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OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

PERFORMANCE AUDIT REPORT

ON

IMPLEMENTATION OF THE LINDA MAMA PROGRAMME

BY

THE NATIONAL HEALTH INSURANCE FUND

December 2022

VISION

Making a difference in the lives and livelihoods of the Kenyan People

MISSION

Audit services that impact on effective and sustainable service delivery

CORE VALUES

Independence

Credibility

Relevance

Accountability

Integrity

MOTTO

Enhancing Accountability

FOREWORD BY THE AUDITOR- GENERAL

I am pleased to present this Performance Audit Report on the Implementation of the Linda Mama Programme by the National Health Insurance Fund. My Office carried out the audit under the mandate conferred on me by Section 36 of the Public Audit Act, 2015. The Act mandates the Auditor - General to examine the economy, efficiency and effectiveness with which public money has been expended pursuant to Article 229 (6) of the Constitution of Kenya, 2010.

Performance, financial and compliance audits form the three-pillars of the audit assurance framework that I have established to give focus to the varied and wide scope of the audit work done by my Office. The framework is intended to provide a high level of assurance to stakeholders that public resources are not only correctly disbursed, recorded and accounted for, but their use results in positive impacts on the lives and livelihoods of the citizens. The main goal of our performance audit is to ensure effective use of public resources and promote service delivery to the citizens.

Our performance audits examine compliance with policies, obligations, laws, regulations, standards and whether the resources are managed in a sustainable manner. They also examine the economy, efficiency and effectiveness with which public resources have been expended. I am hopeful that corrective action will be taken in line with our recommendations in the report.

The report is submitted to Parliament in accordance with Article 229 (7) of the Constitution of Kenya, 2010 and Section 39 (1) of the Public Audit Act, 2015. I have also submitted copies of the report to the Chief Executive Officer, National Health Insurance Fund, Principal Secretary, Ministry of Health, Principal Secretary, the National Treasury, Principal Secretary, the State Department for Devolution, the Chairperson, Council of Governors and the Chief of Staff & Head of Public Service.

CPA Nancy Gathungu, CBS
AUDITOR-GENERAL
22 December, 2022

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LIST OF ABBREVIATIONS

Abbreviation	Definition
ANC	Antenatal Clinic
CHMT	County Health Management Team
CHVs	Community Health Volunteers
CRF	County Revenue Fund
CS	Caesarean Section
DANIDA	Danish International Development Agency
EFT	Electronic Funds Transfer
FIF	Facility Improvement Fund
HSSF	Health Sector Services Fund
ICT	Information Communication Technology
LMP	Linda Mama Programme
MoH	Ministry of Health
NHIF	National Health Insurance Fund
OAG	Office of the Auditor General
PFM	Public Finance Management
PNC	Postnatal Clinic
UN	United Nations
WHO	World Health Organization

LIST OF DEFINITIONS

Term	Definition
Ante-natal care	Care provided by skilled health-care professionals to pregnant women and adolescent girls in order to ensure the best health conditions for both mother and baby during pregnancy.
Linda Mama	Swahili term for "take care of the mother". It is a free maternity program rolled out by the Government of Kenya to offer free maternity services to both mother and child.
Empanelment	Enrolment of a healthcare provider in to the list of healthcare providers published in the Gazette.
RH(D) Immunoglobulin (Anti-D)	RH (D) immunoglobulin (also known as Anti-D) is an antibody injection that can help to prevent a woman's body developing antibodies to her baby's blood. This will not only help prevent potential harm to the baby during pregnancy but also help protect babies in subsequent pregnancies.
Maternal Mortality Rate (MMR)	The number of maternal deaths during a given time period per 100,000 live births during the same time.
Maternal Mortality	The death of a woman while pregnant or within 42 days of termination.
Neo-natal care	Type of care a baby born pre-mature or sick receives in a neo-natal unit.
Post-natal care	Care given to the mother and her new-born baby immediately after birth and for the first six weeks of life.

EXECUTIVE SUMMARY

Introduction

1. In June 2013, the Government of Kenya launched the provision of free maternity services in public health facilities as a way to eliminate financial barriers in accessing maternal healthcare by mothers seeking maternity services in public health facilities. In 2016, the Ministry of Health transitioned the provision of free maternity services to the National Health Insurance Fund (NHIF) and rebranded it as Linda Mama Programme. The Ministry of Health (MoH) and NHIF expanded the benefit package to cover Antenatal Clinic Visits (ANC), deliveries including its related complications, Postnatal Clinics (PNC), and care for new-borns. The Programme covers nine months of pregnancy and three months post-delivery. All public, private and faith-based health facilities that are duly accredited and contracted by NHIF, implement the Programme.

2. The National Health Insurance Fund is responsible for the implementation of the Programme. The role of county governments is to ensure that public health facilities have the requisite infrastructure, equipment and human resources for the delivery of health services under the Programme.

3. Despite the implementation of the Linda Mama Programme from 2016, mothers are still experiencing financial barriers in accessing skilled maternal healthcare. In addition, health facilities have been experiencing delays in reimbursement of costs for services rendered under the Programme. These factors are likely to hinder the Programme from fully achieving its objectives.

Motivation for the Audit

4. The following factors informed the performance audit on the implementation of the Linda Mama Programme: -
   a. Kenya is a signatory to the UN Charter on Sustainable Development Goals (SDGs) which makes her to be bound by the resolutions. SDG 3 requires

members to ensure healthy lives and promote well-being for all at all ages. The Linda Mama Programme seeks to help Kenya meet SDG Target 3.1 which seeks to reduce the global maternal mortality ratio to less than 70 per 100,000 live births and Target 3.2 which seeks to reduce neonatal mortality to at least as low as 12 per 1,000 live births in all countries, among other targets.

b. Article 43 of the Constitution of Kenya, 2010 provides that every person has a right to the highest attainable standard of health, which includes the right to health care services, including reproductive health care. The Article also provides that the State shall provide appropriate social security to persons who are unable to support themselves and their dependents. Section 5 (3) (b) of the Health Act, 2017, provides that the National and County Governments shall ensure the provision of free and compulsory maternity care. An audit was, therefore, necessary to assess whether the government is making sufficient efforts to uphold the rights of the citizens.

c. Parliament, in the Public Investment Committee report of July, 2020 recommended that the Auditor-General undertakes a Special Audit on the implementation of the Programme by NHIF. Further, the Government, through the Ministry of Health, has allocated a total budget of Kshs. 19.64 billion to NHIF for the past seven financial years, from 2016/2017 towards the implementation of the Linda Mama Programme. The audit on the Linda Mama Programme was therefore necessary to assess whether the Programme is achieving the intended objectives.

Audit Objective

5. The objective of the audit was to assess whether the National Health Insurance Fund, through the Linda Mama Programme, has enabled access to maternal health services and ensured efficient implementation of the Programme.

Scope of the Audit

6. The audit examined the activities of NHIF regarding the implementation of the Linda Mama Programme for the period 01 July, 2016 to 30 November,

2022. In addition, the audit assessed the activities of the Ministry of Health, county governments and health facilities under the Programme. The audit was carried out between the period of January to November 2022.

The Audit Sample

7. The audit sampled 62 health facilities across 9 counties in the Country. In addition, a survey was administered to 115 beneficiaries of the Programme.

Summary of Audit Findings

8. The audit established that the implementation of the Linda Mama Programme has resulted to the following successes.

i. Increased Accessibility to Maternal Health Services

9. Prior to the implementation of the Programme, mothers could only access free maternity services in public health facilities. The Programme created a tripartite relationship in the delivery of free maternal health services by bringing on board private and faith-based health facilities. As at the time of the audit, 437 private and 164 faith-based health facilities were offering maternal services under the Programme. This was in addition to 5,635 public health facilities that were offering services under the Programme.

ii. Increased Uptake of Skilled Maternal Health Services

10. The Programme has contributed to a 145% increase in the number of beneficiaries accessing skilled maternal and neonatal services; from 484,517 beneficiaries in FY 2017/2018 to 1,186,004 in FY 2021/2022. In addition, there was a significant increase in the uptake of antenatal clinic services, skilled delivery services and postnatal attendance over the period.

iii. Increased Community Involvement in Skilled Maternal Healthcare

11. The Programme has increased the level of confidence in skilled deliveries at the community level. Health facilities were working in conjunction with Community Health Volunteers and Traditional Birth Attendants to create awareness of the Programme. This has harmonized their relationship towards the common good of the health of mothers and babies.

12. Despite the above positive impacts of the Programme, the audit established that there were challenges in its implementation as indicated below:

A. The Programme has not Fully Eliminated Financial Barriers to Accessing Maternal Services

13. The abolishment of maternity fees was informed by the need to eliminate financial barriers to accessing maternity services in public hospitals. The audit revealed that in the sampled nine counties, expectant mothers were still incurring medical expenses to access maternal services as highlighted below.

i. The Programme did not cover complications that occur during pregnancy

14. The Programme's benefit package includes both outpatient and inpatient management for conditions and complications during pregnancy, delivery and the postnatal period. However, NHIF was only reimbursing health facilities for complications that were a direct result of pregnancy. Therefore, medical diagnoses during pregnancy such as malaria, hypertension and renal complications were not covered. This is despite MoH statistics indicating that the Country has in the past 7 years recorded high cases of malaria and hypertension during pregnancy.

15. From the period 2016 to 2022, the Country has had 571,938 and 40,976 cases of women diagnosed with malaria and hypertension, respectively, during pregnancy. Pre-existing hypertension and renal disease increase the risk of adverse pregnancy outcomes, most notably through the increased risk of superimposed pre-eclampsia, which may be associated with preterm delivery and foetal growth restriction[1].

16. In addition, complications such as medical abortions and ectopic pregnancies were not being covered by the Programme. Mothers in need of

[1] Optimal outcomes are achieved with informed pre-pregnancy counselling, transfer to medications that are safe in pregnancy, regular antenatal assessment by a multidisciplinary team to include adequate control of hypertension, and close foetal surveillance

the services had to pay between Kshs.3,500 to Kshs.8,000, for essential surgical interventions such as Manual Vacuum Aspiration.

17. Further, the Programme did not cover costs for Anti-D drug for Rhesus negative mothers, who were instead incurring the cost of the drug. Rhesus D negative in pregnancy occurs when there is incompatibility between the blood rhesus factors of the mother and baby. In all the sampled health facilities, mothers seeking the service while on outpatient had to meet the costs which was between Kshs. 4,000 to Kshs.6,000 per dose.

ii. The Programme did not cover prenatal screening tests for detection of complications that may occur during pregnancy

a) Ultrasound Services were not Covered under the Linda Mama Programme

18. The World Health Organization (WHO) recommends that expectant women should have at least one ultrasound before the 24 weeks gestation. Despite this recommendation, ultrasound services were not included in the Linda Mama outpatient benefit package. Mothers who needed the ultrasound services had to meet the cost of between Kshs.500 and Kshs.3,000 per session. Further, analysis of survey questionnaires for Programme beneficiaries revealed that 42% of the sampled 115 beneficiaries did not take an ultrasound due to cost constraints.

b) The Programme did not Cover Urea Electrolytes, Creatinine and Haemoglobin Tests

19. Urea electrolytes and creatine tests provide essential information on renal function, which, if not monitored, increase the risk of adverse pregnancy outcomes. The Programme did not reimburse health facilities for these essential screening tests. Consequently, the mothers were being charged between Kshs.300 and Kshs.3,000 for the tests.

iii. The Linda Mama Programme did not provide for simultanous admission of a mother and baby or readmission post delivery

20. The Programme had not provisioned for reimbursement of costs incurred in treating post-partum complications, in the event they occurred after the mother had been discharged from hospital. In addition, the Programme had not provided for concurrent admission of a mother and baby. In instances where both mother and baby required admission after delivery, health facilities could only admit either of the two at any given time. In such circumstances, the hospital ended up passing the cost of post-delivery treatment to the mother.

B. The National Health Insurance Fund Delayed in Empaneling Health Facilities

21. For a health facility to offer services under the Programme, it has to be empaneled[2] by NHIF. However, as at the time of the audit, there were facilities that were yet to be empaneled despite more than one year having lapsed after submission of their applications. Consequently, these facilities could not claim for reimbursement of costs incurred while rendering maternity services.

C. Inefficiencies in the Reimbursement of Costs Incurred by Health Facilities under the Linda Mama Programme

i. Health Facilities Experienced Delayed Reimbursements

22. The National Health Insurance Fund undertook to reimburse health facilities for the costs incurred under the Programme within 30 days, upon receipt of invoices. However, there were delays in reimbursement of costs to health facilities for a period of up to 1,028 days, representing 2 years and 8 months. The delays in reimbursements were attributed to delays by the Ministry of Health in remitting funds for the Programme to NHIF. The audit established that NHIF did not receive any funds from the Ministry of Health

[2] Enrolment of a healthcare provider in to the list of healthcare providers published in the Kenya Gazette.

for the Programme in the financial year 2020/2021. This led to outstanding claims amounting to Kshs.2.3 billion for the financial year. Though the balance was cleared in the subsequent year, NHIF owed a total of Kshs. 721,153,207 to health facilities nationwide as at November 2022.

23. The delay in cost reimbursements resulted in significant outstanding balances that affected the flow of revenue to health facilities and hindered efficient delivery of maternity services in the affected health facilities.

ii. Health Facilities had High Cases of Returned Claims

24. The audit revealed that 47 out of 48 sampled health facilities that implemented the Linda Mama Programme had experienced cases where the claims lodged were returned to the facilities for failure to meet the reimbursement criteria. The major reasons for returned claims were; failure to attach substantiating documents, and submissions of claims past the requisite timeframe of 24 hours. This was mainly attributed to inadequate programme clerks, limited or lack of capacity on the part of the clerks due to lack of training, and inadequate ICT infrastructure for processing and submitting the claims.

25. For efficient registration of mothers and processing of the claims, NHIF launched an E-Claim system on 01 July, 2021. However, only health facilities with the requisite ICT infrastructure could use the E-claim system. Out of the 5,648 NHIF empaneled public health facilities, only 307, representing 5.4% of the facilities, had been connected to the E-Claim system as at June 2021. The other facilities were using the manual system which is prone to loss of substantiating documentation during transportation, leading to return of claims due to deficiency in documentation.

D. Health Facilities were not well Sensitized on the Implementation of the Programme

26. Staff in the sampled health facilities were not fully aware of the scope of service entitlements under the Programme. This resulted in facilities not claiming for cost reimbursements for all services listed in the service entitlements of the Linda Mama Programme. Had these facilities claimed for all the services offered under the Programme, the funds could have been used to improve the quality of maternal health services.

E. Inadequate Monitoring and Evaluation of the Programme

27. The Ministry of Health in conjunction with NHIF were tasked with conducting biannual monitoring and evaluation of the Programme. However, NHIF had only carried out one monitoring exercise on the Programme, in 2020. Consequently, NHIF had not identified the challenges faced by counties and health facilities in the implementation of the Programme. In addition, there were misinterpretations and inconsistencies in the implementation of the Programme across the sampled NHIF branches, especially on services covered. This led to non-uniformity in the implementation of the Programme across the Country, despite being a National Government initiative.

F. County Governments had not Put in Place Adequate Measures to Support Health Facilities in the Implementation of the Programme

28. It is the responsibility of county governments to ensure that hospitals have an adequate supply of essential drugs and commodities, human resources and payment for utilities. The audit established that health facilities experienced stock outs of essential drugs and commodities. In some instances, mothers had to purchase the drugs out of their own pocket. In instances where mothers could not afford the costs, they forfeited to buy the prescribed drugs, thus risking their health and that of unborn babies.

29. In other instances, health facilities did not have adequate medical professionals to attend to the mothers seeking maternity health services under the Linda Mama Programme. This has hindered the Programme from achieving its intended objective of increasing access to pre-maternity and post maternity services. Further, sampled health facilities had various utility supply interruptions, including disconnection of water services and electricity due to non-payment for the utilities.

G. Lack of Clear Guidelines on Utilization of Linda Mama Funds

30. Upon the introduction of free maternity services in health facilities, the government committed to reimburse health facilities for services rendered. The audit revealed that there were no guidelines on the utilization of the cost reimbursements from NHIF. As a result, Programme funds were being utilized based on the priorities identified by hospital management teams. Consequently, Linda Mama funds were allocated to other priority areas at the expense of improving the quality of maternity services.

Conclusion

31. Through the Linda Mama Programme, the National Health Insurance Fund has significantly contributed to the increase in uptake of skilled maternal health services. In addition, the Programme has increased accessibility to maternal health services by bringing on board private, faith-based and public health facilities to offer maternity services under the Programme. The Programme has also enhanced community involvement in skilled maternal health care. Health facilities are now working in conjunction with Community Health Volunteers and Traditional Birth Attendants to create awareness of the Programme. As a result, more mothers are accessing skilled hospital deliveries. However, there are challenges experienced in the implementation of the Programme that have hindered NHIF from fully realizing the intended objectives.

32. The Programme has not fully eliminated financial barriers to accessing maternal health services. For instance, the Programme does not cover all complications that occur during pregnancy and services such as ultrasound, urea electrolyte test or full haemoglobin tests. This has led to mothers incurring out of own pocket payments for services not covered by the Programme.

33. Health facilities are experiencing delays in cost reimbursements from NHIF, resulting in significant amounts outstanding and being owed to facilities. Consequently, the flow of cost reimbursements for managing hospital operations is affected, thereby hindering efficient delivery of maternity services in the health facilities implementing the Programme.

