FINANCING FOR NCDs & MENTAL HEALTH IN GHANA

Using the National Health Accounts 2023

A Policy Brief

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1 INTRODUCTION

1.1 Background

Noncommunicable diseases are often challenging to define, and some scholars have referred to the term "noncommunicable diseases" as a misnomer [1]. This is because it encompasses certain diseases, such as liver, stomach, and cervical cancers, which infectious organisms can partly cause. However, Ghana's NCDs policy [2] broadly defines them as conditions not transmissible between individuals, encompassing cancers, injuries, sickle cell disease, oral health, eye health, and mental health [1].

NCDs are distinguished from communicable diseases by their chronic nature and strong links to various behavioural risk factors such as physical inactivity, tobacco and alcohol use, unhealthy diets, and air pollution [2]. These risk factors are highly associated with four main disease clusters: cardiovascular diseases, cancers, chronic pulmonary diseases, and diabetes, which collectively account for approximately 80% of NCD-related deaths [1]. The COVID-19 pandemic further highlighted the vulnerability of individuals with untreated NCDs, increasing their risk of severe outcomes and mortality. The pandemic also contributed to higher rates of mental health conditions and engagement in risky behaviours, including harmful alcohol consumption.

1.2 Policy context and targets for financing NCDs

Global and continental efforts are underway to combat the rising NCD burden. The WHO's Global Action Plan (2013-2020) aimed to strengthen national NCD prevention and control, building on earlier initiatives like the Framework Convention on Tobacco

Control [3, 4]. The 2030 Agenda for Sustainable Development, specifically SDG 3.4, targets a one-third reduction in premature NCD mortality and promotes mental well-being globally.

The African Union (AU) recognizes NCDs as a significant impediment to its Agenda 2063 vision of a prosperous Africa [6]. The Africa Health Strategy 2016-2030 emphasizes strengthening health systems and increasing investment in NCDs [7]. The Africa CDC's NCD, Injuries Prevention and Control, and Mental Health Promotion Strategy (2022-2026) further aims to improve NCD surveillance and national responses across AU Member States, including Ghana, aligning with Agenda 2063's broader objectives.

To finance these efforts, the AU advocates for greater health system investments and national synergy between health and finance sectors for domestic resource mobilization [9]. Ghana has heeded this call, with its Ministry of Health and Ministry of Finance collaborating on an NCD financing strategy. At the country level, Ghana's NCDs Policy (2014[1]) aligns with global strategies and the 1992 Constitution's directive for good healthcare. This policy is also guided by the National Health Policy ("Ensuring Healthy Lives for All") and the Universal Health Coverage (UHC) Roadmap for Ghana (2020-2030) [10, 11].

1.3 The Burden of NCDs at different levels

Integrating NCDs into global health agendas is gaining momentum, as these diseases are the primary drivers of global mortality and impose substantial economic burdens, extending beyond healthcare costs to perpetuate poverty and hinder economic growth [16]. A consensus is emerging that UHC, with a robust primary health care (PHC) system, is the principal framework for this integration. This approach emphasizes targeting key behavioural risk factors, such as harmful alcohol consumption, tobacco use, unhealthy diets, and physical inactivity, to effectively reduce NCD prevalence [16]. Urgent and comprehensive action is essential due to the significant global impact of NCDs across all socioeconomic contexts.

As early as 2007, studies indicated that chronic NCDs caused the greatest global share of death and disability, accounting for around 60% of all deaths worldwide, with 80% of these occurring in low- and middle-income countries and 44% being premature deaths [13]. Notably, mortalities attributed to NCD were twice as high as the deaths resulting from infectious diseases (including HIV/AIDS, tuberculosis, and malaria), maternal/perinatal conditions, and nutritional deficiencies combined [13].

In Africa, NCDs, injuries, and mental health issues impose considerable burdens of illness, mortality, and socioeconomic challenges, despite often being neglected [8]. In 2019, NCDs and mental health disorders caused over 2.1 million premature deaths and 204 million Disability-Adjusted Life Years (DALYs) across Africa. Whiles communicable diseases still dominated with 4.1 million premature deaths and 330 million DALYs, NCDs are rapidly increasing in Sub-Saharan Africa due to demographic transitions. For instance, a 2019 study showed a 67% increase in NCD-related DALYs in the region, rising from 90.6 million to 151.3 million [14].

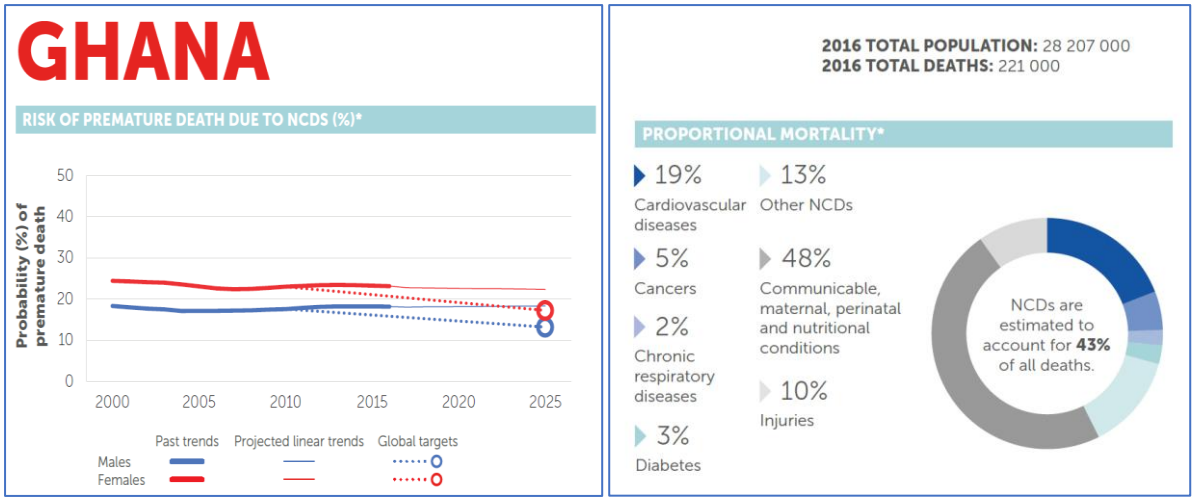
The NCDs are a major global health concern, causing 74% of all deaths worldwide, with the majority (over three-quarters) and most premature deaths (86% before age 70) occurring in low- and middle-income countries (LMICs) like Ghana [15]. Addressing NCDs is crucial for economic development, human capital, and health as a human right in these nations [12]. The UHC approach offers countries the flexibility to

[1] It was revised in 2022

incorporate NCDs based on their specific burden, fiscal capacity, and health system capabilities.

