

## Investing in Supply Chain Management is Critical for Universal Health Coverage



*“Supply chain remains the weakest link in health sector, yet medicines and medical supplies constitute the second largest cost driver in health after human resources.”*



**PEPFAR**

U.S. President's Emergency Plan for AIDS Relief



U.S. President's Malaria Initiative



Jayne Waweru  
Chief of Party, Afya Ugavi

We are excited to share with you Issue 5 of the Afya Ugavi News, a publication that shares contribution of United States Agency for International Development (USAID) to the strengthening of health supply chain management system in Kenya. Afya Ugavi Activity is a five-year health system strengthening activity funded by USAID under the Global Health Supply Chain – Procurement and Supply Management contract implemented by Chemonics International.

Supply chain remains the weakest link in health sector, yet medicines and medical supplies constitute the second largest cost driver in health after human resources. As part of the journey to self reliance (J2SR), Afya Ugavi is working to strengthen the capacity of supply chain managers at the Division of Health Products and Technologies (DHPT) at the national level, and Counties. We support pipeline monitoring activities at both levels of implementation, and preparation of Procurement, Planning and Management Reports (PPMR) for contraceptives and malaria commodities. We track our progress, and know we are on course.

We invite you to enjoy the read, and share your feedback as well as your stories for publishing ([womanya@ghsc-psm.org](mailto:womanya@ghsc-psm.org)) in subsequent editions.

## WHO provides public health considerations for international travel



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### Public health considerations while resuming international travel

The objective of this document is to provide governments, health authorities of WHO Member States and relevant stakeholders with elements to consider in adjusting international travel measures to the changing epidemiological situation of the COVID-19 pandemic, national public health and health service capacity available in countries and evolving understanding of the virus.

This document should be read in conjunction with other relevant WHO guidance, particularly WHO COVID-19 Strategy update 14 April 2020, Considerations for adjusting public health and social measures, the Scientific Brief on transmission of SARS-CoV-2, 09 July 2020, and the WHO Strategic Preparedness and Response Plan (SPRP). (Uploaded 30 July 2020)

Find the publication at: [www.who.int/news-room/articles-detail/public-health-considerations-while-resuming-international-travel](http://www.who.int/news-room/articles-detail/public-health-considerations-while-resuming-international-travel)

# Stronger health system: Crafting first ever health products and technologies supply chain strategy in Kenya

*“Health programs cannot succeed unless the supply chain delivers a reliable, continuous supply of health commodities to its customers.”*

USAID’s Afya Ugavi Activity is supporting Kenya’s Ministry of Health’s Division of Health Products and Technologies (DHPT) to enhance its operational efficiency, coordinate and ensure equitable access to essential medicines through the public, faith-based, nongovernmental organizations and private providers in the country. The project is working with counties to institutionalize health products and technologies units to ensure that lifesaving commodities are available especially for HIV/AIDS, malaria, Family Planning/ Reproductive Health, Maternal, Newborn, Child and Adolescent Health (FP/RMNCAH). The overall goal is that Kenya has a well-functioning, high performing supply chain system that provides communities with adequate, safe, affordable, and reliable supply of health commodities, when and where needed.

To achieve this goal, a clear roadmap is necessary to guide duty bearers and commit government resources to a stronger supply chain system, and by extension stronger health system. Although Kenya’s health sector has operated for decades since independence, it has increasingly been put under pressure through the rise in population, lack of accountability and inability to have end-to-end data visibility for decision making. In some cases, it has operated without strong adherence to the six rights of logistics.

A multi-sectoral and multi-stakeholder study conducted between May and July 2020 to map out key issues and strategic focus for HPT supply chain strategy for the next five years concluded with key findings and recommendations.

## Key Issues

The study revealed among others, that prices of commodities in private sector were unaffordable to majority Kenyans, prevalence in health commodity expiries, fragmentation of HPT supply chain (HPT SC) leading to overlaps in supply chain functions at various levels, and fragmentation in system strengthening approaches, tools and interventions. Significant disparities in county status of HPT SC capacity and performance were noted with some having functional commodity security technical working groups while a few others had functional medical and therapeutics committees.

## - The USAID DELIVER Project.

The new requirement for public facilities to purchase HPTs from Kenya Medical Supplies Authority (KEMSA) has implications on order fill rates and turnaround times, and there is inadequate storage facilities for HPT. In addition, inter- and intra-county redistribution of HPT is still suboptimal, the study notes. It also highlights need to strengthen the legal and regulatory frameworks around supply chain management.

