

BUSINESS PLAN

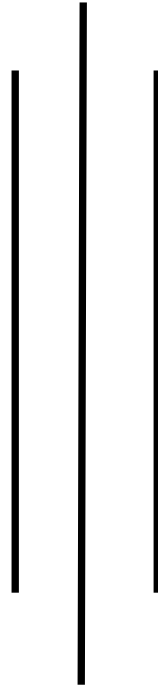
**Department of Health Services
Fiscal Year 2019/2020**



**Government of Nepal
Ministry of Health and Population
Department of Health Services**

November 2019

Business Plan:
Department of Health Services
Fiscal Year 2019/2020



Government of Nepal
Ministry of Health and Population
Department of Health Services

November 2019



नेपाल सरकार

स्वास्थ्य तथा जनसंख्या मन्त्रालय



(.....शाखा)

नेपाल सरकार
स्वास्थ्य तथा जनसंख्या मन्त्रालय
रामशाहपथ, काठमाडौं

४२६२५९०
४२६२८०२
४२६२७०६
४२६२९३५
४२६२८६२
४२२३५८०

फोन नं.

रामशाहपथ,

काठमाडौं, नेपाल ।

२०७६।१०।१३

मिति :-

प्राप्त पत्र संख्या :-

पत्र संख्या

चलानी नं. :-

विषय :-

प्राक्कथन

राज्यको पुनः संरचना अनुसार सङ्घ, प्रदेश र स्थानीय तहले प्रदान गर्ने स्वास्थ्य सेवाका सम्बन्धमा गरेको व्यवस्था अनुसार सबै नागरिकका निमित्त सहज र गुणस्तरीय सेवाको पहुँच अपरिहार्य रहेको छ । यस सन्दर्भमा सङ्घीय सरकार, स्वास्थ्य तथा जनसङ्ख्या मन्त्रालय मातहतको स्वास्थ्य सेवा विभागले सम्पादन गर्नुपर्ने कार्यलाई व्यवस्थित गर्न व्यावसायिक योजना (Business Plan) तर्जुमा गरी लागू गरेकामा अत्यन्तै खुसी लागेको छ । स्वास्थ्य नीति, २०७६ ले अंगिकार गरे अनुरूप सहज रूपमा गुणस्तरीय सेवा प्रदान गर्न आवश्यक स्रोतको आँकलन समेत गरेको हुँदा मन्त्रालय र मातहतका निकायको वार्षिक योजना तथा कार्यक्रम तर्जुमा गर्दा कार्यक्रमहरूको प्राथमिकीकरण गरी आवश्यक स्रोत जुटाउन यो व्यावसायिक योजनाले मद्दत पुऱ्याउँछ भन्ने विश्वास लिएको छु ।

यो व्यावसायिक योजना तर्जुमा गर्न प्राविधिक सहयोग प्रदान गर्ने USAID/Public Financial Management Strengthening Project लगायत यस Business Plan तर्जुमा कार्यमा सम्बद्ध सबैलाई धन्यवाद दिन चाहन्छु ।

खगराज बराल

सचिव

Table of Contents

Chapter 1: Introduction, Objectives and Methodology	1
1.1 Introduction	1
1.2 Objective, Roles and Methodology	2
1.2.1 Objective	2
1.2.2 Roles	2
1.2.3 Methodology	2
Chapter 2: Business Plan	3
2.1 Structure of DOHS	3
2.2 Physical and Financial progress in FY 2017/18	4
2.3 Physical progress in FY 2017/18	5
2.3.1 Financial Progress in FY 2017/18	5
2.3.2 DOHS budget and expenditure by capital and recurrent headings	5
2.3.3 DOHS budget and expenditure by administration and program	6
2.3.4 DOHS budget & expenditure by GoN & External Development Partners (EDP)	7
2.4 Indicators and Targets	7
2.5 Comparison of budget allocation in FY 2018/19 & FY 2019/20 financial status	8
2.6 Three years budget forecast for major activities	10
2.7 Three years budget forecast by category	10
2.8 Three years budget forecast by program	11
2.9 Procurement	12
2.10 Human resource	14
2.11 Financial management	16
Chapter 3: Challenges and way forward	17
3.1 Challenges and way forward	17
3.2 Recording, Reporting and Monitoring	18
3.3 Dissemination	18
References	19