Ghana faces a significant NCD challenge, with these diseases causing 43% of all deaths, including a substantial 19% from cardiovascular diseases [16] as shown in Figure 1. Recent surveys indicate a growing NCD prevalence among the urban poor, creating a dual disease burden alongside infectious diseases [17]. The increasing prevalence of hypertension, particularly in urban areas, is a major concern, contributing significantly to cardiovascular disease morbidity and mortality.

Figure 1 NCDs burden in Ghana (2018)



WHO: NCDs Country profiles 2018 (Page 95)

Ghana faces substantial health and developmental obstacles due to the increasing burden of non-communicable diseases, also referred to as chronic diseases. These conditions contribute to impoverishment, decreased economic productivity, and unaffordable out-of-pocket healthcare expenses for many Ghanaians, as highlighted in the 2023 Ghana National Health Accounts [18]. Globally, LMICs, including Ghana, are projected to experience significant economic losses attributed to NCDs, estimated at USD 7 trillion between 2011 and 2025, with annual losses approximating USD 500 billion [19]. In contrast, the projected cost of implementing interventions for NCD prevention and control during this same period is USD 170 billion. This economic analysis underscores the compelling rationale for investing in proactive NCD prevention and health promotion strategies to mitigate the significant challenges these diseases pose to Ghana's development.

This policy brief, therefore, aims to evaluate the funding available for non-communicable diseases (NCDs) and mental health in Ghana. It will review the progress made, utilising the National Health Accounts data for 2023, and offer recommendations for advancing toward national and global health targets.

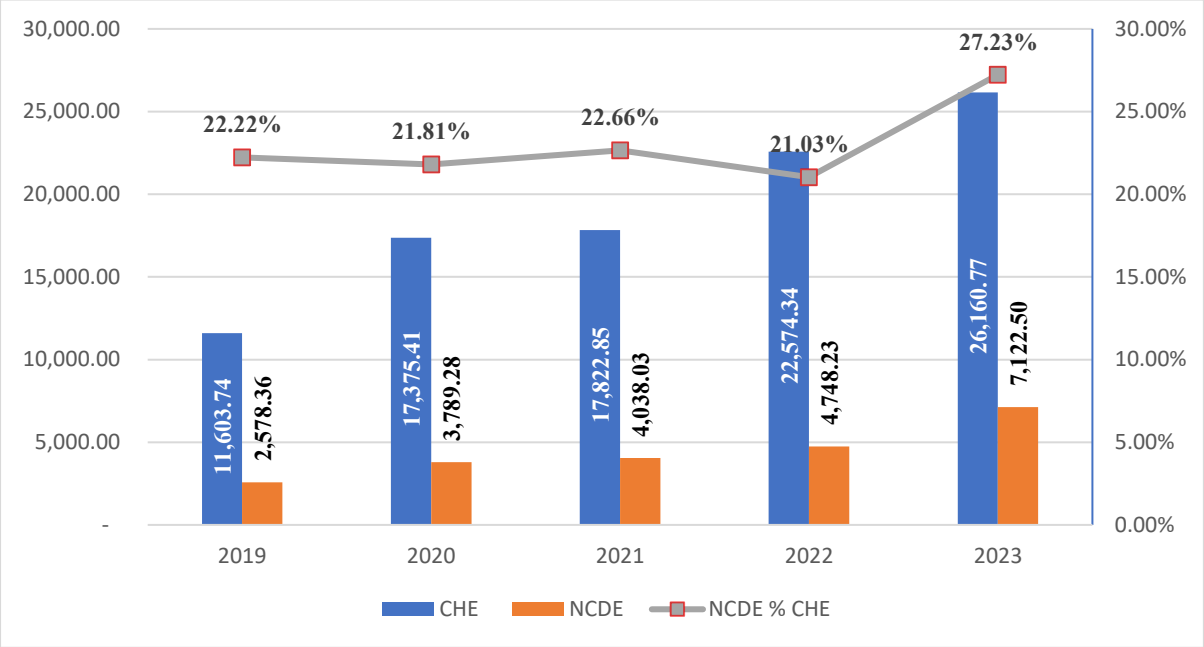
2 FINANCING

2.1 General Current Health Expenditure for NCDs

Ghana's Total Health Expenditure (THE)[2] increased from GHC12.13 billion in 2019 to GHC26.95 billion in 2023, representing a 122.1% increase within five financial years. The Current Health Expenditure (CHE), on the other hand, increased by 125.5% from GHC11.6 billion in 2019 to GHC26.16 billion in 2023, which shows that recurrent expenditure on health increased more rapidly than capital investment on health in Ghana.

The Non-Communicable Disease Expenditure (NCDE), in nominal terms, increased from GHC2.58 billion in 2019 to GHC7.12 billion in 2023. As a share of CHE, non-communicable disease conditions registered a proportion of 22.2% in 2019, which has steadily increased to 27.2% in 2023, as shown in Figure 2.

Figure 2 Trends of expenditure in NCDs in Ghana



The trend of NCD expenditure in Ghana as a share of CHE, generally, has been increasing annually from 2019 and this leap was relatively huge between 2022 and 2023 (Figure 3). This reflects the growing burden of these conditions in addition to the possibility of economy transiting from the initial impact of the COVID-19 pandemic. This aligns with global findings that healthcare systems were forced by the pandemic to not only reorganize hospital wards and staff but also to transfer equipment and supplies from other departments to take care of COVID-19 patients, all within budget constraints [20].

