



THE COMMISSION ON ADMINISTRATIVE JUSTICE (Office of the Ombudsman) *Hata Mnyonge ana Haki*

PRESS RELEASE

NAIROBI, Friday, February 21, 2025

Ombudsman Calls for Immediate Action to Avert Looming Healthcare Crisis

The Commission on Administrative Justice (Office of the Ombudsman) has expressed grave concern over the recent announcement by the Rural Urban Private Hospitals Association (RUPHA) to suspend healthcare services across Kenya. This drastic decision stems from the failure of the Social Health Authority (SHA) to remit funds owed to private healthcare providers for services rendered under government-sponsored health programs.

RUPHA has cited several critical issues that have compelled its members to take this drastic step, effective February 24, 2025. Chief among these is the staggering accumulation of unpaid arrears by the National Health Insurance Fund (NHIF), amounting to approximately KSh 30 billion, with some debts dating back to 2017. This financial strain has left hospitals unable to meet their obligations, including servicing bank loans, restocking essential medicines, and paying consultants.

Compounding the issue is the current outpatient reimbursement model under SHA, which hospitals describe as unworkable and unsustainable. For instance, hospitals reportedly receive less than KSh 75 per patient per month, a figure they argue is grossly inadequate to cover operational costs, let alone maintain quality healthcare services.

Technical inefficiencies within the SHA system have further exacerbated the crisis. Hospitals report frequent system downtimes, delays in One-Time Password (OTP) verification, and challenges in verifying patient eligibility. Shockingly, 89% of facilities have experienced failures with the SHA portal, while 83% struggle to verify patient

information due to persistent glitches. These technical hurdles have severely hampered hospitals' ability to process claims and deliver seamless services to patients.

RUPHA has also expressed frustration over the government's perceived inaction in addressing these challenges. Despite repeated appeals, their concerns have largely been ignored, putting patients' lives at risk and threatening the survival of private healthcare facilities. The Association warns that without urgent intervention, access to quality healthcare for key groups such as teachers and police officers—who rely heavily on SHA services—will be severely compromised.

The Commission emphasises that access to healthcare is a fundamental right enshrined in Article 43(1)(a) of the Constitution of Kenya, which guarantees every person the right to the highest attainable standard of health, including healthcare services. The threatened suspension of services by RUPHA members poses a significant risk to the public, particularly vulnerable populations who depend on these facilities for critical medical care.

Implications of Service Withdrawal

The suspension of healthcare services by private hospitals will have far-reaching consequences, including:

1. Thousands of Kenyans, especially those in rural and underserved areas, will be left without access to essential medical services.
2. Public hospitals, already overstretched, will face an overwhelming influx of patients, further compromising the quality of care.
3. Ongoing treatments, including maternal care, chronic disease management, and emergency services, will be disrupted, potentially leading to preventable deaths.
4. The inability to access healthcare will result in lost productivity and increased out-of-pocket expenses for Kenyans seeking alternative care.

In light of this crisis, the Commission calls upon the Social Health Authority (SHA) to provide the following information within seven (7) days:

- i. A detailed breakdown of outstanding payments, including the duration of arrears and reasons for delays;
- ii. A remedial action plan outlining how the SHA intends to settle outstanding payments and prevent future delays;
- iii. A transparent audit of the SHA's financial operations to ascertain the root cause of the funding shortfall and ensure accountability in the utilization of public resources;
- iv. Disclose what grievance resolution mechanisms that they have put in place to resolve the crisis country wide; and
- v. Evidence of consultations with RUPHA and other stakeholders to address the issue and mitigate the impact on service delivery.

The Commission in line with its mandate of addressing all forms of maladministration and oversight and enforcement of the right of access to information strongly urges the following immediate actions to address the current healthcare funding crisis:

Actions for the Social Health Authority (SHA)

- i. The SHA should prioritise the remittance of all outstanding funds to members of the Rural Urban Private Hospitals Association (RUPHA) to ensure the continuity of healthcare services.
- ii. Implement a reliable payment system to prevent future delays and ensure timely reimbursement for healthcare providers and address the systemic challenges that have been experienced by the service providers.
- iii. The SHA must keep the public and stakeholders informed about the status of payments and the measures being taken to resolve the ongoing crisis.

Actions for the Rural Urban Private Hospitals Association (RUPHA)

- i. RUPHA should consider alternative measures to address the funding shortfall without compromising the health and well-being of Kenyans.
- ii. RUPHA is encouraged to engage in meaningful discussions with the SHA and other relevant authorities to find a lasting solution to these funding issues.

Actions for the Public

- i. The Commission encourages all Kenyans to remain vigilant and report any instances of denial of healthcare services or maladministration. Such reports can be directed to the Commission for investigation and redress.

The Commission remains committed to safeguarding the rights of Kenyans and ensuring that public institutions fulfill their mandates effectively and transparently. The threatened suspension of healthcare services is a matter of urgent public interest, and the Commission will closely monitor the situation to ensure that the rights of citizens to access healthcare are upheld.

For further information or to lodge a complaint, members of the public are encouraged to contact the Commission through the following channels:

Toll-Free Line: 0800-221349

Email: compain@ombudsman.go.ke

DATED AT NAIROBI THIS *21st* DAY OF *February* 2025



CHARLES DULO

COMMISSION CHAIRPERSON