List of Acronyms

AWBP	Annual Work plan and Budget
BHS	Basic Health Services
CSD	Curative Service Division
DDA	Department of Drug Administration
DOAAM	Department of Ayurveda and Alternative Medicine
DOHS	Department of Health Services
EDCD	Epidemiology and Disease Control Division
EDP	External Development Partners
EPI	Expanded Program on Immunization
E4D	Evidence for Development
FCHVs	Female Community Health Volunteers
FY	Fiscal Year
FWD	Family Welfare Division
GoN	Government of Nepal
HA	Health Assistant
HI	Health Inspector
HRH	human Resources for Health
LG	Local Government
LBG	Louise Berger Group
MD	Management Division
MOF	Ministry of Finance
MOFAGA	Ministry of Federal Affairs and General Administration
MOHP	Ministry of Health and Population
MSS	Minimum Service Standard
MTEF	Medium-term Expenditure Framework
NCASC	National Center for AIDS and STD Control
NHEICC	National Health Education, Information and Communication Center
NHTC	National Health Training Center
NPHL	National Public Health Laboratory
NPR	Nepalese Rupee
NSSD	Nursing and Social Security Division
NTC	National Tuberculosis Center
PFMSP	Public Financial Management Strengthening Project
PG	Provincial Government
PHC	Primary Health Care
PPMD	Policy Planning and Monitoring Division
SNG	Sub-national Government
S/PHO	Senior Public Health Officer
SoE	Statement of Expenditure
TBAs	Traditional Birth Attendants
USAID	United States Agency for International Development

Chapter 1: Introduction, Objectives and Methodology

1.1 Introduction

The Department of Health Services (DOHS) is one of three departments under the Ministry of Health & Population (MOHP). The overall function of the DOHS is to deliver preventive, promotive and curative health services throughout Nepal. The DOHS supports lower level entities by providing logistical, financial, supervisory, and technical support from the center to the periphery. According to the institutional framework of the DOHS and MOHP, the health post (from an institutional perspective) is the first contact point providing basic health services. However, in reality, the Health Post (HP) is a referral center of the volunteer cadres of Traditional Birth Attendants (TBAs) and Female Community Health Volunteers (FCHVs) as well as a venue for implementing community-based activities such as Primary Health Care (PHC) outreach clinics and Expanded Program on Immunization (EPI) clinics. Each level above the HP is a referral point in a network from HP to Primary Health Care Center (PHCC) to district zonal and regional hospitals, and finally to specialty tertiary care centers in Kathmandu. This referral hierarchy has been designed to ensure that the majority of population receives public health and minor treatment in places accessible to them and at a price they can afford. Inversely, the system works as a supporting mechanism for lower levels by providing logistical, financial, supervisory, and technical support from the center to the periphery. Currently, DOHS has five divisions and five centers under its jurisdiction as follows:

Divisions:

1. Curative Service Division (CSD)
2. Epidemiology and Disease Control Division (EDCD)
3. Family Welfare Division (FWD)
4. Management Division (MD)
5. Nursing and Social Security Division (NSSD)

Centers:

1. National Center for AIDS and STD Control (NCASC)
2. National Health Education, Information and Communication Center (NHEICC)
3. National Health Training Center (NHTC)
4. National Public Health Laboratory (NPHL)
5. National Tuberculosis Center (NTC)

Though the DOHS is programmatically responsible to support all the divisions and centers mentioned above, the department carries out administrative and financial procedures for only the five divisions.

Thus, DOHS is only responsible for administrative, legal and financial functions related to the divisions. This business plan covers the activities of the five divisions along with the department itself. Detailed information related to the activities carried out by DOHS and the divisions can be obtained in the following website: www.dohs.gov.np.

1.2 Objective, Roles and Methodology

1.2.1 Objective

The main objective of DOHS is to ensure the implementation of preventive, promotive and curative health services throughout Nepal.

1.2.2 Roles

- To provide Government of Nepal (GoN) necessary technical advice in formulating health related policies, develop and expand health institutions established in line with these policies.
- To determine human resources (manpower) requirements for health institutions and develop such manpower by preparing short- and long-term plans.
- To mobilize assistance in the implementation of approved programs by preparing and asking for preparation of objective programs related to various aspects of public health.
- To manage immediate solution to problems arising from natural disasters and epidemics.
- To establish relationships with foreign countries and international institutions with the objective of enhancing effectiveness and developing health services and assist MOHP in receiving foreign aid by clearly identifying the area of cooperation.
- To create a conducive atmosphere to encourage the private sector, non-governmental organizations and foreign institutions to participate in health services, maintain relation and coordination, control quality of health services by regular supervision and inspection.
- To systematically maintain data, statements and information regarding health services, update and publish information as required.
- To fix designated positions of employees up to gazetted 2nd class, carry out inter-directorate transfers, initiate departmental action and provide rewards, etc.
- To clear audit irregularities of central level offices, projects and regional level offices.

