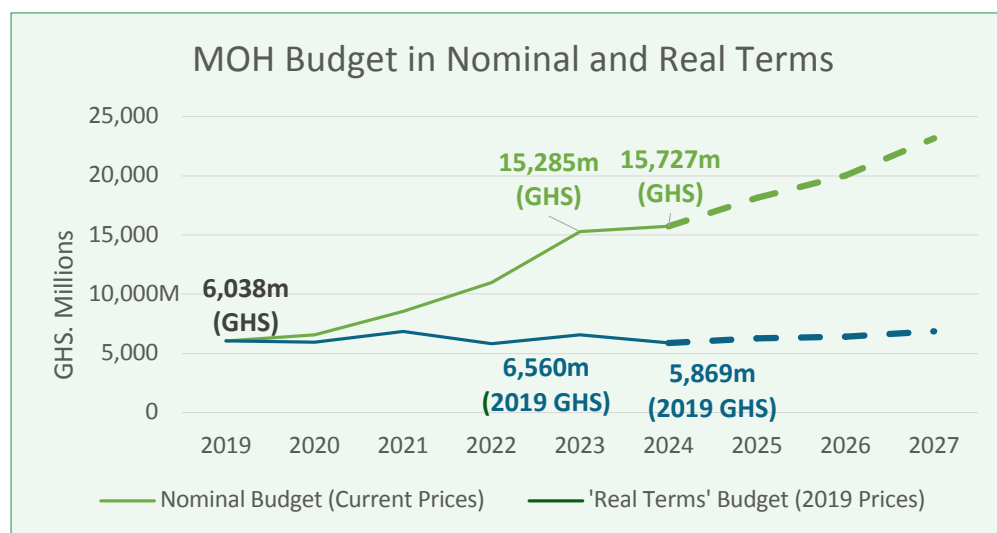
Health Budget Trends

Figure 2: Ministry of Health (MOH) Programme Based Budget 2024⁹

Source: MOH Programme Based Budget 2024

In nominal terms, the MOH Budget has increased from GHS 15.3 billion in 2023 to GHS 15.6 billion in 2024, an increase of 2% in nominal (i.e. current prices) terms (Fig. 3). Adjusting for inflation (with

2019 as the base year), the MOH budget declined by 11.4% in real terms from 2023 to 2024. Since 2019, the MOH budget has declined on average by 3.7% in real terms.

Figure 3: MOH Budget Allocation 2019-2024¹⁰

Source: MOF Budget Statements 2019-2024; Price data from IMF World Economic Outlook

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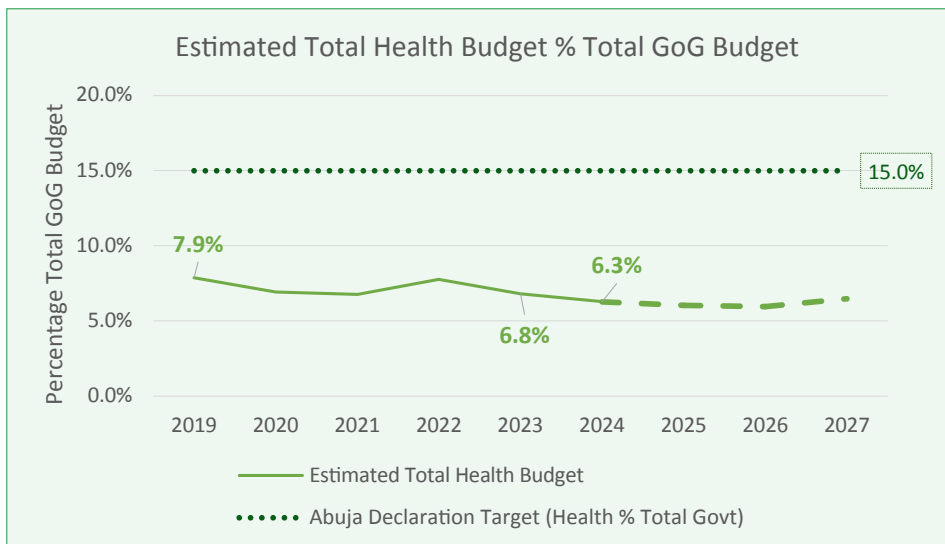
9 Ministry of Health Programme Based Budget 2024

10 MOF Annual Budget Statements; 'Real Budget' calculated using inflation data from IMF World Economic Outlook April 2024

The 2024 budget allocates 6.3% of total government expenditure to health¹¹, down from 6.8% in 2023, and below the 15% of government expenditure targeted in the Abuja declaration¹². Inadequate investments leads to unnecessary suffering, reduces the overall efficiency of the health sector (as less effective and costlier

curative services are provided for avoidable conditions) and undermines the sustainability of the National Health Insurance System. Gaps in health service provision risk hindering national development by impeding the ability of people to fulfil their potential.

