

An excerpt from:

Better Health & Social Care: How are Co-ops & Mutuals Boosting Innovation & Access Worldwide?

An International survey of co-ops and mutuals at work in the health and social care sector (CMHSC14)

Volume 2: National Cases

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For the research framework, the analysis of the national cases, and other research components, including a description of the research team members, refer to Volume 1: Report.

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HEALTH SYSTEM²

In Ghana, most health care is provided by the government and largely administered by the Ministry of Health and the Ghana Health Service. The health care system has five levels of provider: Health Posts (first-level primary care for rural areas), Health Centres and Clinics, District Hospitals, Regional Hospitals, and Tertiary Hospitals. Funding for these programmes originates with the government, financial credits, the Internally Generated Fund (IGF), and donors. Ghana has about 200 hospitals. Some for-profit clinics exist, but they provide less than 2% of health care services. Health care varies throughout the country, with urban centres having most facilities, whilst rural areas are often deprived. Patients in these areas either rely on traditional medicine or travel great distances for health care.

Under the former health system, known as the “Cash and Carry” system, many people died because they did not have money to pay for their health care needs. An individual’s needs were only attended to after payment for the service was advanced – even in cases of emergency.

In order to promote universal coverage and equity in health care delivery, the government of Ghana adopted the National Health Insurance Scheme (NHIS) in 2003, which was fully implemented in 2005. Its purpose was to assure equitable and universal access of all citizens to a package of essential health care services at an acceptable quality and to abolish “out-of-pocket” payment. The ultimate goal of the NHIS is the provision of health insurance coverage for all Ghanaians, irrespective of socio-economic background.

NHIS covers both formal and informal sectors of the economy. As of June 2009, about 67% of the population had subscribed to the NHIS, which is financed by a National Health Insurance levy of 2.5% on certain goods and services, a 2.5% monthly payroll deduction (part of the contribution to the Social Security and National Insurance Trust for formal sector workers), a government budgetary allocation, and donor funding. Formal sector workers pay a registration fee for an identity card for access to health care services. Contributions from informal sector workers are also made to the NHIS, with a minimum and maximum premium of \$1.93 and \$12.80 USD (7.20 and 47.70 GHS) respectively. However, the core poor, pregnant women, pensioners, and people above 70 and below 18 years of age are exempted from premium payment.

The benefit package of the NHIS consists of basic health care services, including outpatient consultations, essential drugs, inpatient care and shared accommodation, maternity care (normal and caesarean delivery), eye, dental, and emergency care. About 95% of the diseases in Ghana are covered under the NHIS.

Population (in thousands): 25,366

Population median age (years): 20.45

Population under 15 (%): 38.59

Population over 60 (%): 5.4

Total expenditure on health as a % of Gross Domestic Product: 5.2

General government expenditure on health as a % of total government expenditure: 9.7

Private expenditure on health as a % of total expenditure: 42.9

Since its inception, the country’s health facilities have seen a constant rise in patient numbers and a considerable reduction in deaths. Some major loopholes have been identified in this scheme, however. According to research carried out by health economists, a major challenge disclosed by health care workers is the delay in reimbursement. Providers have not been paid on time, in some cases for as long as six months.

Three types of cooperative were identified and studied: 1) **Health Co-operative** - a cooperative whose business goals are primarily or solely concerned with health care; 2) **Non-Cooperative Enterprise** - a non-cooperative enterprise owned by cooperative or in which cooperatives have a controlling interest; and 3) **Pharmaceutical Cooperative** - a cooperative owned and run by pharmacists for the distribution of pharmaceutical products.

HEALTH COOPERATIVES

The only cooperative of this type to be identified was the OPAD Network Cooperative. It has set up a rural health clinic, the Dufie

Memorial Clinic, which provides illness and accident prevention, wellness and health promotion, and treatment and cure.

Non-Cooperative Enterprise

Dufie Memorial Clinic, owned by OPAD Network Cooperative, is the only example of this type.

Health Cooperative Data

Number of Cooperatives	One, OPAD Network Cooperative
Types of cooperative	Producer (P)
Number of Members	21
Number of Employees	20 (1 medical doctor, 2 physician assistants, 6 nurses, 2 midwives, 1 laboratory technician, 8 administrative staff)
Facilities	Dufie Memorial Clinic
Number of Clients	4,000
Annual turnover	2012: \$11,111 USD 2013: \$22,222 USD 2014: \$66,666 USD (anticipated based on January-March 2014 average of about \$5,555 USD/month)
Sources of Revenue	<ul style="list-style-type: none"> • Capitation transfer from National Health Insurance Scheme (NHIS) • Internal Generated Fund (IGF) • Fees-for-service paid by NHIS • Fees paid by client without health insurance

Case Study

The overarching purpose of the **OPAD Network** is to provide health services to the poor in rural and deprived communities by setting up and running health facilities: clinics, maternity homes, health centres, and hospitals. It is for this reason that OPAD set up Dufie Memorial Clinic in Dida in the Atwima Kwanwoma District of Ghana's Ashanti region. It is named after a seasoned Christian woman of high repute in the community. The district does not as yet have a district hospital, making the availability and accessibility of health facilities of utmost importance to the people.

The vision originates from an understanding that spirituality is the center of all health and healing. OPAD and Dufie therefore attend to the spiritual needs of the communities within which they serve, recognizing Jesus Christ as The Great Physician and Healer. They seek to serve God and humanity by providing holistic care for the sick in the most efficient manner, regardless of socioeconomic status, religion, race, colour, ethnic group, and other discriminating

characteristics. OPAD and Dufie work in close collaboration with and within the policy framework of Ministry of Health, the Ghana Health Service, and other agencies engaged in health care.

