

# Vote: 116 National Medical Stores

## Vote Summary

### VI: Vote Overview

This section sets out the Vote Mission, Strategic Objectives, and provides a description of the vote's services

#### (i) Snapshot of Medium Term Budget Allocations

Table V1 below summarises the Medium Term Budget allocations for the Vote:

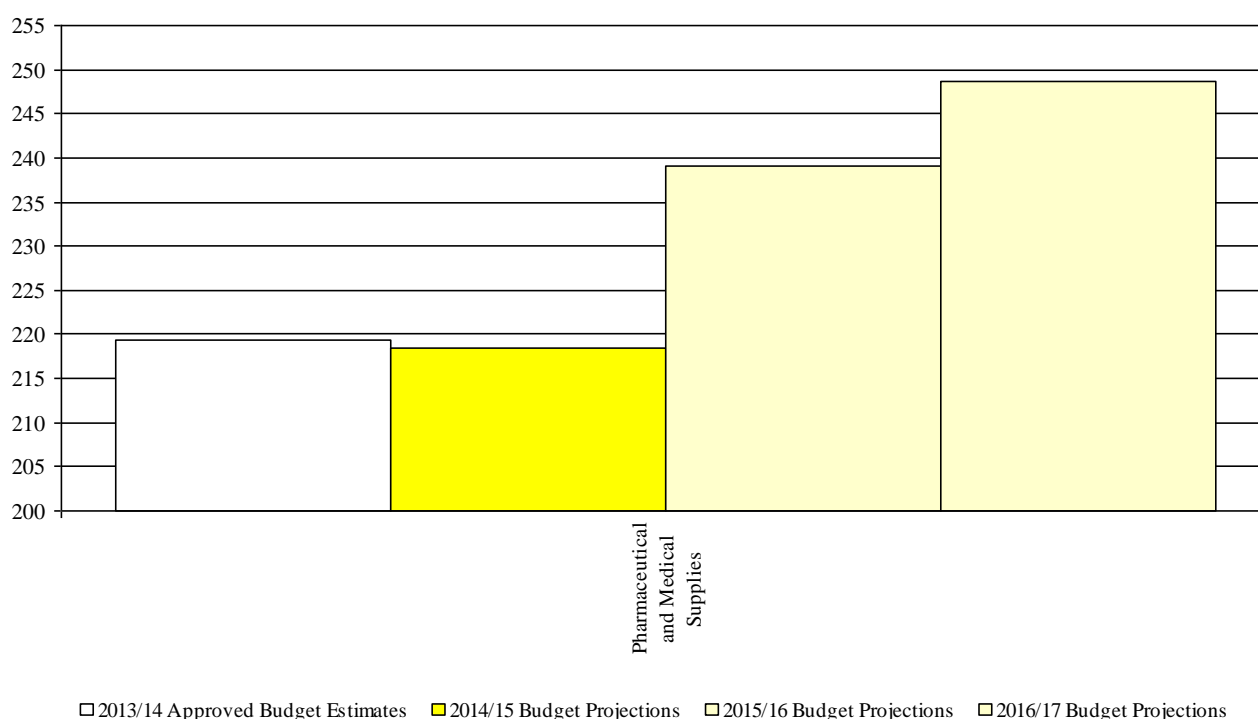
**Table V1.1: Overview of Vote Expenditures (UShs Billion)**

(i) Excluding Arrears, Taxes	2012/13 Outturn	2013/14		MTEF Budget Projections		
		Approved Budget	Spent by End Dec	2014/15	2015/16	2016/17
Recurrent						
Wage	0.000	0.000	0.000	0.000	0.000	0.000
Non Wage	210.376	219.375	130.574	218.375	239.120	248.685
Development						
GoU	0.000	0.000	0.000	0.000	0.000	0.000
Ext. Fin	0.000	0.000	0.000	0.000	0.000	0.000
<b>GoU Total</b>	<b>210.376</b>	<b>219.375</b>	<b>130.574</b>	<b>218.375</b>	<b>239.120</b>	<b>248.685</b>
<b>total GoU + Ext Fin. (MTEF)</b>	<b>210.376</b>	<b>219.375</b>	<b>130.574</b>	<b>218.375</b>	<b>239.120</b>	<b>248.685</b>
(ii) Arrears and Taxes						
Arrears	0.000	0.000	0.000	0.000	N/A	N/A
Taxes	0.000	0.000	0.000	0.000	N/A	N/A
<b>Total Budget</b>	<b>210.376</b>	<b>219.375</b>	<b>130.574</b>	<b>218.375</b>	<b>N/A</b>	<b>N/A</b>

