

## Policy Reforms in Nigerian Health Sector and the Potential for Poverty Reduction

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### Abstract

This paper studies the policy reforms in the Nigerian health sector and potentiality of the sector towards poverty reduction in the country. The study investigates the contribution of health in the process of poverty reduction by various governments in Nigeria. The study employs secondary source as a methods of data collection. The study reveals that health sector reform involves more than just improvement in health or health care. It is a process motivated by the need to address fundamental deficiencies in health care systems that affect all health care services. Health sector reform in Nigeria is based on the poor health status of the population and the poor rating of the health system itself. The study reveals that Nigerian health status was ranked 187 out of 191 countries by WHO in 2000. The infant mortality rate, the under-five mortality rate and the maternal mortality ratio are some of the indicators that are often used to compare health status of populations. Nigeria's figures on each of the three indicators are some of the worst in the world, even by the standard of developing countries. The health sector reform was one of the social sector reforms undertaken by the Obasanjo administration, with the National Economic Empowerment Development Strategy (NEEDS) providing the overall national development framework. The NEEDS, itself, has four major goals: wealth creation, poverty reduction, employment generation and value re-orientation. Consequently, the study look at the contribution of the health sector reform towards reduction of poverty in Nigeria.

**Keywords:** Policy reform, Health sector reform & Poverty reduction in Nigeria.

### 1. Introduction

A health system is an organizational framework for the distribution of health care needs of a given community. It is a complex system of inter-related elements that contribute to the health of the people in their homes, educational institutions, in work places, the public (social or recreational) and the psychological environments as well as the directly health and health-related sectors. Health is wealth and to create wealth at the individual, family, community or national level, people must be healthy; to enjoy wealth that is created, an individual, family, community or nation must be healthy. Health is good entry point for breaking the vicious circle of

ill-health, poverty and under-development and for converting it to the vicious circle of improved health status, prosperity and sustainable development. Health Sector Reform (HSR), a sustained process of fundamental change in policy, regulation, financing, provision of health services, re-organization, management and institutional arrangements, that is led by government, and designed to improve the performance of the health system for better health status of the population (WHO, 2000).

According to Shehu, (2000) Nigeria faces a number of development challenges, of which poverty holds a central place. Certainly, the country is a land of paradox in as much as poverty is concerned. While Nigeria is a leading oil-producing nation and highly endowed in terms of various natural resources, the majority of her people are economically poor. The concern of the health sector reform is not only a health-related but also a development issue as health care systems account for 9 percent of global production and a significant portion of global empowerment. Health sector reform implementation varies across different countries and regions of the world, indeed states within a country. This is because of differences in values, goals and priorities. In Nigeria, the Federal Ministry of Health has the responsibility of developing policies, strategies, guidelines, plans and programmes that provide direction for the national health care delivery system.

In addition, the Federal Ministry of health is currently a major provider of tertiary health care services and various other health intervention programmes aimed at promoting, protecting and preventing ill health of Nigerians. The Health Sector Reform Programme and National Strategic Development Plan (NSHDP) establishes a framework, including goals, targets and priorities that should guide the action and work of the Federal Ministry of Health and, to some extent, State Ministries of Health and development partners over the next four years. The document sets the time table and direction for strategic reforms and investment in key areas of the national health system, within the context of the overall government macro-economic framework, (NEEDS) the New Economic Empowerment and Development Strategy. This is aimed at re-orienting the values of Nigerians, reforming government and institutions; growing the role of the private sector, and ensuring a social charter on human development with the people of Nigeria, National Bureau of Statistics, (2005).