OPAD has innovatively improved health access for poorer and vulnerable people in rural Ghana by first setting up a health clinic at Dida, a village in the Atwima Kwanwoma district of Ashanti. To make health care more accessible, in 2013 OPAD and Dufie set up a fund of \$15,000 USD to mobilize and pay for the NHIS registration of 4,000 prospective patients in the communities neighbouring the clinic. By taking advantage of this government programme, people would improve their health; it would also enable them to use and grow loyal to Dufie Clinic. All the premiums of the patients registered accrue to Dufie clinic in the form of a pre-paid capitation from NHIS.

This exercise has been enhanced by additional disbursements to the fund, which have enabled Dufie to encourage pregnant mothers to access prenatal care, through the hire of a vehicle. Dufie has no ambulance nor does it own transport. The rental vehicle enables pregnant mothers from the communities to come to the clinic, pay for their NHIS registration, and access the "Tom Brown" (roasted maize porridge) food supplement. In addition, newcomers to the hospital who are found to be pregnant are immediately registered in the NHIS. These efforts have increased patient attendance, maternal and child health, and safe motherhood.

There is a plan to provide scanner equipment and space is available to be equipped as a surgical theatre. All these will further enhance health access and help to make OPAD and Dufie financially self-sustaining. The OPAD and Dufie Strategy underscores self-finance, cost recovery, efficiency, and sustainability. It shall accept external funding, but shall not wait for nor be driven by such financing. In all it does, it shall show that it is possible to be both effective and efficient, and meet the double bottom-line of sociability and profitability. It shall ensure at all times that there is a surplus which may be applied to expand growth, execute its responsibilities to stakeholders, plough back, and fairly compensate human resources and the communities.

COOPERATIVE PHARMACIES

Ghana Co-operative Pharmaceuticals Ltd (GCPL) is a private wholesale distributor of pharmaceutical products to retail (community) pharmacies and other health facilities. It is owned and democratically controlled under cooperative governance principles by members/shareholders who are pharmacists operating their own independent retail pharmacies in Ghana.

GCPL aspires to be a leading pharmaceutical business in the country's distribution and manufacturing sectors. It was established in response to the expressed need for a central procurement unit from which proprietor pharmacists operating small pharmacy enterprises could access pharmaceutical products at concessionary terms. GCPL was formed and registered as a Co-operative Society and Pharmaceutical Wholesaler in 1974, the first and the only pharmacy cooperative in Ghana and the sub-region.

Membership of GCPL grew over the years due to its service attractions and currently it comprises over 100 retail pharmacies – and counting.

GCPL undertakes bulk procurement of quality essential pharmaceutical products from local and overseas manufacturers. GCPL also imports directly from overseas suppliers. It stocks these products for storage and distribution to member pharmacies and other health facilities in Ghana. The GCPL target market includes over 100 members' retail pharmacies, non-member pharmacies, and other health facilities.

The pooled procurement program and the economies of scale enable GCPL to earn bulk discounts. This is translated into competitive prices. GCPL also makes adequate surplus to cover operating expenses and pay returns on shareholders' investment.

Number of cooperatives	1: Ghana Co-operative Pharmaceuticals Ltd (GCPL)
Type of cooperative	(P) National Co-operative Group made up of independent retail pharmacies in Ghana, owned by pharmacists, who provide pharmaceutical services to communities.
Field of activity	Wholesale distribution of pharmaceutical products
Number of members	158 registered members. Membership of GCPL is voluntary and is open to retail pharmacies owned by pharmacists. Approval for membership is given after interviewing the pharmacist and payment of the prescribed share capital. Application forms are available online.
Services offered	GCPL provide the following attractions: <ul style="list-style-type: none"> • A 1-stop facility with a wide range of quality pharmaceutical products at competitive prices • A wide distribution network and ready access to over 100 member pharmacies with potential for growth • Significant patronage and goodwill from member pharmacies • Prompt delivery services • Collaboration with national associations in the industry for advocacy actions to address challenges in the industry
Benefits	Members/Shareholders of GCPL benefit from: <ul style="list-style-type: none"> • Concessionary trading terms • Attractive returns on their investments • Education, training, advisory, and support services • Solidarity among proprietor pharmacists

Annual turnover	2011: \$1,161,252 USD 2012: \$1,501,866 USD 2013: \$1,817,071 USD (unaudited)
Staff	18 (2014)
Shares in Other Organizations	<ul style="list-style-type: none"> • Ghana Co-op Pharmacists Credit Union Ltd • Unique Insurance Company Ltd (erstwhile Ghana Co-op Insurance Ltd) • Ghana Commercial Bank Ltd
Affiliations	<ul style="list-style-type: none"> • Ghana Co-operative Council Ltd • Department of Co-operatives, Ghana • Pharmaceutical Society of Ghana • Community Pharmacy Practice Association of Ghana
Subsidiaries/Branches	Nil

SOURCES

¹ For more information on health cooperatives in Ghana, contact Nelson Godfried Agyemang, P.O. Box FNT 812, Kumasi-Ghana, Tel+233-265-806375 E-mail: amadehse@gmail.com, farmersallianceghana@yahoo.com, agriccoopghana@gmail.com Skype: farmersallianceghana. Nelson is currently promoting cooperatives for professionals in several sectors, including health.

² This section is drawn from Adinkrah, Julian Mawuli. 2014. "Healthcare System in Ghana – Problems & Ways Forward." #GlobalHealth: Discussions and perspectives on Global Health from leaders in training, February 12. Blog. Retrieved August 19, 2014 (<http://globalhealthstudents.blogs.ku.dk/2014/02/12/healthcare-system-in-ghana-problems-ways-forward/>).