34. County governments are not adequately supporting public facilities in the implementation of the Linda Mama Programme. Consequently, some of the health facilities implementing the Programme do not have adequate supplies of essential drugs and commodities that would ensure quality service delivery to the beneficiaries of the Programme. In addition, County governments have not adequately provided the requisite ICT infrastructure to facilitate the smooth implementation of the Programme. This has led to public health facilities facing challenges in the processing of reimbursement claims.

35. Health facilities are experiencing delays in being empaneled by NHIF to offer services under the Programme. Consequently, a significant number of lower level facilities are yet to be empaneled to offer services under the Linda Mama Programme. As a result, mothers continue to travel for long distances to NHIF accredited facilities to access Linda Mama Programme services.

36. The Ministry of Health and NHIF have not adequately sensitized health facilities on the Programme. Health facilities were not well informed on the full scope of service entitlements under the Programme. As a result, the health facilities were not claiming for all service entitlements in the Linda Mama Package. Consequently, health facilities were not reimbursed and, in some instances, mothers met the cost of maternal services.

37. The National Health Insurance Fund and the Ministry of Health have not conducted adequate monitoring and evaluation of the Programme. As such, they have not identified challenges being faced by counties and health facilities in the implementation of the Programme. Consequently, this has led to inconsistent implementation of the Programme across counties.

38. The National Health Insurance Fund and the Ministry of Health have not developed guidelines for utilization of Linda Mama funds reimbursed to health facilities implementing the Programme. This has led to failure to prioritize the utilization of Linda Mama funds for the improvement of maternity services.

Recommendations

39. In view of the findings and conclusions of the audit, the Auditor-General makes the following recommendations for implementation by the National Health Insurance Fund and the Ministry of Health for efficient implementation of the Linda Mama Programme:

40. To ensure that the Programme eliminates financial barriers to accessing skilled maternal health services:

    i. The Ministry of Health and NHIF should include all complications experienced by mothers during pregnancy and the post-partum period of three months in the Programme service entitlement;

ii. The Ministry of Health and NHIF should include all prenatal screening tests prescribed by medical professionals in the Programme service entitlement. The screening tests should include ultrasound scans, liver function tests and full haemoglobin tests; and

iii. The National Health Insurance Fund should ensure that all health facilities and NHIF branches are informed on how to handle special cases such as simultaneous admissions and readmissions of mothers and babies post-delivery.

41. To ensure that health facilities are empaneled within the stipulated timelines, NHIF should:

i. Carry out timely assessments in health facilities that have submitted their application;

ii. Streamline the empanelment approval process at the headquarter level; and

iii. Sensitize newly commissioned health facilities on the empanelment process.

42. To reduce on inefficiencies in cost reimbursements to health facilities:

i. The Ministry of Health should ensure timely disbursements of Programme funds to NHIF;

ii. The National Health Insurance Fund should develop and implement a framework for training Linda Mama Programme clerks. This will ensure that the clerks have the requisite skills and knowledge to effectively implement the Programme;

iii. The National Health Insurance Fund and the Ministry of Health should comprehensively and continuously sensitize the accredited health facilities on the scope and service entitlements of the Programme; and

iv. County governments should ensure that public health facilities have the requisite ICT infrastructure and human resources to facilitate the processing of claims.

43. To ensure seamless implementation of the Programme, County governments should:

i. Ensure timely and consistent supply of essential drugs and commodities to public health facilities in order to guarantee quality service delivery;

ii. Adequately staff all public health facilities with medical professionals to attend to mothers seeking maternity health services; and

iii. Facilitate public health facilities to make timely payments for all utilities.

44. The Ministry of Health and NHIF should conduct continuous monitoring and evaluation of the Programme. This will ensure prompt identification of challenges and quality gaps for remedial actions.

45. The Ministry of Health and NHIF should develop clear guidelines on the utilisation of Linda Mama Programme funds. This will ensure that the funds are utilised to improve service delivery in the maternity units.

1.0 BACKGROUND OF THE AUDIT

Introduction

1.1 In June 2013, the Government of Kenya launched the provision of free maternity services in public health facilities as a way to eliminate financial barriers in accessing maternal healthcare by mothers seeking maternity services in public health facilities. In 2016, the Ministry of Health (MoH) transitioned the provision of free maternity services to the National Health Insurance Fund (NHIF) and rebranded it as Linda Mama Programme. The Ministry of Health and NHIF expanded the benefit package to cover Antenatal Clinic Visits (ANC), deliveries including its related complications, Postnatal Clinics (PNC), and care for new-borns. The Programme covers nine months of pregnancy and three months post-delivery. All public, private and faith-based health facilities that are duly accredited and contracted by NHIF, implement the Programme.

1.2 The National Health Insurance Fund is responsible for the implementation of the Programme. The role of county governments is to ensure that public health facilities have the requisite infrastructure, equipment and human resources for the delivery of health services under the Programme.

1.3 Despite the implementation of the Linda Mama Programme from 2016, mothers are still experiencing financial barriers in accessing skilled maternal healthcare. For instance, mothers are still making out of pocket payments for essential services required during pregnancy and the post-partum period covered by the Programme. In addition, health facilities have been experiencing delays in reimbursement of costs for services rendered under the Programme. These factors are likely to hinder the Programme from fully achieving its intended objectives.

Motivation for the Audit

1.4 The Auditor - General authorized the audit after considering the following factors.

i. Kenya is a signatory to the UN Charter on Sustainable Development Goals (SDGs) which makes her bound by the resolutions. SDG 3 requires members to ensure healthy lives and promote well-being for all at all ages. The Linda Mama Programme seeks to help Kenya meet the following SDG targets:

- Target 3.1, seeks to reduce the global maternal mortality ratio to less than 70 per 100,000 live births;
- Target 3.2 seeks to end preventable deaths of new-borns and children under 5 years of age, with all countries aiming 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;
- Target 3.7 seeks to ensure universal access to sexual and reproductive health-care services, including for family planning, information and education, and the integration of reproductive health into national strategies and Programmes; and
- Target 3.8 seeks to achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all.

An audit in this area was necessary to ascertain the extent to which the Programme is contributing towards achievement of the SDG targets.

ii. Article 43 of the Constitution of Kenya, 2010 provides that every person has a right to the highest attainable standard of health, which includes the right to health care services, including reproductive health care. The Article also provides that the State shall provide appropriate social

security to persons who are unable to support themselves and their dependents. Section 5 (3) (b) of the Health Act, 2017, provides that the National and county governments shall ensure the provision of free and compulsory maternity care. An audit was, therefore, necessary to assess whether the government is making sufficient efforts to uphold the rights of the citizens.

iii. One of the four goals of Kenya's Big Four Agenda was Universal Health Coverage. This goal sought to provide affordable healthcare for all. The government had developed policies and Programmes towards achieving universal health coverage, one of them being the Linda Mama Programme. Therefore, an audit on this area was necessary to inform on how the government is implementing the Programme and whether it was impactful in improving maternal and neonatal health care.

iv. Parliament, in the Public Investment Committee report of July, 2020 recommended that the Auditor-General undertakes a Special Audit on the implementation of the Programme by NHIF.

v. The Ministry of Health has allocated a total budget of Kshs.19.64 billion to NHIF for the past 7 years from the financial year 2016/2017 towards the implementation of the Linda Mama Programme. The audit on the Linda Mama Programme was therefore necessary to assess whether the utilization of the funds has led to achievement of the intended objectives.

vi. A performance audit on provision of maternal and neonatal health services revealed gaps in the implementation of the Linda Mama Programme. A comprehensive performance audit on the implementation of the Programme was necessary to assess whether the Programme is achieving the intended objectives.

2.0 DESIGN OF THE AUDIT

Audit Objective

2.1 The objective of the audit was to assess whether the National Health Insurance Fund, through the Linda Mama Programme, has enabled access to maternal health services and ensured efficient implementation of the Programme.

2.2 Specifically, the audit sought to:

- Assess the extent to which NHIF has reduced financial barriers to access skilled maternal health services for to expectant women, mothers in the post-partum period and infants;
- Assess whether NHIF has increased in the access to pre and post maternity services through a broader network consisting of health care providers;
- Establish whether NHIF has improved efficiency in reimbursing costs incurred by health care providers under the Programme; and
- Establish whether NHIF and the Ministry of Health have jointly developed and implemented a health care provider quality assurance system to address maternity care.

Audit Questions

2.3 The main audit question was "Has the National Health Insurance Fund, through the Linda Mama Programme, enabled access to maternal health services and ensured efficient implementation of the Programme?"

2.4 The audit sub-questions were as follows: -

- To what extent has NHIF reduced financial barriers in accessing skilled maternal health services offered to all expectant women, mothers in the post-partum period and infants?
- Has NHIF ensured an increase in the access to pre and post maternal services through a broader network consisting of health care providers?
- Has NHIF improved efficiency in reimbursing costs incurred by health care providers for services under the Programme?
- Have NHIF and the Ministry of Health jointly developed and implemented a health care provider quality assurance system to address maternal care?

Audit Scope

2.5 The audit examined the activities of the National Health Insurance Fund regarding the implementation of the Linda Mama Programme for the seven financial years, from 2016/2017 to November 2022. In addition, the audit assessed the activities of the Ministry of Health, county governments and health facilities under the Programme. The audit was carried out between the period of January to November 2022.

Assessment Criteria

2.6 The audit assessed implementation of the Linda Mama Programme against criteria drawn from:

- The Constitution of Kenya, 2010;
- The Memorandum of Understanding signed between the Ministry of Health and NHIF on the implementation of the Linda Mama Programme, 2017;

- The Memorandum of Understanding signed between the Ministry of Health and NHIF on the implementation of the Linda Mama Programme, 2022; and
- The Linda Mama Programme Implementation Manual, 2016.

2.7 Appendix I details additional documents where criteria were drawn from and the assessment criteria used for the audit.

Methodology of the Audit

2.8 The audit was conducted in accordance with performance auditing guidelines issued by the International Organization of Supreme Audit Institutions (INTOSAI) and the Performance Audit Manual developed by the Office of the Auditor General (OAG).

2.9 The methods used to gather audit evidence are as outlined below.

i. Document review

2.10 To understand the operations of NHIF in the implementation of the Linda Mama Programme, the following documents were reviewed:

- The Linda Mama Programme Implementation Manual, 2016;
- The Memorandum of Understanding between the Government of Kenya, through the Ministry of Health and NHIF Board of Management; and
- The National Health Insurance Fund Vision 2030 Flagship Programmes Reports for the period 2018/2019, 2019/2020, 2020/2021.

2.11 Additional documents reviewed and the reasons for the review are listed in Appendix II.

ii. Interviews

2.12 To understand the implementation of the Linda Mama Programme, the team conducted interviews with staff from; NHIF Headquarters, sampled NHIF

branches, the Ministry of Health, County Health Management Teams and 62 sampled health facilities across all levels of care. In addition, a survey was administered to 115 beneficiaries of the Programme. The staff interviewed and the purpose of conducting the interviews are detailed in **Appendix III**.

iii. Physical Verification

2.13 To assess the level of satisfaction of services and quality of care provided under the Linda Mama Programme, the team visited and conducted physical verification in sampled public, private and faith-based health facilities as detailed in **Appendix IV**.

Sampling

2.14 Sampling of the counties and respective health facilities was informed by review of documents availed by NHIF. The team considered factors such as Programme uptake and the number of deliveries per county. The audit sampled 9 counties with high, medium and low uptake of the Programme. The sampled Counties include; Nairobi City, Kajiado, Kirinyaga, Kiambu, Tharaka Nithi, Garissa, Kilifi, Uasin Gishu and Kakamega. The sampled facilities comprise of 54 public, 3 private and 5 faith-based health facilities.

3.0 DESCRIPTION OF THE AUDIT AREA

Overview of the Linda Mama Programme

3.1 The Government of the Republic of Kenya launched the provision of free maternity services on 1 June, 2013 when it announced the abolishment of fees payable by mothers seeking maternity services in public health facilities countrywide. The abolishment of the fees was informed by the need to eliminate financial barriers to accessing maternity services in public hospitals. This was aimed at encouraging women to deliver in health facilities with the assistance of skilled providers and therefore contribute to improvement of pregnancy outcomes, including reduction of maternal and neonatal deaths. The provision of free maternity services was limited to deliveries in public health facilities then.

3.2 In 2016, the Ministry of Health transitioned the provision of free maternity services to the National Health Insurance Fund (NHIF) and rebranded it as Linda Mama Programme. The benefit package was expanded to cover, Antenatal Clinic (ANC) visits, deliveries and its related complications, Postnatal Clinics (PNC), and care for new-borns. The Programme covers nine months of pregnancy and three months' post-delivery. Details on the services covered under the Programme are as shown in **Appendix V**. From 2016, the Programme was rolled out in all public health facilities and NHIF contracted private and faith-based health facilities.

3.3 The overall purpose of the Programme was to provide access to high quality and comprehensive preconception and prenatal care. This would result in better health outcomes for mothers and babies, by enabling health care providers to identify and treat health issues early.

Objectives of the Linda Mama Programme

3.4 The objectives of the Linda Mama Programme include:

i. To reduce financial barriers to access skilled maternal health services offered to all pregnant women, women in the post-partum period and infants;

ii. To increase the access to pre and post maternity services through a broader network consisting of health care providers;

iii. To register all eligible women for the program;

iv. To improve efficiency in reimbursement of costs incurred by health care providers for services under the program; and

v. To jointly develop and implement a health care provider quality assurance system to address maternity care with the Ministry of Health.

Key Role Players in the Implementation of the Linda Mama Programme

The Ministry of Health

3.5 As stated in the Memorandum of Understanding (MoU) signed on 28 February, 2017 between the Ministry of Health and NHIF, the Ministry of Health is tasked with the following responsibilities:

i. To effect a phased out transfer of the Programme to NHIF from the 01 January, 2017 and to be completed by 30 June, 2017;

ii. To source and avail funds for purposes of funding the Programme;

iii. Endeavour to advance funds for the Programme to NHIF at least semi-annually;

iv. To provide data of the believed best estimates of the population of women in Kenya at the time of signing the MOU; and

v. To provide NHIF with a list of all the health care facilities currently offering free maternity care at onset of the Programme, for its uptake and continuity.

The National Health Insurance Fund

3.6 The National Health Insurance Fund (NHIF) is a state corporation established by an Act of Parliament; NHIF Act No. 9 of 1998 which was

amended in 2022 by the NHIF (Amendment) Act, 2022. The amended NHIF Act renamed the National Hospital Insurance Fund to the National Health Insurance Fund. NHIF's core business and mandate is to provide accessible, affordable, sustainable and quality health insurance for all Kenyan citizens.

3.7 In the Memorandum of Understanding signed between the Ministry of Health and the National Health Insurance Fund on 28 February, 2017, NHIF is tasked with the following responsibilities:

i. Take over the implementation of the Programme from the Ministry of Health in phases from 01 January, 2017, with the transfer expected to be completed by 30 June, 2017;
ii. Utilise its vast network field officers and accredited health facilities to create awareness to register beneficiaries and provide services under the Programme;
iii. Reimburse the health care facilities for costs incurred by beneficiaries of service entitlements under the Programme within 30 days upon receipt of invoices;
iv. Provide a comprehensive and updated list of approved and contracted health care facilities of the Programme on half yearly basis;
v. Ensure quality and efficient service delivery to beneficiaries through continuous monitoring of the Programme implementation;
vi. Establish mechanisms to respond to beneficiaries' complaints and enquiries; and
vii. Provide the Ministry of Health with quarterly benefit utilization reports of the Programme.

County Governments

3.8 The Devolved Government Act, 2012 conferred County governments with the function of provision of health at the county level. County governments, through health facilities, are the service providers of the Linda Mama

Programme. As indicated in the Linda Mama Implementation Manual, county governments are expected to ensure that health facilities have the requisite infrastructure, equipment and human resource for delivery of health services.

3.9 Further, County governments should ensure that health facilities are facilitated with the necessary resources required for claiming cost reimbursement from NHIF for services offered under the program. These resources include; clerks to process the claims and equipment such as printers and stationery.

