

CHALLENGES IN THE MANAGEMENT OF THE  
WAIVER SYSTEM: A CASE STUDY OF  
KAPSABET DISTRICT HOSPITAL – KENYA.

A THESIS BY:  
KAMANDA M. ALLAN



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20059234

## ABSTRACT

The cost - sharing program was introduced in Kenya in 1989 with the provision of a waiver system to act as a safety net for the medically vulnerable and poor members of the society. The potential benefits notwithstanding, there has been concern about the implementation varying from the original intention, leading to insignificant number of official waivers granted. This has in turn adversely affected the vulnerable groups in their attempt to access health care in public facilities considering that over fifty six per cent of the Kenyan population live below the poverty line.

**Objectives:** This study sought to; (1) describe the functioning of the waiver system; (2) establish utilisation of the waiver system; (3) determine the factors affecting the effectiveness of the waiver system and; (4) determine the level of awareness about the waiver system among patients presenting themselves.

**Methodology:** The study assumed a cross-sectional study approach of Kapsabet District Hospital and was based on key informant interview schedules, questionnaires and document review on the waiver system at Kapsabet District Hospital. Purposive sampling method was used to obtain key informant respondents from the hospital staff while simple random sampling and systematic sampling was used to obtain patient respondents. The population of this study was composed of patients at the hospital as well as hospital staff involved in the management of the waiver system. A total of 350 respondents were sampled for the study. Data was collected by use of key informant interview schedules, questionnaires and documents were reviewed to complement the data obtained from interviews and questionnaires. Data collected was entered and analyzed using the Statistical Package for Social Scientists (SPSS). Tables were used to summarize responses.

**Results:** The functioning of the waiver system was found to operate on an ad hoc basis as it operated without waiver targets, there were no long term plans for its operations and there was no inclusion of the waiver related costs in the annual budgeting process. There was poor utilization of the waiver system among potential beneficiaries despite more than half of the patients knowing that a waiver system exists at the hospital, three waived patients per month was the norm; Age of the patient respondent was statistically significant in waiver application ( $X^2 = 10.22$ ,  $p = 0.015$ ). Occupation, education and income level were not necessarily factors in waiver application; Stock out of drugs, supplies, lack of information dissemination on waivers, difficulty in beneficiary identification and poor operating structure for the waiver system are some of the factors that affected the effectiveness of the waiver system.

**Conclusion and recommendations:** The study had important policy implications on the management of the waiver systems. Specifically, challenges impairing the management of the waiver system were identified. Key recommendations include: (1) development of enforcement mechanisms for issued guidelines under the waiver system such as monitoring and evaluation of the waiver system on a prescribed timeframe; (2) increased funding for district hospitals by the government with a provision of reimbursement for fees waived; (3) publicizing the waiver system to create awareness among potential beneficiaries and; (4) establishing an effective and efficient operating framework structure for the waiver system, for example, constituting a waiver committee. These recommendations among others will lead to better management of the waiver system, and in effect guarantee better health care and quality of life of the society in general.