Figure 4: Health Budget as a percentage of total Government Budget¹³

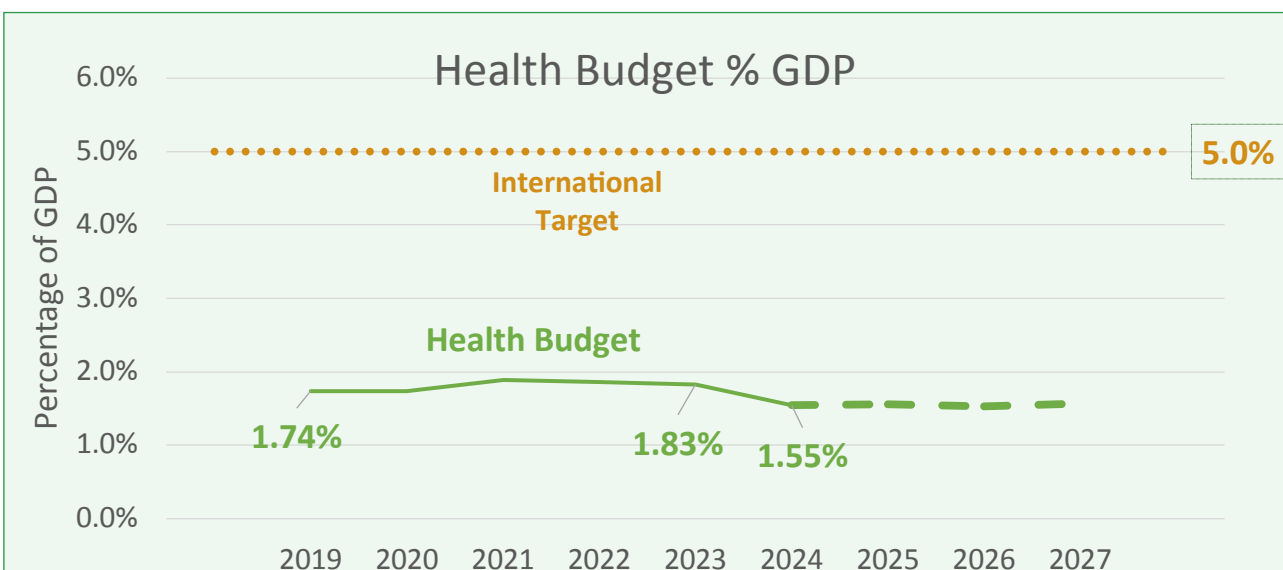


“Gaps in health service provision risk hindering national development by impeding the ability of people to fulfil their potential”

Source: Ministry of Finance (MOF) Budget Statements 2019-2024; African Union Abuja Declaration 2001

Including the allocation from NHIA to MOH, for 2024 the total budget allocated to health is GHS 16.2 billion. This is equivalent to 1.55% of GDP, significantly below the World Health Organization's (WHO) target that countries need to spend at least 5% of GDP on health to achieve UHC¹⁴.

Figure 5: Health Budget as a percentage of GDP¹⁵



Source: MOF Budget Statements 2019-2024; WHO international target

11 Total health spending is calculated as the MOH budget and the support from NHIA to the MOH. These are calculated from the MOF Annual Budget Statement 2024 and NHIA Allocation Formula 2024

12 African Union, Abuja Declaration 2001

13 MOF Annual Budget Statements 2019-2024; African Union, Abuja Declaration 2001

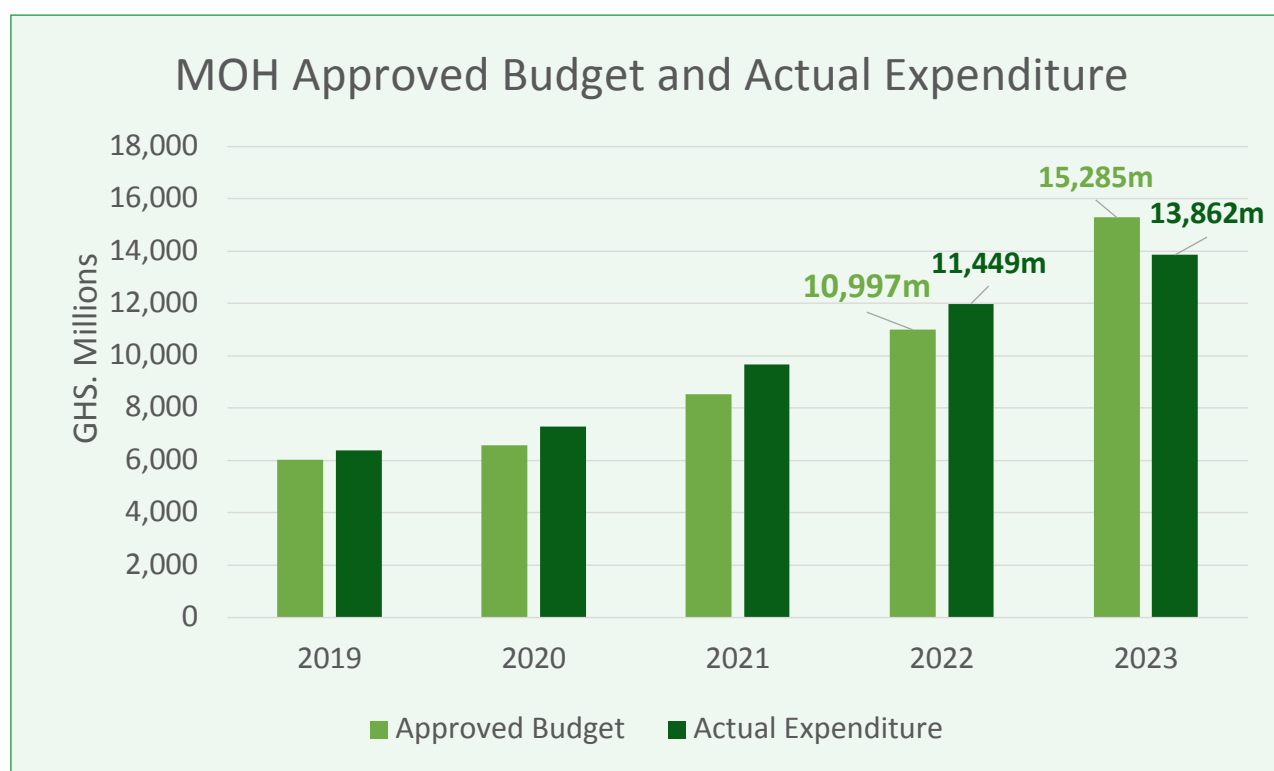
14 CSEM for UHC2030, 2019. 'Why 5% of GDP'

15 MOF Annual Budget Statements; MOF Annual Budget Performance Reports; McIntyre D, et al. 2017. 'What level of domestic government health expenditure should we aspire to for universal health coverage?' Health Economics, Policy and Law 12(2)

In 2023 the MOH's actual expenditure was GHS 13.86 billion out of an approved budget of GHS 15.28 billion, giving a budget execution rate of 90.7% . In the context of declining real terms (i.e. adjusted for price inflation) declines in the MOH's budget, under execution is particularly concerning. It is imperative that the Ministry of Finance, Ministry of Health, CSOs, and DPs coordinate closely so that the MOH budget is spent on time and in full.