## Recommendations

The strategy under craft suggests a raft of interventions for a sustainable and resilient system: Development of an elaborate pricing framework to address affordability of HPT prices by improving transparency on prices, adoption of global reference pricing and penalties for non-compliance, and advocacy for increased budgets for HPT SC functions and capacity strengthening at national and county government levels.

Revitalized MOH’s role in stewardship and coordination of HPT support including appropriate linkages between priority program supply chain teams and coordination team at MOH. Greater leverage on the Inter-governmental forums for coordination, and dissemination of logistics management information systems and District Health Information Software (DHIS) usage guidelines in public and private sectors.

The study suggests ICT policy guidance on linkage between facility systems and DHIS for private sector, and restrictions for importations to protect local manufacturers. Capacity strengthening initiatives in stock management should be undertaken at county and facility levels. The impact of current incentives for local production, especially the ones in the Public Procurement and Asset Disposal Act, should be assessed, and strategically improve the role of KEMSA and Mission for Essential Drugs and Supplies (MEDS) in market-shaping for HPT. Traceability of HPTs to deal with counterfeits should also be improved.

Adequately resource Pharmacovigilance Directorate of the Pharmacy and Poisons Board (PPB) to improve on proactive pharmacovigilance beyond the priority programs and reduce reliance on donors, and enhance use of technology in monitoring quality. Capacity building

program on HPT management should be harmonized at both pre- and in-service and the relationship and complementarity between KEMSA and MEDS strengthened to reduce wastage through expiries. Strengthen corporate governance at KEMSA to align with devolved governance expectations while optimizing public participation and responding to universal health coverage (UHC) including expected shifts in financing arrangements.

Systems for dealing with fraud and waste should be improved at all levels including utilization of inventory system, and improving visibility of HPTs along the supply chain while clarifying chain of custody from source to use. Other suggested strategy interventions include: Rationalizing investments in new HPT warehousing infrastructure; improving quantifications to better take epidemiological conditions into considerations; activating the Health Sector HPT Inter-Agency Coordination Committee; developing policy on HPT under the UHC clarifying aspects such as costing, reimbursements and pooling mechanisms; considering changes on KEMSA Act to address the requirement for exclusive sourcing; harmonization of regular assessments for HPTs undertaken by various stakeholders; ensuring better linkage between quantification of HPT and the planning and budget cycle at all levels; developing a national formulary for HPT; improving custom clearance; and, developing legislation to separate regulation of professionals from that of products.

## The Six Rights of Logistics

The **RIGHT** goods  
in the **RIGHT** quantities  
in the **RIGHT** condition  
delivered...  
to the **RIGHT** place  
at the **RIGHT** time  
for the **RIGHT** cost.

As a first ever, the strategy has an ambitious interest for a stronger, diverse and inclusive supply chain management system that is accountable and able to withstand the shocks of emergency, and respond to the needs of the population. USAID's Afya Ugavi Activity is supporting Kenya's Ministry of Health to lay this incredibly important foundation that commits the government and leverages on partners for a healthy society.

## Mapping county health resource needs through quantification

Afya Ugavi Activity has provided technical and logistical support for quantification and forecasting. In 2019, the project supported Kisumu County to finalize its quantification for health product requirements including HIV commodities which were estimated at KES 1.24 billion (approximately 55 percent of the pharmaceuticals annual forecast). Afya Ugavi also supported Uasin Gishu County to conduct a three-year commodity forecast which included requirements for antiretroviral (ARVs) estimated at KES 177 million (approximately 26 percent of the pharmaceuticals annual forecast). For Kakamega County, the results of the quantification exercise helped advocate for increased financial allocation. The County allocated KES 258 million in Fiscal Year (FY) 2019/20 compared to KES 230 million the previous year, translating to an increase of 12 percent. If all the forecasted ARV and other health products requirements are catered for, this will enable the holistic health management of people living with HIV/AIDS. Afya Ugavi project applied a method that ensured enhanced capacity of managers in the three counties for sustainability as part of the journey to self-reliance (J2SR).



Meera Shah, Afya Ugavi Technical Officer undertakes support supervision on ARV storage at Burnt Forest Sub-County Hospital in Uasin Gishu County.

# Keeping malaria illnesses and related deaths at bay

Afya Ugavi has worked with the Division of National Malaria Program (DNMP), Kenya Medical Supplies Authority (KEMSA), and other PMI implementing partners in eight focus counties (Kisumu, Homa Bay, Migori, Siaya, Busia, Bungoma, Vihiga, and Kakamega) located in Kenya’s malaria endemic regions using the integrated supply chain model. Activities in these counties included support to leadership and coordination through county and sub-county technical working groups (TWGs), support supervision visits by the sub-county teams, targeted data reviews to establish gaps and opportunities for supply chain data availability and commodity redistributions to avert stockouts and expiries.