### **2. Brief History of Health Sector Reform in Nigeria**

The Nigerian health care system have experienced five past reforms from the traditional health care system that existed in Nigerian since British colonial era, the first Nigerian colonial development plan of the 1940s provides some limited framework for the health system. It was a unitary health service system. Secondly, came to the era of regional government in the 1950s. Even though no specific documentation of such reform exists, the national health system stopped being unitary; and the regional governments started to run independent and sometimes parallel health systems with the federal government. Thirdly, came to the second national development plan of the immediate post-independence era in the 1960s. Again the plan did not articulate a system with clear vision, or the assignment of responsibilities to the three levels of government. Fourthly, the third national development plan of the 1970s was a rather ambitious plan with the Basic Health Services Scheme as its focus. It was quite elaborate in its health reform attempt. It was rely on infrastructure and assisting health manpower development. It however failed to share responsibilities between the three levels of government for resources generation, manpower development, and services delivery, especially on the health professional manpower for the services. All these happened in the absence of a clear policy framework. The fifth one is the Health sector reform of Fourth republic that is currently taking place till 2015 Sharif, (2011).

### **3. Research Method**

This study used qualitative approach base on content analysis and data collected from various sources. The

primary sources include data from governmental and non-governmental Health organization, whereas, secondary sources include data collected from journals, and scholars contribution.

### **4. Health Sector Reform**

Reform means positive change. However, health sector reform brings more than just improvement in health or health care. It is a process motivated by the need to address fundamental problems in the health care systems that affect all health care services. Health sector reform has been defined as “a sustained process of fundamental change in policy and institutional arrangements, guided by government, designed to improve the functioning and performance of the health sector, and ultimately the health status of the population. A committee of the WHO African region defined it as “a sustained process of fundamental change in policy, regulation, financing, provision of health services, re-organisation, management and institutional arrangements that is led by government and designed to improve the performance of a health system to attain a better health status for the population.

According to Berman, (nd) it can also be defined as a “sustained and purposeful change to improve the efficiency, equity and effectiveness of the health sector. “Sustained” in the sense that it is not a "one shot" temporary effort that will not have enduring impacts; and, “purposeful” in the sense of having a rational, planned basis - to improve health system performance in terms of well-defined outcomes HSR can also be described as strategic in the sense of addressing significant, fundamental dimensions of health systems. Nigeria’s overall health system performance was ranked 187th among the 191 Member States by the World Health Organisation in 2000 (World Health Report).

### **5. The Need for the Health Sector Reform**

There are many things that are responsible for the problem in our health care system, the most important of which is the inadequacies of the community or primary health care services. The whole international community agreed that primary health care is the only viable way of improving health status in order to produce optimum health for the people. So what is wrong with the Primary Health Care System in Nigeria for which a reform will be important? These are some of the things that necessitate the reform in the health sector:

- Reviewing of the National Constitution to share the responsibility for the primary, secondary and tertiary health care. Separate National Health Bill will also be needed to give more details to this and require the three levels of government not divert outside from their primary responsibility if they have not substantially fulfilled it first.
- Involvement of appropriate community health professionals nurses (as community health nurses) operating from medically manned health centres or community hospitals or district nurses managing their districts in the absence of immediate community physician support; and physicians as medical officers of health for every local government area in the country.
- State government should provide staff and equipment to district hospitals as the major aspect of their secondary health care services for which they hold primary responsibility. This is the first part of the primary health care support without which PHC will not work.
- The training and retraining of health professionals and assisting primary health care workers in a situation that stimulate team work, rather than intra-sectoral division.
- The orientation, reorientation and continuing education of the political class and community leaders, especially the local government chairmen and councilors for health, for political will and on-going support for PHC and secondary health care.

### 6. Current Status of Health Situation in the Nigeria

The infant mortality rate, the under-five mortality rate and the maternal mortality ratio are some of the indicators that are used to compare health status of populations. Nigerian figures on each of the three indices are some of the worst in the world, even by the standard of developing countries. Currently, a tenth of children born in Nigeria die under the age of one year (Infant mortality rate of 100 per 1000 live births) and a fifth die before their fifth birthday (under-five mortality rate of 201 per 1000 live births).

Moreover, according to the most recent research from United Nations agencies, over 50,000 mothers die from child-birth related events the second highest annual national maternal deaths figure in the world. Nigerian maternal mortality ratio is estimated to be between 800 and 1,000 maternal deaths per 100,000 live births. The leading causes of deaths among mothers and children in Nigeria are preventable health problems or easily treatable ones. For children, these include vaccine preventable diseases such as polio, diphtheria, whooping cough, tetanus, and measles, malaria, and diarrhoea. The situation suggests that the Nigerian health system needs radical reform to improve its performance (WHO Report, 2000).