Therefore, as economies recover from the impact of the COVID-19 pandemic, Ghana's health system continues to face considerable challenges. These include the need to strengthen system resilience to better prepare for future public health

[2] Total Health Expenditure (THE) is the summation of Current Health Expenditure (CHE) and Health Capital spending (HK)

emergencies and improving responses to increasing and evolving health needs, particularly the growing burden of noncommunicable diseases [21] and health risks linked to climate change and other environmental issues. Addressing these challenges will require finding ways of increasing sustainable resources targeting NCDs in the country.

The NHA findings in Table 1 offer a granular perspective on Ghana's NCDE by presenting these figures in per capita terms (amount allocated to each person[3] in Ghana). While aggregate national health expenditure data provides a broad overview, converting NCDE to a per capita basis yields a more meaningful understanding of the financial resources allocated to each individual concerning the burden of these diseases. This disaggregation allows for a more precise assessment of resource distribution and facilitates targeted policy interventions.

Table 1 Trends of expenditure in NCDs in Ghana

Key Indicator	Units	2019	2020	2021	2022	2023
CHE	GHC, Million	11,603.7	17,375.4	17,822.9	22,574.3	26,160.8
NCDE	GHC, Million	2,587.4	3,789.3	4,038.0	4,748.2	7,122.5
NCDE % CHE	Percent	22.2%	21.8%	22.7%	21.0%	27.2
Population	Millions	30.28	30.5	30.8	31.6	32.3
NCDE per capita	GHC	85.1	124.2	131.0	150.5	220.5
NCDE per capita	USD	15.4	21.6	21.8	17.6	18.6

According to the NCDE's findings, the per capita allocation in Ghana has been on the rise since 2019. In 2019, the allocation per individual was GHC85.1 (usd15.4), which saw a 46.0% increase to GHC124.2 (USD21.6) in 2020 and an additional 21.1% increase to GHC150.5 (USD17.5) in 2022. This amount further rose by 46.8% to reach GHC220.5 (USD18.6) in 2023. Although there was a 46.8% increase in GHC between 2022 and 2023, the corresponding USD value fell by 13.9% during the period between 2020 and 2023, highlighting the effect of the depreciating Ghana Cedi on funding for non-communicable diseases in the nation.

2.2 Financing Sources for NCDs and Mental Health

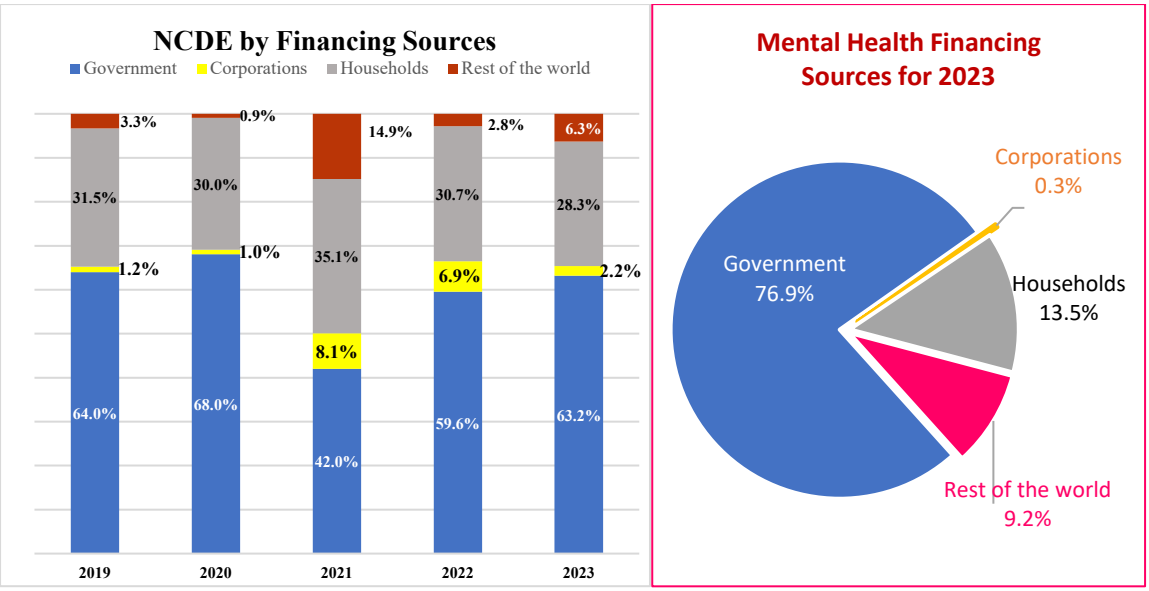
Analysis of the National Health Accounts (NHA) data reveals significant trends in the financing of non-communicable disease expenditures (NCDE) in Ghana. The government consistently emerged as the primary financier of NCDE, demonstrating the largest contribution of 68.0% in 2020. While this share experienced a notable dip to 42.0% in 2021, subsequent years witnessed a steady increase, reaching 59.6% in 2022 and further climbing to 63.2% in 2023. Conversely, households represented the second largest contributor to NCDE. Their financial burden peaked at 35.1% in 2021 but subsequently decreased to a low of 28.3% in 2023 (as illustrated in Figure 3).

Interestingly, the roles of donors (categorized as "Rest of the world") and private corporations in financing NCDE exhibited a dynamic shift between 2019 and 2023. Donors provided their most substantial contribution in 2021 (14.9%) and their least in 2020 (0.9%). In contrast, private corporations accounted for their largest share of NCDE funding (8.1%) in 2021.

[3] In this analysis, the total population of Ghana was included.