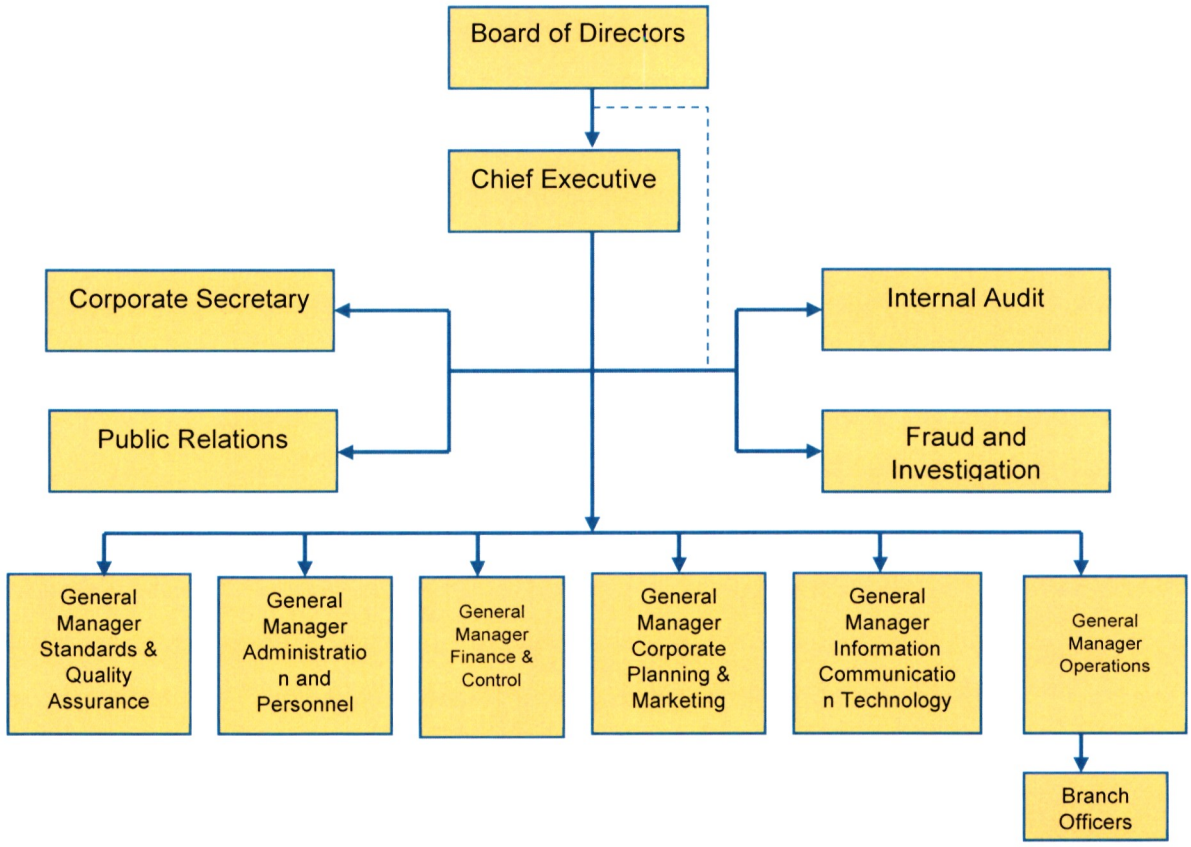
Health Facilities

3.10 Health facilities are obligated to provide services that are responsive to the needs of the citizens. These services include antenatal services, delivery services and postnatal services as detailed in **Appendix V**.

The Organization Structure of the National Health Insurance Fund

3.11 The National Health Insurance Fund is managed by a Board of Directors. NHIF does not have a dedicated organisation structure for the implementation of the Linda Mama Programme. Therefore, the Programme is implemented by NHIF through its existing systems and schemes. The NHIF organisation structure is shown in **Figure 1**.

Figure 1: The National Health Insurance Fund Organization Structure



Source: NHIF

3.12 The National Health Insurance Fund has 61 branches across the Country. Each of these branches offers all NHIF services, including processing of cost reimbursements to hospitals.

Implementation Phases of the Linda Mama Programme

3.13 The implementation of the Linda Mama Programme was to be realized in three phases. The phased approach was to allow time for testing the systems, as well as to engage key stakeholders, comprising of the National Treasury, County governments and health service providers, among others.

Phase I

3.14 Whereas this phase of the Programme was to commence on 28 February 2017 as per the signed MOU, the actual commencement date was on 01 April 2017. This impacted on the commencement dates for the subsequent phases of the Programme.

3.15 During this phase, private but not for profit, health facilities operated by Faith Based Organizations (FBOs), and small to medium size private for profit health facilities were contracted by NHIF to provide delivery of maternity services under the Programme. Public health facilities also continued to provide maternity services under the then existing re-imbursement arrangements.

Phase II

3.16 The phase commenced on 01 July, 2017 and was scheduled to be completed by 31 March 2018. This phase brought on board NHIF empanelled public hospitals and other lower level public health facilities into the Programme. Mothers accessed maternal services and then health facilities were to be reimbursed through NHIF.

3.17 Successful implementation of Phase I and II targeted involvement of public, private, and faith-based health institutions in the provision of maternity services under the Programme. In addition, the two phases focused on the shifting of re-imbursements for maternity deliveries from the Ministry of Health to NHIF with the following envisioned immediate gains:

i. Use of NHIF systems and branch networks to identify actual beneficiaries through registration, as well as verification of claims;
ii. Elimination of double claims by facilities from the Free Maternal Health Care Programme and NHIF, and other community-based health insurance programmes, which was then estimated to be about 20% of the total payments. These were largely re-imbursements to public health

facilities for services to women already registered in available health insurance schemes;

iii. Elimination of intermediaries in the flow of funds, thus improve on efficiency; and

iv. Expansion of choice of providers by bringing on board private and FBOs health facilities.

Phase III

3.18 The third phase commenced on 01 April, 2018 and its implementation is still underway. This phase was to focus on the expansion of the package of benefits. The implementation of this phase would lead to the full realization of the package of benefits under the Programme. During this phase, all the over 6,000 health facilities providing antenatal care (inclusive of facilities providing maternity services in Phase I and II) would be brought on board and contracted by NHIF to provide services under the Programme.

Process Description for the Implementation of the Linda Mama Programme

I. The Process of Empanelling Health Facilities

3.19 Section 15 of the Health Act, 2017 authorizes MoH to accredit all health facilities in their delivery of health services. Section 15 (1) (n) states that the National Government Ministry responsible for provision of health at the national level shall provide for accreditation of health services."

3.20 As per the NHIF service charter, NHIF is required to declare and contract health facilities within 14 days of submitting applications. The empanelment process grants health facilities the authority to offer services under the Linda Mama Programme in accordance with the terms outlined in its MOU on implementation. This process of empanelment varies depending on the facility type; public, private or faith-based.

3.21 For empanelment purposes, all health facilities are required to submit a set of documents that include; Certificate of Incorporation, Kenya Revenue Authority (KRA) Tax Compliance Certificate, licenses from the Kenya

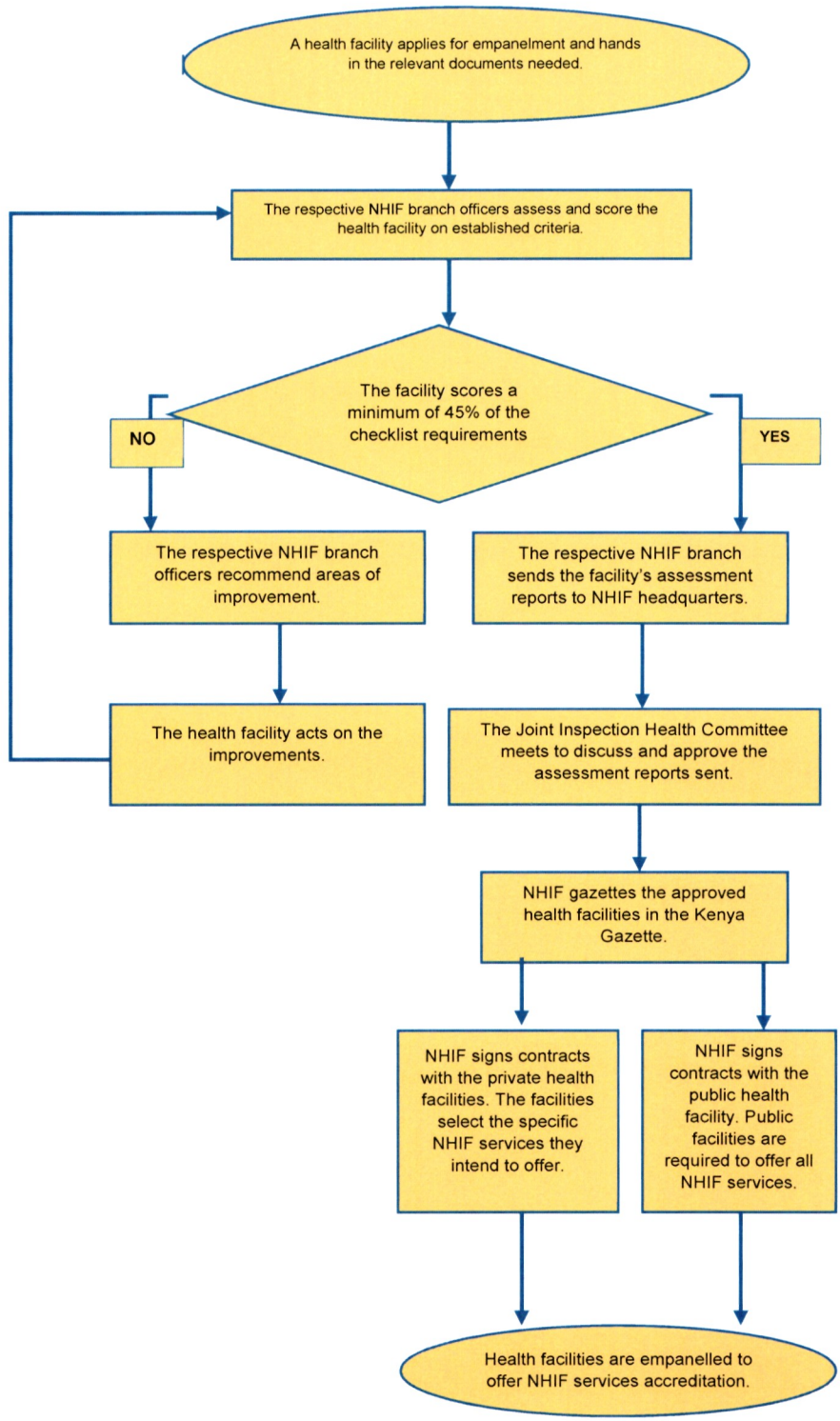
Medical Practitioners and Dentists Council, the Pharmacy and Poisons Board and NHIF Compliance certificate. Upon receipt of the documents, NHIF dispatches a team of quality assurance officers to conduct an assessment as directed under the Quality Improvement Checklist for Contracting of Health Facilities.

3.22 For a private facility to be empanelled by NHIF, it should attain a minimum of 45% of the checklist requirements. All facilities that meet the minimum score criteria are submitted to the NHIF headquarters for submission to the Joint Inspection Health Committee. Upon satisfying the stipulated criteria, the facilities are gazetted in the Kenya Gazette. This process is illustrated **Figure 2.**

3.23 To ensure seamless implementation of the Programme, NHIF executes contracts with all empanelled health facilities. The contracts set out clear guidelines on the roles and obligations of each party, the timelines for reimbursements, among others. Private health facilities have the discretion to select the NHIF sponsored schemes they intend to offer on their premises under the Linda Mama Programme. Once both parties have agreed on the services to be offered; only the selected schemes are included in the contracts. Consequently, only NHIF empanelled private facilities who have signed a contract for the Programme may offer services under it.

3.24 Public health facilities, by virtue of being public entities are mandated to offer all schemes sponsored by NHIF. At the inception of the Programme, NHIF signed contracts with individual health facilities at all levels, outlining the services to be provided at each level of care and the terms of reimbursements. However, from 01 July, 2022, NHIF and county governments executed a general contract on behalf of level 2 and 3 health facilities within their respective jurisdiction. Health facilities on level 4 and 5 maintained their individual contracts with NHIF.

Figure 2: The Process of Empanelling Health Facilities



Source: OAG analysis of NHIF documents on the empanelment process

II. Registration of Beneficiaries and Activation of Linda Mama Programme Services

3.25 All expectant women who are Kenyan citizens are eligible to benefit from services offered under the Linda Mama Programme.

3.26 Registration is done through the following access points:

- Dedicated mobile platform accessible to citizens with mobile phones, as well as the providers of ANC services, through an Unstructured Supplementary Service Data (USSD) code;
- NHIF registration portal;
- Contracted health facilities may setup registration desks for high volume/traffic institutions;
- NHIF service centres. There are currently 61 branches and 35 field offices countrywide. A mix of registration platforms (in house NHIF system, mobile platform and web-based system) are available in all NHIF centres; and
- Huduma Centres countrywide.

3.27 Registration requirements for the beneficiaries are as follows:

- Pregnant women of age 18 years and above- Registered using their national identification cards and antenatal care records;
- Pregnant women under 18 years- Registered using their guardians' national identification cards and antenatal care records; and
- Pregnant women without national Identification cards- Registered using antenatal care records.

3.28 On completion of registration, beneficiaries of the Programme are assigned a unique identification number and a membership card is issued.

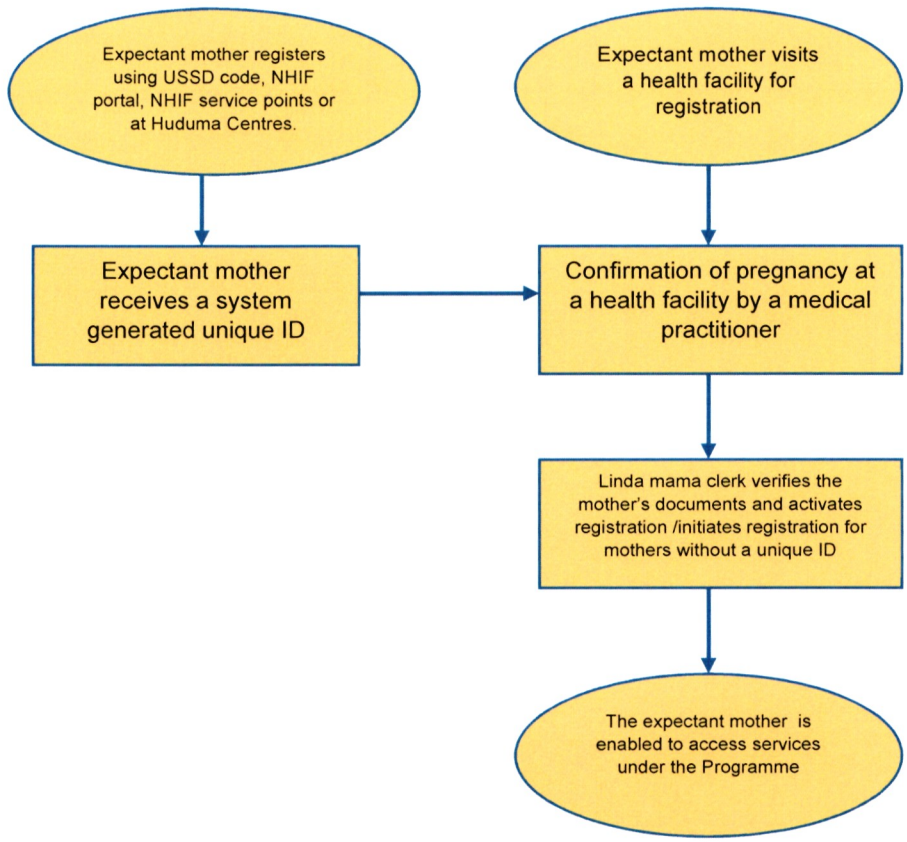
3.29 Verification and activation are done when beneficiaries seek services in contracted health facilities. Verification and activation are done upon either:

i. Presentation of the unique identification number assigned on registration, the client's or guardian's national ID and confirmation of pregnancy, including gestation stage; or

ii. Presentation of the unique identification number assigned on registration and confirmation of pregnancy including gestation stage.

3.30 Access to benefits under the Programme is activated at the point of contact when accessing antenatal care or maternity services at contracted health facilities. **Figure 3** details the process of registering beneficiaries.

Figure 3: The Process of Registering Beneficiaries



Source: OAG analysis of the Linda Mama Implementation Manual and process interview minutes

III. The Claims and Reimbursements Process

3.31 Health facilities are reimbursed based on the categories of health services provided, as detailed out below and in **Figure 4**.

a) Reimbursement for Outpatient Services

3.32 Payment for outpatient services was initially done through capitation arrangements. Facilities providing services under the scheme were paid in advance at a fixed rate for each client registered.

3.33 In the case of referrals, the referring contracted facility was required to cater for the following costs: -

i. Transport costs to a higher-level facility for management of emergencies arising from pregnancy related conditions; and
ii. Costs for outpatient services, which the referring facility could not provide such as laboratory, imaging services and ultra sound.