\*\* Non VAT taxes on capital expenditure

The chart below shows total funding allocations to the Vote by Vote Function over the medium term:

**Chart V1.1: Medium Term Budget Projections by Vote Function (UShs Bn, Excluding Taxes, Arrears)**



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### (ii) Vote Mission Statement

The Vote's Mission Statement is:

*To effectively and efficiently supply essential medicines and medical supplies to health facilities in Uganda.*

### (iii) Vote Outputs which Contribute to Priority Sector Outcomes

The table below sets out the vote functions and outputs delivered by the vote which the sector considers as contributing most to priority sector outcomes.

**Table V1.2: Sector Outcomes, Vote Functions and Key Outputs**

Sector Outcome 1:	Sector Outcome 2:	Sector Outcome 3:
<i>Increased deliveries in health facilities</i>	<i>Children under one year old protected against life threatening diseases</i>	<i>Health facilities receive adequate stocks of essential medicines and health supplies (EMHS)</i>
<b>Vote Function: 08 59 Pharmaceutical and Medical Supplies</b>		
<i>Outputs Contributing to Outcome 1:</i>	<i>Outputs Contributing to Outcome 2:</i>	<i>Outputs Contributing to Outcome 3:</i>
None	None	<p><i>Outputs Provided</i></p> <p>085901 Health Supplies to LG Units, General &amp; Regional Hospitals</p> <p>085902 Health Supplies to National Referral Hospitals</p> <p>085903 Pharmaceutical Products - GF Support</p> <p>085906 Supply of EMHS to HC 11 ( Basic Kit)</p> <p>085907 Supply of EMHS to HC 111 ( Basic Kit)</p> <p>085908 Supply of EMHS to HC 1V</p> <p>085909 Supply of EMHS to General Hospitals</p> <p>085910 Supply of EMHS to Regional Referral Hospitals</p> <p>085911 Supply of EMHS to National Referral Hospitals</p> <p>085912 Supply of ARVs to accredited facilities</p> <p>085913 Supply of EMHS to Specialised Units</p> <p>085914 Supply of Emergency and Donated Medicines</p> <p>085915 Supply of Reproductive Health Items</p>

## V2: Past Vote Performance and Medium Term Plans

*This section describes past and future vote performance, in terms of key vote outputs and plans to address sector policy implementation issues.*

### (i) Past and Future Planned Vote Outputs

#### 2012/13 Performance

During the review period, NMS continued to executed a budget of shs 210 billion to cater for the procurement storage and distribution of medicines and health services to health centres ii, health centres iii, health centres iv, General hospitals, Regional Referral Hospitals, National Referral Hospitals, Specialised Institutes (UHI, UCI, UBT). In addition, NMS was the procurement agent for Health Partners like CDC for the procurement of HIV test kits, laboratory reagents and Cotrimaxazole.

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### Preliminary 2013/14 Performance

NMS procured and distributed drugs and pharmaceutical products worth US\$66.69 billion [including ARVs and ACTs] to public health facilities in Districts and Regional Hospitals; a total value of drugs and pharmaceutical products of US\$3.953 billion was procured and supplied to Mulago National Hospital and Butabika Mental Referral Hospital