A more detailed examination of the NCDE allocation indicates that the financing of mental health services mirrored the overall trend, with the government being the predominant source of funding, accounting for 76.9% of mental health expenditure in 2023. Following the government, households constituted the second largest financing source for mental health in the same year (13.5%). Donors ("Rest of the world") contributed 9.2%, while private corporations provided the smallest share at 0.3% of the total mental health expenditure in 2023 (as depicted in Figure 3).

Figure 3 Financing Sources for NCDs and Mental Health in Ghana



The consistent and growing dominance of government financing for NCDE and mental health in Ghana signifies a strengthened public sector commitment to addressing these critical health areas. However, the fluctuating contributions from donors and private corporations highlight the potential instability of these funding sources and underscore the need for more predictable and sustainable domestic resource mobilization. This calls for an exploration of sustainable partnerships with the private sector under clear regulatory frameworks. In addition, strengthening the coordination and alignment of donor funding with national health priorities is vital for augmenting financial resources without compromising national ownership [22].

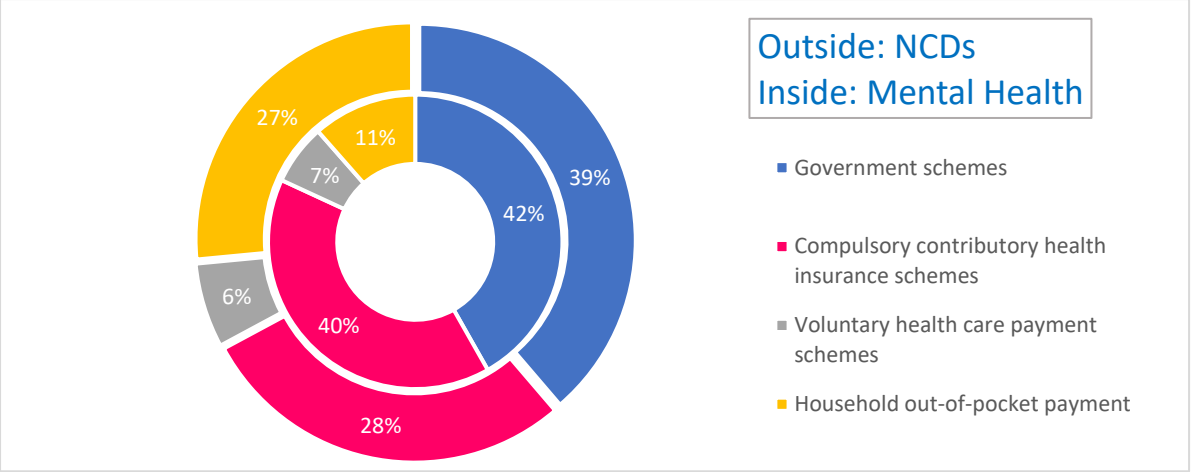
The mirroring financing patterns for mental health, with an even greater reliance on government funds and substantial household expenditure, further emphasize the urgency for targeted interventions to improve financial protection and access to mental healthcare services, which are often under-prioritized despite their substantial societal impact.

2.2 Financing Schemes for NCDs and Mental Health

Financing schemes refer to the mechanisms through which health resources are collected and pooled to pay for health services. In 2023, the NHA findings show the major financing schemes for NCDs in Ghana are the government schemes, which accounted for 39% of the total NCDE. Compulsory contributory health insurance schemes represented the second largest share at 28%, closely followed by direct household OOPs, which contributed 27%. Voluntary health care payment schemes played a comparatively minor role, representing the smallest proportion of NCDE financing (Figure 4: Outer circle).

A distinct pattern emerged when examining the financing schemes specifically for mental health services in 2023. Government schemes remained the largest contributor (42% of mental health expenditure). Notably, compulsory contributory health insurance schemes demonstrated a substantially greater role in financing mental health compared to overall NCDE, contributing 40%. Household OOPs represented a considerably smaller proportion of mental health financing at 11%, while voluntary health care payment schemes accounted for 7% (Figure 4: Inner circle).

Figure 4 Financing Schemes for NCDs and Mental Health in Ghana



These findings reveal that the observed divergence underscores the differential reliance on various financing mechanisms when addressing mental health needs compared to the broader spectrum of non-communicable diseases. However, the persistently high level of household expenditure, despite a slight decrease over the observed period (Figure 3), indicates a significant out-of-pocket burden on NCDs (Figure 4). This is likely to exacerbates health inequities and poses a barrier to universal access, particularly for vulnerable populations.

To achieve universal health coverage and SDG 3 in Ghana, a financing policy centred on strategic resource mobilization and risk pooling is essential. This necessitates a sustained increase in government health expenditure, potentially through innovative fiscal measures such as earmarked taxes on health-harming products or efficiency gains within the health system [23]. Expanding the coverage and benefits of the National Health Insurance Scheme (NHIS) to comprehensively include NCD prevention, treatment, and mental health services is crucial to reduce out-of-pocket expenditure [24].