Figure 6: MOH Approved Budget and Actual Expenditure¹⁶



Source: Auditor-General Reports 2019-2020; CAGD Annual Report 2021; MOF Annual Budget Performance Reports 2022-2023

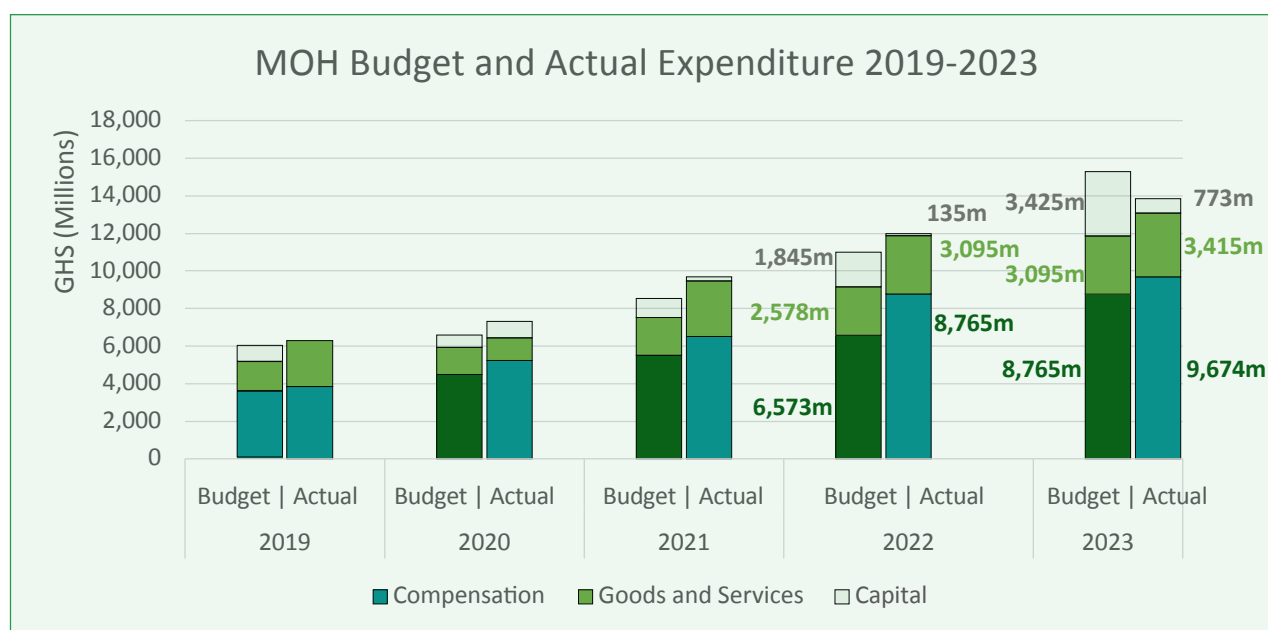
Table 1: MOH Actual Expenditure as a Percentage of Approved Budget¹⁷

	2019	2020	2021	2022	2023	Average Variance
Compensation	105%	117%	118%	133%	110%	+17%
Goods and Service	158%	83%	147%	120%	110%	+13%
Capital	13%	131%	20%	7%	23%	-61%
Total	106%	111%	113%	109%	91%	+5%

Source: Auditor-General Reports 2019-2020; CAGD Annual Report 2021; MOF Annual Budget Performance Reports 2022-2023

16 MOF Annual Budget Statements; MOF Annual Budget Performance Reports

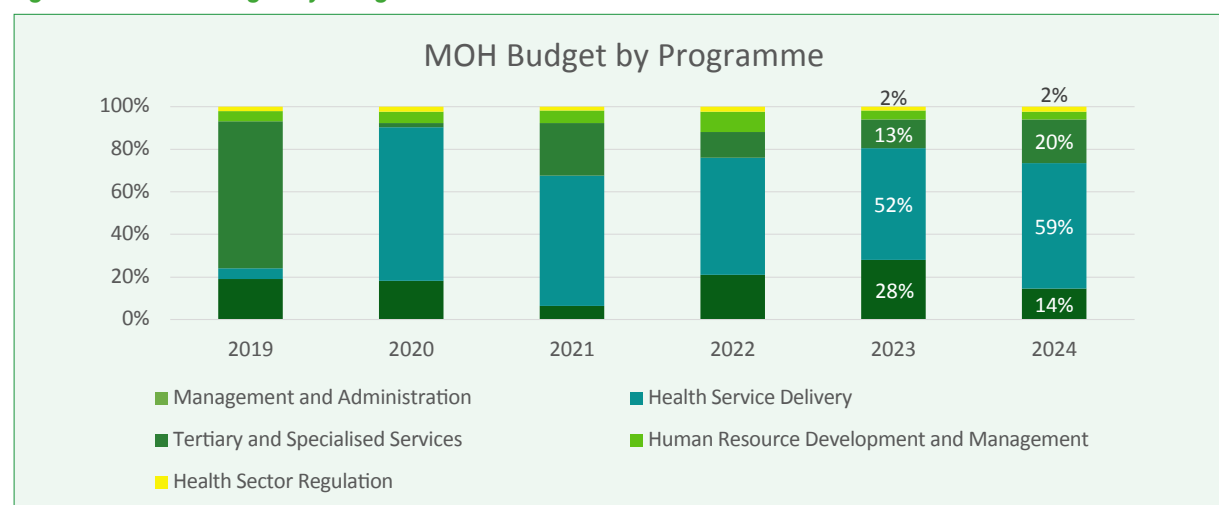
17 MOF Annual Budget Performance Reports

Figure 7: MOH Budget and Actual Expenditure¹⁸

Source: Auditor-General Reports 2019-2020; CAGD Annual Report 2021; MOF Annual Budget Performance Reports 2022-2023

In terms of budget allocations across economic classifications¹⁹, the MOH budget indicates strong allocative efficiency, in balancing resource allocations across essential inputs. Each category of spending is key to effective health service delivery, and to maximizing the efficiency of expenditure. Health workers need medical supplies, capital goods and health infrastructure²⁰ to deliver quality health services. If financing is not appropriately balanced, it undermines the efficiency of spending in the other areas²¹. From 2019-2023, the MOH's actual expenditure on compensation was on average 17% greater

than budgeted, for goods and services actual expenditure was on average 13% higher than budgeted, while actual expenditure on capital (health infrastructure and equipment) was on average 61% lower than budgeted. Persistent divergence from the approved budget (and the components and activities funded) undermines budget credibility and risks undermining efficiency. For capital expenditure specifically, persistent underspending may prevent essential maintenance, construction, or purchase of the facilities, vehicles, and equipment needed to deliver quality services.