**Table V2.1: Past and 2014/15 Key Vote Outputs\***

<i>Vote, Vote Function Key Output</i>	<b>Approved Budget and Planned outputs</b>	<b>2013/14 Spending and Outputs Achieved by End Dec</b>	<b>2014/15 Proposed Budget and Planned Outputs</b>
<b>Vote: 116 National Medical Stores</b>			
<i>Vote Function: 0859 Pharmaceutical and Medical Supplies</i>			
<b>Output: 085906</b>	<b>Supply of EMHS to HC 11 ( Basic Kit)</b>		
<i>Description of Outputs:</i>	To procure, store and distribute EMHS basic kit amounting to shs 11.1 billion to health centres ii.	EMHS basic kit amounting to shs 3.718 billion procured, stored and distributed to health centres ii.	To procure, store and distribute EMHS basic kit amounting to shs 11.1 billion to health centres ii.
<i>Performance Indicators:</i>			
Number of HC11 supplied with EMHS basic Kits	1695	1695	1705
<i>Output Cost: US\$ Bn:</i>	11.163	US\$ Bn: 3.718	US\$ Bn: 11.163
<b>Output: 085907</b>	<b>Supply of EMHS to HC 111 ( Basic Kit)</b>		
<i>Description of Outputs:</i>	To procure, store and distribute EMHS basic kit amounting to shs 18.3 billion to health centres iii.	EMHS basic kit amounting to shs 4.800 billion procured, stored and distributed to health centres iii.	To procure, store and distribute EMHS basic kit amounting to shs 18.3 billion to health centres iii.
<i>Performance Indicators:</i>			
Number of HC III supplied with EMHS basic kits	938	938	948
<i>Output Cost: US\$ Bn:</i>	18.360	US\$ Bn: 4.800	US\$ Bn: 18.360
<b>Output: 085908</b>	<b>Supply of EMHS to HC 1V</b>		
<i>Description of Outputs:</i>	To procure, store and distribute EMHS orders amounting to shs 8 billion to health centres iv.	EMHS orders amounting to shs 2.627 billion procured, stored and distributed to health centres iv.	To procure, store and distribute EMHS orders amounting to shs 9.752 billion to health centres iv.
<i>Performance Indicators:</i>			
Value ( shs Billions) of EMHS procured and supplied to HC IV as ordered			9.75
<i>Output Cost: US\$ Bn:</i>	7.992	US\$ Bn: 2.664	US\$ Bn: 9.752
<b>Output: 085909</b>	<b>Supply of EMHS to General Hospitals</b>		
<i>Description of Outputs:</i>	To procure, store and distribute EMHS orders amounting to shs 16.8 billion to General hospitals.	EMHS orders amounting to shs 5.313 billion procured, stored and distributed to General hospitals.	To procure, store and distribute EMHS orders amounting to shs 13.106 billion to General hospitals.
<i>Performance Indicators:</i>			
Value ( shs Billions) of EMHS procured and supplied to General Hospitals as ordered			13.106
<i>Output Cost: US\$ Bn:</i>	18.106	US\$ Bn: 5.313	US\$ Bn: 13.106
<b>Output: 085910</b>	<b>Supply of EMHS to Regional Referral Hospitals</b>		

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<i>Vote, Vote Function Key Output</i>	<b>Approved Budget and Planned outputs</b>	<b>2013/14 Spending and Outputs Achieved by End Dec</b>	<b>2014/15 Proposed Budget and Planned Outputs</b>
<i>Description of Outputs:</i>	To procure, store and distribute EMHS orders amounting to shs 13.02 billion to Regional Referral Hospitals	EMHS orders amounting to shs 3.726 billion procured, stored and distributed to Regional Referral Hospitals	To procure, store and distribute EMHS orders amounting to shs 13.02 billion to Regional Referral Hospitals
<i>Performance Indicators:</i>			
Value ( shs Billions) of EMHS procured and supplied to Regional Referral Hospitals as ordered			13.02
<i>Output Cost: US\$ Bn:</i>	13.024	<i>US\$ Bn:</i> 3.726	<i>US\$ Bn:</i> 13.024
<b>Output: 085911</b>	<b>Supply of EMHS to National Referral Hospitals</b>		
<i>Description of Outputs:</i>	To procure, store and distribute EMHS orders amounting to shs 11.8 billion to National Referral Hospitals	EMHS orders amounting to shs 3.953 billion procured, stored and distributed to National Referral Hospitals	To procure, store and distribute EMHS orders amounting to shs 14.265 billion to National Referral Hospitals
<i>Performance Indicators:</i>			
Value ( shs Billions) of EMHS procured and supplied to National Referral Hospitals as ordered			14.265
<i>Output Cost: US\$ Bn:</i>	12.366	<i>US\$ Bn:</i> 3.953	<i>US\$ Bn:</i> 14.265
<b>Output: 085912</b>	<b>Supply of ACTs and ARVs to accredited facilities</b>		
<i>Description of Outputs:</i>	To procure, store and distribute ACTs, ARVs and TB medicines amounting to shs 100 billion to health facilities and accredited centres in case of ARVS.	ACTs, ARVs and TB medicines amounting to shs 29.751 billion procured, stored and distributed to health facilities and accredited centres in case of ARVS.	To procure, store and distribute ACTs, ARVs and TB medicines amounting to shs 95.84 billion to health facilities and accredited centres in case of ARVS.
<i>Performance Indicators:</i>			
Value( Shs billions) of ACTs, ARVs and TB Medicines procured and distributed to health Facilities			95.84
<i>Output Cost: US\$ Bn:</i>	100.000	<i>US\$ Bn:</i> 29.751	<i>US\$ Bn:</i> 95.841
<b>Output: 085913</b>	<b>Supply of EMHS to Specialised Units</b>		
<i>Description of Outputs:</i>	To procure, store and distribute specialised items amounting to shs 28.2 billion to UHI, UCI and UBTS.	Specialised items amounting to shs 9.288 billion procured, stored and distributed to UHI, UCI and UBTS .	To procure, store and distribute specialised items amounting to shs 17.864 billion to UHI, UCI and UBTS.
<i>Performance Indicators:</i>			
Value ( shs Billions) of specialised medicines procured and distributed to specialised unit			17.86
<i>Output Cost: US\$ Bn:</i>	27.864	<i>US\$ Bn:</i> 9.288	<i>US\$ Bn:</i> 17.864
<b>Output: 085914</b>	<b>Supply of Emergency and Donated Medicines</b>		
<i>Description of Outputs:</i>	To coordinate clearing and certification of emergency and donated items amounting to shs 2.5 billion	Emergency and donated items amounting to shs 0.833 billion coordinated cleared and certified.	To coordinate clearing and certification of emergency and donated items amounting to shs 3 billion
<i>Performance Indicators:</i>			

