

**SECRETARY FOR HEALTH**  
**SPEECH TO THE CIMC NATIONAL DEVELOPMENT FORUM**  
**NATIONAL PARLIAMENT, WAIGANI**

**HEALTH SECTOR POLICY PRIORITIES AND IMPLEMENTATION CHALLENGES**

**Salutation**

Prime Minister of PNG, Hon. Peter O'Neill

Ministers of State and Members of Parliament

Departmental Heads

Invited Guests

Ladies and Gentlemen

I am happy to be here today to share with you the health sector policy priorities, achievement and challenge to date and how we as a department plan to address these challenges going forward.

**2.1 National Department of Health Functions**

Consistent with the *National Health Administration Act 1997* and the Public Services (Management) Act 1995 the functions of NDoH are:

1. Develop policies, legislations and set health services Standards for PNG and oversee monitoring of the health services.
2. Provide advice to the Provincial Government and Provincial administrations on the implementation of the National Health Plan
3. Provide Specialist medical services to public hospitals and provincial health services.
4. Procurement of medical equipment and pharmaceutical supplies – to public hospitals and all health centres and Aid Posts.
5. Maintain a national health and information system.
6. Support all Nursing and Community Health Workers training schools, except the Medical School.

## **2.2 Organic Law on Provincial Governments and Local Governments**

The Organic Law on Provincial Governments and Local Governments, health functions have been divided between the three levels of Government, while the National Health Government retains major policy and standard development responsibility through the Minister for Health and the Department of Health.

By law development of health policy is the responsibility of the national government, while implementation of health policy is by Provincial Government.

## **1. THE NATIONAL HEALTH SYSTEM:**

Health services in Papua New Guinea are provided by both government, the private and non-government organizations. The government provides the greater part of all health services while the others by the Churches and private sector partners

### **1.1 PARTNERSHIP IN HEALTH**

Health have many partners in the deliver of health is a sector that has many partners to work with in the delivery of health services.

Current evidence provides that many of our private health stakeholders are successful in their businesses and I want to take a ride on that to deliver health where they are best positioned to deliver.

### **1.2 CHURCH HEALTH SERVICES:**

The churches are an important partner in the provision of rural health services and training of health workers. Other non-government providers include private practitioners, industry and traditional healers.

Churches provide 49% of all rural health services and 45% of the overall National Health Services and employ 25 percent of health workers in Papua New Guinea. They also are important contributors to the training of rural health workers.

The relationship with the church is important and requires enabling policies on working conditions for church health workers be improved so that services can continue to be delivered effectively.

### **1.3 HOSPITAL MANAGEMENT SERVICES**

In March 1994 Parliament passed the Public Hospital Act, which created hospitals as Statutory Institutions and the establishment of Hospital Boards for the management of Public Hospitals.

## **2. KEY ACHIEVEMENTS:**

### **2.1 National Health Plan 2011-2020**

The National Health Plan 2011-2010 was launched in August 2010 and focuses on a back to basics approach to rehabilitating rural health services and improving health outcomes. The budget of PGK 14.17 billion (excluding the additional human resource requirements) was approved including PGK 10.7 billion for recurrent expenditure and PGK 3.37 billion for capital. The 2011 Government budget allocations while improved on previous years did not reach the required level proposed under the National Health Plan budget projection.

### **2.2 National Health Service Standards**

The National Health Service Standards (NHSS) was launched in July 2011. The NHSS is a key requirement of the National Health Administration Act (1997) and provides the blueprint for improving the quality of health services in Papua New Guinea. It provides for a new service delivery strategy including community health posts and expanded hospital services for the future.

### **2.3 Rural Health Services Project (Health MTDP)**

The Health Sector has developed a comprehensive proposal to the Department of National Planning and Monitoring for the 2012 Development Budget. This proposal responds to the targets identified within the Medium Term Development Plan 2011-2015, including addressing key Millennium Development Goals of Maternal and Child Health and reduction in key communicable diseases (HIV, Malaria and TB). A total of PGK 1.5 billion is proposed to rehabilitate rural health services, key provincial hospitals and nurse/community health workers training institutions. It lays the foundations for service expansion. In 2011 an allocation of PGK 186 million was received including 13 million for the establishment of Community Health Posts. The proposed allocation for 2012 is PGK 346.4 million.

### **2.4 Provincial Health Authority Rollout**

The rollout of the Provincial Health Authority is a key strategy of the National Health Plan 2011-2020. Three Provinces (Western Highlands, Eastern Highlands and Milne Bay) have sworn in Boards during 2011 while Eastern Highlands in 2012. Five additional Provinces (Jiwaka, Hela, Manus, NCD and ARB) are currently preparing for implementation in 2012/13.