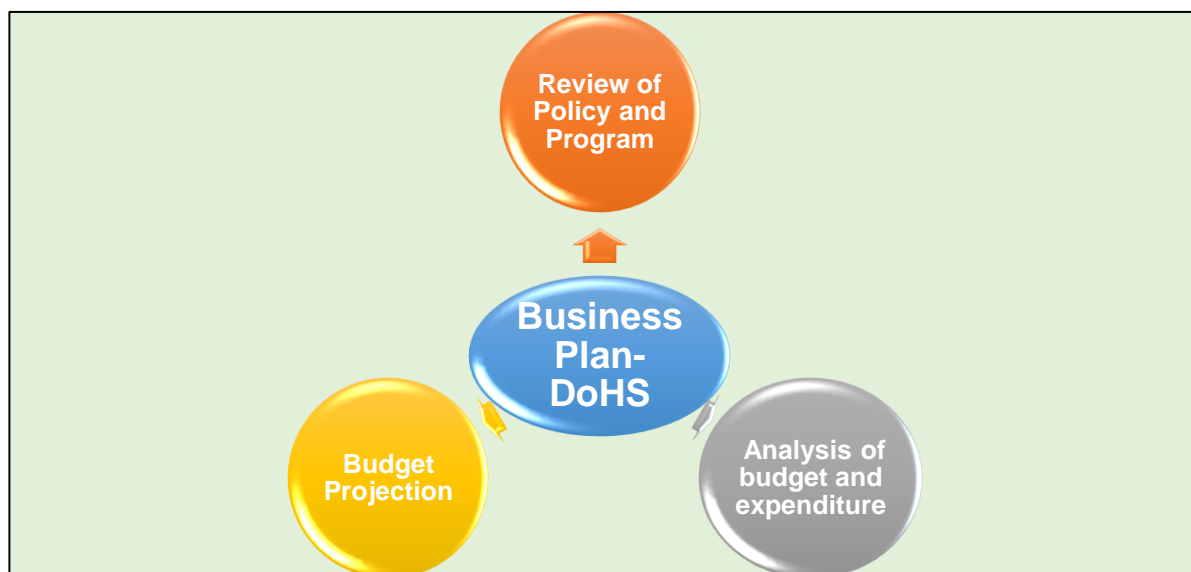
1.2.3 Methodology

This Business Plan is prepared based on the analysis of the Redbook, MOHP annual work plan and budget, DOHS' Annual Work plan and Budget (AWPB), Medium Term Expenditure Framework (MTEF)

and financial data extracted from TABUCS. We have also reviewed relevant policy frameworks that have guided preparing budgets for the future. The details of the policy frameworks are included in the MOHP's Business Plan.

Figure 1: Approaches Utilized

This is the first comprehensive business plan of the DOHS. Thus, series of consultative meeting and consultative workshops were organized with the section chiefs and program planners to validate the figures, prepare forecasts and targets for future years. Since this is an official document of DOHS,



reference from the existing documents including AWPM, MTEF, Red Book, TABUCS, Audit observation report and LMBIS were reviewed. Every public sector business plan needs to be consistent with existing budgetary framework, thus independent technical approaches/methods were not used while projecting the budget for the future rather MTEF data were used to capture budget for the fiscal years 2020/21 and 2021/22. The complete expenditure data up to the fiscal year 2017/18 of DOHS is available thus this data was used for the analysis.

Chapter 2: Business Plan

2.1 Structure of DOHS

Department of Health Services (DOHS) is one of the three departments of the Ministry of Health and Population (MOHP). The office of the DOHS is situated in Teku, Kathmandu. DOHS has five Divisions and three Sections. Since all the centres have their own finance sections, this Business Plan only covers the divisions functioning under the DOHS. DOHS has one integrated finance section overseeing the following divisions:

- Management Division
- Family Welfare Division
- Curative Service Division
- Nursing and Social Security Division
- Epidemiology and Diseases Control Division

Similarly, the three sections of DOHS are:

- Leprosy Control Program/Section
- Personnel Administration Section
- Finance Administration Section

A detail structure of DOHS can be accessed at www.dohs.gov.np.