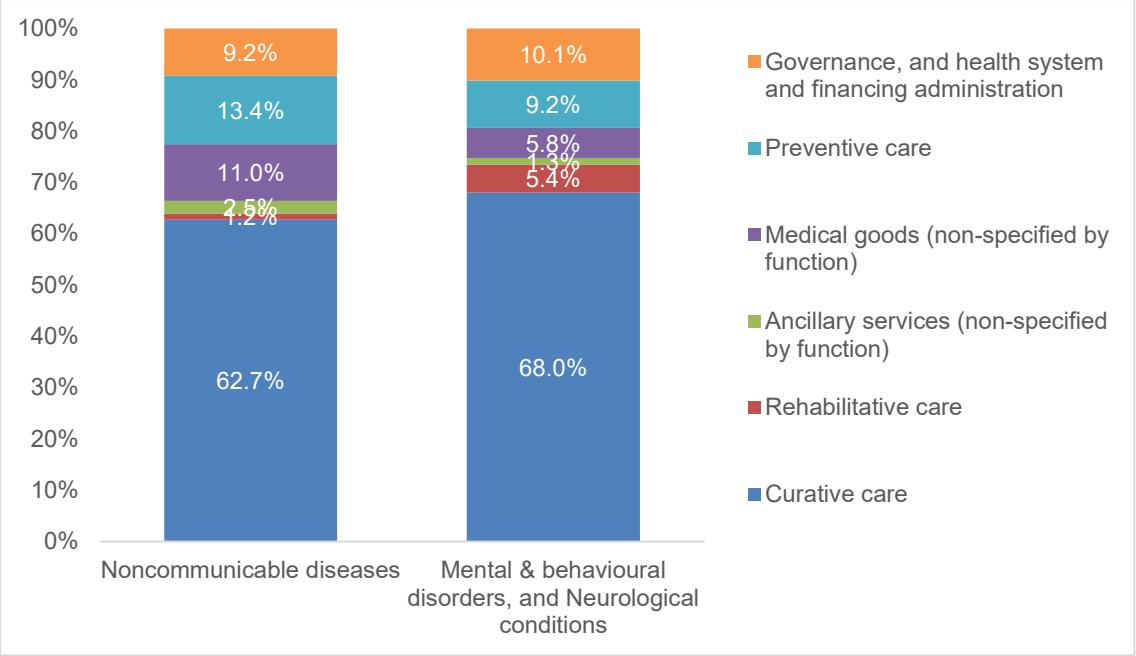
2.3 Service Provision for NCDs and Mental Health

Analysis of the NHA data from a service provision perspective in 2023 highlights a significant focus on curative care within NCDE, which made up 62.7% of the total. Preventive care represented the second largest category at 13.4%, followed by expenditure on medical goods (not specified by function) at 11.0%, and governance/administration at 9.2%. Ancillary services (not specified by function) and rehabilitative care accounted for smaller proportions of NCDE, at 2.5% and 1.2%, respectively (Figure 5).

A similar distribution of expenditure by service provision was observed within the mental health component of NCDE in 2023. Curative care again represented the largest share of spending, accounting for 68.0% of all mental health expenditure.

Governance/administration constituted the next largest category at 10.1%, followed by preventive care at 9.2%. Medical goods (not specified by function) accounted for 5.8%, while rehabilitative care represented 5.4% of mental health spending. Ancillary services (not specified by function) accounted for the smallest proportion at 1.3% (Figure 5).

Figure 5 Services provided for NCDs and Mental Health in Ghana, 2023



Ghana's 2023 NHA data reveals a reactive health system, with curative care dominating NCD and mental health expenditures. This focus on treatment rather than prevention or rehabilitation could lead to higher long-term costs and an unmitigated disease burden. The low investment in preventive and rehabilitative care, despite their significant benefits, highlights an imbalance in service provision and a missed opportunity to reduce disease burden through strategic investment in primary prevention and comprehensive care.

To achieve Universal Health Coverage and SDG 3, Ghana needs a financing policy that strategically reallocates resources towards preventive and rehabilitative services. This requires increasing budgetary allocations for public health programs focused on NCD and mental health risk reduction, early detection, and health promotion [25]. Incentivizing the integration of preventive and rehabilitative care within the NHIS and primary healthcare settings can boost access and utilization [26]. Exploring innovative financing, like conditional cash transfers for preventive screenings or rehabilitation, could also improve outcomes [27]. Strengthening healthcare professionals' capacity through targeted training and infrastructure development is crucial for effective service delivery and a more balanced, sustainable healthcare system prioritizing health promotion and comprehensive care.

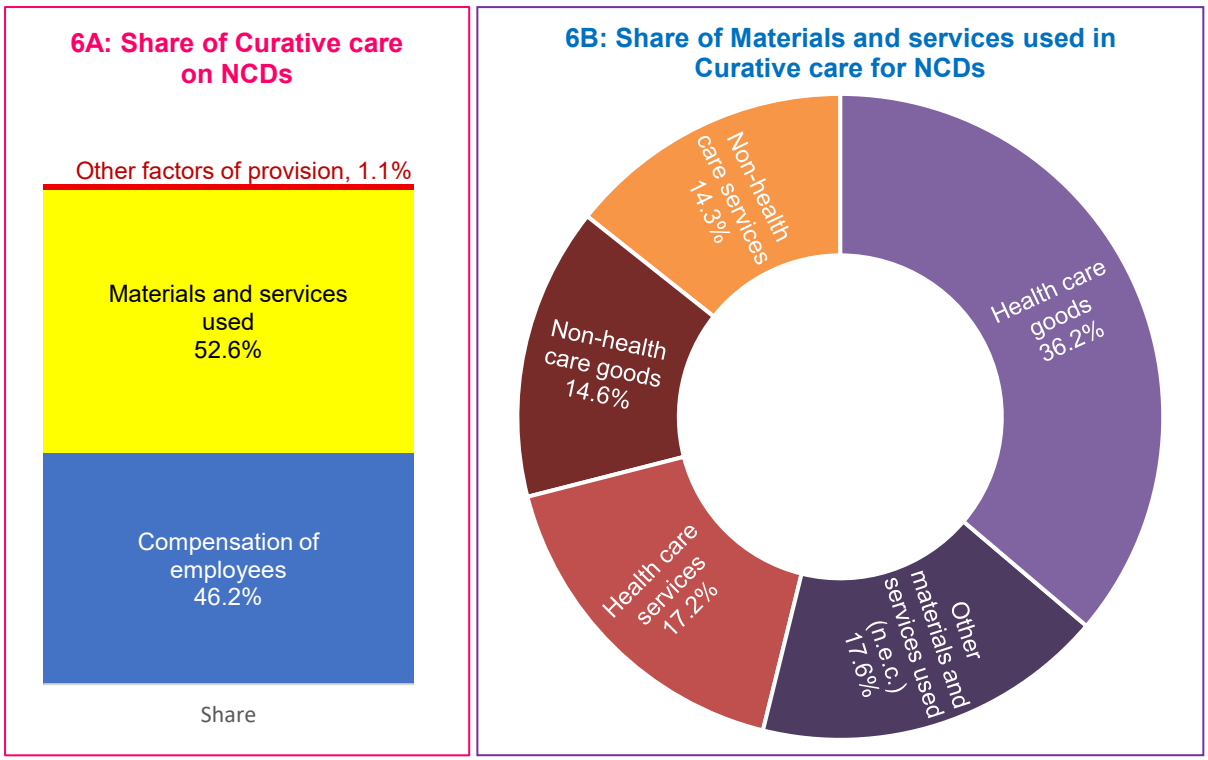
2.4 Factors Influencing Service Provision for NCDs

Given the domination of curative care expenditure within the service provision landscape for both overall non-communicable diseases and the specific domain of mental health in Ghana during 2023 (Figure 5), a subsequent analysis was conducted to determine the key drivers of these curative care costs for NCDs.

