

Background & Introduction

Adventist Health Services was at risk of financial collapse in the mid of economic slowdown arising from COVID 19. The withdrawal of donor funding on free health services offered under the Service Level Agreement with the government of Malawi affected the financial sustainability of the institution. Based on current financial statements Malawi Government owes AHS 80% of the income base affecting quality health care and operational activities of the institution.

To overcome this predicament AHS with guidance from Dr. Danjuma Daniel (AHI, Project Manager) introduced to AHS Drug Revolving Fund strategy. A scheme where drugs and supplies are sold at cost price, plus a mark-up, and a portion of the revenue is used to replenish the drugs and supplies stocks. The strategy has proved to be a viable turnaround Project. Profound appreciation to Ben Siapco (AHI Lab Engineer) for supporting the strategy with the introduction of Microbiology in the strategic clinics Laboratories within AHS.

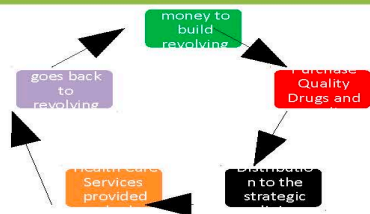
Objectives

- To improve and sustain financial stability within the institution
- To improve the availability of drugs and supplies for quality healthcare service
- To strengthen and bring the health system closer to the patient by creating sustainable processes and infrastructure further down the supply chain to make quality-assured health supplies consistently available in the health care system.

Method Used

- Loan Application
- Opened DRF Bank Account
- Operating in six strategic clinics out of 16 clinics
- Optimizing financial discipline

Revolving Fund Cycle



ADVENTIST HEALTH SERVICES

Promoting and providing holistic health services to the communities

Enhancing Financial Sustainability Through 'Drug Revolving Fund'

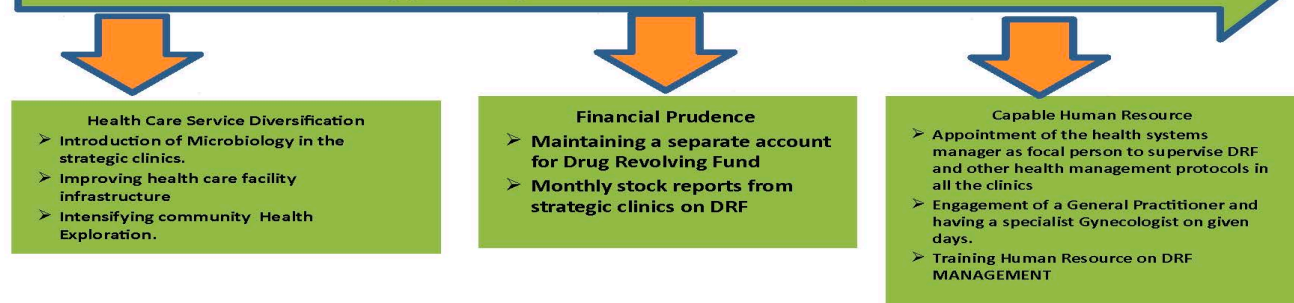
Prepared by: Peterson Katumbi, Contact Person Dr. F. Kasenga

Sustainable Strategies (The "PIL" Solution)

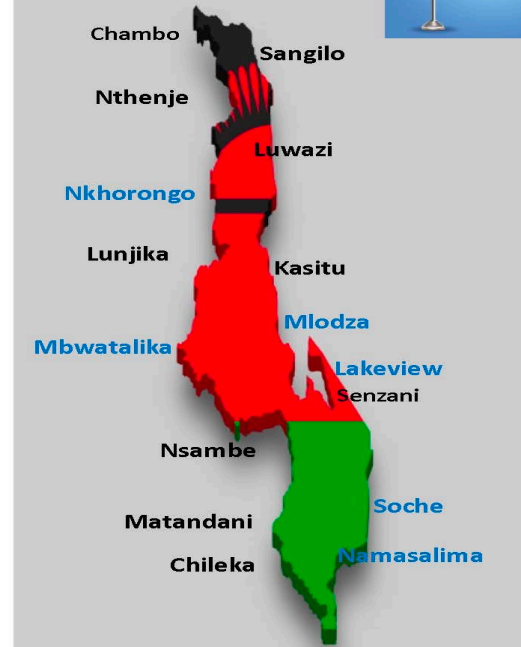


*The 'PIL' Strategy designed to ensure that the pharmacy and the laboratory are fully functional. AHS need support for imaging equipment.

Methodology: Drug Revolving Fund Implementation



Results: Drug Revolving Fund Strategic outcomes



Conclusion:

The Drug Revolving Fund initiative has improved financial viability at AHS and we will continue to expand the initiative across the 16 clinics across Malawi.

Acknowledgment

- Adventist Health International
- Southern Africa Indian Ocean Division
- Malawi Union Conference