Figure 8: MOH Budget by Programme²²

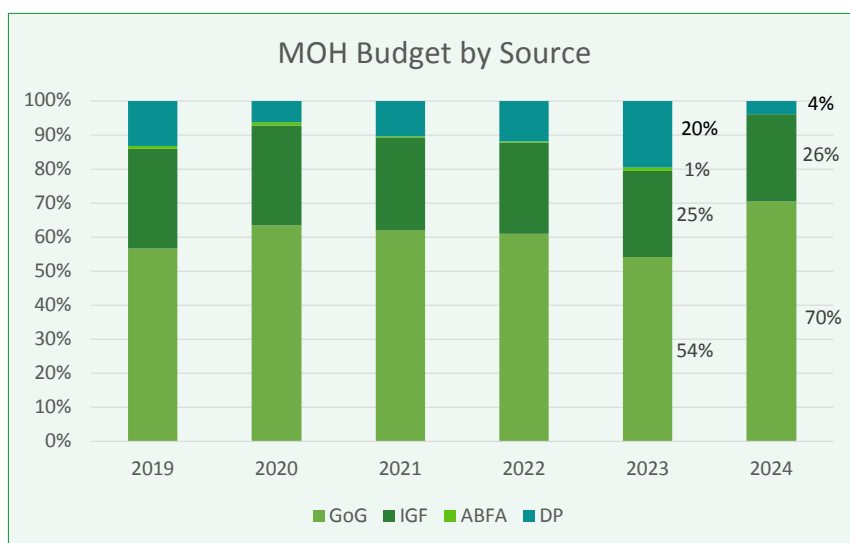
Source: MOH Programme-Based Budgets 2019-2024

18 MOF Annual Budget Statements; MOF Annual Budget Performance Reports
19 Public expenditure is grouped under economic classifications: compensation of employees (i.e. salaries), goods and services, and non-financial assets (i.e. capital expenditure).

20 the facilities themselves, ambulances and other vehicles, and equipment for diagnosis and treatment)

21 E.g. the salary of a health worker who lacks the necessary means to provide care would represent poorer value-for-money than the salary of a health worker who has the other inputs required.

22 MOH Programme Based Budgets

Figure 9: MOH Budget by Source²³

Source: MOH Programme-Based Budgets 2019-2024

In 2024, 70% of the MOH budget was funded from central government resources (GoG), up from 54% in 2023 (Fig.11). Internally generated funds (IGF, which includes user fees, NHIS claims payments and other revenues) constitute 26% compared to 25% in 2023. The 2024 budget statement reports that support from Development Partners (DPs) has decreased significantly to only 4% of the MOH budget in 2024, down from 20% in 2023. The Annual Budget Funding Amount (ABFA²⁴), which comprised 1% of the 2023

budget does not feature in the 2024 budget. The reported decline in DP's support and absence of ABFA funding is especially concerning. Whereas IGF is focused on curative services, and the GoG allocation is predominated by salaries (97% of GoG funding to the MOH budget for 2024). ABFA and DP support play a prominent role financing critical investments in goods and services, and in capital, including for primary and preventive care,

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Key Issues

1. Ensure Sustainable Vaccine Financing
2. Invest in Maternal and Neonatal Health:
3. Prioritize resource allocation for Primary Healthcare:

3.1 Ensure sustainable vaccine financing



ACTION

Increase domestic financing to align with the government's cost projections for vaccines to safeguard Ghana's routine immunization programme and prevent disruptions in service delivery.

Ghana is currently transitioning from GAVI support for the financing, procurement, and management of childhood vaccination. Each year until 2030 the government will be responsible for paying a greater share of vaccine costs; after 2030 it will manage the entire supply chain.

KEY FACT



Every
GHS 1
spent on
vaccination
delivers a
return on
investment of
up to
GHS 54

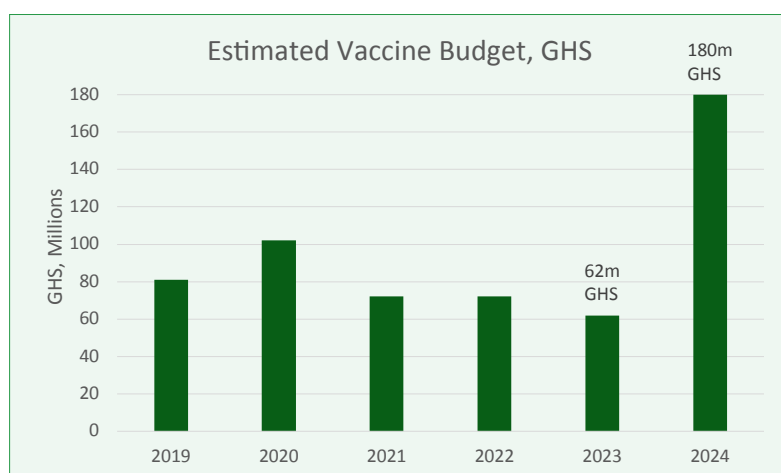
²³ MOF Annual Budget Statements 2019-2024. Acronyms used here by MOF are: Government of Ghana – GOG; Internally Generated Funds – IGF; Annual Budget Funding Amount – ABFA; and Development Partners -DPs

²⁴ ABFA is 70% of petroleum revenues used to support national budget in accordance with the Petroleum Revenue Management Act (PRMA)

Ghana has faced shortfalls and delays in payment for vaccines in recent years²⁵. The cost of vaccine procurement to GoG going to increase steeply in the years ahead. Every GHS 1 spent on vaccination delivers a return on investment of GHS 54²⁶. Vaccines must be paid for in USD, and from 2022 to 2023 a reduction in the vaccine budget allocation, from GHS 72 million to GHS 62 million (Fig. 5a) was compounded by depreciation in the exchange rate. This led to a decline in the budget, expressed in USD terms, from \$11.9 million in 2022 to \$6.3 million in 2023 (Fig. 5b).

The 2024 budget included a significant increase in the allocation for vaccines to GHS 180 million equivalent to \$15.1 million at the start of the year. However, continued currency depreciation during the first half of 2024, reduced the value to \$13.53 million, at the average exchange rate for the period (Fig. 5b). The budget for vaccines in 2024 represents 0.07% of the national budget, up from 0.03% in 2023. However, this is still below the 0.10% budget allocation in 2019. The EPI performance summary indicator 2020 to 2023 shows progressive decline in coverage performance (Table 2).