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<i>Vote, Vote Function Key Output</i>	<b>Approved Budget and Planned outputs</b>	<b>2013/14 Spending and Outputs Achieved by End Dec</b>	<b>2014/15 Proposed Budget and Planned Outputs</b>
Value ( shs Billions) spent on emergencies, donations and related costs			3
<i>Output Cost: UShs Bn:</i>	2.500	<i>UShs Bn:</i> 0.833	<i>UShs Bn:</i> 3.000
<b>Output:085915</b>	<b>Supply of Reproductive Health Items</b>		
<i>Description of Outputs:</i>	To procure, store and distribute reproductive health supplies amounting to shs 8 billion to health facilities.	Reproductive health supplies amounting to shs 2.650 billion . procured, stored and distributed to health facilities	To procure, store and distribute reproductive health supplies amounting to shs 8 billion to health facilities.
<i>Performance Indicators:</i>			
Value( Shs billions) of Reproductive health supplies procured and distributed to health Facilities			8
<i>Output Cost: UShs Bn:</i>	8.000	<i>UShs Bn:</i> 2.650	<i>UShs Bn:</i> 8.000
<b>Output:085916</b>	<b>Immunisation Supplies</b>		
<i>Description of Outputs:</i>			To procure, store and distribute immunisation supplies amounting to shs 9 billion to health facilities.
<i>Output Cost: UShs Bn:</i>		<i>UShs Bn:</i> 0.000	<i>UShs Bn:</i> 9.000
<b>Vote Function Cost</b>	<b>UShs Bn:</b>	<b>219.375 UShs Bn:</b>	<b>130.574 UShs Bn:</b> <b>218.375</b>
<b>Cost of Vote Services:</b>	<b>UShs Bn:</b>	<b>219.375 UShs Bn:</b>	<b>130.574 UShs Bn:</b> <b>218.375</b>

\* Excluding Taxes and Arrears

### 2014/15 Planned Outputs

NMS in liason with the Ministry of Health will implement the Basic EHMS Kits strategy as revised according to regions to supply medical kits valued at UShs 1.2 and 3.2 million for every 2 months to each HCII and HCIII respectively. Stakeholders are being engaged to come up with district specific kits to cater for the varying disease patterns and district specific need. In addition, NMS will continue to procure and distribute Essential medicines and Health supplies in accordance with the General Hospitals, Regional Referral Hospitals, National Referral Hospitals and Specialised units procurement plans. Specialised items will be procured and distributed to UHI, UCI, UBTS in accordance with the availed procurement plans and resource allocation. The last mile service delivery will continue to be implemented. Concerted efforts towards 100% embossment of medicines and health supplies will take centre stage in drug delivery operations.