2.2 Physical and Financial progress in FY 2017/18

Despite the transition to federalism, DOHS has made impressive progress in achieving the key target indicators and securing the right expenditure.

2.3 Physical progress in FY 2017/18

The following table summarizes the overall physical progress of DOHS in FY 2017/18.

Table1: Selected Physical progress of the fiscal year 2017/18

SN	Output indicators	Target	Achievement
1	Immunization coverage (DPT3)	90%	92%
2	ANC Coverage (ANC1)	65	66%
3	Institutional Delivery Coverage	55	54%
4	Reporting status of HMIS	100	97%
5	Malaria cases	800	1,187 number
6	Districts covered with Lymphatic filariasis program (MDA program)	15	15
7	Persons receiving social security benefit	20,000	23,214
9	Family Planning Coverage (CPR)	55	40%
10	Growth Monitoring Coverage	70	69.9%

Source: Annual Report FY2017/18, DOHS

2.3.1 Financial Progress in FY 2017/18

Table 2 shows the budget spent by MOHP and DOHS in FY 2017/18. The data demonstrates that both entities made similar proportion of expenditure in FY 2017/18.

Table 2: MOHP and DOHS adjusted budget and expenditure for FY2017/18 (in thousand)

S.N.	Budget Entity	Budget (NPR)	Expenditure (NPR)	% Exp
1	MOHP	32,954,405	27,053,339	82.0
2	DOHS	18,175,992	14,794,830	81.4

Source: FMR 2017/18, MOHP

2.3.2 DOHS budget and expenditure by capital and recurrent headings

Table 3 presents the budget spent by DOHS under the capital and recurrent headings.

Table 3: DOHS capital and recurrent adjusted budget and expenditure (in thousand)

SN	Program	Budget (NPR)	Expenditure (NPR)	% Exp
1	Capital	6,253,251	6,055,389	96.8
2	Recurrent	11,922,741	8,739,441	73.3
	Total	18,175,992	14,794,830	81.4

Source: FMR 2017/18, MOHP

This is the first year of implementation of the federal budget by the local governments. Thus, the recurrent budget that was planned to be spent through local government has not been spent as expected. In FY 2017/18, DOHS spent higher proportion of capital budget than compared to the recurrent budget as there have been reductions in the number of spending units under MOHP and more priority has been given to the spending capital budget.

2.3.3 DOHS budget and expenditure by administration and program

Table 4 presents the budget and expenditure by administration and program heading. Similar proportion of budget has been spent in administrative and program budget.

Table 4: DOHS administrative and program adjusted budget and expenditure (in thousand)

SN	Program	Budget (NPR)	Expenditure (NPR)	% Exp
1	Administration	1,428,029	1,143,358	80.7
2	Program	16,747,963	13,651,472	81.5
	Total	18,175,992	14,794,830	81.4

Source: FMR 2017/18, MOHP

2.3.4 DOHS budget & expenditure by GoN & External Development Partners (EDP)

Table 5: DOHS adjusted budget and expenditure by GoN and EDP for FY2017/18 (in thousand)

SN	Program	Budget (NPR)	Expenditure (NPR)	% Exp
1	GoN	11,810,150	10,392,932	88.0
2	EDP	6,365,842	4,401,898	69.1
	Total	18,175,992	14,794,830	81.4

Source: FMR 2017/18, MOHP

The analysis of budget and expenditure incurred by DOHS/GoN and EDPs revealed that one of the reasons behind slow spending between Capital and recurrent budget could be due to lower spending in the EDPs budget. The allocation from EDPs generally goes under the recurrent budget. This can be dealt while preparing the business plan of concerned divisions.

2.4 Indicators and Targets

The functions of DOHS as a governing body is to provide health services throughout Nepal by ensuring proper functioning of centers and divisions under it. Table 6 shows comparison between targets and achievements for the different indicators related to service delivery along with the target set for each indicator for next three fiscal years.