The HSR was one of the social sector reforms undertaken by the Obasanjo administration during his second tenure in 2004, with the National Economic Empowerment Development Strategy (NEEDS) providing the overall national development framework. The NEEDS, itself, has four major goals: wealth creation, poverty reduction, employment generation and value re-orientation. The development of the Health Sector Reform implementation document provides a participatory and consultative approach with inputs from various stakeholders in the health sector, including the National Council on Health.

The main goals of the HSR was to undertake a government led comprehensive health sector aimed at strengthening the national health system to enable it to deliver effective, efficient, qualitative and affordable health services and thereby improve the health status of Nigerians as health sector's contribution to break the vicious circle of ill-health, poverty and under-development. This suggests that the policy makers and the drivers of the reform process recognized the inter-relationship between poverty and ill-health and understand the potential of the HSR to contribute to poverty reduction in the country. In fact, one of the underlying assumptions and principles for the HSR programme is the belief "that ill-health is a major determinant of poverty. Thus, addressing the health needs of all Nigerians is an important component of the country's poverty reduction strategy" (Shehu, 2011).

Furthermore, Nigeria is a secular state; hence any policy reforms taking by the government excluded the issue of religion in order to avoid any tension and chaos. Health Sector Reform came out with some policies and programmes which generated a lot of controversies especially within the Islamic Scholars in the country, this is the issue of "Health Insurance", and some Islamic scholars are of the opinion that it is Un-Islamic, while others supported the policy. This contradiction between two groups created a lot of problems in terms of implementing the goals and objectives of the Health Sector Reform. Unlike Nigeria, the Kingdom of Saudi Arabia Implemented the Health sector reform through health insurance based on Islamic principles (Shariah).

The title of the programme is Islamic Cooperative Health Insurance (Takaful) in Saudi Arabia. The Muslim jurists in Saudi Arabia generally agree that Islamic health insurance (Takaful) is based on principles of mutuality and cooperation. These necessities shared responsibility, joint agreement, common interest and solidarity, and freedom from Islamic forbidden elements such as gambling, uncertainty and interest. As an insurance business, (Takaful) is perceived as a cooperative insurance, where by members will contributes a certain percentage of money to a common fund with not profits expectation but to support the principle of "bear ye one another's

burden." Based on this, the main principles of Takaful insurance are as follows:-

- Every policy holder pays some percentages to a common Takaful fund
- Losses are shared and liabilities spread among participants as any participant suffering illness would receive a certain sum of money or financial benefit from Takaful fund as defined in the insurance agreement.
- All transactions and commercial activity of Takaful must be in accordance with the Islamic principles and in compliance with the Shariah (Islamic Laws).
- Uncertainty is minimized in respect of subscription and compensation by implementing the concept of Tabarru (denotation). Thus each participant shall agree to give certain portion of his Takaful instalment as "a donation".
- An insurance company is established as manager of the Takaful Operations and is allowed to charge a management fee for Takaful transactions.
- The Takaful Fund, consisting of the premiums paid as donations, is further invested by the Company in compliance with the Shariah law with no element of interest (Riba) involved. The investment profit will be shared on agreed ratio. This surplus is normally distributed on expiry of each insured's insurance policy.
- If the participant's payments and investment are insufficient to meet these changes, those affected assured could be assessed for additional contributions.

Therefore, the above key issues reflect the basic differences between Takaful and conventional insurance. The Health sector reform through Insurance in Saudi Arabia was clearly based on Islamic perspectives because of the Shariah legal system operated in the country. In the case of Nigeria this policy cannot be implemented due to the secular nature of the country. The Saudi government successfully implemented that policy and derived great achievement in the Health sector reform.

