

The Impact of Federalization on Health Sector in Nepal: New Opportunities and Challenges

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ABSTRACT

The promulgation of constitution of Nepal in 2015 has shifted the unitary government of Nepal towards federalism with significant devolution of power to seven newly created provinces, each with their own unicameral legislature. The major challenges during the transition phase in health sector are spillover effects, unclear roles and responsibilities of local authorities, human resource management and strengthening capacity at local level as per local need. Despite these challenges, federalism brings fertile ground for the local government to work more closely with their people; with more effective financing and planning based on evidences and their need.

Keywords: Federalism; health sector; Nepal; challenges; opportunities.

INTRODUCTION

The unitary government of Nepal was switched to federal government after the declaration of the new constitution in 2015. The federal structure of the country is governed by three levels of government namely federal level, seven provinces and 753 local governments. The government system has been restructured with an objective to provide equal health care services to the people such that they can enjoy their equitable rights to health and pave path to achieve universal health coverage in the country.¹ However, their roles and responsibilities are not clearly defined and strengthening their capacity is required to ensure a smooth transition.

CURRENT HEALTH SITUATION IN NEPAL

The new national health policy 2019 has mandated subnational governments to equitably and efficiently deliver Basic health services to the people that includes preventive and promotive care related to reproductive, maternal, child health and nutrition services.² During the last two decades, Nepal has made remarkable progress in decreasing death rate due to communicable, maternal, neonatal, and nutritional diseases with explicit decrease in under 5 mortality rate and under 1 mortality rate lower than expected. The observed under 5 and under 1 mortality rates were 31.4 and 27.2 deaths per 1,000 live births respectively while the expected under 5 and under 1 mortality rates were 80.3 and 58.3 deaths per 1,000 live births respectively in 2017.³ The

country report showed significant difference between expected and observed mortality rates which was more than two folds signifying outperforming achievement in under 5 mortality rates. However, epidemiological transition has been observed from communicable to non-communicable diseases in the last two decades comprising of two third of deaths due to NCDs.³

CHALLENGES, OPPORTUNITIES AND WAY FORWARD

In the federal context of Nepal, many challenges are likely to be faced while implementing policies. One of the major challenges might be spillover effects, unclear delegation of responsibilities and lack of good communication among different levels of government as there are 753 local governments which is large in number and diverse in nature.⁴ Nepal Health Policy 2019 has put Universal Health Coverage (UHC) as the center of its priorities stressing the need for equitable access and quality health care services in addition to Basic Health Care Services (BHCS) free of charge to all.² The enforcement of National health policy in 2019 has now provided opportunities to provincial and local governments to craft their policies and strategies as per their needs. However, human resource management and strengthening the capacity at local level are other major challenges as the health care services needs to be delivered via new federalized structure at sub national level. This require more human resources to provide quality and adequate health care services in the context

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of increasing burden of disease, retain skilled human and maintain regular availability of essential goods to deliver basic health care.⁵

There is paucity in evidences on effective and compatible approaches to strengthen the quality of health care delivery system in Low and Middle Income countries.⁶ Hence, in the context of Nepal, strengthening the capacity at local level based on local priorities, needs and evidences generated through researches is a strong entry point to improve the quality and equity of health care delivery system.

The changing federalism structure of the country holds both ample of challenges as well as opportunities for the respective authorities. In the spirit of constitution and with the vision of gradually making the health services universal and qualitative, out of NPR 1.53 trillion national budget Equalization Grants of Rs. 55.30 billion and Rs. 89.95 billion; and conditional grants of Rs. 44.55 billion and Rs. 123.87 billion have been allocated for the provincial and local levels respectively from the federal budget.⁷ However, strategies and planning on how these allocated budgets will be utilized and executed is not well established. This can be taken as an opportunity by the local authorities to implement community centered approaches and appropriate strategy to planning, financing, monitoring, evaluating, governing and overall management of health care delivery system based on the population needs.

It is important for the stakeholders to accept the fact that change in health system structure cannot be implemented easily and requires long term commitments and clear plan. In addition, immediate benefits are hardly gained as it is a long process and several challenges such as resistance of the civil workers to accept the change in power structure, difficulty in assigning the staffs to peripheral posting and risk of local authority gaining more benefits and increased corruption are likely to be faced in the way to successful implementation of this reform that requires to be managed tactfully.⁸

CONCLUSIONS

The newly elected local governments are more liable to lack the capacity to manage the constitutional power given to them, plan and budget the resources for health as they have to deliver health care delivery services in a newly structured health system. This can lead negative impact on health service provision, human resource deployment and overall functioning at subnational level. Hence, it is of utmost importance to generate evidences on how different levels of government have

planned, budgeted and executed basic health services in the country, what are the bottlenecks faced by different levels of government in health service delivery at the health facility level, and what strategies can be adapted to avoid negative impact of decentralization procedure such that the government can utilize these evidences for developing policies, guidelines and strategies to plan, budget, execute and provide service delivery as per the need at sub-national level.

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