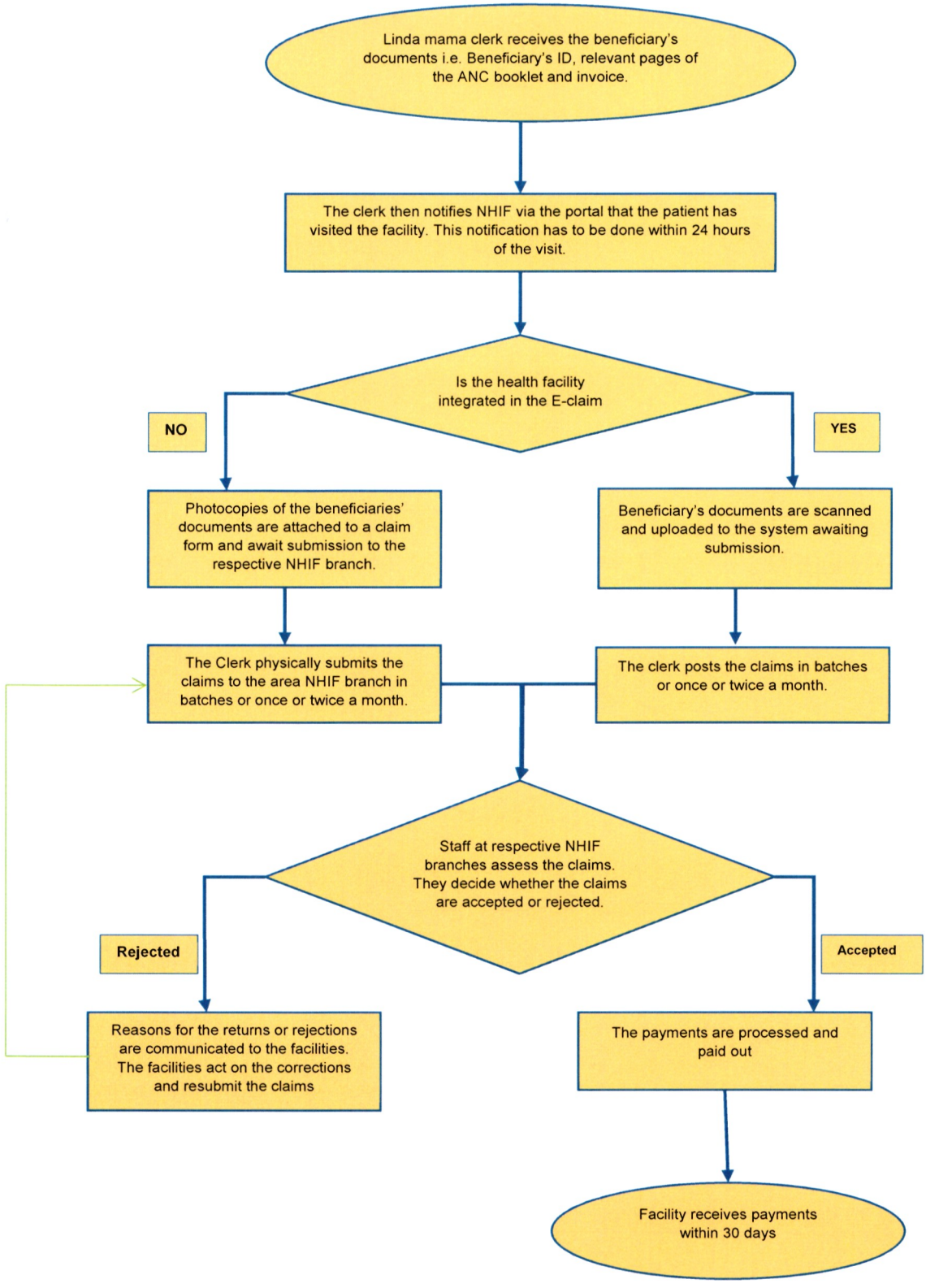
3.34 The capitation payment method was transitioned to a capped fee for service arrangement.

b) Reimbursement for Inpatient Services

3.35 Inpatient services at contracted health facilities are paid for on a fee for service basis. Health facilities providing inpatient services lodge services through existing NHIF systems. The providers then submit returns to NHIF for payment.

3.36 Health facilities are reimbursed costs associated with ambulance services, including transport costs for emergency referrals for pregnancy related conditions and complications.

Figure 4: The Claims and Reimbursement Process



Source: OAG analysis of NHIF documents on claims and reimbursement

c) Reimbursement Rates

3.37 Reimbursement rates are determined based on average direct costs, including medical and other related supplies consumed during provision of services under the Programme. Co-payments for services under the Programme are not permitted. The reimbursable rates acknowledge the dichotomy of major sources of funding; public providers who are funded by the Government and private providers.

i. For delivery, the rates are pegged at Kshs.2,500 for public primary health facilities, Kshs.5,000 for level 4 and 5 public hospitals and Kshs.17,000 for level 6 referral facilities. The initial rates for not-for-profit and for-profit private providers are negotiated within the range of Kshs.3,500 to Kshs.6,500, taking into consideration the private investments for provision of services under the Programme.

ii. Inpatient services are reimbursed as per the applicable NHIF rebate rates.

Sources of Funds for the Implementation of the Linda Mama Programme

3.38 The National Health Insurance Fund receives funding for the Linda Mama Programme from the Ministry of Health. **Table 1** shows a summary of disbursements versus utilisations for the financial years 2016/2017 to 2022/2023.

Table 1: Sources of Funding for the Linda Mama Programme

Financial Year	Budgeted Amount (Kshs.)	Amount Received (Kshs.)	Balance Brought Forward. (Kshs.)	Total Funds Available (Kshs.)	Expenditure (Kshs.)	Variance of Total Funds Available Vs Expenditure (Kshs.)
2016/2017	2,250,000,000	400,000,000	-	400,000,000	26,252,308	373,747,692
2017/2018	3,848,000,000	2,961,525,853	373,747,692	3,335,273,545	1,637,254,202	1,698,019,343
2018/2019	3,898,000,000	2,000,000,000	1,698,019,343	3,698,019,343	3,170,973,087	527,046,256
2019/2020	3,898,000,000	6,079,570,000	527,046,256	6,606,616,256	4,042,053,985	2,564,562,271
2020/2021	4,098,000,000	-	2,564,562,271	2,564,562,271	4,948,139,361	-2,383,577,090
2021/2022	4,098,000,000	8,196,000,000	-2,383,577,090	5,812,422,910	3,792,936,184	2,019,486,726
2022/2023	4,098,000,000	-	2,019,486,726	2,019,486,726	1,673,127,544	346,359,182
Total	**26,188,000,000**	**19,637,095,853**			**19,290,736,671**	

***Source**: OAG analysis of NHIF bank statements and Linda Mama Programme Funds Utilisation Reports*

4.0 FINDINGS OF THE AUDIT

4.1 The overall purpose of the Linda Mama Programme is to provide access to high quality and comprehensive preconception and prenatal care. The objective of the Programme was to encourage women to deliver in health facilities with assistance from skilled service providers and contribute to improvement of pregnancy outcomes, including reduction of maternal and neonatal deaths.

Successes of the Linda Mama Programme

4.2 The audit established that the implementation the Linda Mama Programme has had successes as discussed below.

i. Increased Accessibility to Maternal Health Services

4.3 The Programme was precipitated by the need to streamline delivery of maternal services and was mainly targeted to include vulnerable expectant mothers. The scope of the Programme was to seal any underlying gaps that hindered women from accessing maternity services. Prior to the implementation of the Linda Mama Programme, mothers could only access free maternity services in public health facilities. The Programme created a tripartite relationship in the delivery of free maternal health services as it has brought on board private and faith-based health facilities. This is in addition to the public health facilities that were already implementing the Programme, thus increasing accessibility to skilled maternal health services. As at the time of the audit, 437 private and 164 faith-based health facilities, in addition to 5,635 public health facilities were offering services under the Linda Mama Programme.

ii. Increased Uptake of Skilled Maternal Health Services

4.4 The Programme has significantly contributed to the increase in the number of beneficiaries accessing skilled maternal and neonatal services. The Programme has ensured that the health of the mother and infant are safeguarded throughout the gestation period. According to NHIF statistics

there has been a steady increase in the number of beneficiaries registered for the Programme as shown in **Table 2.**

Table 2: Number of Registered Linda Mama Beneficiaries

Year	No. of Registered Expectant Mothers	Year on Year Growth (%)
2017/18	484,517	N/A
2018/19	1,272,990	162.7%
2019/20	1,102,510	-13.4%
2020/21	1,163,712	5.6%
2021/22	1,186,004	1.9%

Source: NHIF statistics on Linda Mama Programme beneficiaries

4.5 Additionally, interviews with County Health Management Teams and staff in health facilities in all the nine sampled counties revealed that there was a significant increase in the uptake of skilled maternal health services. **Table 3** shows the uptake of skilled maternal health services in the Country from 2017 to 2021.

Table 3: Uptake of Skilled Maternal Health Services in the Country

Year	Skilled Deliveries (%)	1st ANC Attendance (%)	4th ANC Attendance (%)	PNC Attendance
2017	53	72.1	32.3	857,624
2018	64.9	84.1	48.7	1,195,528
2019	67	83	51.3	1,339,834
2020	77.8	97	51.3	1,493,628
2021	79.4	98.9	51.4	1,658,341

Source: The Ministry of Health- Health Information Systems 2017-2021

iii. Increased Community Involvement in Skilled Maternal Healthcare

4.6 Interviews with NHIF staff, management of health facilities and Programme beneficiaries revealed that the Programme has increased the level of confidence in skilled deliveries at the community level. Health facilities were working in conjunction with Community Health Volunteers (CHVs) and Traditional Birth Attendants (TBAs) to create awareness of the Programme. This has harmonized their relationship towards the common good of the health of mothers and babies. For instance, in Kajiado, Kilifi and Garissa Counties, where there were high cases of home deliveries by TBAs before

the implementation of the Programme, beneficiaries have since embraced skilled delivery services. This has resulted in the upward trend as shown in **Table 4**.

Table 4: Increase in the Uptake of Skilled Deliveries in Sampled Marginalised Counties

Name of County	Year				
	2017	2018	2019	2020	2021
Kajiado	46.5%	62.9%	69.8%	76.9%	82.7%
Garissa	43.5%	55.3%	53.4%	54.3%	61.9%
Kilifi	46.3%	69.4%	70.1%	79.2%	82.6%

Source: The Ministry of Health Information Systems 2017-2021

4.7 The audit established that the three Counties had developed incentives such as cash reimbursements for cost of transport for TBAs who took mothers to health facilities for delivery. In other instances, TBAs were allowed to accompany mothers in the delivery rooms, therefore, increasing the acceptability of skilled deliveries in these communities.

4.8 Despite the positive impacts of the Linda Mama Programme, the audit established that there were challenges in the implementation of the Programme as detailed below:

A. The Programme has not Fully Eliminated Financial Barriers to Accessing Maternal Services

4.9 According to the Linda Mama Programme Implementation Manual, the abolishment of maternity fees was informed by the need to eliminate financial barriers to accessing maternity services in public hospitals. The audit revealed that in all the sampled nine Counties, expectant mothers were still incurring medical expenses to access maternal services as detailed below:

i. The Programme did not cover complications that occur during pregnancy

4.10 According to the Linda Mama Programme Implementation Manual, the Programme covers a period of one year; nine months of pregnancy and three months post-delivery. According to the manual, benefit package should include both outpatient and inpatient management for conditions and complications during pregnancy, delivery and the postnatal period. The package also includes treatment of sick new-born babies.

4.11 Interviews with staff at the sampled NHIF branches and health facilities revealed that the Programme was not reimbursing costs incurred in treating complications that occur during pregnancy. Instead, NHIF was only reimbursing health facilities for complications that were as a direct result of pregnancy. Therefore, medical diagnoses during pregnancy such as malaria, hypertension and renal complications were not being covered. This is despite the Ministry of Health statistics indicating that the Country has in the past 7 years recorded high cases of malaria and hypertension during pregnancy. From the year 2016 to 2022, the Country had recorded 571,938 and 40,976 cases of women diagnosed with malaria and hypertension, respectively, in pregnancy. Pre-existing hypertension and renal disease increase the risk of adverse pregnancy outcomes, most notably through an increased risk of superimposed pre-eclampsia, which may be associated with preterm delivery and foetal growth restrictions[3].

4.12 In addition, interviews revealed that complications such as medical abortions and ectopic pregnancies were not covered by the Programme. Therefore, mothers who needed the services were paying between Kshs. 3,500 to Kshs. 8,000, for essential surgical interventions such as Manual

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Optimal outcomes are achieved with informed pre-pregnancy counselling, transfer to medications that are safe in pregnancy, regular antenatal assessment by a multidisciplinary team to include adequate control of hypertension, and close foetal surveillance.

Vacuum Aspiration (MVA). **Table 5** details cases of pregnancy complications that were not covered by the Programme.

Table 5: Cases of Complications not Covered by the Programme

Name of Facility	Complication Case	Amount Charged (Kshs.)
Kitengela Sub-County Hospital	Manual Vacuum Aspiration (MVA)	3,500
Kajiado County Referral Hospital	Abortions; voluntary or involuntary	4,000
	Ectopic pregnancy	8,000
Kerugoya County Referral Hospital	Postnatal Psychosis	The patient had to meet the costs incurred at the mental ward
	Postsurgical complication from Caesarean Delivery	The patient had to meet the costs incurred at the surgical ward

Source: OAG analysis of interview minutes

4.13 Further, interviews with management staff in all the sampled health facilities revealed that the Programme did not cover costs for Anti-D drug for Rhesus negative mothers, who were instead incurring the cost of the drug. Rhesus D (RhD) negative in pregnancy occurs when there is incompatibility between the blood rhesus types between the mother and baby. If an RhD negative mother is expectant with an RhD positive baby, the antibodies can cross the placenta causing diseases in the unborn baby. Mothers with this condition require two doses of the Anti-D shot at 28 weeks of pregnancy and 72 hours after birth. The audit established that in all sampled health facilities, mothers seeking the service while on outpatient had to pay between Kshs.4,000 to Kshs.6,000 per dose.

ii. The Programme did not cover prenatal screening tests for detection of complications that may occur during pregnancy

a) Ultrasound Services were not Covered under the Linda Mama Programme

4.14 The World Health Organization (WHO) recommends that expectant women should have at least one ultrasound before 24 weeks gestation. This is in order to estimate gestation age, improve detection of foetal anomalies and

multiple pregnancies, reduce induction of labour for post-term pregnancy and improve a woman's pregnancy experience.

4.15 Despite this recommendation, the audit established that ultrasound services were not included in the Linda Mama outpatient benefit package. Therefore, mothers who needed ultrasound services had to meet the cost or in some cases, the facility would meet this cost. Analysis of survey questionnaires with 115 beneficiaries revealed that 33 beneficiaries received a free ultrasound from health facilities, while 33 beneficiaries paid for the service. The 33 beneficiaries who paid for the ultrasound services were charged between Kshs.500 and Kshs.3,000 as detailed in **Table 6** below.

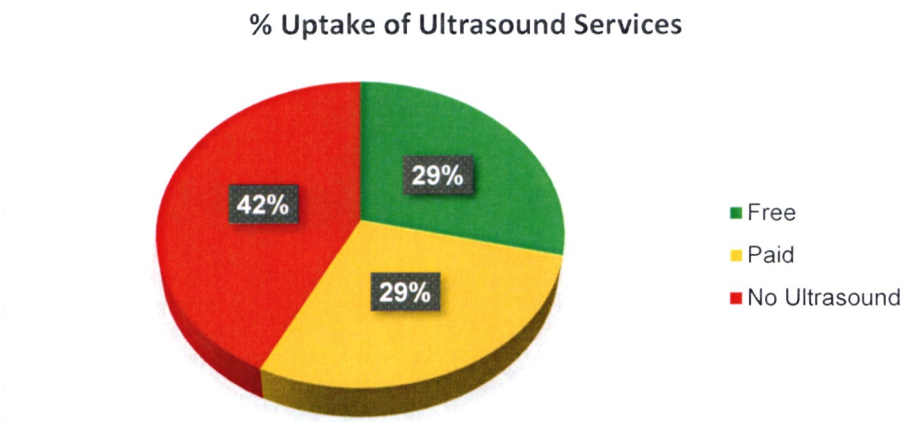
Table 6: Amount Paid for Ultrasound Services by Programme Beneficiaries

Range of Amount paid for Ultrasound Services	No. of Beneficiaries	Percentage of Beneficiaries
Kshs.500-1,000	12	36%
Kshs.1,001-1,500	17	52%
Kshs.1,501-2,500	1	3%
Kshs.2,501-3,000	3	9%
Total	**33**	**100%**

Source: OAG analysis of survey questionnaires administered to Programme beneficiaries

4.16 Further, analysis of the responses to the survey questionnaires for the Programme beneficiaries revealed that 42% of the sampled 115 beneficiaries did not take an ultrasound due to cost implications. This is as illustrated in **Figure 5**.

Figure 5: Pictorial Representation of Ultrasound Services Uptake by Beneficiaries



Source: *OAG analysis of survey questionnaires for the Programme beneficiaries*

4.17 When expectant women do not take ultrasound services, it may lead to failure to detect danger signs such as breech presentations, cord around the neck and congenital anomalies early for timely preventive action. This could lead to avoidable complications during deliveries and in extreme cases fatalities. For instance, Embakasi Health Centre had a case of perinatal death due to an obstructed labour with cord around the neck. The perinatal death audit report revealed that an ultrasound scan could have indicated the complication early enough for medical intervention to prevent the perinatal death. Interviews with NHIF indicated that ultrasound services were not included in the service entitlement due budgetary limitations.

b) The Programme did not Cover Urea Electrolytes, Creatinine and Haemoglobin Tests

4.18 Urea electrolytes and creatine tests provide essential information on renal function, which, if not monitored, increase the risk of adverse pregnancy outcomes. The audit established that the Programme did not reimburse health facilities for essential screening tests such as urea electrolytes and creatinine, liver function and full haemoglobin count. Interviews with the management of health facilities revealed that they were charging between Kshs.300 and Kshs. 3,000 for the tests. Data obtained from St. Marys

Hospital Mumias revealed that the facility was charging mothers registered on the Programme for the tests as indicated in **Table 7**.

Table 7: Charges for Screening Tests from St. Marys Hospital Mumias

Test Name	Charges (Kshs.)
Urea Electrolyte	2,500
Liver Function Tests (LFT)	3,000
Haemoglobin Estimation (HB)	400

Source: Charge Sheets from St. Mary's Hospital Mumias

iii. The Linda Mama Programme did not provide for simultanous admission of a mother and baby or readmission post delivery

4.19 The Linda Mama Programme Implementation Manual allows for the treatment or referral for any post-delivery complication of mother and or baby. A meeting with officials of the Ministry of Health and NHIF revealed that cases of multiple admissions were allowed under special circumstances. The meeting also revealed that the standard practice dictates that health facilities should bring such cases to the attention of NHIF staff in the area branch to be considered for reimbursement.

