

**ANNUAL REPORT OF THE NATIONAL HEALTH FUND
FOR FINANCIAL YEAR 2017 – 2018**

1. INTRODUCTION

The Ministry Paper on the Annual Report of the National Health Fund (NHF) for the financial year 2017-2018 is being tabled by the Ministry of Health and Wellness for the information of the Houses of Parliament.

1.1 During the financial year 2017-2018, the Board, management and staff of the NHF worked diligently to deliver quality health care services to more Jamaicans than ever before. Consequently, there was a deliberate focus on efficiency and access to pharmaceuticals for public patients, strategic improvements in the operation of the pharmaceutical supply chain, further investments in health care infrastructure and healthy lifestyle promotion, as well as a customer service focus, which resulted in increases throughout the enrolment and benefit programmes.

2. HIGHLIGHTS OF PERFORMANCE

2.1. Performance of NHF Cards and Cardholders' Profile

The period under review has been a rewarding one for NHF operations, marked with increases in all the enrolment and benefit programmes. Enrolment on the Individual Benefits Programmes continued on a growth path with the addition of 41,477 beneficiaries, reaching a total of 773,621 with 371,215 active members. This represented a 4.1% increase over enrolment in the previous financial year. The increase in enrolment by Individual Benefits Programme is outlined below:

2.1.1 Enrolment increased by 2.6% on the NHF Card Programme compared to that of the previous year and there was an addition of 29,607 beneficiaries, resulting in a total of 471,722 NHF cardholders with 296,735 active members.

2.1.2 The Jamaica Drug for the Elderly Programme (JADEP) enrolment grew by 7.9% over the performance of the previous year.

The NHF also maintains the Government of Jamaica database which comprises 618,747 NHF and GOJ cardholders who are able to use their cards at public sector pharmacy facilities as well as private pharmacies enrolled on the Public Sector Pharmacy Partnership Programme to provide dispensing services to public sector patients.

2.2 Review of NHF Grants and Projects

2.2.1 The NHF remained committed to the continued development of the Health sector.

During the year, \$1.79B was approved for 44 Institutional Benefits projects. \$907M was approved for 37 new projects, while additional funding of \$882.74M was approved for 7 existing projects.

2.2.2 The Ministry of Health and Wellness (MHW) and its affiliated institutions with 36 projects approved valued at \$1.70B, commanded the largest share of the budget for 2017-2018 financial year. Twelve projects were approved for the Ministry Of Health valuing \$1.0B, 8 for South East Regional Health Authority (SERHA) valuing \$241M, 3 for Southern Regional Health Authority (SRHA) valuing \$125M, 10 for the North East Regional Health Authority (NERHA) valuing \$116M, 2 for the Western Regional Health Authority (WRHA) valuing \$71M and 1 under NHF for \$140M.

2.2.3 The NHF implemented and managed infrastructure projects valued at approximately \$2.5B island-wide, including completing projects approved for the MHW and RHAs in the previous year.

2.2.4 A major focus during the year was to complete and handover two National Cancer Treatment Centres to the MHW/RHA. The Centre at Cornwall Regional Hospital was officially opened on November 24, 2017 and treatment of patients has been ongoing since. All infrastructure work on the Centre at the St. Joseph's Hospital was completed and all major equipment has been installed and commissioned. Training of staff from the KPH who will man the centre at the St. Joseph's Hospital had commenced. Arrangements were made for the transfer of management of the facilities to the WRHA and SERHA. Total value of this project was J\$1.8B.

2.2.5 Of the 19 projects being implemented by the NHF on behalf of the MOH, 12 were completed by the end of the year under review. The remaining 7 are scheduled for completion in the 2018/2019 financial year.

2.2.6 During the fiscal year, approximately \$88M was disbursed to renovate 19 pharmacies Islandwide. Among those with major renovations were the St. Ann's Bay Regional Hospital Pharmacy (\$2.6M), the Glen Vincent Pharmacy with the construction of a waiting area (\$3.6M), Spanish Town Hospital Pharmacy (\$19M) and the commencement of a new pharmacy at the Linstead Hospital.

2.2.7 The NHF partnered with the communities, RHAs and MHW as part of its social and corporate responsibility to provide facelifts for 10 Health Centres at a cost of \$25 M.

2.3 Transforming Pharmacy Services

The year marked another milestone in the life of the NHF with the full transfer of all public sector pharmacies to the agency. With the transfer of service, the NHF now operates pharmacy service in a total of 105 locations consisting of hospitals, full week and scheduled health centre services.