Table 6: Indicator and targets of health institutions

SN	Indicators	Unit	Achievement 2017/18	Target 2019/20	Target 2020/21	Target 2021/22
1	Immunization coverage (DPT3)	Percentage	92%	95%	96%	98%
2	ANC Coverage (ANC1)	Percentage	66	80	85	90
3	Institutional Delivery Coverage	Percentage	54	60	70	80
4	Reporting status of HMIS	Percentage	97	99	100	100
5	Malaria cases	Person	1187	500	300	200
6	Districts covered with Lymphatic filariasis program (MDA)	District	15			

7	Persons receiving social security benefit	Person	23214			
8	Family Planning Coverage (CPR)	Percentage	40	45	50	55
9	Growth Monitoring Coverage	Percentage	69.9	75	80	85

2.5 Comparison of budget allocation in FY 2018/19 & FY 2019/20 financial status

Table 7 shows that MOHP secured more budget increase than that of the national budget in FY 2019/20. DOHS received about 8 percent less budget as compared to the federal Ministry of Health.

Table 7: Budget allocation for FY 2018/19 and 2019/20 in different categories (NPR thousand)

SN	Group/Particular	Fiscal Year 2018/19		Fiscal Year 2019/20		Budget Change %
		NPR	Share %	NPR	Share %	
Budget by National, Health Sector, Federal, Province, Local						
1	National Budget	1,315,161,700		1,532,967,100		16.6
2	Health Sector Budget	65,343,200	5.0	78,404,400	5.1	20.0
3	Ministry of Health and Population	56,419,700	4.3	68,779,100	4.5	21.9
4	Federal Budget (MOHP)	34,082,300	60.4	42,670,900	62.0	25.2
5	Department of Health Services	6,477,600	11.5	7,639,700	11.1	17.9
Budget by Administrative and Program						
1	Administrative	1,242,000	19.2	130,100	1.7	-89.5
2	Program	5,235,600	80.8	7,509,600	98.3	43.4
Total		6,477,600	100	7,639,700	100	17.9
Budget by Capital and Recurrent						
1	Capital	377,800	5.8	460,500	6.0	21.9
2	Recurrent	6,099,800	94.2	7,179,200	94.0	17.7

SN	Group/Particular	Fiscal Year 2018/19		Fiscal Year 2019/20		Budget Change %
		NPR	Share %	NPR	Share %	
Total		6,477,600	100	7,639,700	100	17.9
Budget by GoN and Donor						
1	GoN	4,127,300	63.7	5,411,800	70.8	31.1
2	EDP's	2,350,300	36.3	2,227,900	29.2	-5.2
Total		6,477,600	100	7,639,700	100	17.9
Budget by National Priority						
1	Priority - 1	6,477,600	100	7,639,700	100	17.9
2	Priority - 2	0		0		
Total		6,477,600	100	7,639,700	100	17.9
Budget by Divisions						
1	Department of Health Services	139,000	2.1	130,100	1.7	-6.4
2	Integrated Reproductive Health and Women's Health Program	485,000	7.5	474,400	6.2	-2.2
3	Integrated Child Health and Nutrition Program	2,155,900	33.3	3,230,500	42.3	49.8
4	Epidemiology, Malaria and Kala-azar Control and Natural Disaster Management Program	21,200	6.5	462,500	6.1	9.8
5	Leprosy Control Program	28,300	0.4	25,500	0.3	-9.9
6	Drugs and Equipment Supply Program	314,600	4.9	245,500	3.2	-22.0
7	Hospital Construction, Maintenance and Management Information System	1,319,000	20.4	181,700	2.4	-86.2

SN	Group/Particular	Fiscal Year 2018/19		Fiscal Year 2019/20		Budget Change %
		NPR	Share %	NPR	Share %	
8	Curative Services Program	511,600	7.9	613,600	8.0	19.9
9	Nursing and Social Security Services Program	1,103,000	17.0	2,275,900	29.8	106.3
Total		6,477,600	100	7,639,700	100	17.9

Source: TABUCS, MOHP 2019/20

It is important to note that administrative budget for DOHS has significantly decreased in FY 2019/20 while there is an increase in the program budget. The significant reduction of human resources in DOHS and salary of the health workers have caused this level of reduction. This indicates that DOHS may face challenges while implementing its budget in FY 2019/20.

2.6 Three years budget forecast for major activities

Following table demonstrates the budget allocation to DOHS for three fiscal years.

Table 8: Budget Allocation and estimates for two upcoming fiscal years by Recurrent and Capital

(NPR in Thousand)

SN	Major Activities	FY 2019/20	FY 2020/21	FY 2021/22
1	Recurrent	7,179,200	7,436,700	7,845,800
2	Capital	460,500	495,000	532,200
	Total	7,639,700	8,066,400	8,517,400

Source: MTEF 2019/20-2021/22, NPC

The estimated budget is expected to increase steadily each year. The recurrent budget is expected to be double of the capital budget at the end of three years.