## **2.5 Provincial Service Improvement Plans**

All Provinces and Provincial Hospitals have developed five-year Health Sector Service Improvement Plans. These plans identify key projects needed to rehabilitate service delivery. Projects have been collated into the Health MTDP proposal to the Department of National Planning and Monitoring for funding in 2012.

## **2.6 Procurement of 100% Medical Kits and Distribution**

A key strategy to improving health outcomes in rural areas is to ensure adequate medical supplies are procured and distributed on a regular basis. The Medical Supplies Taskforce is actively implementing the roadmap including updating transit stores and improving procurement and distribution systems. The first round of 100% Health Centre medical supply kits have been procured and distributed to provinces expected to take delivery of supplies over the next few months. Government funding of medical supplies has improved however Development Partners continue to heavily supplement this activity.

## **2.7 Improvement in Malaria Control**

With investments from the Global and involvement of private sector assisting the department and provinces in the implementation of Malaria program, the country is experiencing a reduction in the incidences of malaria. This is the result of the distribution and usages of impregnated treated mosquito nets around the country.

## **5. Health Sector Priorities**

## **1. National Health Plan 2011 - 2020 and the National Health Service Standards**

In August 2010 the National Department of Health launched its new National Health Plan 2011 – 2020 in Port Moresby. The National Health Plan sets out our priorities for the next ten years and different strategies we have included to address health issues in PNG. We as a department are looking to a back to basics approach with an emphasis on primary health service delivery for all Papua New Guineans. To accompany the new National Health Plan, NDoH also developed its sectoral Medium-Term Development Plan 2011 - 2015, and assisted each province to develop their own 5 year Strategic Implementation Plans. These documents will inform stakeholders of priority activities, major developments and funding requirements for the health sector.

2. **Improve Primary Health Care services** – in the past 5 years PNG has continually had poor indicators in child health, maternal health and in the prevention and cure of preventable diseases. The MTDS 2007 – 2012 has stated the need for improvement and as such the department has outlined this as a key priority in the health sectors National Health Plan.
3. **Strengthening Governance and Partnerships in Health** – The previous National Health Plan and the current plan outlined the need for strengthened relationships with other partners in health. In line with overall government policy and further enhanced by the current NDoH corporate Plan 2009 – 2013. Through the revamp of the National Health Board, restructure of the NDoH, establishment of Provincial Health Authorities and introduction of the Health Sector Partnership

Committee, NDoH is enhancing its existing partnerships and growing new relationships with other stakeholders.

4. **Technical advice and Support.** Providing adequate and reliable advice to Provincial Administrations in the implementation of the National Health Plan – The department has provided technical assistance in HR, finance and policy issues over the past 5 years. In the transition to a new National Health Plan the NDoH has also guided each province and hospital in PNG to develop their 5 year Strategic Implementation Plans. These plans serve to inform all stakeholders in health of their provincial priority activities and where funding and resources may be targeted. NDoH further developed the Health Sector Medium Term Development Plan (MTDP) to support the Provinces and Hospitals for infrastructure rehabilitation and development.
  
5. **Maintain the National Health Information System (NHIS)** – NDoH has began and continued the implementation and sector-wide roll out of improved NHIS, use of data and reporting on performance. Evidence based reporting and quality data is important to predict, control and plan for health. The NHIS provides a reliable source of information for the Department to carry out these activities and perform its functions. From 2010 the NDoH began developing the roll-out of the ICT Project – Health Net. By the end of this year (2012) Phase 1 will have been completed. This project is linked closely to the Government, Sector Wide Approach and will increase our access to updated information from around the nation and increasing linkages between health facilities, provinces and headquarters.

6. The NDoH has also developed and launched the National Health Service Standards in 2011, which will serve as a “blueprint” for health service in delivery in Papua New Guinea. These standards will detail how the health sector will be providing safe and quality care; reflecting the National Health Plan 20122 – 2020 to transform our health system and the goal of “strengthening primary health care for all and improved service delivery for the rural majority and urban disadvantaged”. It provides a direction and guidance for health practitioners and informs clients, communities and stakeholders of health services which they can expect to be available at each of the various levels of service delivery.

## **7. Medical Supplies Reform**

After a review was conducted by the Ministerial Taskforce on Medical Supplies in 2008, a report was presented to the Health Department to implement some recommendations. This included reforms to the previous system of which NDoH was to downsize the number of Area Medical Stores, split Pharmaceutical Standards and procurement of drugs into separate functions within the department and build Provincial Transit Stores for each province. As a temporary measure, Medical Kits have been organised with the support of AusAID and this will continue for the next four years until our procurement system is fully established. Further to this, there are improvements to medical supply

data collection. The core of these reforms is to streamline delivery, improve governance arrangements for better management and ensure the right drugs are provided on time and are of optimum quality. A Cabinet Policy Submission is prepared for the new Cabinet consideration and approval to implement the medical supplies reforms in the health sector.