4.20 Interviews with staff in 18 out of 25 sampled referral hospitals revealed that the Programme had not provided for reimbursement of costs incurred in treating post-partum complications, in the event they occurred after the mother had been discharged from hospital. Interviews with NHIF branch staff revealed that they were not aware of the practice, hence, did not allow claims for costs related to admissions post-delivery from health facilities.

4.21 In addition, interviews at the sampled referral facilities revealed that the Programme had not provided for admission of a mother and baby

concurrently. In instances where a mother and a baby required admission after delivery, health facilities could only admit one of the two at any given time. At the Moi Teaching and Referral Hospital, the audit established that the hospital ended up passing the cost of post-delivery treatment to the mother. In the event that the mother could not meet the cost, the waiver committee of the hospital would deliberate on the appropriate steps to take, with most of the cases being written off. This is despite having provided the maternal service within the one-year cover period of the Linda Mama Programme.

4.22 Failure by the Linda Mama Programme to eliminate all financial barriers in accessing maternity services hindered some mothers from accessing all the essential maternity services; including beyond antenatal clinics, delivery and postnatal clinics. This hampers the Programme from achieving its objective of addressing inequities in access to quality maternal and new-born healthcare services.

B. The National Health Insurance Fund Delayed in Empanelling Health Facilities

4.23 According to the Linda Mama Programme Implementation Manual, for a health facility to offer services under the Programme, it has to be empanelled by NHIF. The NHIF service delivery charter states that the process of declaration and contracting of facilities should take not more than 14 working days, after submission of an application.

4.24 The audit revealed that in the sampled Counties, there were facilities that were yet to be empanelled despite having applied for it and more than 14 days having lapsed. For instance, Maji Mazuri Dispensary in Nairobi City County had initiated its process of empanelment in April 2021, while Gataka Dispensary in Kajiado County initiated the process in November 2020. As at the time of site visits in March 2022, the two facilities were yet to be

empanelled. Further, Kiini and Gakiambura Health Centers in Tharaka Nithi and Kiambu Counties, respectively, had initiated the empanelment process but had not been empanelled despite the stipulated duration of 14 days having lapsed.

4.25 Interviews with staff in the nine sampled NHIF branch offices revealed that they had inadequate staff to carry out assessments in health facilities for empanelling purposes. Further, once the assessments were conducted and forwarded to NHIF headquarters, the NHIF Board delayed in giving approvals for health facilities to be empanelled. This was attributed to the Board meeting being held on a quarterly basis thereby prolonging the period that facilities have to wait for approvals.

4.26 The audit established that despite some health facilities not being NHIF empanelled nor contracted to offer services under the Linda Mama Programme, the facilities continued to offer free maternity services. Consequently, these facilities could not claim for reimbursement of the maternity services rendered. **Table 8** shows health facilities that offered free maternity services but could not claim for the same, as they were not NHIF empanelled. Further, the table shows an analysis of the number of mothers who received antenatal and postnatal services from these facilities and the forgone costs that were not reimbursed by NHIF.

Table 8: Potential Forgone Cost due to Delays in Empanelment

Name of Health Facility	Period	No. of ANC Clients	No. of PNC Clients	Estimated Cost (Kshs.)
Gataka Dispensary	February 2022	12	49	15,850
	January 2022	20	56	20,000
	December 2021	30	48	21,000
	November 2021	22	51	19,350
	Total			**76,200**
Maji Mazuri Dispensary	January 2022	116	101	60,050
	December 2021	117	84	56,100
	November 2021	129	77	57,950
	October 2021	174	106	78,700
	Total			**252,800**
Kiini Health Center	January 2022	23	137	7,800
	February 2022	16	154	6,000
	March 2022	16	127	6,600
	April 2022	15	98	5,700
	May 2022	17	105	6,300
	Total			**32,400**
ANC- Antenatal Care PNC- Postnatal Care				

Source: OAG analysis of 711 data obtained from health facilities

4.27 The audit established that delays in empanelment of the facilities listed in **Table 8**, led to heightened financial difficulties that led to challenges in provision of maternal services. For instance, these facilities experienced stock outs on laboratory reagents, drugs and other essential medical commodities. The commodities included cotton wool, maternity pads, sutures and gloves used by the maternity department. As a result, expectant mothers had to travel for long distances to seek maternity services such as full antenatal profile. In some instances, mothers had to meet the cost of the items that were out of stock to enable health facilities to offer the required services. Had these facilities been accredited by NHIF, they would have claimed for cost reimbursements and used the funds to procure essential maternal commodities that were out of stock, hence enhancing provision of maternal service.

C. Inefficiencies in the Reimbursement of Costs Incurred by Health Facilities under the Linda Mama Programme

i. Health Facilities Experienced Delayed Reimbursements

4.28 According to the Memorandum of Understanding (MoU) between the Ministry of Health and NHIF, the Ministry is mandated to source and avail funds for funding the Linda Mama Programme. Further, NHIF undertook to reimburse health facilities for costs incurred under the Programme within 30 days, upon receipt of invoices. However, interviews with staff in the sampled health facilities revealed that there were delays in reimbursement of costs for services rendered.

4.29 Analysis of the Electronic Funds Transfer (EFT) data from the sampled health facilities revealed that there were delays in reimbursements for a period of up to 1,028 days. **Table 9** shows facilities with extreme cases of delays between the period 2018 to 2022. As shown in the table, Mariakani Hospital in Kilifi County had the longest delay of 1,028 days.

4.30 Further, review of bank statements for Kajuki Health Centre and Uasin Gishu District Hospital in Tharaka Nithi and Uasin Counties, respectively, indicated that the health facilities experienced delays of up to 90 days in costs reimbursement. Interviews with NHIF officers revealed that the delays in reimbursements were as a result of delays by the Ministry in remitting funds for the Programme to NHIF. Document review of Linda Mama utilization reports revealed that NHIF had not received any funds from the Ministry of Health for the Programme for the period July 2020 to June 2021. This led to outstanding claims amounting to Kshs.2.3 billion for the financial year ending June 2021, which was cleared in subsequent years.

Table 9: Analysis of Delays in Reimbursement of Costs Incurred by Health Facilities

Health Facility	Period	EFT Number	Number of Claims Sampled	Amount (Kshs.)	Average No. of Days for Claims Payment
Kiambu District Hospital	Oct/Nov 2017	18030146.021	116	145,000	144
	Mar/Apr 2018	18070166.005	29	145,000	120
	Sep/Oct 2018	19094279.013	60	595,000	356
	Apr/May 2019	19094279.002	120	600,000	140
	Jan/Feb 2019	19050276.006	30	150,000	117
	Jan and Apr 2019	19094279.013	59	595,000	203
	Sep/Nov 2020	201210218.0002	147	735,000	240
Mariakani Sub-County Hospital	Mar-May 2019	220115557.0007	13	65,000	1,028
Tharaka District Hospital (Marimanthi)	Sep/Oct 2020	201215242.0001	20	100,000	292
	Jan/Feb 2021	220213057.0001	20	100,000	396
	Aug and Dec 2021	220415111.0042	20	100,000	251
Thika Level V	Nov-20	210214824.0004	20	100,000	220
	Nov-20	210212246.0008	20	100,000	219
	Nov-20	210212246.001	20	100,000	233
	Nov-20	210212821.0003	20	75,000	212
	Jun-21	220311906.0001	30	75,000	267
	Sep-21	220311937.0003	15	75,000	173
	Aug-21	220312032.0004	15	75,000	182
	Aug-21	220311906.0004	15	75,000	186
Bamba Hospital	Feb-22	220112997.0001	36	9,000	127
	Oct-21	211014087.0001	30	150,000	139
Uasin Gishu District Hospital	April/July/August 2020	210115410.0005	18	16,500	388
	Nov-20	210110360.0002	29	145,000	226
	Sep-21	211216428.0006	24	23,300	133
	Feb/March/April 2021	210614702.001	30	150,000	116
	Nov/December 2021	220511499.0024	30	150,000	141
Magutuni District Hospital	Oct/Nov/Dec 2020	210915880.0022	10	50,000	324
	Sep/October 2020	201212961.0007	14	70,000	277
	June/July 2020	220213057.0009	31	155,000	596
Moi Teaching and Referral Hospital	April/May 2021	210811675.0005	26	438,000	104
	Oct 21	211214329.0005	31	1,064,000	74

Source: *OAG analysis of EFT data from health facilities*

4.31 The delay in cost reimbursements hindered efficient delivery of maternity services in the affected health facilities offering Linda Mama services. The delays resulted in significant outstanding balances that affected the flow of revenue to health facilities. As at November 2022, NHIF owed a total of Kshs.721,153,207 to health facilities nationwide. **Table 10** shows balances owed to 4 of the sampled health facilities.

Table 10: Outstanding Balances Owed to Health Facilities

Name of Health Facility	Name of County	Outstanding Balance (Kshs.)	Statement Month
Marimanti Level IV Hospital	Tharaka Nithi	3,786,500	June 2022
Watamu Nursing Home	Kilifi	2,152,578	June 2022
St. James Amenity Hospital	Kakamega	327,250	July 2022
Thika Level 5 Hospital	Kiambu	5,085,000	June 2022

Source: OAG analysis of outstanding balances owed to health facilities

4.32 Health facilities, especially private and faith-based facilities, relied on the funds remitted by NHIF to ensure seamless service provision to mothers. Due to the delays, health facilities could not meet all their operating costs. Therefore, there is a likelihood of the quality of the maternity services provided being degraded with the continued delays in the reimbursement of costs.

ii. Health Facilities had High Cases of Returned Claims

4.33 Once claims are lodged at the facility level, they are submitted either electronically or physically to the respective NHIF area branch for further processing. NHIF is expected to go through each claim and verify whether they meet the criteria of validity. The audit revealed that 47 out of 48 sampled health facilities that implemented the Linda Mama Programme had experienced instances where the claims lodged were returned to the facilities for failure to meet the reimbursement criteria.

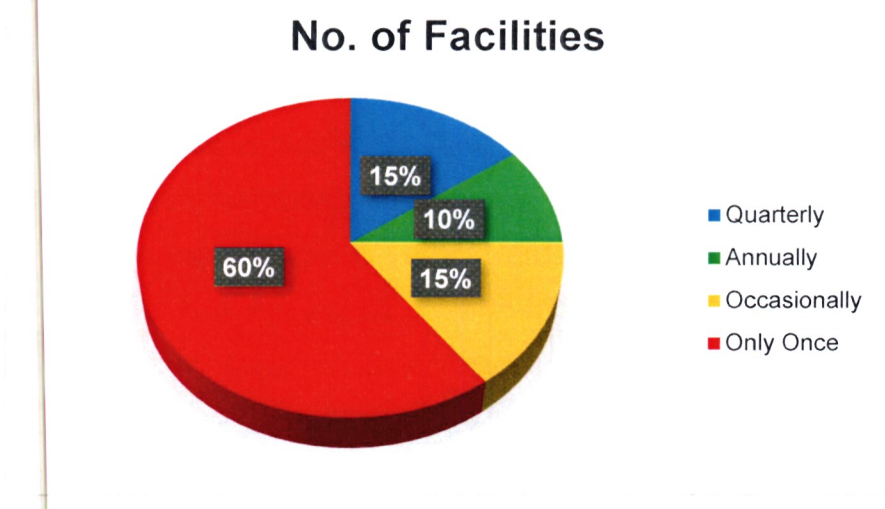
4.34 The main reasons for the returned claims were; failure to attach substantiating documents, and submissions of claims past the required timeframe of 24 hours. This was mainly attributed to inadequate Programme clerks, limited or lack of capacity for training by NHIF. Others were due to inadequate ICT infrastructure for processing claims.

a) Inadequate or Lack of Training of Linda Mama Programme Clerks

4.35 The Linda Mama Programme Implementation Manual and the MoU between NHIF and the Ministry of Health on the implementation of the Programme did not indicate how the training of Linda Mama clerks was to be carried out. However, best practice dictates that NHIF ought to conduct comprehensive and continuous training to Linda Mama Programme clerks to enhance on their efficiency in the implementation of the Programme MoU especially because NHIF had an ICT system in place for the claim process. Therefore, it was paramount that the Programme clerks understand how to operate the system, especially post system updates.

4.36 Interviews with staff in sampled health facilities revealed that NHIF did not conduct continuous training for Programme Clerks. The audit revealed that clerks in 28 out of the 48 sampled health facilities offering Linda Mama Programme services had not received any training from NHIF on how to lodge claims. **Figure 6** shows the frequency of training for facilities who had Linda Mama clerks trained by NHIF since the inception of the Programme. As shown in the figure, 60% of the health facilities had their Linda Mama clerks trained only once.

Figure 6: Analysis of Frequency of Training of the Linda Mama Clerks



Source: *OAG Analysis of data on training of Linda Mama Clerks*

b) Inadequate ICT Infrastructure

4.37 Health facilities require computers, scanners, photocopy machines and stable internet connectivity for efficient lodging of claims. According to the Programme Implementation Manual, it is the role of county governments to ensure that health facilities have adequate ICT infrastructure to facilitate efficient registration of Programme beneficiaries and for lodging claims. The audit revealed that county governments had not put in place the requisite ICT infrastructure in health facilities for timely registration and processing of Linda Mama claims.

4.38 Interviews with staff in sampled health facilities and physical verification revealed that 41 facilities had computers whereas 7 were using smartphones for the registration and processing of claims. The interviewed clerks indicated that registration and lodging of claims on mobile phones was tedious and time consuming.

4.39 The audit established that some county governments had put in place the requisite ICT infrastructure in health facilities. However, not all health

facilities received the support. For instance, Kajiado County had collaborated with Transforming Health Systems (THS) Project and procured 20 computers, which had been distributed to 20 facilities. The facilities that did not receive computers had to rely on their own smartphones to register beneficiaries and submit notification of claims to the NHIF system. Further, the Kirinyaga County Government had provided smartphones to all public NHIF accredited level 2 and 3 health facilities. However, interviews with clerks at the sampled facilities revealed that registration and lodging of claims on mobile phones was tedious and time consuming.

4.40 For efficient registration of mothers and processing of Linda Mama claims, NHIF launched an E-Claim system on 01 July 2021 However, only health facilities with the requisite ICT infrastructure such as computers, internet connection and biometric scanners could use the E-claim system. Consequently, a number of health facilities without the requisite ICT infrastructure continued to be on the manual system.

4.41 Out of 6,039 public health facilities registered by the Ministry of Health, 5,648 were empanelled by NHIF. A review of an E-Claim brief provided by NHIF revealed that out of the 5,648 NHIF empanelled public health facilities, 307, representing 5.4% of the facilities, had been connected to the E-Claim system as at June 2021. This is represented in **Table 11** below.

Table 11: National Data of Health Facilities on E-Claim as at 2021

Hospital Category	Number of Facilities in the Country	Facilities Empaneled by NHIF	Facilities Connected to E-Claim	% Number of Facilities Connected to E-Claim
Public	6,039	5,648	307	5.4%
Faith Based	1,061	274	194	70.8%
Private	5,803	1,744	1,402	80.4%
Total	**12,903**	**7,666**	**1,903**	

***Source**: OAG analysis of health facilities connected to E-Claim system data*

4.42 Further, out of the 48 sampled health facilities implementing the Programme, 33 were on e-claim while 15 facilities were submitting their claims manually to NHIF. Interviews with staff at the health facilities revealed that the manual system was prone to the supporting documentation being lost during transportation, leading to return of claims due to lack of some documents.

c) Health Facilities did not have Sufficient Linda Mama Programme Clerks

4.43 The roll out of the Programme resulted in an increase in beneficiaries seeking skilled maternal health services. This influx created a need to hire additional clerks to undertake registration and processing of Linda Mama claims within the stipulated timeframes.

4.44 The audit revealed that 20 out of 48 sampled health facilities that implemented the Programme did not have an adequate number of Linda Mama clerks, while two of the facilities namely, Watamu and Mnarani Dispensaries did not have any clerks at all. Due to the heavy workload associated with the registration of mothers and processing of Programme claims, there was an increased likelihood of the clerks committing errors during the preparation and lodging of claims. Further, as facilities were expected to submit claim notifications to NHIF within 24 hours of service delivery, lack of adequate staff increased the risk of health facilities claims being rejected for not meeting the set deadline.

D. Health Facilities were not well Sensitized on the Implementation of the Programme

4.45 According to the Memorandum of Understanding (MoU) between NHIF and the Ministry of Health on the implementation of the Programme, NHIF was tasked with sensitization of all key stakeholders. The purpose of the

sensitization was to create awareness on the Programme and ensure that stakeholders had sufficient knowledge on their role in the implementation process. For health facilities, the sensitization was to create awareness on the scope of the Programme and the service entitlements for beneficiaries. Further, the MoU states that the Ministry, in collaboration with NHIF, should carry out stakeholder engagement activities to ensure buy in and support from key stakeholders including but not limited to planning, budgeting for and implementing Public Information and Education (PIE) activities. The audit established that NHIF had not adequately sensitized stakeholders as detailed below.

i. Health facilities were not sensitized on their NHIF contracted status

4.46 According to the Linda Mama Programme Implementation Manual, NHIF, in liaison with the Ministry of Health, were to implement a communication plan targeting all stakeholders, in a bid to create awareness of the Programme. The audit established that there was no communication plan on how sensitization to the health facilities was to be carried out. Further best practice dictates that after contracting health facilities, NHIF should communicate to the respective health facilities about their contractual status.