The findings reveal that the predominant cost drivers in 2023 were the compensation of employees and the utilization of materials and services. Specifically, employee compensation accounted for 46.2% of curative care expenditure on NCDs, while the cost of materials and services constituted a slightly larger share at 52.6%. The remaining factor inputs collectively represented a comparatively minor proportion, accounting for only 1.1% (Figure 6A).

Further analysis on materials and services used in providing curative care (Figure 6B) reveals that the biggest component of materials is health care goods or pharmaceuticals (36.2%), followed by Health care services (17.2%). Non-health care goods and non-health care services were almost equal at 14.6% and 14.3%, respectively.

Figure 6 Cost Drivers of NCDs Curative Care in Ghana, 2023



The significant proportion of curative care expenditure attributed to employee compensation and the utilisation of materials and services underscores the labour-intensive and resource-dependent nature of the current healthcare delivery model for non-communicable diseases in Ghana.

Medical goods (largely Pharmaceuticals), notably, form the largest material cost component, highlighting significant financial implications for medical supplies and specialized treatments. This cost structure emphasizes the critical need for efficient human resource management and strategic procurement to control overall NCD curative care expenditure.

To enhance healthcare financing efficiency and sustainability for UHC and SDG 3, a policy focused on strategic resource allocation and cost containment is crucial. This involves optimizing human resource deployment and skill mix [28], implementing efficient procurement and supply chain management for medical goods [29], and exploring alternative, less expensive care models. Strengthening primary healthcare for early NCD detection and management, and investing in health technology for remote monitoring, can contribute to cost containment without compromising quality

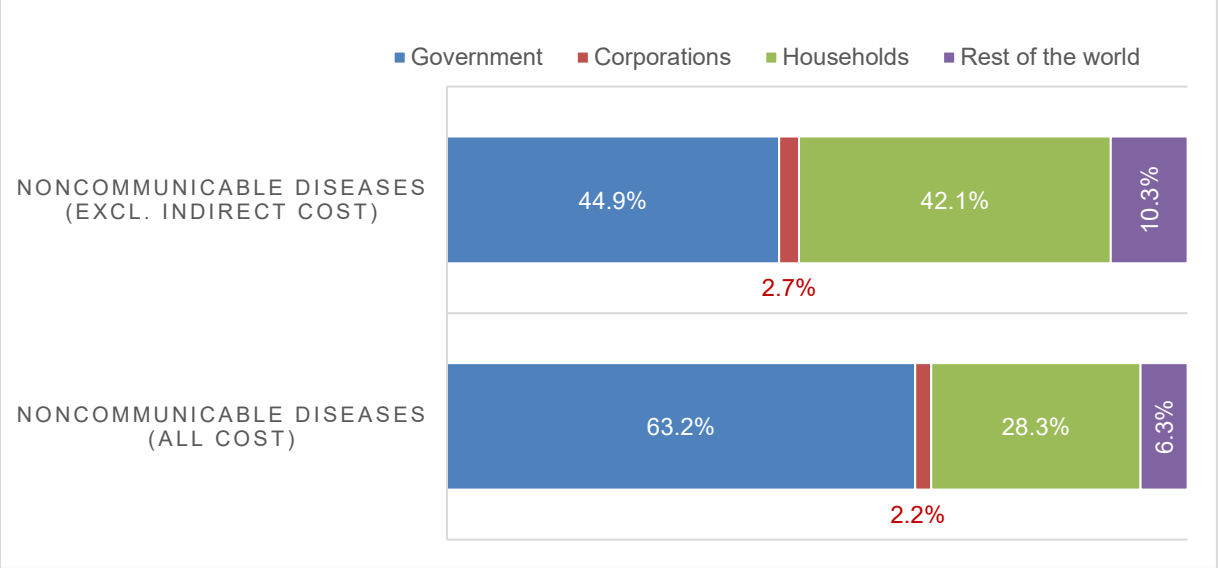
[30]. Improved data collection and analysis on all factor inputs are also essential for informed resource allocation decisions.

2.5 Service Consumption under NCDs

Analysis was made on non-communicable diseases to determine the respective contributors when every factor input is considered, i.e. "All Cost" approach, and further analysis when the indirect cost, especially borne by the government, was excluded, i.e. "Excl. Indirect Cost" approach.

Findings in Figure 7 show that for NCDs, the largest contributor remained the government in all scenarios, even when its contribution decreased from 63.2% (All Cost) to 44.9% (Excl. Indirect Cost) scenarios. The second highest contributor was Household financing, which increased from 28.3% (All Cost) to 42.1% (Excl. Indirect Cost).