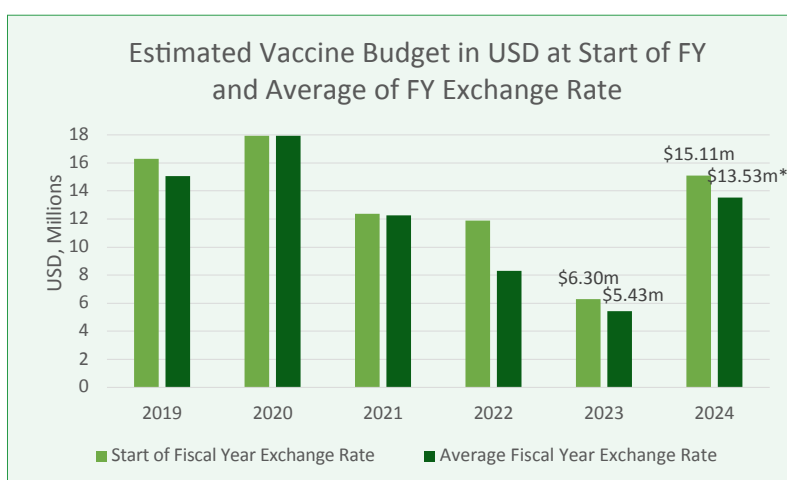
Fig 10: Estimated Vaccine Budget in Ghana Cedis²⁷



Source: National Health Insurance Allocation Formula 2019-2024



Fig 11: Estimated Vaccine Budget in USD at Initial and Average Exchange Rate²⁸



Sources: National Health Insurance Allocation Formula 2019-2024; UN Treasury Exchange Rates *2024 Average for first 6 Months



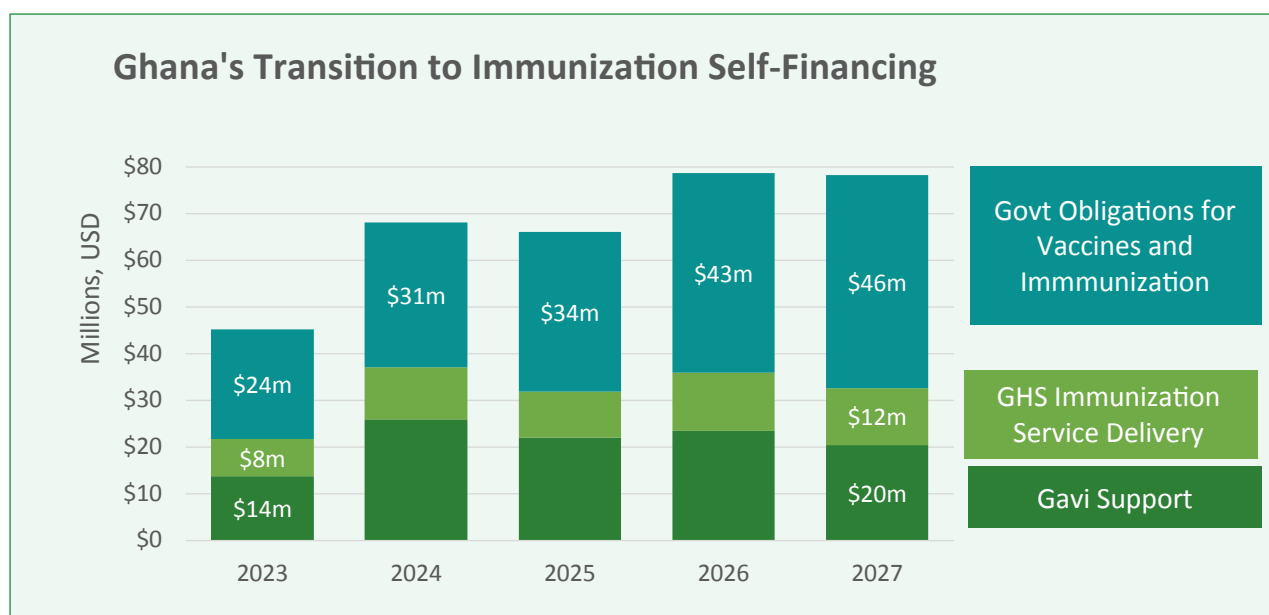
25 UNICEF, 2023. 'Vaccine Financing in Ghana'

26 Ozawa et al. 2016 'Return on Investment from Childhood Immunization in Low- and Middle-Income Countries, 2011-2020' Johns Hopkins Bloomberg School of Public Health

27 NHIA Allocation Formula 2019-2024

28 NHIA Allocation Formula 2019-2024, converted to USD at prevailing UN Treasury Exchange Rates

Fig 12.: Ghana's Transition to Immunization Self-Financing, government estimates



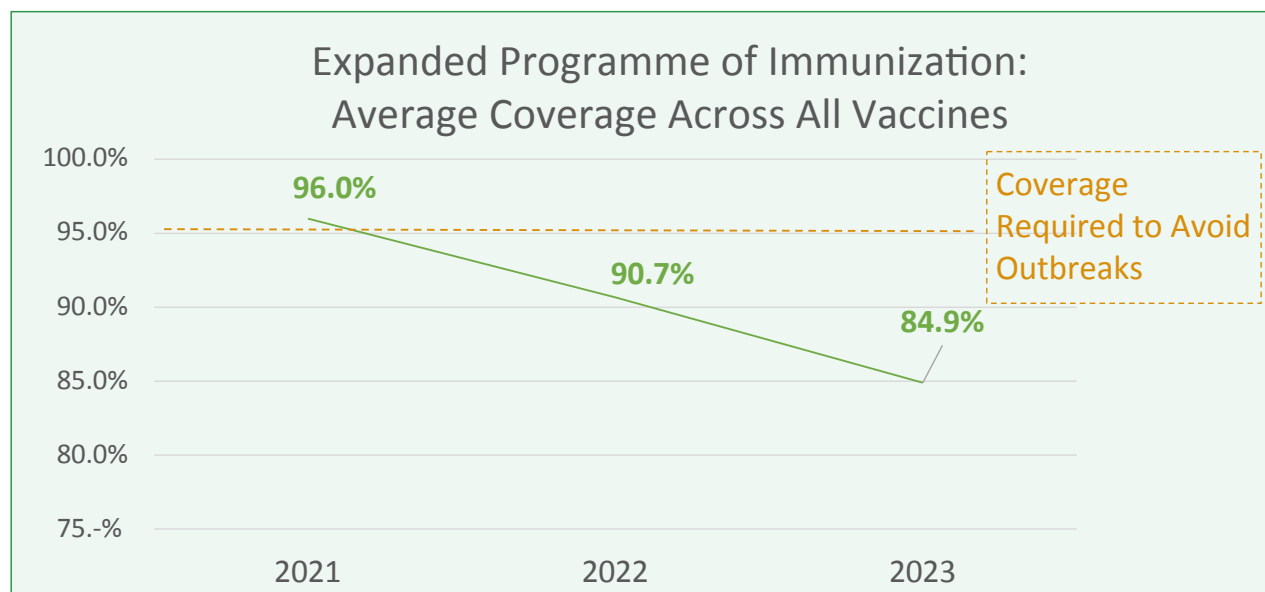
Source: MOH and Gavi, 2023. 'Ghana's Transition Roadmap Towards Full-Self-Financing of Immunization Services'