**Table V2.2: Past and Medium Term Key Vote Output Indicators\***

<i>Vote Function Key Output Indicators and Costs:</i>	2012/13 Outturn	2013/14 Approved Plan	Outturn by End Dec	MTEF Projections		
				2014/15	2015/16	2016/17
<b>Vote: 116 National Medical Stores</b>						
<b>Vote Function:0859 Pharmaceutical and Medical Supplies</b>						
No of districts supplied with contraceptives and related supplies**		0	0	112	112	
Value(Ugsh bn) of Medicines and Health Supplies Distributed to Local Governments, General and Regional Referral Hospitals (Ushs bn)		0	0	146.53	169.82	
Value(Ugsh bn of Medicines and		0	N/A	0	0	0

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Vote Function Key Output Indicators and Costs:	2012/13 Outturn	2013/14 Approved Plan	Outturn by End Dec	MTEF Projections		
				2014/15	2015/16	2016/17
Health Supplies Distributed to Mulago National Hospital and Butabika Mental Referral Hospital (Ushs bn)						
No. of courses of anti TB supplied to health facilities		0	0	0	0	0
No. of doses of ACT procured and distributed to health facilities**		0	0	0	0	0
Number of HC11 supplied with EMHS basic Kits		1695	1695	1705	1720	1738
Number of HC III supplied with EMHS basic kits		938	938	948	952	966
Value ( shs Billions) of EMHS procured and supplied to HC IV as ordered				9.75	21.4	21.4
Value ( shs Billions) of EMHS procured and supplied to General Hospitals as ordered				13.106	15.79	15.79
Value ( shs Billions) of EMHS procured and supplied to Regional Referral Hospitals as ordered				13.02	11.69	11.69
Value ( shs Billions) of EMHS procured and supplied to National Referral Hospitals as ordered				14.265	10.273	10.273
Value( Shs billions) of ACTs, ARVs and TB Medicines procured and distributed to health Facilities				95.84	94.468	104.468
Value ( shs Billions) of specialised medicines procured and distributed to specialised unit				17.86	18.28	18.29
Value ( shs Billions) spent on emergencies, donations and related costs				3	5.8	5.8
Value( Shs billions) of Reproductive health supplies procured and distributed to health Facilities				8	14.88	14.88
<b>Vote Function Cost (UShs bn)</b>	<b>210.376</b>	<b>219.375</b>	<b>130.574</b>	<b>218.375</b>	<b>239.120</b>	<b>248.685</b>
<b>Cost of Vote Services (UShs Bn)</b>	<b>210.376</b>	<b>219.375</b>	<b>130.574</b>	<b>218.375</b>	<b>239.120</b>	<b>248.685</b>

### Medium Term Plans

Implementation of a 5 year Corporate Plan for NMS will operationalise the priority areas that are necessary for the achievement of the Health sectors wide area goal as drawn from the National Development plan. Activities for the Corporation plan include acquisition of land in a strategic location to construct a state of the art warehouse with full installation of an intergrated business solution system. Pilot of construction of regional hubs, continue with 100% coverage of embossment of all medicines and implementation of the last-mile distribution of medicines to the individual recipient health facility.

### (ii) Efficiency of Vote Budget Allocations

The Corporation has continued to attain economies of scale by buying in bulk all medicines and medical supplies as aligned with the aggregated procurement plans of health facilities. The review of business process to remove non value adding activities has enhanced performance of the corporation and improved service delivery of medicines and medical supplies. Continuous engagement with key stakeholders

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especially District health officials of Local Government units and Medical superintendents of Hospitals has helped in identifying gaps in the supply chain and proposing of solutions for challenges identified.

**Table V2.3: Allocations to Key Sector and Service Delivery Outputs over the Medium Term**

Billion Uganda Shillings	(i) Allocation (Shs Bn)				(ii) % Vote Budget			
	2013/14	2014/15	2015/16	2016/17	2013/14	2014/15	2015/16	2016/17
Key Sector	219.4	213.4	239.1	248.7	100.0%	97.7%	100.0%	100.0%
Service Delivery	219.4	213.4	239.1	248.7	100.0%	97.7%	100.0%	100.0%

The costing assumptions for key service delivery outputs is the guidance obtained by the appropriate authorities like PPDA in sourcing for the best evaluated service providers of medicines and medical supplies as well as other service providers like the outsourced last mile transport providers.