Figure 7 CHE on Noncommunicable diseases by Funding Source, 2023



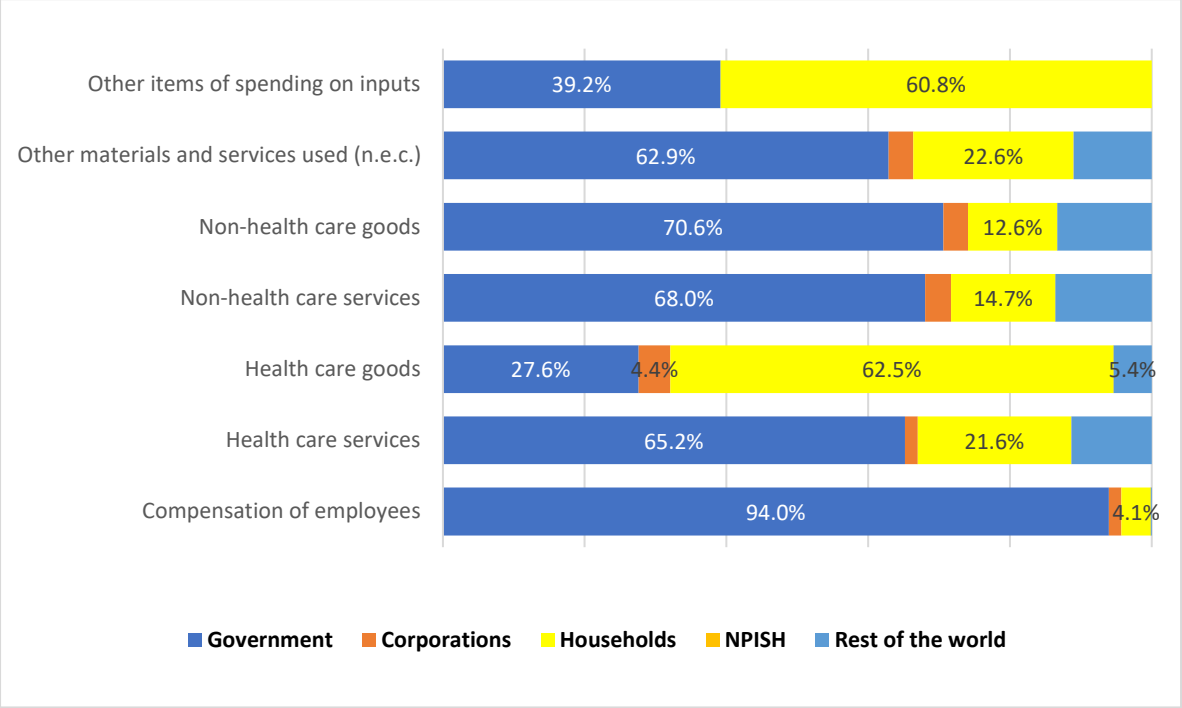
This means that, when indirect costs associated with these conditions are excluded, the financial burden is borne by households. Further examination of household spending patterns is therefore required to better understand the nature of these expenditures. Such evidence will be critical in informing policy interventions aimed at reducing the financial burden on households and, in turn, supporting the Ghana Medical Trust Fund (MahamaCares) in achieving its core objective.

Further analysis into the drivers of the substantial curative care expenditure on non-communicable diseases reveals the relative contributions of key factor inputs. As illustrated in Figure 6A, employee compensation accounted for 46.2% of these costs, while the expenditure on materials and services represented a slightly larger portion at 52.6%. A more granular examination of the materials and services component (Figure 6B) indicates that healthcare goods, predominantly pharmaceuticals, constitute the largest driver within this category.

Breaking down the financing of these input factors (Figure 8) provides a more detailed understanding. For employee compensation within NCD curative care, government resources are the primary source of funding, accounting for a significant 94.0%, followed by households at 4.1%. In contrast, the financing of healthcare goods

demonstrates a different pattern, with households bearing the largest share of the cost at 62.5%. Government resources contribute the second largest portion at 27.6%, while the rest of the world accounts for 5.4%, and corporations contribute the smallest share at 4.4% (Figure 8).

Figure 8 Curative Care Factor inputs on NCDs by Financing Sources, 2023



This disparity in financing sources highlights the differential roles of government and households in covering the human resource and material costs associated with NCD curative care.

The dominance of government financing for employee compensation in NCD curative care alongside the significant out-of-pocket expenditure by households for healthcare goods, particularly pharmaceuticals, reveals a structural imbalance in Ghana's current health financing landscape for NCDs. This pattern suggests that while the government heavily invests in the health workforce for NCD care, individuals bear a substantial financial burden for essential medical supplies, potentially hindering access and equity, which are core tenets of universal health coverage and SDG 3. Addressing this imbalance through strategic policy interventions that reduce household expenditure on pharmaceuticals is crucial for improving financial protection and ensuring equitable access to NCD care.

To mitigate the high out-of-pocket expenditure on pharmaceuticals and progress towards UHC and SDG 3 for NCDs in Ghana, policy recommendations include strengthening the national health insurance scheme to provide more comprehensive coverage for essential medicines [31]. Strengthening the implementation of pooled procurement mechanisms (i.e., the framework contracting being practiced in Ghana) and negotiating drug prices can also reduce costs [32].

Furthermore, exploring the feasibility of a national drug benefit program or subsidies targeted at vulnerable populations, through community health workers, can alleviate the financial burden on households [33]. These strategies aim to shift the financing burden from individuals to more equitable and sustainable prepayment mechanisms,

thereby improving access to necessary healthcare goods and advancing the goals of UHC and SDG 3 for NCDs in Ghana.

3 DISCUSSIONS

3.1 General Health Financing for NCDs

Ghana's health financing has improved significantly from 2020 to 2023, with total health expenditure (THE) increasing by 47.1% and current health expenditure (CHE) by 50.6%. The growth is partly due to the rising burden of Non-Communicable Diseases (NCDs), with NCD expenditure (NCDE) increasing from GHC3.79 billion in 2020 to GHC7.1billion, raising its share of CHE from 21.8% to 27.2%. Although per capita NCD allocations rose in local currency, the depreciation of the Ghanaian Cedi reduced its USD value. The COVID-19 pandemic also necessitated healthcare system adjustments. National Health Accounts data reveal that the government remains the primary financier of NCDE, with its contribution increasing to 63.2% in 2023 after dropping to 42.0% in 2021. Households, the second major financier, saw its share decline from 35.1% in 2021 to 28.6% in 2023. In mental health financing, the government accounted for 76.9% and households contributed 13.5% in 2023.