4.47 The audit established that out of the 62 sampled health facilities, 3 public health facilities, namely; Gakirwe Dispensary in Tharaka - Nithi County, commissioned in 2018, Imalaba Dispensary in Kakamega County commissioned in 2010 and Bula Mzuri Dispensary in Garissa County, were unaware of their empanelment status. Further, interviews revealed that the responsible NHIF area branches had not made efforts to reach out to these facilities to inform them about their contracted status to enable them to claim for cost reimbursements under the Linda Mama Programme.

4.48 Review of empanelled health facilities data provided by NHIF revealed that all the three facilities were actually empanelled by NHIF and could offer services under the Linda Mama Programme but were unaware of their empanelment status. Consequently, mothers continued to cover long distances to other NHIF empanelled facilities in order to access Linda Mama services. In addition, the facilities were not claiming for maternity services offered, therefore, missing out on the opportunity to generate revenue that could have been used to improve provision of maternal services.

ii. Inadequate sensitization on the service entitlements for cost reimbursement

4.49 The audit revealed that staff in the sampled health facilities were partially aware of the scope of service entitlements under the Programme. For example, in SIMAHO Medical Centre, staff did not have information about the services that could be reimbursed by NHIF under the Programme. This resulted in facilities not claiming for cost reimbursements for all services listed in the service entitlements of the Linda Mama Programme, despite implementing the Programme. For instance, despite new-born and Antenatal services being on the Linda Mama package, Garissa Provincial General Hospital was not aware, hence they were not seeking reimbursement for these services. **Table 12** shows health facilities that were not claiming for some services offered under the Linda Mama Programme due to lack of awareness.

Table 12: Services not Being Claimed for by Various Health Facilities

Name of Health Facility	Name of County	Services Not Claimed For
Chuka County Referral Hospital	Tharaka Nithi	New-born services and admitted sick antenatal mothers
Thika level 5 Hospital	Kiambu	Subsequent antenatal services (2nd, 3rd and 4th) and postnatal services
Garissa Provincial General Hospital	Garissa	New-born unit services and antenatal clinic services
Kajuki Health center	Tharaka Nithi	Postnatal clinic services
Kitengela Sub-County Referral Hospital	Kajiado	New-born Unit services
Embakasi Health Centre	Nairobi City	Postnatal clinic services
Kasarani Health Centre	Nairobi City	Postnatal clinic services

Source: OAG data analysis of interview minutes

4.50 The audit established that information given to health facilities on claimable services under the Programme was not uniform across NHIF branches. As a result, some branches allowed health facilities to claim for new-born unit services while others did not. For instance, health facilities under the Eldoret NHIF Branch were claiming for new-born unit services while facilities under Kilifi, Garissa, Kiambu and Chuka branches were not claiming the services.

4.51 Despite the limitation in awareness, these facilities continued to offer maternity services. Had these facilities claimed for all the services offered under the Programme, the funds could have been used to bridge quality gaps in provision of maternal health services. For instance, analysis of data on maternal services offered and not claimed for by the Garissa Provincial General Hospital revealed that a potential cost reimbursement of Kshs.3,772,350 had not been claimed for over the period January to May 2022, as referenced in **Table 13.**

Table 13: Potential Revenue Missed by Health Facilities

Name of Facility	Entitled Service	Number of Patients	Daily Rebate Rate (Kshs.)	Missed Rebates (Kshs.)
Chuka County Referral Hospital	Unclaimed 1st ANC Visits	443	1,000	443,000
Chuka County Referral Hospital	Unclaimed ANC Revisits	1,131	300	339,300
Chuka County Referral Hospital	Unclaimed Daily Rebates	282	2,200	620,400
Chuka County Referral Hospital	Unclaimed PNC Visits	44	250	11,000
Sub-Total Chuka County RH		**1,900**		**1,413,700**
Garissa Provincial General Hospital	Unclaimed 1st ANC Visits	1,515	1,000	1,515,000
Garissa Provincial General Hospital	Unclaimed ANC Revisits	3,297	300	989,100
Garissa Provincial General Hospital	Unclaimed Daily Rebates	440	2,200	968,000
Garissa Provincial General Hospital	Unclaimed PNC Visits	1,201	250	300,250
Sub-Total Garissa PGH		**6,453**		**3,772,350**
Kilifi County Referral Hospital	Unclaimed 1st ANC Visits	-	1,000	-
Kilifi County Referral Hospital	Unclaimed ANC Revisits	-	300	-
Kilifi County Referral Hospital	Unclaimed Daily Rebates	372	2,200	818,400
Kilifi County Referral Hospital	Unclaimed PNC Visits	-	250	-
Sub-Total Kilifi County RH		**372**		**818,400**
Thika Level 5 Referral Hospital	Unclaimed 1st ANC Visits	-	1,000	-
Thika Level 5 Referral Hospital	Unclaimed ANC Revisits	4,044	300	1,213,200
Thika Level 5 Referral Hospital	Unclaimed Daily Rebates	-	2,200	-
Thika Level 5 Referral Hospital	Unclaimed PNC Visits	-	250	-
Sub-Total Thika Level 5 RH		**4,044**		**1,213,200**
Grand Total		**12,769**		**7,217,650**

Source: OAG analysis of data on maternal services not claimed for under LMP

4.52 The audit established that due to lack of awareness of information on service entitlements under the Programme at facility level, mothers paid for services eligible for cost reimbursement. For instance, at Chuka County Referral Hospital, mothers paid Kshs.1,500 for antenatal services. In Thika Level 5 Hospital, mothers paid Kshs.700 for laboratory services and Kshs.100 for postnatal consultations. This was due to lack of awareness at the facility level of the services covered under the Programme.

E. Inadequate Monitoring and Evaluation of the Programme

4.53 According to the Linda Mama Programme Implementation Manual, the Ministry of Health in conjunction with NHIF were tasked with conducting biannual monitoring and evaluation of the Programme.

4.54 Interviews with NHIF staff and review of documents revealed that NHIF had only carried out one monitoring exercise on the implementation of the program, in 2020. The exercise was conducted by the NHIF Research and Policy Division and was on the implementation of the Free Maternity Services Programme, from a stakeholder's perspective. Interviews with sampled County Health Management Teams and health facilities revealed that they had not participated in any monitoring exercise for the Programme.

4.55 The Memorandum of Understanding between NHIF and the Ministry of Health dated February 2017 provides for an administrative fee not exceeding 4% of the total amount transferred to NHIF in a financial year. Further, the MoU of 2021 provides for a minimum administrative fee not exceeding 3% of the total amount transferred by the Ministry of Health. The administration fee was to be utilised by NHIF to support operational costs for the Programme. Included in the administrative fee were monitoring costs for the Programme. Review of the Programme status reports revealed that NHIF retained funds for administrative costs for the financial years 2016/17 to 2019/20 as shown in **Table 14.**

Table 14: Amounts Retained for Administrative Costs

Financial Year	Amount Disbursed (Kshs.)	Amount Retained (Kshs.)	Recommended Retention Amount (Kshs.)	Actual Percentage Retained (Kshs.)	Variance %
2016/2017	400,000,000	17,831,808	4%	4.46%	0.46%
2017/2018	2,961,525,853	19,736,200	4%	0.67%	-3.33%
2018/2019	2,000,000,000	46,397,309	4%	2.32%	-1.68%
2019/2020	6,079,570,000	-	3%	0.00%	-3.00%
2020/2021	-	-	3%	0.00%	-3.00%
2021/2022	8,196,000,000	-	3%	0.00%	-3.00%
Total	**19,637,095,853**	**83,965,317**			

Source: Linda Mama Programme Status Report - November 2022

4.56 However, for the financial year 2019/2020 to date, no funds have been retained to cater for administrative costs. As a result, NHIF could not continuously monitor the Programme as provisioned in the Manual. As at the time of the audit, NHIF had not identified the challenges faced by counties and health facilities in the implementation of the Programme. The audit revealed that there were misinterpretations and inconsistencies in the implementation of the Programme among NHIF branches, especially on services covered by the Programme. This led to non-uniform implementation of the Programme across the Country, despite it being a National Government initiative.

4.57 In Kakamega Provincial General Hospital for instance, the audit revealed that the facility did not allow registration of mothers into the Programme using next of kin identification cards. Interviews with the staff and beneficiaries at the health facility revealed that the NHIF, Kakamega Branch would not process any claims relating to mothers above 18 years without individual-identification cards. This was despite the Programme implementation manual allowing for any mother without a national Identification Document (ID) to benefit from the Programme, as long as they present a spouse or guardian's ID.

4.58 Analysis of discharge-in[4] data obtained from Kakamega County Referral Hospital revealed that between February and July 2022, 103 mothers were detained in the facility due to non-payment of bills for maternal and neonatal services, as detailed in the **Table 15**. Their outstanding bills ranged between Kshs.2,860 and Kshs.93,680. Further, review of the hospital's waiver committee minutes revealed that for the month of March and May 2022, the facility had detained mothers who were above 18 years but did not have national identity cards. Physical verification in the facility's maternity wards and interviews with maternity staff established that mothers had been detained in the hospital for a period ranging from 14 to 60 days.

Table 15: Number of Mothers Detained in Kakamega County General Teaching and Referral Hospital

Month	Number of Patients Detained
February	13
March	5
April	20
May	37
June	18
July	10
Total	**103**

Source: OAG Analysis of Discharge in Data from Kakamega County General Teaching and Referral Hospital

4.59 Regular monitoring on the implementation of the Programme could have enabled the identification and mitigation of challenges or gaps in the implementation of the Programme. For instance, though regular monitoring, NHIF and the Ministry of Health could have identified cases of mothers being charged for antenatal, laboratory and postnatal services as is the case at Chuka County Referral and Thika Level 5 Hospital.

4.60 The Programme Implementation Manual states that NHIF and the Ministry of Health were to conduct an annual client satisfaction survey. The audit

[4] Discharge in refers to the patients who are discharged but detained in the facility for not clearing their hospital bills.

established that neither the Ministry nor NHIF had conducted a client satisfaction survey of the Programme. Interviews with all the sampled facilities revealed that the management and staff were not aware of any client satisfaction surveys conducted in the facilities. Further, interviews with all 115 sampled Programme beneficiaries revealed that they had not taken part in any client satisfaction survey conducted by NHIF or the Ministry of Health.

4.61 As a result of not conducting monitoring, evaluation and client satisfaction surveys, NHIF could not identify and mitigate the challenges experienced by service providers and beneficiaries. This contributed to hindering the full realization of the Programme's intended objectives.

F. County Governments had not Put in Place Adequate Measures to Support Health Facilities in the Implementation of the Programme

4.62 According to the Linda Mama Implementation Manual, county governments were identified as key stakeholders to work with NHIF to ensure seamless implementation of the Programme. The audit revealed that county governments were not adequately supporting health facilities as discussed below.

i. County governments had not ensured adequate supply of essential drugs and commodities

4.63 As provided under the Programme Implementation Manual, it is the role of county government to ensure that hospitals have an adequate supply of essential drugs and commodities for efficient delivery of maternal health services.

4.64 Interviews with staff in the sampled health facilities revealed that health facilities experienced stock outs of essential drugs and commodities. For

instance, reagents for the first antenatal profile, sutures, cotton wool, gloves and normal saline. Due to the stock outs, facilities had to refer mothers to other facilities to access some of the maternal health services. In some instances, mothers had to purchase the drugs out of their own pocket. An analysis of data from a survey with Programme beneficiaries revealed that 40 out of 115 beneficiaries claimed to have made out of pocket payments towards medicines and medical commodities. In instances where mothers could not afford the costs, they did not buy the prescribed drugs, thus risking their health and that of the unborn babies. This hindered the Programme from achieving its objective on reducing financial barriers to access skilled maternal services.

ii. County governments lack adequate human resources to support services under the Linda Mama Programme

4.65 As provided under the Linda Mama Implementation Manual, it is the role of county governments to ensure the availability of human resources to facilitate efficient delivery of maternal health services.

4.66 The audit revealed that the sampled public health facilities did not have adequate medical professionals to attend to the mothers seeking maternity health services. For instance, Modogashe Sub-County Hospital in Garissa County had a fully equipped theatre and an ultrasound machine. However, the hospital did not have Medical Officers and a sonographer to utilize the theatre and operate the ultrasound machine, respectively. In addition, Embakasi and Kayole Health Centres in Nairobi City County had ultrasound machines but did not have sonographers to operate the machines. This is indicative that the machines were not being utilised, leading to the services not being available to mothers. This has contributed to hindering the Programme from achieving its intended objective of increasing access to pre maternity and post maternity services.

iii. County governments had not provided health facilities with adequate utilities to support services under the Linda Mama Programme

4.67 As provided under the Linda Mama Implementation Manual, it is the role of county governments to facilitate public health facilities with payment for utilities such as water and electricity, in order to ensure smooth delivery of maternal health services.

4.68 Interviews with the management of sampled health facilities revealed that they had various utility challenges as shown in **Table 15**. At the time of the audit, Modogashe Sub-County Hospital had been disconnected from the electricity mains for two weeks and did not have sufficient funds to purchase fuel for the back-up generator.

Table 16: Utility Challenges in Sampled Health Facilities

Name of Facility	Name of County	Utility Challenge
Watamu Dispensary	Kilifi	Water services had been disconnected due to non payment of bills by the County Government
Modogashe Sub County Hospital	Garissa	The facility had not had electricity for two weeks and had insufficient funds for purchase of fuel for the back-up generator
Kiini Health Centre	Tharaka Nithi	The facility had an electricity bill of Kshs. 20,000 and had insufficient funds to clear the bill
Gatunga Model Health Centre	Tharaka Nithi	The facility had an electricity bill of Kshs. 100,000 and had insufficient funds to clear the bill

Source: OAG analysis of minutes of interviews with health facilities

4.69 County governments play a vital role in the success of the implementation of the Programme. Failure by county governments to adequately support health facilities led to facilities relying on Linda Mama Programme reimbursements to meet their daily operation costs. Consequently, the facilities could not prioritise the utilization of Linda Mama reimbursements towards the improvement of maternal services, thereby hindering successful implementation of the Programme.

G. Lack of Clear Guidelines on Utilization of Linda Mama Funds

4.70 According to the Programme Implementation Manual, the introduction of free maternity services led to the abolishment of fees payable by mothers seeking maternity services in public facilities. To compensate the health facilities for the lost revenue, the Government committed to reimburse health facilities for services rendered. Further, the Programme Implementation Manual states that under the Programme, public health facilities were assured of revenues to supplement their usual budgetary allocations. Therefore, health facilities were expected to effectively address quality gaps in the provision of services.

4.71 The audit revealed that there were no guidelines on the utilization of the cost reimbursements from NHIF. As a result, there was a disparity in the expenditure of the funds as health facilities utilized them according to hospital priorities identified by the hospital management team. For instance, in 2021 Kitengela Sub County Hospital received Kshs.11,000,000 being claims paid out for Linda Mama services. The facility then used Kshs.7,000,000, representing 63.6% of the reimbursement, in funding other operations in the hospital. Needs of the maternity department were not prioritised in utilization of the Linda Mama reimbursement proceeds. Therefore, the facility could not use Linda Mama funds to undertake significant improvements in the quality of maternal health services provided.

4.72 On the other hand, in Bisil Health Centre in Kajiado County, reimbursements from NHIF for Linda Mama services offered were used in the improvement of the maternity services. The improvements done to improve maternity services include; piped water from a nearby borehole to ensure that maternity wards have running water and installation of hot water showers in the maternity ward. Further, the facility purchased an incubator for their

new-born unit, remodelled their kangaroo mother care unit, repaired an ambulance and renovated their maternity ward.

4.73 In Kirinyaga County, the audit found that facilities were not granted the authority to utilize reimbursements from NHIF for Linda Mama services offered. This was attributed to the fact that the County was yet to pass the Facility Improvement Fund (FIF) Act, which would allow facilities to retain funds and utilise them at source. Review of bank statements for level 2 and 3 facilities in the County revealed that the facilities had accumulated huge amounts of money in their bank accounts, despite having financial challenges to run hospital operations. **Table 17** shows the account status for sampled health facilities as at the time of the audit.

Table 17: Bank Account Balances in Sampled Public Health Facilities in Kirinyaga County

Name of Health Facility	Statement Date	Bank Balance (Kshs.)
Kiamutugu Health Center	28/02/2022	1,509,611
Kabare Health Center	28/02/2022	1,344,128
Kamweti Dispensary	2/03/2022	156,304
Kiang'ombe Dispensary	28/02/2022	99,280

Source: *OAG analysis of bank statements s of sampled health facilities*

4.74 Interviews with sampled health facilities revealed that had they been granted authority to utilize the funds, they would stock maternity packs for mothers, procure photocopying machines to facilitate registration and claims processing and ensure adequate supply of drugs and reagents required in maternity departments.

4.75 Lack of guidelines on how to utilise Linda Mama funds led to allocation of Linda Mama reimbursement proceeds to other priority areas at the expense of improving the quality of maternity services.