- 2.3.1 Other notable achievements in the wider service delivery were the implementation of the Quick Prescript application, introduction of Mobile Dispensing Units for bedside care in hospitals, the expansion of the Public Sector Pharmacy Partner Programme (PPP) and retrofitting and branding of a coaster bus for dispensing medication to distant underserved communities.
- 2.3.2 A total of 1,507,766 prescriptions were processed by 32 Drug Serv pharmacies where the Pharmacy Information Management System (PIMS) was in operation. This represented an increase of 21% when compared to the last financial year.
- 2.3.3 The Public Sector Pharmacy Partner programme (PPP) was active throughout the year, with 17 pilot pharmacies processing a total of 65,613 prescriptions. Plans to expand the partnership with private pharmacy to deliver services to public patients were well advanced at the end of the year under review and contracts were close to being signed with another 35 pharmacies to bring the number of PPP providers to 52.
- 2.3.4 During the year, the NHF introduced the Quick Prescript App, an innovative prescription submission mobile application. The NHF Quick Prescript App, which will be available to users via Google Play Store and the App Store, is downloadable on mobile devices (smart phones and tablets.) Once downloaded, Quick Prescript allows patients to submit their public prescriptions to Drug Serv pharmacies by taking a photograph of the prescription and uploading it to the Quick prescript App. Patients are then contacted through Live Chat when the medication is ready for pick up at their selected Drug Serv pharmacy. Those without a smart phone or mobile data will be able to take advantage of the innovative service via the Quick prescript kiosks which are placed at selected Drug Serv Pharmacies and public health clinics across the island.
- 2.3.5 Another innovation during the year was the development of a Mobile Dispensing Unit facility to provide “bed side” medication distribution service to patients on the wards of public hospitals island wide.

2.4 Influencing Health Behaviour

- 2.4.1 An important mandate of the NHF is to encourage Jamaican residents to take greater control of and improve their health. During the year, opportunities and interventions were created to reach a target population which the Agency established and strengthened partnerships across sectors to promote healthy living. A variety of technologies were employed to expand participation and share information on health as well as the services and achievements of the NHF. Alignment and collaboration with the Ministry of Health in the delivery of health promotion programmes was also a major focus.
- 2.4.2 During the period under review, the NHF increased its participation in its community outreach programme resulting in 619 events comprising of Community Health days, Health Fairs, School Wellness, Conferences and official launch ceremonies.
- 2.4.3 111,820 screening tests were done island wide. This was an increase of 11,000 over the previous financial period.
- 2.4.4 Other health promotion activities which were continued in the year included the schools and workplace wellness programmes, the Work-It-Out Challenge and the men's health programme.

2.5 Management of Strategic Resources

- 2.5.1 During the 2017-2018 financial year, the staff complement moved from 416 to 526. This growth resulted mainly from the transfer of public sector pharmacy staff from hospitals and health centres to the NHF.
- 2.5.2 In an effort to keep the communication lines open for all staff members, a quarterly newsletter, "NHF Buzz" is distributed among staff through the intranet, multiple divisional meetings and general staff meeting.
- 2.5.3 Staff at the NHF received on average 14.2 hours of training exceeding the target of 8 hours of training per annum. Training and development activities were focused on building technical capacity, leadership, administration, service excellence, quality management, safety and personal development. Specific training programmes included: Occupational Health and Safety, Customer Service, Health Management, Information Technology, Risk Management and Procurement.

3 Declaration of Compensation

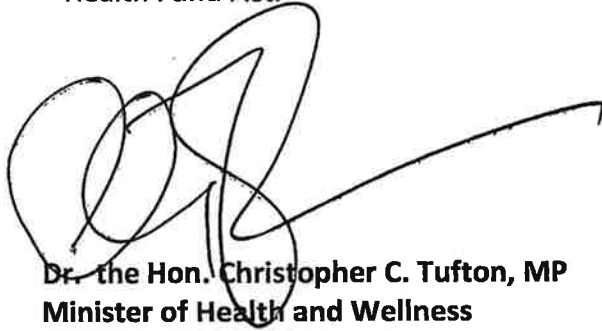
- 3.1 The compensation package paid to members of the Management Board and Senior Executives of the NHF for the period under review is included in the Annual report.

4 FINANCIAL STATEMENT AND AUDITORS' REPORT

- 4.1 The total revenue to the NHF amounted to \$10,441.47M which included National Insurance

Scheme Tax of \$4,022.12M, Tobacco Tax of \$1,021.55M, Special Consumption Tax of \$2,954.19M, revenues from the Pharmaceutical and Drug Serv Divisions of \$174.1M as well as other sources of income amounted to \$2,269.20M. Expenditure amounted to \$10,454.04M, resulting in a deficit of \$12.57M.

4.1.2 The Auditors, BDO Chartered Accountants, concluded that the financial statement gives a true and fair view of the financial position of the National Health Fund as at March 31, 2018 and of its financial performance and cash flows for the year ended in accordance with International Financial Reporting Standards (IFRS) and the requirements of the National Health Fund Act.



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Minister of Health and Wellness

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