**Table V2.4: Key Unit Costs of Services Provided and Services Funded (Shs '000)**

Unit Cost Description	Actual 2012/13	Planned 2013/14	Actual by Sept	Proposed 2014/15	Costing Assumptions and Reasons for any Changes and Variations from Plan
<i>Vote Function: 0859 Pharmaceutical and Medical Supplies</i>					
Mama Kits unit	18,900	18,900	13,000	19	Kit contents include a range of medical items to manage maternal conditions; and sundry items such as soap, polythene sheet, pads, gloves, baby sheets, cotton wool, cord ligature, gauze, blade, child growth card Costs is estimated at USD 7.0(2700/=)
Basic EHMS Kit* for HCIII	3,200,000	3,200,000	3,200,000	3,200	Planned package of essential items [antibiotics, painkillers, nonACT antimalarials, IV fluids & canulars, gauze, wool, plasters, gloves, iodine etc] to be delivered every 2 months to HCIIIs estimated on FY 13/14 budget
Basic EHMS Kit* for HC II	1,200,000	1,200,000	1,200,000	1,200	Planned package of essential items [antibiotics, painkillers, nonACT antimalarials, IV fluids & canulars, gauze, wool, plasters, gloves, iodine etc ] to be delivered every 2 months to HCIIIs estimated on FY 12/13 budget
Artemisin-based Combination Therapies (ACTs) per dose of 6 blister pack .	5,130	5,130	5,035	5	Local Manufacturer Price Quote for Artemether-Lumenfantrine (tab-cap) catering for one dose (strip) of 6 blister pack. The cost estimate is USD 1.9 per dose; supply is by 30 doses in a pack at USD 57
Anti Retroviral therapies (ARVS) for a patients on a 2 regime monthly dose	51,300	51,300	39,800	52	Specific cost of Duovir N (ZDV/3TC/NPV) for a pack size of 60 doses, at the local manufacturer's price of USD 19.00 [est 1USD=2700 US\$] per pack

### (iii) Vote Investment Plans

N/A

**Table V2.5: Allocations to Capital Investment over the Medium Term**

Billion Uganda Shillings	(i) Allocation (Shs Bn)				(ii) % Vote Budget			
	2013/14	2014/15	2015/16	2016/17	2013/14	2014/15	2015/16	2016/17
Consumption Expenditure (Outputs Provided)	219.4	218.4	239.1	248.7	100.0%	100.0%	100.0%	100.0%



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Grants and Subsidies (Outputs Funded)	0.0				0.0%			
Investment (Capital Purchases)	0.0	0.0			0.0%	0.0%		
<b>Grand Total</b>	<b>219.4</b>	<b>218.4</b>	<b>239.1</b>	<b>248.7</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

N/A

### Table V2.6: Major Capital Investments

#### (iv) Vote Actions to improve Priority Sector Outcomes

Plans to engage more with stakeholders who are involved in the supply chain for medicines and medical supplies have been drawn through stakeholder meetings and workshops. Efforts to do preparation of procurement plans with the health facilities during the procurement process is a key factor in getting procurement plans right as well as a corner stone in the efficient and effective delivery of medicines and medical supplies. Another two regions office have been considered for Arua and Karamoja regions. As plans to pilot regional hubs is underway. Better communication and liaison with stakeholders will inform better service delivery.

### Table V2.7: Priority Vote Actions to Improve Sector Performance

2013/14 Planned Actions:	2013/14 Actions by Sept:	2014/15 Planned Actions:	MT Strategy:
<b>Sector Outcome 3: Health facilities receive adequate stocks of essential medicines and health supplies (EMHS)</b>			
Vote Function: 08 59 Pharmaceutical and Medical Supplies			
<i>VF Performance Issue: Absence of regional infrastructure (stores and administrative space) to establish regional distributional hubs</i>			
Acquire land in a strategic location and construct a state of the art warehouse installed with integrated management business solution (cutting edge technology) to be accessed by the key users of the medicines and medical supplies information.	Land has been acquired at Kajjansi, Busiro county comprised in LRV 2537/17 volume 4408 folio 8, plot 261.	Embark on the construction of the state of the art warehouse on the Land bought at Kajjansi which will improve on the proximity of the warehouse to distribution points.	Operationalisation of regional distribution centres (manpower and other resources allocated)
<i>VF Performance Issue: Existence of multiple parallel procurement funding and implementation mechanisms</i>			
Implementation of the recommendations of the Corporation's (NMS) capacity assessment report appropriately.	Implementation of the recommendations of the Corporation's (NMS) capacity assessment report appropriately.	Lobby for harmonisation of fragmented medicines and medical supplies funds to facilitate proper planning.	Integration of Donor Initiatives resources into budget support; Implementation of a Comprehensive National Procurement Plan; Capacity improvement of the National Medical Stores
<i>VF Performance Issue: Inadequate budget of essential medicines and health supplies for health facilities.</i>			
		Review further the kits to make them District specific.	Implementation of the Basic EHMS Kit strategy for HSDs

## V3 Proposed Budget Allocations for 2014/15 and the Medium Term

This section sets out the proposed vote budget allocations for 2014/15 and the medium term, including major areas of expenditures and any notable changes in allocations.