The programme of health insurance in Saudi Arabia contributed positively on certain sectors of Saudi economy, which include insurance industry, private health care business and job market. Speaking at the symposium entitled "Health Insurance Conference Options and Prospects" organized by the Ministry of Health on 2011, the Saudi's Minister of Health pointed out that the main aim of applying cooperative health insurance in the Saudi kingdom is to improve and develop the health sector according to the sound principles of "Islamic religion and culture" without burdening the citizens, as in the case of many other countries. He also stated that there should be more efforts to identify the concept, the purposes and the consequences of insurance, to differentiate between commercial health insurance and cooperative health insurance, and to know that the concept of insurance is not necessarily associated with the privatization of the health sector.

The experience of developed countries demonstrated clearly that the implementation of commercial health insurance and the privatization of the health sector, led to increasing costs of health care" In our opinion, the relatively short experiences of the Saudi health sector demonstrated the strong need to a comprehensive public health insurance coverage. With the respect to Takaful insurance sector, our opinion is that the application of cooperative health insurance noble principles can assist in reducing health care cost if this sector is re-structured and regulated (Second Annual Report, 2008).

### **7. Objectives of Policy Reform in Nigeria**

To strengthen the national health system in order to provide effective, efficient, quality, accessible and affordable health services that will improve the health status of Nigerians through the achievement of the

health-related agencies. The main goals of health policy targets are the same as the health targets of the Millennium Development Goals, (MDGs) namely:

- Reduce by two-thirds, between 1990 and 2015, the under-5 mortality rate;
- Reduce by three-quarters, between 1990 and 2015, the maternal mortality rate;
- To have halted, by 2015, and begun to reverse the spread of HIV/AIDS;
- To have halted, by 2015, and begun to reverse the incidence of malaria and other major diseases.
- Health and access to quality and affordable health care is a human right;
- To provide equity in health care service for all Nigerians is a goal to be pursued;
- Primary health care (PHC) shall remain the basic viewpoint and strategy for national health development;
- Good quality health care shall be assured through cost-effective interventions that are targeted at priority health problems;
- A high level of efficiency and accountability shall be maintained in the development and management of the national health system;
- Effective partnership and collaboration between various health actors shall be pursued while safeguarding the identity of each;

Further, attempts have been made to address the issues of payment, financing, organization, regulation, and behaviour which are fundamental to health system performance. Within each of the strategic thrusts for the reform programme, a number of priority health sector performance issues have been identified for focused interventions, because of their recognized sector-wide effects. These thrusts have been carefully selected and priority actions outlined such that the implementations of relevant activities will logically lead to improved health outcomes. The priority areas include the following: reduced disease burden with major focus on HIV/AIDS, tuberculosis, malaria and vaccine-preventable childhood diseases, reduction in child mortality and indisposition, improved maternal health, and increased life expectancy through improved health behaviour and improved service provision.

The selection of priority activities was made on evidence-based platform, taking into consideration the contribution of each group of health problem to the overall health status of Nigerian and the cost-effectiveness of available interventions. Overall priority focus was on the diseases and health problems that are responsible for most illnesses and mortalities among Nigerian population groups. This is with the desire to positively impact the greatest number of people within the shortest possible time. Such an approach has the potentials to positively affect the landscape of health and wellness of the population such that they can be more health to pursue their productive enterprises and earn improved incomes. Also, the money that would otherwise have been spent on ill-health and hospital bills can be used to improve the nutrition and general living condition of individuals and households, as well as improve savings and investment which would contribute to poverty reduction among the people.

In the case of malaria it covered the strategic area by reducing the disease burden attributable to priority health problems. Malaria is a leading cause of death among children and also has negative impact on the outcome of pregnancy, including premature delivery and delivery of low birth babies. Malaria also causes blood shortage (anemia) in pregnant women. In addition, malaria reduces productivity in all ages, thereby contributing to decreased academic performance of school children and lower earning of the adult. Under the reform process, and based on evidence of cost-effectiveness impact, the strategy is to particularly address malaria through

preventive measures such as provision of insecticide-treated bed nets. Specific drugs are also to be provided to pregnant women as part of routine antenatal care to prevent malaria. Thus, children will experience fewer incidents of malaria as they sleep under bed nets and the family will therefore spend less on health problems in terms of money and time. The outcome of this will be greater possibility of savings and investment, which will eventually reduce the potentiality of poverty.