Table 1. EPI Performance Summary Indicator 2021-2023²⁹

Antigen	2021	2022	2023	Protects against
BCG	99.50%	96.20%	94.00%	Tuberculosis
Penta 1	101.90%	99.20%	95.60%	Diphtheria, tetanus, whooping cough, hepatitis B, haemophilus influenza type B
Penta 2	101.00%	97.10%	94.00%	
Penta 3	104.00%	101.60%	99.20%	
OPV-0	80.70%	63.40%	59.90%	
OPV-1	101.60%	89.50%	92.30%	Polio
OPV-2	100.10%	86.80%	91.00%	
OPV-3	103.90%	90.00%	94.80%	
IPV	103.20%	101.10%	100.30%	
PCV 1	101.00%	96.80%	91.80%	Pneumonia, meningitis
PCV 2	100.20%	95.00%	90.80%	
PCV 3	101.40%	99.10%	94.70%	
Rota 1	101.10%	94.30%	70.80%	Rotavirus
Rota 2	96.30%	91.80%	67.10%	
Rota 3	98.60%	93.50%	64.10%	
MR-1	96.50%	94.60%	88.40%	Measles, rubella
MR-2	85.50%	84.30%	82.10%	
YF	96.60%	95.20%	85.10%	Yellow fever
Td2+	64.00%	63.40%	56.00%	Tetanus, diphtheria
MenA	82.60%	80.80%	85.80%	Meningitis

Source: GHS EPI 2023 Annual Performance Review Report

Figure 13X. Expanded Programme of Immunization: Average Coverage Across All Vaccines



Source: GHS EPI 2023 Annual Performance Review Report

3.2 Investing more in maternal and newborn service delivery



ACTION

Allocate adequate resources to maternal and neonatal health programs to reduce mortality rates and secure a healthier future for both mothers and newborns.

Focusing on maternal and neonatal health interventions is pivotal for achieving better health outcomes³¹. Ghana's maternal mortality ratio declined from 499 maternal deaths per 100,000 live births in 2000 to 263 deaths per 100,000 live births in 2020, a reduction of almost 50%³². However, significant efforts are required to reach Ghana's SDG target of fewer than 70 deaths per 100,000 live births by 2030. Most maternal deaths can be prevented with access to quality ante-natal care, births taking place in the presence of trained birth attendants, and the availability of appropriate obstetric care³⁴.

Ghana has been successful in increasing the proportion of live births attended by skilled healthcare providers, which improved from 47% in 2003 to 88% in 2022³⁵. Ghana

outperforms the average for sub-Saharan Africa of 64%, the average for lower-middle income countries of 77% and moderately outperforms the global average of 83%³⁶. Despite this noteworthy progress in access to skilled delivery, Ghana's efforts to mitigate maternal mortality rates have not yielded sufficient, or sufficiently rapid, progress to achieve the target of fewer than 70 maternal deaths per 100,000 live births by 2030. Institutional maternal mortality rates although in decline, are still high with wide regional variations. Only 5 of Ghana's 16 regions have institutional maternal mortality rates below the SDG target. This suggests that challenges related to the quality of care provided within facilities are hindering progress, and that without these being addressed Ghana will not be able to meet the SDG target.

KEY FACT



Health centres that qualified as Basic Emergency Obstetric and Newborn Care (BEmONC) facilities has declined from 7% to 4%³⁰



30 Ghana Emergency Obstetric and Newborn Care Assessment 2020

31 WHO (2022) 'Improving the quality of care for maternal, newborn and child health: implementation guide for national, district and facility levels.'

32 WHO, UNICEF, UNFPA, World Bank Group, and UNDESA/Population Division. Trends in Maternal Mortality 2000 to 2020. Geneva, World Health Organization, 2023

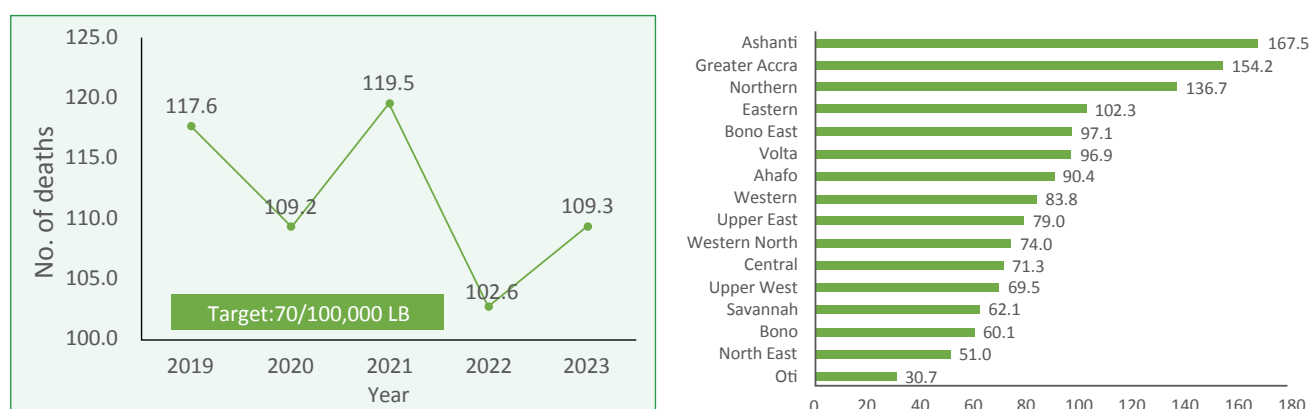
33 United Nations, 2015. 'Transforming Our World: The 2030 Agenda for Sustainable Development'