Regarding pooling mechanisms, government schemes were the primary financing mechanism for non-communicable diseases (NCDs), representing 39% of total NCDE. Compulsory health insurance contributed 28%, while direct household out-of-pocket payments (OOPs) accounted for 27%. For mental health services, government schemes also led at 42%, but compulsory health insurance's contribution rose to 40%. Household OOPs for mental health were lower at 11%, with voluntary schemes at 7%. Despite a slight reduction in overall household expenditure on NCDs, the high out-of-pocket burden continues to exacerbate health inequities and hinder universal access, particularly for vulnerable groups, highlighting the need for improved financial protection and access to services.

3.2 Provision of Health care services for NCDs

Ghana's health expenditure data for 2023 highlight a noticeable emphasis on curative care for NCDs, which constitutes 62.7% of total NCDE. This focus is particularly evident in mental health services, where curative care accounts for 68.0% of spending. Conversely, preventive care receives only 13.4% of NCD funding, with only 9.2% allocated to mental health preventive care initiatives. Rehabilitative care is allocated only 1.2% of the total NCDE, increasing to 5.4% within the mental health area. This reactive approach, which prioritises treatment over prevention and long-term recovery, may lead to escalating overall healthcare costs and a growing burden of NCDs in the country.

An examination of the cost components associated with curative care reveals that employee compensation comprises 46.2% of total expenditures (largely by the government), while materials and services account for 52.6%. Within the materials and services category, health care goods (largely pharmaceuticals) represent the most substantial portion at 36.2% (largely by the households). This data underscores the labour-intensive and resource-dependent nature of care for NCDs in Ghana.

3.3 Service consumption for NCDs

The financing of Non-Communicable Diseases (NCDs) in Ghana reveals a dual burden, primarily shouldered by the government and increasingly by households. While the government remains the largest financier of NCDs, its contribution decreases from 63.2% (under an "All Cost" approach) to 44.9% when indirect costs are excluded. This shift highlights the substantial financial burden that directly falls on households, whose share of NCD financing concurrently rises from 28.3% to 42.1%. This growing out-of-pocket expenditure for NCD care at the household level warrants further investigation to inform policy development aimed at alleviating this burden and supporting initiatives like the Ghana Medical Trust Fund (Mahama Care Program).

An analysis of NCD curative care expenditure reveals that employee compensation accounts for 46.2% of costs, while materials and services make up 52.6%, with pharmaceuticals being the largest expense. Funding sources show an imbalance: the government covers 94% of employee compensation, but households pay 62.5% of healthcare goods, primarily pharmaceuticals. Government support for healthcare goods is only 27.6%, leading to financial strain for individuals and potentially hindering progress towards Universal Health Coverage (UHC) and Sustainable Development Goal 3. Additionally, Ghana's recurrent health expenditure is rising faster than capital investment, with a 50.6% increase in Current Health Expenditure (CHE) compared to a 47.1% increase in Total Health Expenditure (THE) from 2020 to 2023.

3.4 Conclusion

Ghana's health financing landscape is characterised by a significant increase in overall health and NCD expenditures between 2020 and 2023, yet it faces critical challenges that could undermine progress towards universal health coverage.

The disproportionate focus on curative care for NCDs and mental health, coupled with underfunded preventive and rehabilitative services, suggests a reactive healthcare system that may struggle with long-term sustainability. The dual burden of financing, with the government as the primary funder but increasing out-of-pocket payments from households, particularly for pharmaceuticals, underscores a critical barrier to achieving Universal Health Coverage and meeting SDG 3 targets. This imbalance, most evident in curative care financing, not only strains household finances but also risks exacerbating health inequities.

As Ghana's health expenditure continues to evolve, addressing these disparities through a more balanced allocation of resources between curative, preventive, and rehabilitative care, alongside strategies to reduce out-of-pocket expenses, will be crucial for creating a more equitable, efficient, and sustainable health financing system.

4 POLICY RECOMMENDATIONS

Develop a strategy to prioritise sustainable resource allocation, specifically targeting NCDs and proactively addressing health risks associated with lifestyle, climate change and environmental issues.

- A sustained increase in government health expenditure, through innovative fiscal measures or efficiency gains within the health system.
- Expand the coverage and benefits of the NHIS to comprehensively include NCD prevention, treatment, and mental health services to reduce OOP expenditure and advance equitable access to care.
- Strengthening the coordination and alignment of existing donor funding with national health priorities to augment financial resources without compromising national ownership.

Strategically reallocate resources towards promotive, preventive and rehabilitative services, focusing on strategic resource allocation and cost containment to enhance efficiency and sustainability to achieve UHC and SDG3.

- Increase budgetary allocations for public health programs centred on NCD and mental health risk reduction, early detection, and health promotion. explore innovative financing mechanisms such as conditional cash transfers.
- Strengthening the capacity of healthcare professionals through targeted training is also crucial for effective service delivery.
- Optimise human resource deployment to ensure equitable distribution of healthcare workers for improved access to quality healthcare
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- Explore less resource-intensive care models hinged on PHC strengthening frameworks for early NCD detection and treatment
- Investing in health technology for remote monitoring.
- Conduct costing studies on NCDs and enhance data collection on all factor inputs to support evidence-based resource allocation policy decisions.

Prioritise addressing the high out-of-pocket expenditure on health care goods (mostly pharmaceuticals) to improve financial protection and ensure equitable access to NCD care in the quest to achieve UHC and SDG3.

- Strengthen the NHIS to provide more comprehensive coverage for essential medicines through its benefit package.
- Implement efficient procurement mechanisms for medical goods (i.e., pooled procurement mechanisms) like the framework contracting and negotiate NCDs drug prices to reduce costs. This is to ensure access to affordable medical goods .
- Explore the feasibility of a national drug benefit program or targeted subsidies for vulnerable populations, potentially delivered through community health workers, which can further alleviate financial strain on households.

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