## **8. Provincial Health Authority Act 2007 Implementation**

In 2007, Parliament passed the Provincial Health Authority Act, a legislation to reform the way health services are delivered throughout the country. The PHA system allows for one health system across a single province. The administrative, financial and decision making powers are all held under one head of the PHA. Its purpose is to improve health service delivery and ease the manner in which health services can be delivered at the Provincial Level, through streamlining the government health services. The PHA reform is currently being trialled in Milne Bay, Western Highlands and Eastern Highlands Province. After the trials the department will endeavour to roll it out into the rest of the country. We strongly believe this reform to be answer for improving the health service and it will be the vehicle for successful implementation of the National Health Plan.

## **MAJOR CHALLENGES AND PROPOSED WAY FORWARD**

Ladies and Gentlemen,

- Our health infrastructures have been ignore for a long time and are falling apart;
- The country is current facing a critical shortage of its workforce through an ageing work force. This is due to our inability to replace them through proper Human Resources Planning for replacement and lack of training of adequate manpower;
- Medical equipment have been overlooked over the years in terms of funding and have not been maintained or replaced;
- Under funding of Health Services delivery by most provincial governments is a major challenge;
- Our current dual health system is fragmented and uncoordinated. Making health service planning and delivery a major challenge at the provincial level;
- Overall poor health outcomes, including high maternal and neonatal mortality; outbreaks of new diseases such as cholera, H1N1; and high infectious disease burdens for malaria, pneumonia, and TB;
- There are also indications that our country is heading towards a situation where non-communicable diseases will become more and more prevalent.

All these challenges have contributed to the poor health indicators our country has been experiencing for sometimes.

Ladies and Gentlemen, as the new Secretary for the Department of Health and, I do not accept these trends and do not wish to dwell to much on. But are the challenges that

must be taken on board this time around in our planning and budget decisions. I sure we all want to move forward and make a difference. We must act now for a better future for our children and our country.

Already the department of health is taking bold steps to alleviate these challenges and I call upon you to support me make a changes to the ways we do business so that will benefit our people in the long run.

We all know that the department of health cannot do this along. If we want to see changes in our people health status, I call upon all learned friends and partners to work together to make positive changes for better health outcomes.

### **1. Challenge : Human Resources**

The Health Sector contains one of the most heavily unionized, multi-skilled and largest workforces in Papua New Guinea, that is currently facing a crisis with the ageing workforce. It has posed a major challenge to manage, retain and support consistently and effectively. The current National Health Plan seeks to support our workforce as one of the pillars of the health sector. However, this component of the plan is yet to be costed and fully resourced.

### **Proposed solution**

NDoH is has began preparations to develop the Health Sector Workforce Development Plan. It is envisioned that this plan will cover resourcing, strategies and planning for the

Health workforce in PNG. To date the department has prepared an NEC submission for approval and will subsequently further the Draft HR Policy into a final implementable document. The Health Sector Workforce Plan will go through two stages, firstly with the Arrest Plan and then look to implement the more long term Workforce Development Plan later in 2012.

The current level of staffing within the Health Sector has not increased in line with population growth and is severely limiting the ability of the service to deliver quality care. Following the completion of the Human Resource Development Plan a further National Executive Council submission will be prepared later in 2011 to address the additional human resource management requirements.

## **2. Challenge : Medical Supplies**

Inconsistent, poor quality and untimely procurement of medical supplies in PNG has been an ongoing problem for the health sector in reaching its service delivery goals. Issues surrounding the quality, delivery, import and procurement of drug supplies have hampered the implementation of health service delivery in PNG for many years.

### **Proposed solution**

The Department of Health is implementing reforms to improve the delivery of drug supplies in PNG. As mentioned previously, the reforms will be aiming to streamline and improve the delivery, procurement and governance of the medical supply system.

## **3. Challenge : Legislative, Governance and Policy Environment**

In the years leading up to the previous and current government the Department of Health and the sector as a whole has operated in dysfunctional governance systems.

Many of its policies and legislations have become either redundant or outdated. We have had widespread corruption take over in many facets of the health system, resulting in an underperforming workforce and worsening health indicators.

### **Proposed solution**

Currently the NDoH is reviewing existing structures, policies and legislations to bring up to date with contemporary Papua New Guinea and the changes that entails. We are weeding out corruption through improvements to good financial management, practicing accountability and transparency, and bringing back authority to essential bodies such as the National Health Board. A key reform we believe will push health into a new era is the Provincial Health Authority. By streamlining provincial service delivery through the PHA aims at cutting out the extra padding and focusing on health service delivery. The PHA requires political support and we will continue to advocate this to our elected leaders.

#### **4. Challenge : Deteriorating Health Infrastructure and Equipment**

Over the past 5 years the conditions of our available health infrastructures have continued to deteriorate at an alarming rate. The lack of maintenance and care for our facilities has caused some to close down since 2007. Replacement and maintenance of essential health equipment has also been neglected.

