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## **PRESS STATEMENT ON THE SHORTAGE OF MEDICINE AND SUPPLIES**

Sikika is concerned with the recent reports that indicate that there is a shortage of essential medicines and medical supplies in public health facilities; in particular for the uninsured population.

Problems caused by shortages of medicines are serious, threatening patient care in hospitals and require urgent action. In addition, it affects the wellbeing of the individuals and the health care system of the country. The current shortages of medicine and medical supplies in different public hospitals is affecting many people especially those who are not covered by any health insurance or who have limited insurance coverage. On other hand the shortage does not only affect the service users but also contributes to demotivation of health care providers.

In Tanzania, more than 80% of the population does not have health insurance. This current situation has exposed the fact that our public health system is in fact a two-tier system where those with means are able to enjoy a better quality of care than those without. The public health system is failing to protect the health and lives of the most vulnerable poor citizens (those without insurance and means to pay the required fees). This inequity is unjust.

The current shortage of medicines in different public health facilities is believed to have been caused by lack of funds and an accumulation of debt by these facilities. As a result, the central Medical Stores Department (MSD) has put a stop order on supplying the indebted facilities so as to protect its already depleted working capital. The shortage of medicines is being experienced in a number of different hospitals including Muhimbili National Hospital (which has a debt of Tsh. 8 billion, Ocean Road Cancer Institute, Kiteto district hospital (debt of Tsh. 38 million), Mpwapwa district hospital and many others as reported by different newspaper and Sikika district coordinators.

Currently, the Government of Tanzania through the Ministry of Health and Social Welfare owes MSD more than a total of ninety (90) billion Tanzania shillings which also includes costs associated with clearance, storage and distribution of goods received from donors for the so called “vertical programs”. This situation is gravely affecting the functionality of MSD. The debt has depleted the department’s working capital – these are the funds that MSD needs to pay suppliers, salaries of staff and other costs associated with procurement, storage and distribution of medicines and supplies. Not having sufficient working capital is contributing to the department not being able to hold sufficient stocks of medicines, delayed procurement, distribution and many other challenges.

The main cause of these challenges is the fact that the GoT has not prioritized the health sector, within it, funding of essential medicines and supplies. Low budget for essential medicines and supplies, incomplete and delayed disbursements, poor

management of other sources of incomes (user fees) has contributed to these facilities accumulating the vast debts now crippling the system. For example, the current budget (2014/15) is Tsh. 70.5/= billioni while the quantification which was done by NIMR shows the requirement is Tsh. 500/= Billioni.

As mentioned earlier, the crisis affected more the uninsured compared to insured. The majority of the uninsured population contributes “user fee” when seeking health services. Despite the fact that large part of the population pays for the health services, literature shows that only small percentage of it goes to the health resource envelope. This is contributed by the lack of accurate, reliable and transparent data and transpired guideline from the districts, hospitals and PHCs on how much is being collected and used. Due to lack management and proper guidelines on the collection and the use of cost sharing moneys (user fee included), which in turn causes loss of revenues that could help to reduce stock out of medicines and medical supplies in the public health facilities and even debt at MSD.

Sikika therefore recommends the following:

- The government needs to make good of its current commitments for funding essential medicines such as disburse funds on time and all amount should be disbursed.
- The government should review and enforce the guidelines that will provide direction on the collection and the use of alternative funds especially user fee. The current agreement(s) by the government that 67% of the collection to be spent on procurement of essential medicines and 15% for medical supplies and reagent but very few facilities abide to these guidelines.
- The Government through MOHSW should expand insurance coverage by increasing the number of individuals covered by insurance so as more funds are collected from a wider base. Having a wider base for collection of funds increases funds hence increased ability to pay for more services and this can pave a way for consideration for those few who can not pay the premiums
- The Ministry through NHIF should improve CHF and TIKA to enable beneficiaries’ access services nationwide instead of being limited to their respective councils.
- Health facilities and councils should make sure that the local collection from cost sharing is used to procure medicines and medical supplies as per current guidelines, and whenever they purchase from the private vendors should ensure they get value for money
- MSD should strive to fill the health facilities’ orders by 100%. This will provide health facilities with enough stock of Medicines & Medical Supplies including buffer that can be used during emergencies and crisis.



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