2.7 Three years budget forecast by category

Table 9 shows that GoN intends to increase the DOHS' program budget in the future. The increased budget allocation in program cost may require more administrative budget for the DOHS.

Table 9: Budget allocation and estimates for upcoming fiscal years by category (NPR in thousand)

SN	Major Activities	FY 2019/20	FY 2020/21	FY 2021/22
1.	Administrative Cost	130,100	134,700	139,400
2.	Program Cost	7,509,600	7,797,000	8,238,600
3.	GoN	5,411,800	5,165,500	5,340,800
4.	Donor	2,227,900	2,766,200	3,037,200
	Total	7,639,700	8,066,400	8,517,400

Source: MTEF 2019/20-2021/22, NPC

The table shows estimated budget for major activities for three consecutive fiscal years, which has been projected to increase steadily with increasing time. Program cost budget is estimated to increase while administration cost is estimated to be comparatively low among other activities.

2.8 Three years budget forecast by program

Table 10 shows the breakdown of budget forecast by program/activities for three years.

Table 10: Budget allocation and estimates for upcoming fiscal years by program (NPR in thousand)

SN	Major Program	FY 2019/20	FY 2020/21	FY 2021/22
1	Administration Cost for Health Services	130,100	134,700	139,400
2	Integrated Reproductive Health and Women's Health Program	474,400	500,600	528,400
3	Integrated Child Health and Nutrition Program	3,230,500	3,413,600	3,607,200
4	Epidemiology, Malaria and Kala-azar Control and Natural Disaster Management Program	462,500	488,500	516,000
5	Leprosy Control Program	25,500	26,900	28,400
6	Drugs and Equipment Supply Program	245,500	261,700	279,000
7	Hospital Construction, Maintenance and Management Information System	181,700	191,800	202,500
8	Curative Service Program	613,600	647,500	683,200
9	Nursing and Social Security Program	2,275,900	2,401,100	2,533,300
	Total	7,639,700	8,066,400	8,517,400

Source: MTEF 2019/20-2021/22, NPC

The above table shows that DOHS receives more budget under reproductive health, child health and social security programs. An analysis on the share of basic health services (BHS) by spheres of governments would help in identifying more accurate proportion of budget to be allocated by the programs. Table 10 indicates that for FY 2020/21-2021/22 MTEF has projected a similar proportion of budget to be increased over the years. The costing of Basic Health Services (BHS) may suggest different evidence.

2.9 Procurement

Procurement of medical equipment, goods and medicines along with construction, building and other materials is one of the important functions of the DOHS. Table 11 shows the allocation amount for FY 2019/20 and estimated cost in various procurement items for the next two fiscal year.

Table 11: Allocation and Estimated Procurement and cost for three fiscal years (NPR thousands)

SN	Procurement item	FY 2019/20		FY 2020/21		FY 2021/22	
		Qty.	Estimated cost	Qty.	Estimated cost	Qty.	Estimated cost
1	Procurement of goods		4,227,500		4,552,367		4,912,581
1.1	Medicine		3,798,200		4,098,880		4,433,896
1.1.1	Contraceptive	Bulk	246,100	Bulk	270,710	Bulk	297,781
1.1.2	Immunization	Bulk	2,679,400	Bulk	2,813,370	Bulk	2,954,039
1.1.3	Epidemiological Medicine	Bulk	324,400	Bulk	356,840	Bulk	392,524
1.1.4	Medicine for Free Health	Bulk	548,300	Bulk	657,960	Bulk	789,552
1.2	Equipment		411,400		432,587		454,895
1.2.1	Office equipment	Bulk	12,340	Bulk	13,574	Bulk	14,931
1.2.2	Medical equipment	Bulk	399,060	Bulk	419,013	Bulk	439,964
1.3	Office materials	Bulk	13,800	Bulk	15,180	Bulk	16,698
1.4	Vehicle	4	1,000	8	2,000	12	3,000
1.5	Furniture	Bulk	3,100	Bulk	3,720	Bulk	4,092
2	Construction		45,000		54,000		64,308
2.1	Building	Bulk	40,900	Bulk	49,080	Bulk	58,896
2.2	Other construction	Bulk	4,100	Bulk	4,920	Bulk	5,412
3	Contract		228,500		248,495		270,347
3.1	Procurement of Services	Bulk	171,400	Bulk	188,540	Bulk	207,394
3.2	Human resource for Health	Bulk	57,100	Bulk	59,955	Bulk	62,953
3.3	Other services		-		0		0
	Total		4,501,000	-	4,854,862	-	5,247,235

The total cost of the items planned as shown in the redbook are projected to increase steadily for the next two years. Immunization equipment is planned and estimated to have the highest cost among all the items. As the health systems are being reformed these figures can be updated by the MOHP.