### **Proposed Solution**

We as a Department continue to request for increased funding to health services in PNG's annual budget. The department has developed its MTDP and SIP to detail priority capital works and maintenance for health infrastructure and equipment. We need the support from central agencies and political leaders to push the health agenda forward and implement our plans in the next 5 years. Project Coordination Unit has been established within the department, to complement existing governance committees to deliver much needed support to health infrastructure development and rehabilitation.

#### **5. Challenge : Underfunding of the Health Sector**

Prior to 2007 and in the period leading to the present day, there has been a declining amount of money spent on health per capita. Continuous shortfalls have lead to further weakened health system and poor results against key health indicators and national government targets. There is continued lack of consistency, coordination and inter-agency support adequate funding for the health sector.

#### **Proposed Solution**

As highlighted in the previous points, the MTDP has now set out a guide on how we aim to deliver basic health services, rural infrastructure maintenance and upgrades to urban facilities. Provinces have submitted their SIPs to support and the department will coordinate with its partners and central agencies to implement this plan. The Department is also being trailing direct facility funding programs to get the money to where it is really needed.

## **6. Challenge: Policy on Church Health Workers Salary.**

The government through the NDoH is subsidizing all health services in Papua New Guinea.

This funding includes funding for Goods and Services and Salaries for Church Health Workers. While funding for Goods and Services steadily increases over the years, the challenge is the disparity in the pay of church health workers. This Health department has submitted budgets proposal for this and awaiting Cabinet submission and approval.

### **Proposed Resolution**

The Government will be advise through a Cabinet Policy Submission to review part policy decisions on Church Health Workers Salaries and make new policy to rectify the disparities between Public Servants and Church Health Workers Salaries. This policy initiative will put to rest the issues affecting our church health workers.

## **7. Public Hospitals Charges and Dental Charges Regulations**

Currently Public Hospitals and Urban Clinics are charging users fees as per the Public Hospitals and Dental Charges Regulations. The government announced free health care and subsidized specialist services in PNG. The NDoH is supportive for the government announcement and is proposing legislative amendments to the existing laws to allow for the policy to be effected. There are also options for improving policy announcement that it is implemented without further delay.

### **Proposed Resolution**

The existing legislations on User Fees will be reviewed and for Government to introduce the new User Fees policy announcement by the Prime Minister.

#### **8. Addressing Industrial Awards Unions Members**

Awards have been updated for Doctors, Nurses and Community Health Workers. Payments for Doctors and Nurses have already been provided and we are in the process of backdating payments for Community Health Workers pending funding availability. In addition changes to awards for health extension officers and laboratory technicians are expected to be signed in the next two weeks and funding for these payments will also need to be sourced.

#### **9. Addressing Maternal Mortality**

The 2006 Demographic Health Survey identified, and backed up with evidence at the service delivery level, that maternal mortality indicators had deteriorated over the previous ten years. A Ministerial Taskforce was formed to address the issue. The report of this taskforce was launched in 2010 and an ambitious plan of activity agreed in late 2010 for implementation. Health Centres and District Hospitals have received supplies of essential emergency obstetric equipment and family planning supplies. In addition to address the shortfall and quality of academic educators several Doctors and Midwives have been contracted with the support of Development Partners..

#### **10. Amendment to Medical Registration Act**

The department is currently revising the current Medical Registration Act and replace with a Health Practitioners legislation that will take into account all health practitioners in their registration, discipline, ethics and licensing of private practice.

Ladies and Gentlemen, the gathering here today is timely, because I want to involve our other stakeholders in health decision making in improving our health systems so that service delivery is enhanced. The Provincial Health Authorities roll out requires a lot of support from CACC departments so that financial and HR systems are in place to have them operational.

This week the Deputy Prime Minister together with the Minister for Health and HIV called on our Mining industries partners to assist the Government deliver health services and program to our people.

Papua New Guinea as a country has in place the Vision 2050, the Medium Term Development Plan 2030, the National Health Plan 2011-2020, the Health Sector Medium Term Development Plan. All these plans provide the directions for PNG, so we do not need to re-invent the wheel, but must do our bit to implement these plans and achieve expected results.

Ladies and Gentlemen, having said that, it is my intention to work with my fellow Department head and their agencies so that the Health of our people is not compromised.

Let not this CIMC meeting be just another forum because it is costing you and the State large sums of money to bring everyone together – let us get some value and results from this forum.

Let us all work together for the benefit of our people and our country.

Ladies and gentlemen, we have a good government that is giving Health and Education the priority.

I there, urge you all to take advantage of this government policy to transform the Health Sector.

I want you all to work with me to make a difference at each levels of the Health System where we work.

MR. PASCOE KASE  
**Secretary**