5.0 CONCLUSION

5.1 Through the Linda Mama Programme, the National Health Insurance Fund has significantly contributed to the increase in uptake of skilled maternal health services. In addition, the Programme has increased accessibility to maternal health services by bringing on board private, faith-based and public health facilities to offer maternity services under the Programme. The Programme has also enhanced community involvement in skilled maternal health care. Health facilities are now working in conjunction with Community Health Volunteers and Traditional Birth Attendants to create awareness of the Programme. As a result, more mothers are accessing skilled hospital deliveries. However, there are challenges experienced in the implementation of the Programme that have hindered NHIF from fully realizing the intended objectives.

5.2 The Programme has not fully eliminated financial barriers to accessing maternal health services. For instance, the Programme does not cover all complications that occur during pregnancy and services such as ultrasound, urea electrolyte test or full haemoglobin tests. This has led to mothers incurring out of own pocket payments for services not covered by the Programme.

5.3 Health facilities are experiencing delays in cost reimbursements from NHIF, resulting in significant amounts outstanding and being owed to facilities. Consequently, the flow of cost reimbursements for managing hospital operations is affected, thereby hindering efficient delivery of maternity services in the health facilities implementing the Programme.

5.4 County governments are not adequately supporting public facilities in the implementation of the Linda Mama Programme. Consequently, some of the health facilities implementing the Programme do not have adequate

supplies of essential drugs and commodities that would ensure quality service delivery to the beneficiaries of the Programme. In addition, County governments have not adequately provided the requisite ICT infrastructure to facilitate the smooth implementation of the Programme. This has led to public health facilities facing challenges in the processing of reimbursement claims.

5.5 Health facilities are experiencing delays in being empanelled by NHIF to offer services under the Programme. Consequently, a significant number of lower level facilities are yet to be empanelled to offer services under the Linda Mama Programme. As a result, mothers continue to travel for long distances to NHIF accredited facilities to access Linda Mama Programme services.

5.6 The Ministry of Health and NHIF have not adequately sensitized health facilities on the Programme. Health facilities were not well informed on the full scope of service entitlements under the Programme. As a result, the health facilities were not claiming for all service entitlements in the Linda Mama Package. Consequently, health facilities were not reimbursed and, in some instances, mothers met the cost of maternal services.

5.7 The National Health Insurance Fund and the Ministry of Health have not conducted adequate monitoring and evaluation of the Programme. As such, they have not identified challenges being faced by counties and health facilities in the implementation of the Programme. Consequently, this has led to inconsistent implementation of the Programme across counties.

5.8 The National Health Insurance Fund and the Ministry of Health have not developed guidelines for utilization of Linda Mama funds reimbursed to health facilities implementing the Programme. This has led to failure to

prioritize the utilization of Linda Mama funds for the improvement of maternity services.

6.0 RECOMMENDATIONS

6.1 In view of the findings and conclusions of the audit, the Auditor-General makes the following recommendations for implementation by the National Health Insurance Fund and the Ministry of Health for efficient implementation of the Linda Mama Programme:

6.2 To ensure that the Programme eliminates financial barriers to accessing skilled maternal health services:

i. The Ministry of Health and NHIF should include all complications experienced by mothers during pregnancy and the post-partum period of three months in the Programme service entitlement;

ii. The Ministry of Health and NHIF should include all prenatal screening tests prescribed by medical professionals in the Programme service entitlement. The screening tests should include ultrasound scans, liver function tests and full haemoglobin tests; and

iii. The National Health Insurance Fund should ensure that all health facilities and NHIF branches are informed on how to handle special cases such as simultaneous admissions and readmissions of mothers and babies post-delivery.

6.3 To ensure that health facilities are empanelled within the stipulated timelines, NHIF should:

i. Carry out timely assessments in health facilities that have submitted their application;

ii. Streamline the empanelment approval process at the headquarter level; and

iii. Sensitize newly commissioned health facilities on the empanelment process.

6.4 To reduce on inefficiencies in cost reimbursements to health facilities:

i. The Ministry of Health should ensure timely disbursements of Programme funds to NHIF;
ii. The National Health Insurance Fund should develop and implement a framework for training Linda Mama Programme clerks. This will ensure that the clerks have the requisite skills and knowledge to effectively implement the Programme;
iii. The National Health Insurance Fund and the Ministry of Health should comprehensively and continuously sensitize the accredited health facilities on the scope and service entitlements of the Programme; and
iv. County governments should ensure that public health facilities have the requisite ICT infrastructure and human resources to facilitate the processing of claims.

6.5 To ensure seamless implementation of the Programme, County governments should:
i. Ensure timely and consistent supply of essential drugs and commodities to public health facilities in order to guarantee quality service delivery;
ii. Adequately staff all public health facilities with medical professionals to attend to mothers seeking maternity health services; and
iii. Facilitate public health facilities to make timely payments for all utilities.

6.6 The Ministry of Health and NHIF should conduct continuous monitoring and evaluation of the Programme. This will ensure prompt identification of challenges and quality gaps for remedial actions.

6.7 The Ministry of Health and NHIF should develop clear guidelines on the utilisation of Linda Mama Programme funds. This will ensure that the funds are utilised to improve service delivery in maternity units.

7.0 APPENDICES

Appendix I: Audit Assessment Criteria

Audit Question	Criteria
To what extent has NHIF reduced financial barriers in accessing skilled maternal health services offered to all expectant women, mothers in the post-partum period and infants?	According to the Programme Implementation Manual, the abolishment of maternity fees was informed by the need to eliminate financial barriers to accessing maternity services in public hospitals. The service entitlements under Linda Mama Programme included conditions and complications during pregnancy, post-partum period and 0-3 months. According to the MoU between the Ministry of Health and NHIF, the goal of the Programme is to eliminate direct out of pocket payments for maternal care services.
Has NHIF ensured an increase in the access to pre and post maternal services through a broader network consisting of health care providers?	According to the NHIF service delivery charter, the process of declaration and contracting of facilities should take 14 working days, upon submission of an application. According to the Programme Implementation Manual, the county governments were charged with public health service infrastructure and operations, including availability of human resources, equipment, medicines and supplies and utilities. According to the Programme Implementation Manual, NHIF in liaison with MoH were to implement a communication plan targeting all stakeholders whose aim was to create awareness of the Programme. Review of the Programme Implementation Manual and the MoU between NHIF and MoH did not indicate how often sensitization was to be carried out. However, best practice requires that NHIF should collaborate with the counties' health management teams to schedule visits to the unaccredited health facilities to sensitize them on the Programme and the benefits of being empanelled by NHIF.
Has NHIF ensured timely registration of all eligible women for the program?	According to the Programme Implementation Manual, registration was to be carried out through the following access points: Mobile phone USSD code, NHIF registration portal, Contracted health facilities, NHIF service centres and Huduma centres country-wide.

Audit Question	Criteria
	According to the Programme Implementation Manual, the county governments were charged with public health service infrastructure and operations, including availability of human resources, equipment, medicines and supplies and utilities. The roll out of the Programme brought about an increase in the beneficiaries seeking skilled services. This influx created a need to hire clerks to ensure timely registration and lodging of claims as stipulated by NHIF.
Has NHIF improved efficiency in reimbursement to health care providers, for services under the program?	According to the Programme Implementation Manual, county governments were charged with public health service infrastructure and operations, including availability of human resources, equipment, medicines and supplies and utilities. For efficient registration of the Programme beneficiaries and lodging of claims, health facilities require computers, scanners, photocopy machines, internet connectivity and internet stability.
Have NHIF and the Ministry of Health jointly developed and implemented a health care provider quality assurance system to address maternity care?	According to the Programme Implementation Manual, NHIF in conjunction with MoH were to implement a communication plan targeting all stakeholders whose aim was to encourage pregnant women to register and utilize services under the Programme. Review of the Programme Implementation Manual and the MoU between NHIF and MoH did not indicate the comprehensiveness and continuity of the trainings that were to be carried out to the Linda Mama clerks. However, best practice dictates that NHIF ought to conduct comprehensive and continuous training to the Linda Mama Programme clerks especially when changes are made to the system. Review of the Programme Implementation Manual and the MoU between NHIF and MoH did not indicate how often sensitization was to be carried out. However, best practice dictates that NHIF should collaborate with the counties' health management teams, health facilities, Community Health Volunteers (CHVs) and other relevant stakeholders to ensure continuous sensitization of the public regarding the Linda Mama Programme and its benefits.

Appendix II: List of Documents Reviewed

Document Reviewed	Purpose of Review
Constitution of Kenya, 2010	To gain an understanding of the law with regards to maternal health
Health Act No. 21 of 2017	To understand the responsibilities of service providers in the delivery of maternal services
The Memorandum of Understanding between the Government of Kenya, through the Ministry of Health and NHIF Board of Management	To understand the programme inception, governance and its implementation
Linda Mama Implementation Manual	To understand the Programme design and its implementation plan
NHIF Vision 2030 Flagship Programmes Reports 2018/2019 2019/2020 and 2020/2021.	To track the progress of the Programme and identify possible successes and challenges in its implementation
Contracts executed between Public Health Facilities and NHIF	To understand the obligations of each party in the fulfillment of the Programme
Contracts executed between Private Health Facilities and and NHIF	To understand the obligations of each party in the delivery of the Programme
Linda Mama Programme Financial Statistics	To review the amount of money that was utilized in the implementation of the Programme

Appendix III: List of Officers Interviewed

Officer Interviewed	Organisation	Purpose of the Interview
Head of Enhanced Schemes	NHIF	To gain a general understanding of the implementation of the Programme
Head of Quality Assuarance	NHIF	To understand the role of NHIF in the implementation of the Linda Mama Programme
Representative Budgeting and Costing Department	NHIF	To understand the flow of funds in the Linda Mama Programme
Branch Managers	NHIF	To understand their role in the implementation of the Linda Mama Programme
Health Facility In-Charge	Sampled Health Facilities	To get a general understanding of the operations of the facilities and the implementation of the Linda Mama Proramme at the facility level
Heads of Department Maternity Units in	Sampled Health Facilities	To understand the implementation of the Linda Mama Proramme at the departmental level in the sampled health facilities
County Health Directors	Nairobi City County Kajiado County Kirinyaga County	To understand the role of county governments in the implementation of the Linda Mama Programme

Appendix IV: List of Sampled Health Facilities

Name of Facility	Name of County	Facility Type	Facility Level
Bula Mzuri Dispensary	Garissa	Public	2
Garissa Provincial General Hospital	Garissa	Public	5
Iftin Sub - District Hospital	Garissa	Public	4
Medina Health Centre	Garissa	Public	3
Modogashe Sub County Hospital	Garissa	Public	4
Garissa Mother and Child	Garissa	Private	3
SIMAHO – Private Health Facility	Garissa	Faith Based	3
Bissil Health Centre	Kajiado	Public	3
Gataka Dispensary	Kajiado	Public	2
Kajiado County Referral Hospital	Kajiado	Public	4
Kitengela Sub County Hospital	Kajiado	Public	4
Oltepesi Dispensary	Kajiado	Public	2
Sajiloni Dispensary	Kajiado	Public	2
Butere Sub County Hospital	Kakamega	Public	4
Imalaba Dispensary – Ikolomani	Kakamega	Public	2
Kakamega County General Teaching and Referral Hospital	Kakamega	Public	5
Shiamberere Health Centre	Kakamega	Public	3
Shinyalu Model Health Centre	Kakamega	Public	3
Shitsitswi Health Centre Butere	Kakamega	Public	3
St. James Ammenity Hospital	Kakamega	Private	3
St. Mary's Mumias Hospital	Kakamega	Faith Based	4
Gikambura Health Centre Kikuyu	Kiambu	Public	3
Kiambu County Referral Hospital	Kiambu	Public	4
Makongeni Health Centre Facility	Kiambu	Public	2
Nyathuna Level 4 Hospital	Kiambu	Public	4
Rironi Health Centre	Kiambu	Public	2
Thika Level 5 Hospital	Kiambu	Public	5
Sunview Medical Centre	Kiambu	Private	3
AIC Kijabe Medical Centre	Kiambu	Faith Based	5
Bamba Sub County Hospital	Kilifi	Public	4
Kilifi County Referral Hospital	Kilifi	Public	4
Mariakani Sub County Hospital Kaloleni	Kilifi	Public	4
Matsangoni Model Health Centre	Kilifi	Public	3
Mnarani Dispensary	Kilifi	Public	2
Watamu Dispensary	Kilifi	Public	2
Watamu Nursing Home	Kilifi	Private	3
Kamweti Dispensary	Kirinyaga	Public	2
Kerugoya County Referral Hospital	Kirinyaga	Public	4
Kiamutugu Health Centre	Kirinyaga	Public	3

Name of Facility	Name of County	Facility Type	Facility Level
Kiang'ombe Dispensary	Kirinyaga	Public	2
Kianyaga Sub County Hospital	Kirinyaga	Public	4
Dog Unit Dispensary Lang'ata	Nairobi City County	Public	2
Embakasi Health Centre	Nairobi City County	Public	3
Kasarani Health Centre	Nairobi City County	Public	3
Kayole 1 Health Centre	Nairobi City County	Public	3
Maji Mazuri Dispensary	Nairobi City County	Public	2
Waithaka Health Centre	Nairobi City County	Public	3
Chuka County Referral Hospital	Tharaka Nithi	Public	4
Gakirwe Dispensary	Tharaka Nithi	Public	2
Gatunga Model Health Centre	Tharaka Nithi	Public	3
Kajuki Health Centre Magumoni	Tharaka Nithi	Public	3
Kiini Health Centre	Tharaka Nithi	Public	3
Magutuni Sub-District Hospital	Tharaka Nithi	Public	4
Mumbuni Dispensary (Maara)	Tharaka Nithi	Public	2
Tharaka District Hospital	Tharaka Nithi	Public	4
Burnt Forest Sub County Hospital Ainabkoi	Uasin Gishu	Public	4
Kapsigak Health Centre	Uasin Gishu	Public	3
Moi Teaching and Referral Hospital	Uasin Gishu	Public	6
Uasin Gishu Sub County Hospital	Uasin Gishu	Public	4
Ziwa Sirikwa Sub County Hospital	Uasin Gishu	Public	4
Race Course Hospital Langas	Uasin Gishu	Private	4

Appendix V: Service Entitlements under the Linda Mama Programme

Services for all expectant women and new-borns, for a period of one year	
Antenatal Care (ANC)	• ANC Profile including Haemoglobin levels, Blood group, Rhesus, Serology, screening for tuberculosis, HIV counselling and testing and urinalysis. • Preventive services including tetanus toxoid, intermittent preventive treatment for malaria, deworming, iron and folate supplementation. • Prevention of Mother to Child Transmission of HIV (PMTCT).
Delivery	• Skilled delivery (including caesarean section) in public facilities, accredited not-for-profit and for-profit private health institutions. • Neonatal care including costs related to pre-term births. • Resource mobilization and budgetary allocation for the Programme.
Postnatal Care (PNC)	• Within 48 hours after birth: Analgesics, vitamin A, iron and folate supplements, long lasting insecticide nets, family planning, PMTCT for HIV positive mothers, treatment or refer any complications for mother, and care for new-born (tetracycline eye ointment, Vitamin K, immunization and birth polio, Infant prophylaxis for HIV if indicated, treat or refer any complications). • Within 1-2 weeks after birth (mother and baby): Screening for cervical cancer, sexually transmitted infections and tuberculosis; and treatment/preventive measures if not previously administered. • Within 4-6 weeks after birth: Family planning services, screening for cervical cancer, STIs and tuberculosis among others; and immunization as per schedule and early infant diagnosis of HIV. • Within 4-6 months after birth: Family planning services, screening for cervical cancer, STI and tuberculosis among others; and immunization as per schedule and vitamin A supplementation.
Emergency referrals	• Ambulance service
Conditions and complications during pregnancy	• Outpatient treatment in in accredited public, faith-based and selected low-cost private-for-profit facilities. • Inpatient treatment in accredited public, faith-based and selected low cost private-for-profit facilities.
Children under 1 year	

Care for the infant*	• Outpatient services including treatment and child welfare clinics in accredited public, faith-based and selected low-cost private-for-profit facilities. • Inpatient services in accredited public, faith-based and selected low cost private-for-profit facilities.

Appendix VI: The National Health Insurance Fund Response to the Draft Audit Report

Section in the Report	The National Health Insurance Fund Response	Auditor's Comments
Introduction The Ministry of Health and NHIF expanded the benefit package to cover Antenatal Clinic visits (ANC), deliveries, any complications related to deliveries, Postnatal Clinics (PNC), and care for new-borns. **Paragraph 1.1**	The National Health Insurance Fund requested the need to highlight that; i. Approximately 1.1 million expectant women register for Linda Mama with 800, 000 deliveries recorded annually. ii. The annual Linda Mama budget of 4.098 billion caters for antenatal skilled delivery and post-natal services According to NHIF it is not any complications arising from deliveries but complications arising from pregnancy as per MOH guidelines.	This is well noted. The statistics of expectant women registering for the programme is captured in Chapter 4, paragraph 4.4 in Table 2 of the report. The percentage increase in the uptake of skilled maternal health services as a result of the Programme has been covered in the report in Chapter 4, paragraph 4.5 and Table 3. Therefore, the section remains as reported. The Linda Mama Programme Budget is covered under sources of funds for the implementation of the Linda Mama Programme; Chapter 3, paragraph 3.39 The information in the report was sourced from the Linda Mama Implementation Manual, 2016 page 3. Therefore, the section remains as reported.
Despite the implementation of the Linda Mama Programme from 2016, mothers are still experiencing financial barriers in accessing skilled maternal healthcare. **Paragraph 1.3**	According to NHIF, the objective of the Programme is to reduce financial barriers not eliminate them.	This is well noted. However, the information was sourced from the Linda Mama Implementation Manual, 2016 page 1. It states that the abolishment of maternity fees was informed by the need to eliminate financial barriers to accessing maternity services in public hospitals. Therefore, the section remains as reported.