2.10 Human resource

Table 12 shows the mix of various categories of health workers, human resource need of DOHS for three consecutive years by position, type and existing status (sanctioned or fulfilled post). The changes in health systems functions at all spheres of governments would contribute in changing the types and numbers of Human Resources for Health (HRH).

Table 12: Position, type, sanctioned and fulfilled HR and their projection for three years

SN	Position	Type	Existing		FY	FY	FY
			Sanctioned	Fulfilled	2019/20	2020/21	2021/22
					Number	Number	Number
1	Director General (12 th level)	Per	1	1	1	1	1
2	Directors (11th level)	Per	5	5	5	5	5
3	S. Sub Health Administrator (9/10)	Per	5	4	5	5	5
4	S. General Nursing(9/10)	Per	1	1	1	1	1
5	Community Nursing	Per	2	2	2	2	2
6	S.PHA (9/10)	Per	3	2	3	3	3
7	Chief Medical Officer 9/10	Per	2	2	2	2	2
8	C.M. Generalist (9/10)	Per	3	2	3	3	3
9	S.C. Dermatologist (9/10)	Per	1	0	1	1	1
10	S.C. Gynecologist (9/10)	Per	1	1	1	1	1
11	S.C. Psychiatrist	Per	1	0	1	1	1
12	S. Nutrition Officer	Per	1	1	1	1	1
13	S.C. Dental Surgeon	Per	1	0	1	1	1
14	Director (Stat)	Per	1	1	1	1	1

SN	Position	Type	Existing		FY	FY	FY
			Sanctioned	Fulfilled	2019/20	2020/21	2021/22
					Number	Number	Number
15	Under Sectary (Admin)	Per	1	1	1	1	1
16	Under Sectary (Account)	Per	1	1	1	1	1
17	Section Officer	Per	7	7	7	7	7
18	Account Officer	Per	2	2	2	2	2
19	Law Officer	Per	1	1	1	1	1
20	Statistics officer	Per	5	5	5	5	5
21	Pharmacy Officer	Per	2	1	2	2	2
22	S/PHO	Per	9	7	9	9	9
23	Nutrition Officer	Per	1	0	1	1	1
24	Medical Officer	Per	7	7	7	7	7
25	S. Medical Technologist	Per	1	1	1	1	1
26	Community Nursing Officer	Per	7	5	7	7	7
27	Nursing Officer	Per	5	5	5	5	5
28	Entomologist	Per	1	1	1	1	1
29	Veterinary Doctor	Per	1	0	1	1	1
30	Computer Officer	Per	3	3	3	3	3
31	Medical engineer	Per	1	0	1	1	1
34	Biomedical Engineer	Per	2	1	2	2	2
35	Aristech Engineer	Per	1	1	1	1	1
36	TB Leprosy Officer	Per	1	1	1	1	1
37	Nayab Subba	Per	8	7	8	8	8
38	HA/PHI	Per	6	6	6	6	6
39	Cold chain Assistant	Per	3	3	3	3	3
40	Lab Assistant	Per	2	2	2	2	2
41	Driver	Per	7	7	7	7	7
42	Office Assistant	Per	8	8	8	8	8
Total			121	105	121	121	121

Source: Approved Organization Chart with Sanctioned Positions, MoFAGA and filled positions extracted from TABUCS, MOHP

Note: Per= Permanent

2.11 Financial management

The DOHS is an independent department and has its own financial management plan to spend the received budget as per the regulations of GoN. The Chief Finance Comptroller and two finance officers are responsible for all finance related activities of the DOHS. Table 13 shows the financial indicators for audit for the last fiscal year.