Supply chain performance in the lake endemic counties, measured using six indicators, improved from 64% at baseline (October 2016) to 81% as at FY 2020. During that period, stock out rates for all Artemether/Lumefantrine (AL) in the 8 counties decreased from 18% to a low of 3% in FY 2020 before national level stock outs led to a regression. The proportion of health facilities stocked within the recommended stock levels rose from 18% at

baseline to a high of 35% in FY 2020 before regressing due to KEMSA stock outs.

Afya Ugavi also successfully deployed and institutionalized an online health commodities dashboard within the Kenya Health Information System (KHIS) that provides end-to-end supply chain data visibility and, among other things, assists in linkage of consumption data for community health units and health facilities for informed and rational order replenishments.

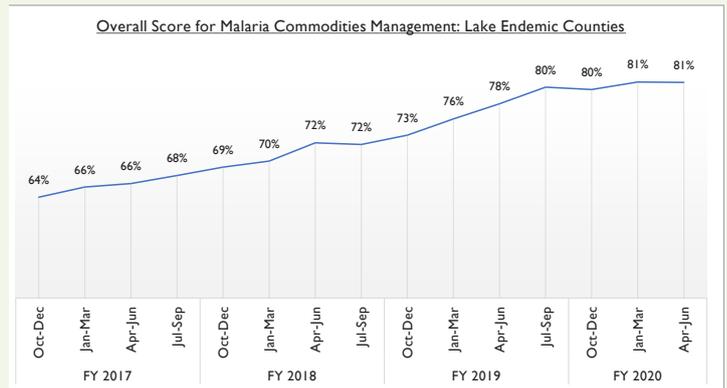


Figure 1: Performance in malaria commodities management in PMI focus counties

## Getting long-lasting insecticidal nets to most at risk

Long-lasting insecticidal nets (LLIN) are a highly effective means for preventing malaria infection and reducing associated illnesses and deaths. The Government of Kenya places a high priority on malaria control, and tailors its malaria control efforts to achieve maximum impact. With support from United States President’s Malaria Initiative (PMI) and other partners, Kenya is showing improvements in coverage of malaria prevention and treatment measures.

PMI has prioritized the areas of Kenya with the highest burden of malaria to achieve the greatest reduction in malaria morbidity and mortality. One such County is Homa Bay. The most recent stock status report indicated a stock out of nets in 80 facilities and overstock of nets in some of the facilities. Overstock is when a health facility has stocks covering more than 6 months, while understock means a facility has a stock less than 3 months. Stock out means a facility has no stock.

The County leadership requested Afya Ugavi Activity to support in the redistribution of commodities to stocked out health facilities. Using the malaria dashboard, the County determined stock levels and coordinated logistical needs.

The team redistributed 6,697 nets valued at US\$ 15,938 to all the facilities missing LLINs, enabling all the mothers of first antenatal clinics and children less than one year old as the high-risk groups to receive these lifesaving nets.



Maternal and Child Health Clinic In-Charge at Rachuonyo Sub-County Hospital receives LLINs redistributed from Yala Dispensary that had excess nets.



## Our Voices

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*With Afya Ugavi support, we have introduced bin card for ART commodities and Daily Activity Registers to track usage. Our health facilities are now able to make accurate orders based on needs and quantity rather than assumptions.*

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*Fahmy Odhiambo, Pharmaceutical Technologist, Homa Bay County.*

## Belief in Kenya's possibilities...

In Kenya, USAID's investment covers areas of Agriculture and Food Security, Democracy, Governance and Conflict, Economic Growth, Education and Youth, Environment, Global Health, and Water, Sanitation and Hygiene programs.

Every year, USAID provides support to Kenya's government valued at more than USD 3Billion. USAID's work demonstrates American generosity, and promotes a path to Kenya's self-reliance and resilience.

A report *Investing in Kenya's People: Valuing the US-Kenya Relationship* that breaks down the investment is available online at <https://www.aiddata.org/blog/investing-in-kenyas-people>

# \$ 3Billion

Annual Investment in Kenya

#USAMarafiki!



Mark Meassick, USAID Mission Director

In Kenya, USAID is providing **Ksh 5 billion** in additional assistance to boost Kenya's COVID-19 response.