

## PARTNERING TO MAKE BUDGETS WORK FOR THE PEOPLE

### Support for Advocacy and Training to Health Initiative (SATHI) – India

SATHI was established in 1998 as the action center of the Mumbai-based Anusandhan Trust. For seven years SATHI worked as part of the Trust’s Centre for Enquiry into Health and Allied Themes (CEHAT) before becoming an autonomous center based in Pune in 2005. In pursuit of the goal of “health for all,” the organization works to build coalitions at both the local and national levels to advocate for universal access to appropriate health care services. SATHI’s work spans three major activities: 1) Monitoring and evaluation – the organization implements the community monitoring component of India’s National Rural Health Mission (NRHM), both at the national level through the Advisory Group on Community Action, and at the local level as the lead nongovernmental organization in the state of Maharashtra; 2) Research – SATHI conducts research on inequalities in health at the state level, with a focus on malnutrition, health access, and health status; and 3) Training – SATHI takes a leadership role in training community health workers through the Accredited Social Health Activists program, both at the national and local levels, and also conducts trainings on health rights.

#### SATHI Monitors the Procurement and Distribution of Medicines in the State of Maharashtra

The lack of availability of essential medicines in public health facilities in Maharashtra is a serious problem and also a major reason for low utilization of the public health system. According to India’s National Sample Survey (2004), out-of-pocket expenditure on medicines for inpatient treatment ranged from 57 to 66 percent of the total cost of treatment and was higher in public health facilities than in private health facilities. Although public health facilities are supposed to provide health services at minimum cost, the reality is that the lack of essential medicines has made the actual costs borne by patients very high.

As part of its Maharashtra Health Equity and Rights Watch project, SATHI conducted a household survey in 10 districts of the state. In this survey, information on illnesses treated on both an inpatient and outpatient basis were

gathered from 1,659 households (8,373 persons).

One of the survey sections asked the respondents about their perceptions of the quality of public health care services. More than half of the respondents (55

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percent) complained about the quality and availability of medicines in public health facilities, citing this as one of the main reasons for not seeking treatment from the public health system.



Despite the evidence on the lack of availability of essential medicines, there is limited knowledge of the drug procurement system, supply chain, and budget allocations. Thus SATHI has taken up a research project to understand the drug procurement process and the availability of essential medicines at various levels in the rural public health system in Maharashtra's Pune district. The research is being conducted on two primary health centers (PHCs) with regard to: 1) the budget allocations for essential medicines; 2) the procurement and distribution system of essential medicines with a focus on key gaps, bottlenecks, and areas of delay; and 3) the actual availability of various essential medicines at the PHCs, with particular attention to standard norms.

Pune district is one of the five districts where the National Rural Health Mission's (NRHM) community-based monitoring program has been implemented for the last three years. Community-based

monitoring (CBM) is a key strategy of the NRHM that aims to ensure that services reach the intended beneficiaries, especially those residing in rural areas, the poor, women, and children. Monitoring the availability of essential medicines is one of the components of the CBM. Since 2007 SATHI has conducted three cycles of NRHM monitoring, the findings of which clearly reveal that the distribution system for moving medicines from the state level to the PHC level is malfunctioning. For example, a particular medicine may be unavailable in one district but found in surplus in another district.

SATHI's monitoring is a challenging endeavor, since the whole system of drug procurement and supply lacks transparency at all levels. There have been many anecdotal reports of financial irregularities in the system. Furthermore, the experience of other researchers who have attempted this work indicates that the officials involved in irregular practices create obstacles at every stage of the

data-gathering process. One advantage that SATHI has is its position as the lead organization in the state of Maharashtra for CBM under the NRHM. This position allows the organization to solicit data related to the procurement of medicines. Recently, the issue of corruption in the procurement of medicines was raised in Maharashtra's Legislative Assembly session. While responding to this issue, the Health Minister declared that the entire system of procurement will be revamped. From now on, all procurement of medicines and equipment will take place at the state level, whereas previously procurement was done at both the state and district levels. The government is planning to establish two warehouses at the state level, eight at the regional level, and 33 at the district level, all of which will be connected by the Internet and will follow a daily stock reporting system. Currently, the system is in turmoil as the discussions regarding badly needed changes continue. SATHI hopes that the plan for rolling out the new system will soon be finalized.

## SATHI's Participation in the Partnership Initiative

With support from the Partnership Initiative, SATHI is continuing to monitor the procurement of medicines in the state of Maharashtra. To build on its previous work, SATHI is conducting detailed analyses of the budget allocations for drugs from the different offices responsible for allocation to the district and facility levels; the procurement process at the state and district levels; and the actual availability of medicines in selected primary health centers. At the same time, the organization will take advantage of the rollout of the community monitoring program within the NRHM to train community groups to specifically monitor essential medicines. This will extend the analysis beyond what SATHI could accomplish alone and will increase civil society capacity for public audits in the health sector in Maharashtra, as well.

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*The IBP's Partnership Initiative is a collaborative effort that seeks to enhance the impact of civil society budget work in selected countries of Africa, Asia, and Latin America. The initiative strives to contribute to the development of sustainable institutions; to increase public access to timely, reliable, and useful information; to enhance the effective participation of civil society in policy and budget processes; and to establish a platform of good practices on which future generations of civil society can build.*