34 WHO 2014. 'Global Causes of Maternal Death: A WHO Systematic Analysis'

35 Ghana Demographic and Health Survey 2022.

36 UNICEF, State of the World's Children, Childinfo, and Demographic and Health Surveys. Accessed via World Bank Data Portal at <https://data.worldbank.org>

Fig 6. Institutional maternal mortality ratio (per 100,000 live birth)

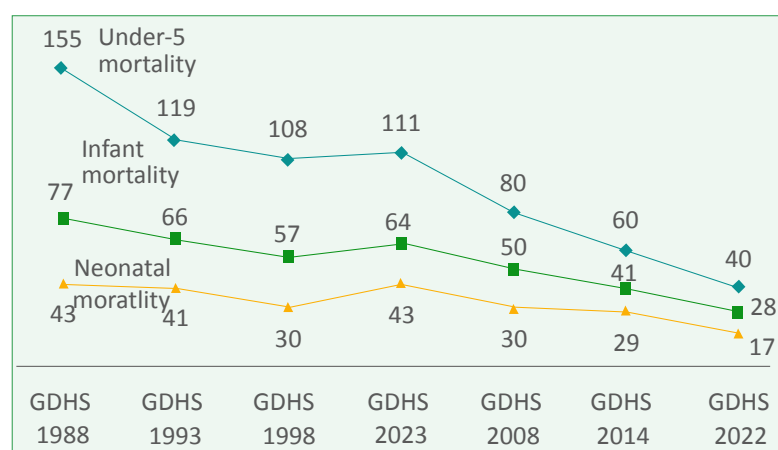


Source: Ministry of Health '2023 Health Sector Holistic Assessment' (May 2024)

Although Ghana has made significant progress in reducing neonatal and under-5 mortality, it is imperative that efforts are sustained if the SDG targets are to be met. From 2014 to 2022³⁷, under-5 mortality declined from 60 per 1,000 live births to 40 per 1,000 live births; infant mortality declined from 41 per 1,000 live births to 28 per 1,000 live births; neonatal mortality declined from 29 per 1,000 live births to 17 per 1,000 live births (Fig. 7). As across the globe, 61% of infant deaths

and 43% of under-5 deaths occur within the first month of life. Ghana must strive to achieve SDG 3 target to reduce neonatal mortality to at least as low as 12 per 1,000 live births and under-5 mortality to at least as low as 25 per 1,000 live births. A comprehensive national newborn care assessment conducted in 2022 by UNICEF and GHS recommends the need to invest in newborn care infrastructure and expedite expansion of skilled care coverage.

Fig 7. Trends in early childhood mortalities



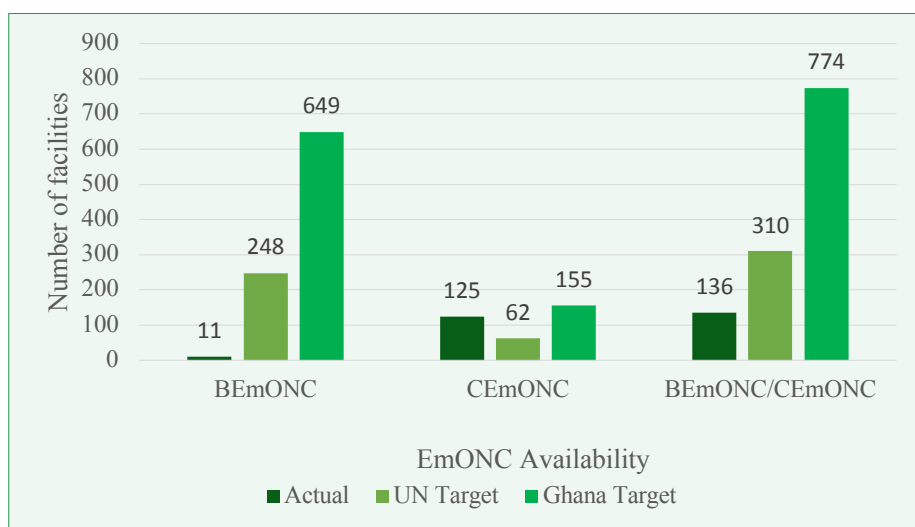
Source: Ghana Demographic and Health Survey 1988-2022

The assessment indicated that progress in neonatal skilled care coverage is slow and should be accelerated. Furthermore, birth attendance skills also need to be improved, as the rates of birth asphyxia are high. Records in health facilities show that 10% of all Outpatient Department (OPD) attendances for newborns are asphyxia-related and up to 17% of babies admitted to hospitals immediately after birth were diagnosed with asphyxia. There is a pressing need to capitalize on the substantial

increase in institutional deliveries to enhance the quality of care provided and, in turn, diminish the persistently high maternal and infant mortality rates. Allocation of resources to scale up the number of facilities providing Basic Emergency Obstetric and Newborn Care (BeMONC) and Comprehensive Emergency Obstetric and Newborn care (CeMONC services) (Fig 8) will go a long way to reduce institutional maternal and neonatal mortalities.



Fig 8. Availability of EMONC Facilities 2022



Source: Ghana Health Service (GHS) Annual Report (2022)

Addressing gaps and inequities in the availability of maternal and newborn care will improve maternal and child health outcome

3.3 Allocate more resource for Primary Healthcare



ACTION

Strengthening primary healthcare requires an increase in the allocation from central government resources for non-salary expenditure by the MOH

A robust primary healthcare system is the cornerstone of a resilient health system³⁸, and a necessary condition for achieving UHC and SDG targets requires a robust PHC system³⁹. In Ghana, and globally, PHC provides essential, accessible, and affordable services to communities, acting as the first point of contact for most Ghanaians. PHC contributes to preventing illnesses through vaccinations, health education, and screenings. These vital services depend on PHC being adequately resourced. The required resources for PHC services include staffing, training, and infrastructure development.

The World Bank has found that such PHC systems, should be financed through general government expenditure, and recommends

that services should be free at the point of care⁴⁰. It is estimated that up to 90% of healthcare interventions can be provided at PHC level⁴¹, with lower cost and better outcomes compared to higher tiers of health systems. Where more advanced care is needed, PHC still has an essential role to play in health promotion, helping patients manage chronic conditions, providing monitoring of some aspects, and helping coordinate patient engagement with the health system and higher-level services⁴².