Table13: Major financial indicators for audit for last fiscal year (NPR in thousands)

SN	Activity	Date of receipt of the Audit report	Response Date	Audited amount (NPR)	Audit queries (NPR)	Amount clear (NPR)	Remarks
1	Internal Audit 2074/75 (last quarter)	22 February 2019	28 March 2019		1,014,992	102,728	Advance cleared
2	Final Audit observation						
2.1	Total till last FY						
2.2	Total of last FY 2074/75	22 February 2019	28 March 2019	5,753,330	1,036,711		Clear by 2019/20
2.2.1	Amount to be regularized				134,118		
2.2.2	Amount to be recovered				6,233		
2.2.3	Unsettled Advance				896,360		

Source: MOHP, 2019

The table shows that DOHS has large amounts of advances that need to be settled. This is a major concern for the management.

Chapter 3: Challenges and way forward

3.1 Challenges and way forward

The major challenge for DOHS is to be able to define the basic health service package and cost it. In the absence of proper packaging and costing of BHS, there are chances of duplication of services and service disruptions at all spheres of government. This is also causing challenge in having more reliable MTEF. The current MTEF appears to be more centralized, however, the legal provisions are mandating the BHS as a responsibilities sub national government (SNG). Additionally, reduction of HRH at DOHS is also creating knowledge and experience gaps in programming and budgeting. Some of the challenges related to the business planning for the DOHS and the way forward is presented below:

SN	Challenges	Way forward	Responsibility
1	Low spending of recurrent budget may cause service interruptions	An implementation plan with a division of role would help in addressing this challenge. Concerned divisions should prepare their AWPB as per the availability of HR and their capacity.	Divisions and DOHS
2	Low spending of EDPs budget	DOHS should prepare business plan in consultation with EDPs. Budget assurance in BHS should be a priority for DOHS.	DOHS
3	Higher Program budget, higher capital budget and lower administrative budget	Assess the capacity of HR to implement the budget. A clear maintenance plan should be considered while allocating the capital budget.	Divisions and DOHS
4	Unavailability of service and financial data	Update the HMIS and TABUCS to ensure the availability of service and financial data.	Divisions and DOHS
5	Weak distribution of budget across the programs	Costing of basic health services and justifiable allocation of budget across all spheres of government.	DOHS
6	Weak referral mechanism	Establish referral system in federal context. A national referral plan that is	DOHS

		acceptable to all spheres of governments.	
7	Availability of quality health care services	Ensure quality of care through a proper implementation of Minimum Service Standard (MSS)	DOHS
8	Malaria cases increasing in non-endemic district and Dengue fever	Focused actions by allocating the resources at EDCC. A pool of HRH and budget needs to be allocated	DOHS
9	Weak capacity to prepare the business plan	Develop the skills of HRH in preparing their business plan through training	DOHS

3.2 Recording, Reporting and Monitoring

Health Management Information System (HMIS) section should collect, collate and provide information on the activities undertaken at the local, provincial and federal spheres of governments. Annual health assembly at federal level would help understand the problems and explore the potential solutions. The update of TABUCS will help in tracking the financial records in all spheres of governments.

3.3 Dissemination

The information is disseminated by Annual Report which is published by DOHS every fiscal year. The hard copy as well as electronic copy of the report is available for public use. The periodic factsheets would help in understand the services provisions and budget expenditure. The department maintains its own website. For more detailed information please visit: www.dohs.gov.np

References

DOHS (2014/15-2018/19). Health management Information System: Population Projection. Department of Health Services, Kathmandu, Nepal.

GoN (2014). National Health Policy, Government of Nepal, Kathmandu, Nepal.

GoN (2015). The Constitution of Nepal. Government of Nepal, Kathmandu, Nepal.

GoN (2016). Nepal Health Sector Strategy 2015-2020. Government of Nepal, Kathmandu, Nepal.

GoN (2014/15-2018/19). Red Book. Government of Nepal, Ministry of Finance, Kathmandu, Nepal.

DOHS (2017/18, 2018/19 and 2019/20). Annual work plan and Budget for MOHP. MOHP, Ramshah Path Kathmandu, Nepal.

MOHP (2019). Transaction accounting and budget Control System (TABUCS).

MOHP (2014/15-2017/18). Financial Monitoring Report. Federal Ministry of Health and Population, Kathmandu, Nepal.

MOHP (2016/17-2021/22). Financial Management Improvement Plan. Federal Ministry of Health and Population, Kathmandu, Nepal.



Government of Nepal
Ministry of Health and Population
Department of Health Services



USAID
FROM THE AMERICAN PEOPLE

Public Financial
Management
Strengthening Project
(PFMSP)