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Navigating the Path to Universal Health Coverage - The Journey of Kenya's Social Health Insurance Fund (SHIF)

The Social Health Insurance Fund (SHIF) in Kenya marks a significant shift in the country's healthcare system, aimed at providing universal health coverage. The inception of SHIF has been met with both support and legal challenges, reflecting the complexities of implementing such a comprehensive health reform.

Moureen Nyatichi | Senior Associate 2



The SHIF was established under the Social Health Insurance Act, No. 16 of 2023 (SHIA), which was operationalized by the Ministry of Health.

The Social Health Authority was created to oversee the implementation of SHIF, with its effective date set for 1st October 2024. This transition will mark the end of the National Housing Insurance Fund (NHIF), which lapses on 30th September 2024.

TUSSLES IN COURT

High Court Ruling

In July 2024, in the Petition No. E473 of 2023, the High Court issued a judgment declaring the Primary Health Care Act, the Digital Health Act, and the Social Health Insurance Act unconstitutional, citing insufficient public participation in the legislative process. This decision was challenged by the Ministry of Health at the Court of Appeal.

Court of Appeal

On 20th September 2024, the Court of Appeal granted a stay order, allowing for the rollout of SHIF to proceed as scheduled for 1st October 2024. Despite this stay order, the legal battles are not entirely resolved.

The Court of Appeal's decision is temporary, pending a final ruling on the substantive appeal. Following the Court of Appeal ruling, the Ministry of Health has been proactive in finalizing the regulations necessary for the formal registration of individuals under SHIF.

National Health Information Exchange (HIE)

To facilitate the rollout of SHIF, the government has introduced the National Health Information Exchange (HIE) as a crucial integration, among all public and private hospitals. With an aim to streamline the sharing of patient information, ensuring that healthcare providers have access to accurate and up-to-date medical records.

Impact on the Court of Appeal Orders

Following the Court of Appeal orders and the subsequent directives from the Ministry of Health, employers are now required to register employees under SHIF through the Social Health Authority (SHA) employer portal by 1st October 2024. Further, any payment received on or before the 9th of October 2024 will be credited to NHIF, and payments received from the 9th of November 2024 onwards will be credited to SHIF.

CONCLUSION

The inception of SHIF in Kenya represents a landmark effort towards achieving universal health coverage. While the initiative has faced significant legal challenges, the Ministry of Health's directives and the Court of Appeal's stay order have provided a pathway for its implementation.

The ongoing legal scrutiny and public feedback will continue to shape the evolution of SHIF, ensuring that it meets the healthcare needs of all Kenyans. This journey towards universal health coverage is a policy shift that mandates prudence from employers and employees to ensure compliance and awareness of updates of future changes.

LET'S TALK

For further information on how to ensure compliance with SHIF and updates on further developments and how it will affect your business or assistance on any other matter kindly contact your regular Taxwise Africa analyst or the contacts below.



(020) 2025320



info@taxwiseconsulting.com



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