### Table V3.1: Past Outturns and Medium Term Projections by Vote Function\*

	2012/13 Outturn	2013/14		MTEF Budget Projections		
		Appr. Budget	Spent by End Sept	2014/15	2015/16	2016/17
<b>Vote: 116 National Medical Stores</b>						



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	2012/13 Outturn	2013/14		MTEF Budget Projections		
		Appr. Budget	Spent by End Sept	2014/15	2015/16	2016/17
0859 Pharmaceutical and Medical Supplies	210.376	219.375	66.696	218.375	239.120	248.685
<b>Total for Vote:</b>	<b>210.376</b>	<b>219.375</b>	<b>66.696</b>	<b>218.375</b>	<b>239.120</b>	<b>248.685</b>

### (i) The Total Budget over the Medium Term

The allocation of funds to health facilities is in accordance with the levels of care from Health ii, Health centre iii, Health centre IV, General hospitals, Regional Referral hospitals, National Referral Hospitals and specialised units. There are also funds for ARVs, Anti TB drugs, reproductive health supplies and Immunisation that are made available in accordance with each facility's need.

### (ii) The major expenditure allocations in the Vote for 2014/15

The Major expenditure allocations are in accordance with levels of care at the various health facilities. This stretches from Health centre ii and Health centres iii where EMHS basic Kits are served every two months in accordance with the published delivery schedules. From health centre iv through to General Hospital, Regional referral Hospitals to National Referral Hospitals (Mulago and Butabika), EMHS orders are served in accordance with the need and budget allocation. Other vote outputs are given prominence to capture their significance like the ACTs, ARVs, TB drugs, and specialised items for specialised units that include UHI, UCI, UBT. Another major function output is the provision of reproductive supplies, immunisation supplies and laboratory items.

### (iii) The major planned changes in resource allocations within the Vote for 2014/15

There has been an increment to the allocation to health centre iv to cater for the current need. The change is budget neutral as funds are re allocated from the allocation for Non communication disease where there was less consumption.

**Table V3.2: Key Changes in Vote Resource Allocation**

Changes in Budget Allocations and Outputs from 2013/14 Planned Levels:				Justification for proposed Changes in Expenditure and Outputs
2014/15	2015/16	2016/17		
<i>Vote Function: 0808 Pharmaceutical and Medical Supplies</i>				
<b>Output: 0859 08 Supply of EMHS to HC IV</b>				
<i>US\$ Bn:</i> 1.760	<i>US\$ Bn:</i> 13.439	<i>US\$ Bn:</i> 13.439		<i>The increase in funds to health centre iv and National referral hospitals was occasioned by the need to increase allocative efficiency and improve on supply gaps that have been identified in these particular levels of care, the prevailing disease patterns and levels of specialisation of service. This will result into focussed service delivery with enhanced resources to these particular levels of care.</i>
<i>There was need to increase funding allocation for Health centre iv to cater for the supply gaps that had been identified through ordering history of these facility. It was also necessary for improvement of attainment of allocative efficiency.</i>	<i>Efforts to ensure that Health centre iv are fully functional. This will also foster the proper spirit of the referral system in the health sector.</i>	<i>Efforts to ensure that Health centre iv are fully functional. This will also foster the proper spirit of the referral system in the health sector.</i>		
<b>Output: 0859 09 Supply of EMHS to General Hospitals</b>				
<i>US\$ Bn:</i> -5.000	<i>US\$ Bn:</i> -2.316	<i>US\$ Bn:</i> -2.316		<i>Funds reallocated to output 085917 – supply of lab commodities for procurement of laboratory supplies</i>
<b>Output: 0859 11 Supply of EMHS to National Referral Hospitals</b>				
<i>US\$ Bn:</i> 1.899	<i>US\$ Bn:</i> -2.093	<i>US\$ Bn:</i> -2.093		<i>Funds were reallocated from 085912- Supply of ACTs and ARVs to cater for procurement of supplies for tropical diseases</i>
<b>Output: 0859 12 Supply of ACTs and ARVs to accredited facilities</b>				