Section in the Report	The National Health Insurance Fund Response	Auditor's Comments
Overview of the Linda Mama Programme In 2016, the Programme was transitioned to the National Health Insurance Fund and was rebranded Linda Mama. The benefit package was expanded to cover, Antenatal Clinic (ANC) visits, deliveries, any complications related to deliveries, Postnatal Clinics (PNC), and care for new-borns. **Paragraph 3.2**	In 2016/17, NHIF rolled out Phase I of the program to cover deliveries in contracted private and faith-based healthcare facilities. In 2017/18, NHIF rolled out LMP in all GOK/publicly owned healthcare facilities and expanded the benefit package to include four (4) ANC, four (4) PNC and complications arising from pregnancy.	Detailed information on the roll out of the phases is covered under Chapter 3 section 3.13 to 3.19. Therefore, the section remains as reported.
During this phase, public health facilities continued to provide maternity services under the then existing re-imbursement arrangements. **Paragraph 3.16**	GOK public healthcare facilities continued to provide maternity services within MOH reimbursement arrangements.	This is noted. This comment reflects what has been captured in the report. Therefore, the information remains as reported.
The Programme has not fully eliminated financial barriers to accessing maternal services According to the Linda Mama Implementation Manual, the Programme covers a period of one year; nine months of pregnancy and three months post-delivery. The benefit package includes both outpatient and inpatient management for conditions and complications during pregnancy, delivery and the postnatal period. In addition, the package includes treatment of sick new-born babies. **Paragraph 4.10**	One of the objectives of Linda Mama as highlighted in section 2.2 of the report is to reduce financial barriers and not eliminate financial barriers, this statement is therefore misrepresenting the position. NHIF requests for evidence where expectant women incur medical expenses to allow follow-up with the hospitals involved.	The Office appreciates this clarification. However, the criterion is drawn from the Linda Mama Implementation Manual, 2016 which states that the Programme aimed to abolish maternity fees in order to eliminate financial barriers to accessing maternity services in public hospitals. Therefore, the finding remains as reported. The facilities charging for maternity services have been highlighted in the report. The implementation of the action taken to address the current challenge will be verified during a follow up audit. The finding remains as reported in our draft report.

Section in the Report	The National Health Insurance Fund Response	Auditor's Comments
Interviews with staff at the sampled NHIF branches and health facilities revealed that the Linda Mama Programme was not reimbursing costs incurred in treating complications that occur during pregnancy. NHIF was only reimbursing health facilities for complications that were as a direct result of pregnancy. Therefore, medical diagnoses such malaria, hypertension and renal complications were not covered. **Paragraph 4.11**	The correct position is that NHIF does cover complications arising from pregnancy as stated in the manual and MOU. Further, the benefit package provides for identification and treatment or referral for any such complications arising from pregnancy. As per the benefit package, expectant mothers are entitled to Malaria prophylaxis given at 4 weeks interval from 16 weeks to term in malaria endemic areas. It is recommended that the true position is reflected, the challenge could be limited awareness of the benefit package and its implementation.	The Office appreciates the information on the scope of complications covered under the Programme. However, the audit sought to highlight some of the complications that may have adverse effects on pregnancy but are not covered by the Linda Mama Programme. The information on Malaria prophylaxis is well noted, however, the audit highlights that the Programme does not cover treatment of Malaria for pregnant women during the entire pregnancy period. Therefore, the finding remains as reported.
In addition, interviews revealed that complications such medical abortions and ectopic pregnancies were not covered by the Programme. Therefore, mothers who needed the services were paying between Kshs. 3,500 to Kshs. 8,000, for essential surgical interventions such as Manual Vacuum Aspiration (MVA). **Paragraph 4.12**	Performing assisted vaginal delivery (e.g., by vacuum extraction) is part of the benefit package under delivery. Healthcare facilities charging expectant mothers for such services covered within the LMP is in breach of the contract. NHIF requests OAG to provide the list of healthcare facilities charging expectant mothers within the scope of the benefit package.	As stated in our report, complications such as manual vacuum aspirations were not covered in the sampled hospitals. Further, the report has highlighted that of all sampled referral hospitals with the capacity to perform MVA were charging mothers. The report has also highlighted the hospitals and the range of fees charged. Paragraph 4.12 Table 5. The finding remains as reported.

Section in the Report	The National Health Insurance Fund Response	Auditor's Comments
Further, interviews with management staff in all the sampled health facilities revealed that the Programme did not cover costs for Anti-D drug for Rhesus negative mothers; the cost of the drug was incurred by mothers **Paragraph 4.13** The audit found that ultrasound services were not included in the Linda Mama outpatient benefits package. Therefore, mothers who needed ultrasound services had to pay or in some cases, the facility would meet this cost**. Paragraph 4.15**	The National Health Insurance Fund is implementing Linda Mama as per the MOU with the Ministry of Health and the implementation manual. Thus, the benefit package provides access to maternal health services at the budget available from the National Treasury. Drugs such as Anti-D for Rhesus and ultrasounds are important for expectant mothers, however, this can only be availed if funding is increased from the National Treasury to allow for expansion of the benefit package.	The challenges in financial constraints have been captured and incorporated in the report. The finding remains as reported.
The audit established that the Programme did not reimburse health facilities for essential screening tests such as Urea Electrolytes and Creatinine tests, Liver Function tests and full haemoglobin tests. **Paragraph 4.18**	Haemoglobin tests are part of the services reimbursed by NHIF. The healthcare staff either are not conversant with the contract provisions or do not have access to the contract which provide for all Linda Mama services.	The Office acknowledges that NHIF has identified the gaps in the implementation of the Linda Mama Programme. The Office of the Auditor General, during a follow up audit, will check on whether the identified gap has been addressed. Therefore, the finding remains as reported.
The Linda Mama Programme does not provide for simultaneous admission of a mother and a baby or readmission post delivery Interviews at the sampled referral facilities revealed that the Programme had not provided for admission of a mother and a baby at the same time. In instances where a mother and a baby required admission after delivery, health facilities could only admit one of the two at any particular time. **Paragraph 4.19**	The National Health Insurance Fund has made provisions for multiple admissions within the system. The same will be re-emphasised and communicated to all branches and healthcare providers	We commend NHIF for addressing the reported gap. The implementation of the action taken to address the current challenge will be verified during a follow up audit. The finding remains as reported in our draft report.

Section in the Report	The National Health Insurance Fund Response	Auditor's Comments
Interviews with staff in the sampled 18 out of 25 referral hospitals revealed that the Linda Mama Programme had not provided for reimbursement of costs incurred in treating post-partum complications, in the event they occur after the mother has been discharged from hospital **Paragraph 4.20**	Post-partum complications are covered as complications arising from pregnancy and during post-natal period of 3 months after delivery. This is clearly documented in the Linda Mama Manual and hospital contracts. However, the issue is noted and will be resolved with communication to all hospitals and NHIF Branches.	The information is well noted. The implementation of the action taken to address the current challenge will be verified during a follow up audit. The finding remains as reported in our draft report.
Failure by the Linda Mama Programme to eliminate all financial barriers in accessing maternity services hindered some mothers from accessing all the essential maternity services; beyond antenatal clinics, delivery and postnatal clinics. **Paragraph 4.22**	The Programme is not mandated to fully eliminate financial barriers but to reduce them.	This is well noted. However, the Linda Mama Implementation Manual, 2016 page 1 states that the abolishment of maternity fees was informed by the need to eliminate financial barriers to accessing maternity services in public hospitals. Therefore, the section remains as reported.
The National Health Insurance Fund Delayed in Empanelling Health Facilities Interviews with staff in the nine sampled NHIF branch offices revealed that they had inadequate staff to carry out assessments in health facilities for empanelling purposes. Further, once the assessments were conducted and forwarded to NHIF headquarters, the NHIF Board delayed in giving approvals for health facilities to be empanelled. This was attributed to the fact that the Board meets on a quarterly basis thereby prolonging the period that facilities have to wait for approvals. **Paragraph 4.25**	The National Health Insurance Fund Board Procedures and functions are indicated in the Act and are in alignment with the State Corporations Advisory Council (SCAC) guidelines on the constitution of Boards and their operations. Thus, the NHIF Board will consider and approve healthcare facilities if the latter have met all the requirements and the same is presented to the Board ceteris paribus.	We acknowledge this information, however, the finding as reported highlighted that the facilities had met all the requirements while submitting their applications to NHIF. However, the Board was yet to act on the applications. Therefore, our finding remains as reported.

Section in the Report	The National Health Insurance Fund Response	Auditor's Comments
The audit established that despite some health facilities not being NHIF empanelled nor contracted to offer services under the Linda Mama Programme, the facilities continued to offer free maternity services. Consequently, these facilities could not claim for reimbursement of the maternity services rendered. **Paragraph 4.26**	All Health Care Providers (HCPs) licensed to operate must provide services to the public. Notably, NHIF empanelment is a voluntary process initiated by healthcare facilities which must meet all the requirements before issuance of NHIF contracts. However, NHIF is working to streamline and improve the process of empanelment to avoid delays in future.	This finding was to highlight that facilities are offering services for free but could not claim since they were not empanelled. This is despite having initiated the empanelment process. The Office notes that NHIF has acknowledged the delays. The implementation of the action taken to address the current challenge will be verified during a follow up audit. Therefore, the finding remains as reported.
Health Facilities did not have Sufficient Linda Mama Clerks The audit revealed that 20 out of 48 sampled health facilities that implemented the Programme did not have sufficient Linda Mama clerks, while two of the facilities namely, Watamu and Mnarani Dispensaries did not have any clerks. **Paragraph 4.44**	The National Health Insurance Fund hospital contracts are very clear on the claim requirements including 24-hour notice of admission and discharge for all healthcare providers. NHIF recommends that county governments employ more staff and equitably distribute them to guarantee provision of quality services.	This has been captured in the findings and the recommendations of the report. Therefore, the finding remains as reported.
The audit revealed that staff in the sampled heath facilities were not fully aware of the scope of service entitlements under the Programme **Paragraph 4.49**	The National Health Insurance Fund has been limited in its ability to conduct sensitization exercises targeting Linda Mama stakeholders due to budgetary constraints. However, NHIF is pursuing other options such as collaborating with development partners to finance sensitization exercises partly or fully.	The Office of the Auditor General appreciates the effort by NHIF to find alternative sources of funds to conduct regular sensitization exercises. The financial constraints challenge has been captured in the report. Therefore, the finding will remains as reported.
Inadequate Monitoring and Evaluation of the Programme According to the Linda Mama Implementation Manual, the Ministry of Health in conjunction with NHIF were	The National Health Insurance Fund prepares and submits reports to the Ministry of Health in line with the program's Monitoring and Evaluation framework and plan. The reports which are also	The Office of the Auditor General appreciates the effort by NHIF to monitor the implementation of the program. However, the audit notes that monitoring, client satisfaction surveys and impact

Section in the Report	The National Health Insurance Fund Response	Auditor's Comments
tasked with conducting monitoring and evaluation of the Programme twice a year. NHIF had not been able to continuously monitor the Programme as per the implementation manual. As such, NHIF had not identified the challenges faced by counties and health facilities in the implementation of the Programme The Linda Mama Implementation Manual states that NHIF and the Ministry of Health were to conduct an annual client satisfaction survey. The audit established that neither the Ministry nor NHIF had conducted a client satisfaction survey of the Programme. Interviews with all the sampled facilities revealed that the management and staff were not aware of any client satisfaction surveys conducted in the facilities **Paragraph 4.53**	referenced in this audit report in section 2.10 monitors progress of the Linda Mama Programme enrolment, service utilization, claim pay-out and general administration of the Programme as indicated in the Memorandum of Understanding between NHIF and the Ministry of Health. Thus M&E is conducted within the scope of the M&E framework. However, client satisfaction surveys and impact assessments require budgetary allocation which has not been possible for the last two to three FYs; 2019/20 to 2021/22 due to delays in disbursement of funds. However, NHIF is seeking for support from development partners to see whether the impact assessments can be done for the FY 2022/23.	assessments were not sufficient as required in the Linda Mama Implementation Manual, 2016. The finding remains as reported in our draft report.
Analysis of discharge-in data obtained from Kakamega County Referral Hospital revealed that between February and July 2022, 103 mothers were detained in the facility due to non-payment of bills for maternal and neonatal services. **Paragraph 4.58**	The National Health Insurance Fund seeks clarification on whether the retained mothers were Linda Mama Beneficiaries. Did Kakamega County Referral engage NHIF Kakamega branch for assistance?	The Linda Mama Implementation Manual allows for registration of any expectant mother using personal ID or next of kin ID. However, there is evidence detailed in the hospital waiver committee minutes which indicate that NHIF no longer processes Linda Mama claims using next of kin IDs for women above 18 years. The retained mothers had presented next of kin IDs for discharge purposes after delivery. However, the hospital requested for their personal IDs in order to process

Section in the Report	The National Health Insurance Fund Response	Auditor's Comments
		their discharge. The finding remains as reported in the draft report.
Lack of Clear Guidelines on Utilization of Linda Mama Funds To compensate the health facilities for the lost revenue, the government committed to reimburse health facilities for services rendered. Further, the implementation manual states that under the Programme, public health facilities were assured of revenues to supplement their usual budgetary allocations. Therefore, health facilities were expected to effectively address quality gaps in the provision of services. The audit revealed that there were no guidelines on the utilization of the cost reimbursements from NHIF. **Paragraph 4.70- 4.71**	Majority of Health Care Providers will prioritize and utilize funds based on need. However, MOH can engage counties to jointly develop guidelines that would ensure prioritization of maternal services under Linda Mama.	We appreciate the recommendation given by NHIF regarding this finding. The audit report has highlighted the financial challenges faced by health facilities and a recommendation to address the challenge has been provided. The finding remains as reported.
Conclusions Health facilities are experiencing delays in cost reimbursements from NHIF, resulting in significant outstanding balances owed to facilities. Consequently, the flow of revenue for managing hospital operations is affected, thereby hindering efficient delivery of maternity services in the health facilities implementing the Programme. **Paragraph 5.4**	Should be recast: NHIF reimburses healthcare facilities as per the contractual agreements. The delays experienced by the facility are as a result of the counties not implementing by laws that allow Health Care Providers to retain funds reimbursements from NHIF or the Health Care Providers not meeting NHIF claims requirements.	The report has provided evidence of delays in reimbursements of funds from NHIF to health facilities which do not necessarily result from inefficiencies by county governments. Therefore, the conclusion will remain as reported.
The National Health Insurance Fund and the Ministry of Health have not conducted adequate monitoring and evaluation of the	The National Health Insurance Fund has conducted some M&E activities within available resources. Challenges identified	The report acknowledges that NHIF had carried out an M&E exercise in 2020. However, this is not sufficient as the MOU

Section in the Report	The National Health Insurance Fund Response	Auditor's Comments
Programme. As such, they have not identified and mitigated challenges faced by counties and health facilities in the implementation of the Programme. This led to lack of uniformity in the implementation of the Programme across counties. **Paragraph 5.7**	are largely attributed to the supply-side functions of the healthcare system; infrastructure, human resource, drugs and commodities, IT systems, flow of funds etc. Most of the challenges attributable to NHIF are constrained by delays in disbursement of funds from MOH to allow for expedient resolution.	requires it to be undertaken twice a year. The conclusion will remain as reported.
Recommendations To ensure that the Programme eliminates financial barriers to accessing skilled maternal health services: i. The Ministry of Health and NHIF should consider including all complications experienced by mothers during the course of their pregnancy and the three months post-partum period in the Programme service entitlement. ii. The Ministry of Health and NHIF should consider including all prenatal screening tests such as ultrasound scans, liver function tests and full haemoglobin tests, prescribed by medical professionals in the Programme service entitlement. iii. NHIF should ensure that the system has been set to allow for simultaneous admissions; further health facilities and NHIF branches are made aware of how to handle special cases such as simultaneous admissions and readmissions post-delivery. **Paragraph 6.2**	i. The recommendation is already provided for in the Linda Mama MOU, Manual and hospital contracts. Further, the scope of cover can only be done with increased budgetary allocation. The recommendation to NHIF and MOH will be to carry out sensitization targeting all stakeholders. ii. The recommendation to MOH & the National Treasury should be to increase and ring-fence program funds for Linda Mama to avoid delays in reimbursements and allow expand the scope of the benefits covered. iii. The National Health Insurance Fund has enabled the system to allow for multiple births or simultaneous admissions.	While the Office of the Auditor General appreciates the limitations under which the Programme is implemented, the recommendations in the report are geared towards enhancing efficiency and service delivery within the confines of the available resources. This is appreciated and well noted. However, the office urges NHIF to re-emphasize and communicate to all branches and healthcare providers about the changes in the system. The recommendation has been amended.

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