Other strategies are educating the mothers how to treat simple childhood health problems, recognize danger signs, and seek treatment early will also complement the preventive strategies such that even if the child develop malaria, he or she can be treated at the early stage to ensure early recovery. Therefore, these strategies will lead to healthier adults, conceptually, with capacity for maximal productivity.

### **8. Achievement of Health Sector Reform in Nigeria**

Some of the achievement that have been made in the implementation of the HSR agenda include increased coverage of preventive interventions such as insecticide-impregnated as well as the provision of free artemisinin based combination therapies to treat malaria in children, and improved access to HIV testing facilities and anti-retroviral therapy. There is also increase in the access to vaccines to protect children from major killer diseases. Increased resources have also been provided towards the achievement of the health-related Millennium Development Goals, such as those targeting child and maternal health, and the control of HIV/AIDS and malaria. Efforts to improve quality through enforcement of consumers' rights and improving health behaviour through behaviour change interventions are also on going. While the implementation of these and other activities may not translate directly to improved health outcomes, they certainly have the potentials to contribute to improved health in Nigeria substantially.

### **9. Conclusion and Recommendation**

It is clear that the process of change needs to extend beyond these and discussions of the ideological orientation of the health care system will be put in place. Without institutional or structural change it is likely that existing organizational structures and management systems will not be able to strengthening the weak and fragile National Health Care Delivery System and improving its performance. Health sector reform will therefore be concerned with defining priorities, refining policies and reforming the institutions through which those policies are implemented. Moreover, monitoring agency will be established in order to ensure the implementation of this policy efficiently and effectiveness. Logic of appropriateness and holiness must be followed in order to have accountability and transparency in the implementation process. Most of the time the issue of diverting medical equipment's by the health personnel especially in the rural areas created a lot of problems in health care system, this can be solved through good supervision, monitoring and evaluation.

Secondly, the reform process and the difficulty of implementing policy and institutional change have been relatively neglected compared with the main objectives of the reform. This focus on content not only ignores the question of the possibility of implementing change, but runs the risk that health sector reform becomes equated with one particular set of prescriptions such as the introduction of managed-market mechanisms, user charges, reducing the size of the public sector, cost effective packages of services, and privatization. As a result the need for creative solutions to deal with urgent and intractable problems can easily get lost in discussions about the rights and wrongs of particular strategies. Hence, there is need for rational debate and systematic analysis. In the first place, this requirement must be addressed by descriptive information on reforms using an organization that aids the analysis of the implementation and impact of reforms. That framework will provides a synthesis of the benefits and shortcomings of reforms that can assist the country's attempts at producing better health from the

level of investment.

The implementation strategy needs to be carefully monitored judiciously. Thus, the HSR has the potential as a health system intervention to break the vicious cycle of ill-health, poverty and under-development through improved health outcome and translate it into a good cycle of improved health status, prosperity and sustainable development. Lastly, the main solution to the problem of policy reform and administrative responsibility is implementing the Islamic values and ethical administrative behaviour that can provides accountability and transparency based on the principles of (shariah) the Qur'anic command of enjoining what is good and forbidding what is evil. According to Islamic scholars public servants must do what is good and refrain from doing what is evil. This can be done through internal motivation of one's relationship with Allah in performing the task assigned to him. Iman (Taqwa), activates and reinforces innate goodness, inculcate humility, and leads to moral values in doing things. It encourage the good in human nature which in turn produces a balance set of needs within human self's to self-own needs and self's need to do good and serve other people (Lamine, and Lili, Presentation, 2014).

The next step is doing Justice, according to Qur'an "Justice is giving to others their due and not harming them even when one's own or one's relative's interests are at stake..." (Q4:135). The last step is Ihsan it is closely related with Iman, it means worshipping Allah as if you see Him- even though you do not see Him, He sees you. Hence the administrator should be conscious that he is being observed and is motivated to strive for the best of conduct. It also leads to selflessness. Qur'an says "And those who strive for Us We will surely guide them to our ways. And indeed, Allah is with the doers of good. (Q: 29:69).

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