Ghana's CHPS facilities contribute significantly to the overall national coverage for Antenatal Care (ANC) services, total deliveries, children vaccinated with Penta 3 and family planning acceptance rates⁴³.

KEY FACT



Less than **5%** of MoH's budget allocated from central government resources is for the procurement of Goods and Services affecting the effective delivery of PHC

38 WHO (2021) 'Fact sheet: Primary healthcare' <https://www.who.int/news-room/fact-sheets/detail/primary-health-care>.

39 Dugani, S., Veillard, J., & Evans, T. G. (2018). Quality primary health care will drive the realization of universal health coverage. CMAJ : Canadian Medical Association journal = journal de l'Association medicale canadienne, 190(15), E453–E454. <https://doi.org/10.1503/cmaj.180186>

40 <https://openknowledge.worldbank.org/server/api/core/bitstreams/36005695-0123-5ecf-88c9-043559c21479/content>

41 Dugani, S., Veillard, J., & Evans, T. G. (2018). Quality primary health care will drive the realization of universal health coverage. CMAJ : Canadian Medical Association journal = journal de l'Association medicale canadienne, 190(15), E453–E454. <https://doi.org/10.1503/cmaj.180186>

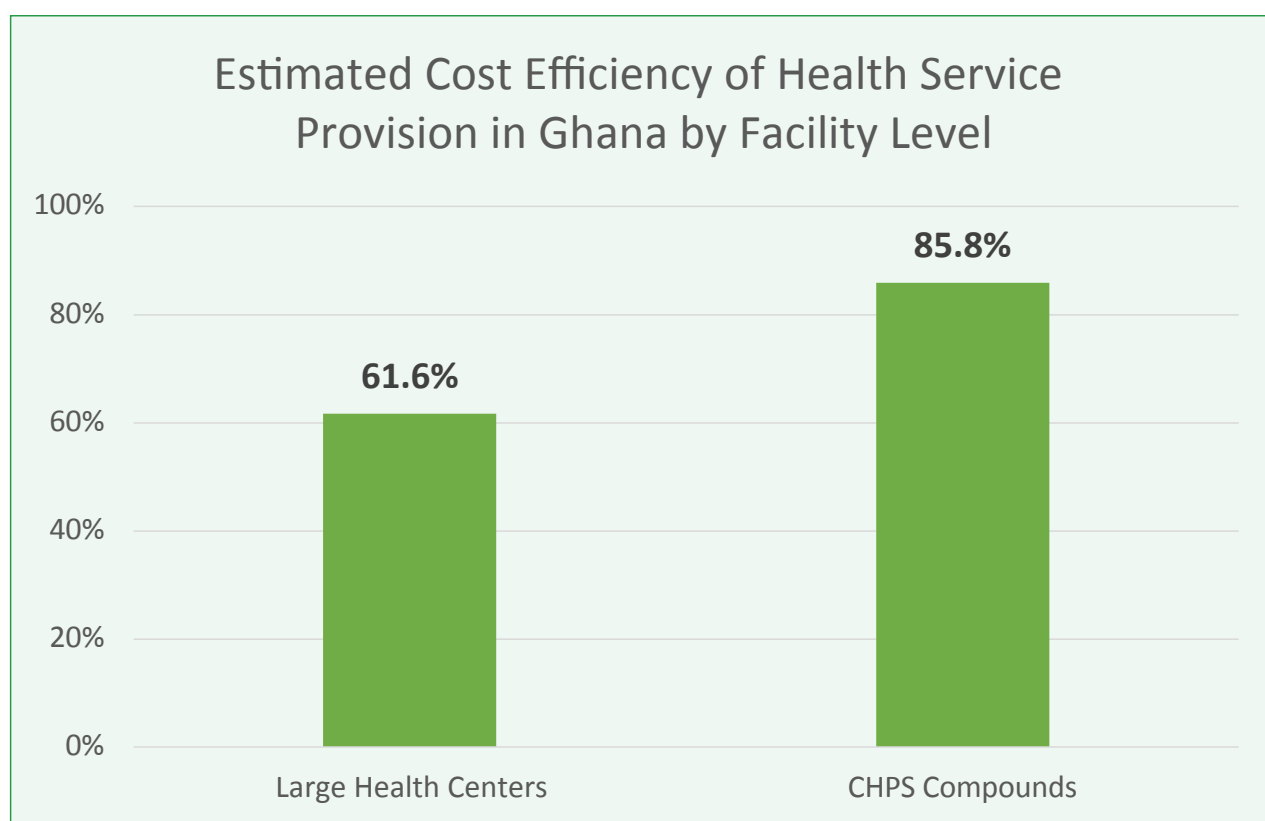
42 The Lancet Global Health Commissions. www.thelancet.com/lancetgh Vol 10 May 2022

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Analysis shows that in urban, semi-urban, and rural settings, CHPS compounds offer the most cost-effective service delivery⁴⁴. Across the range of PHC service provided through CHPS, only in childhood vaccination are they providing the majority of the respective services, with 56.5% of pentavalent vaccination of children provided at CHPS compounds in 2022⁴⁵. The Ghana Health Service has identified weakness in CHPS resourcing as an obstacle to fulfilling their service delivery potential⁴⁶. Investment in CHPS, and moving more service provision to this level, could deliver significant savings for reinvestment in strengthening health services.

Investment in CHPS and the Network of Practice (NoP) approach, which links networks of health facilities, can help to maximise the efficiency and effectiveness of PHC service delivery. The NoP seeks to strengthen sub-district governance and leadership, improve access and utilization of services, enhance the quality of essential health services, improve sub-district referral systems, and ensure the effective management and maximization of existing resources at the sub-district level. Investment in CHPS and NoP can help ensure patients can easily access services, receive prompt care, and are treated at the most cost-effective level.

Fig 9. Estimated Cost-Efficiency of Health Service Provision at Large Health Centres and CHPS Compounds⁴⁷



Source: Health Systems in sub-Saharan Africa 2023

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Strengthening PHC can generate financial savings in the long run by preventing costly, late-stage treatment of costly illnesses, reducing burden on higher-level facilities, and promoting overall well-being of Ghanaians.

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⁴⁷ Discover Health Systems, 2023. 'Health Systems in sub-Saharan Africa'. Arhin, K., Oteng-Abayie, E.F. & Novignon, J. 'Cost efficiency of primary health care facilities in Ghana: stochastic frontier analysis'. Discover Health Systems 2, 31