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Changes in Budget Allocations and Outputs from 2013/14 Planned Levels:			Justification for proposed Changes in Expenditure and Outputs
2014/15	2015/16	2016/17	
US\$ Bn: -4.159	US\$ Bn: -5.514	US\$ Bn: 4.051	Funds were moved to national referral hospitals and health centre Ivs to cater for the supply gap for essential medicines and medical supplies that had been identified
<b>Output: 0859 13 Supply of EMHS to Specialised Units</b>			
US\$ Bn: -10.000	US\$ Bn: -9.575	US\$ Bn: -9.575	Funds reallocated to output 085916 –Immunization supplies for procurement of immunization supplies
The enhanced supply of cancer medicines and blood collection to be maintained and evaluate its contribution to MDGs in relation to health			
<b>Output: 0859 16 Immunisation Supplies</b>			
US\$ Bn: 9.000	US\$ Bn: 12.094	US\$ Bn: 12.094	New output created and funds reallocated from output 085913-Supply of essential medicines and health supplies to specialized units. The funds are for procurement of immunization supplies.
<b>Output: 0859 17 Supply of Lab Commodities to accredited Facilities</b>			
US\$ Bn: 5.000	US\$ Bn: 0.000	US\$ Bn: 0.000	New output created and funds reallocated from output 085909-Supply of essential medicines and health supplies to General Hospital. The funds are for procurement of laboratory supplies.

## V4: Vote Challenges for 2014/15 and the Medium Term

This section sets out the major challenges the vote faces in 2014/15 and the medium term which the vote has been unable to address in its spending plans.

There is need to find funds for procurement of beds and mattresses that are very much needed by all health facilities. There should also be funding for laboratory items by the Government, the same have been availed by development partners (CDC) which funding has continued to reduce significantly over years.

### Table V4.1: Additional Output Funding Requests

Additional Requirements for Funding and Outputs in 2014/15:	Justification of Requirement for Additional Outputs and Funding
<i>Vote Function: 0801 Pharmaceutical and Medical Supplies</i>	
<b>Output: 0859 01 Health Supplies to LG Units, General &amp; Regional Hospitals</b>	
US\$ Bn: 56.000 To cater for funding of laboratory items, procurement of beds and mattresses, medical stationery and uniforms for staff as well as procurement of medicines and medical supplies caused by changes in medicines regimes.	The existing financing gap of shs 56 billion is to cater for the identified unfunded priorities comprising of shs 30 billion for laboratory items which are currently not supplied by the Government of Uganda. There is need to avail funding for procurement of medical stationery (2 billion), beds for all health facilities (16 billion) and Uniforms for all staff (8 billion). Other funding gaps for all other health facilities will be captured as and when they emerge.
<b>Output: 0859 02 Health Supplies to National Referral Hospitals</b>	
US\$ Bn: To review the medicines and medical supplies requirements and provide funding for the identified gaps in the National Referral Hospitals.	To provide additional non EHMS items (including ARVs, ACTs and insulin) and medical instruments to Health Facilities. This will help in reducing the mortality arising from HIV, malaria as well as contributing to the attainment of NDP.

## Vote: 116 National Medical Stores

### Vote Summary

*This section discusses how the vote's plans will address and respond to the cross-cutting policy, issues of gender and equity; HIV/AIDS; and the Environment, and other budgetary issues such as Arrears and NTR..*

#### (i) Cross-cutting Policy Issues

##### (i) Gender and Equity

The corporation plans to procure and distribute mama Kits to all health facilities for every delivering mother to reduce on the maternal mortality rate. Regarding equity issues the corporation delivers essential medicines and medical supplies to all health facilities through the country at the same cost irrespective of the facilities' location and thus enhances equitable service delivery of medicines and health supplies. The Vote function of reproductive supplies is given prominence to enhance the activities that relate to gender issues.

##### (ii) HIV/AIDS

The Corporation has a Vote function for procurement of ACTS, ARVS and TB drugs all intended to deter death arising from HIV/Aids and other opportunistic diseases. The lowering of ART accredited centres from health centre iii to health ii has enhanced accessibility of ARVS and will enable inclusion of more patients on Anti-Retroviral therapies.

##### (iii) Environment

The Corporation took a centre role in the coordination of incineration of non viable stocks that had accumulated over time in all the health facilities throughout the country. This has improved stock management at the various health centres as well as nipped environment issues in the bud that would have accrued from their further accumulation.

#### (ii) Payment Arrears

The table below shows all the payment arrears outstanding for the Vote:

Payee	Payment Due Date	Amount (US\$ Bn)
N/A		0.00
	<b>Total:</b>	<b>0.000</b>

N/A

#### (ii) Non Tax Revenue Collections

The table below shows Non-Tax Revenues that will be collected under the Vote:

N/A