

Is public health and finance in Kenya truly inclusive?

Public health and finance initiatives in Kenya face a critical uptake challenge. This study seeks to explore the barriers to uptake and present potential paths to addressing them.

Background: Making public health and finance work for all

This study was conducted through student course work focused on the challenges posed by massive and persistent poverty across the world from a primarily economics perspective. This course included eight staff members from Busara Staff and students from Loyola Marymount University in the US. The research explored five key themes: risk aversion among Kenyan small-business owners, focusing on financial decisions, ii) women's financial inclusion through the use of the 'Hustler Fund', iii) perceptions of the National Health Insurance Fund, iv) factors influencing credit use in low-income communities and lastly v) socioeconomic determinants of mental health and infectious diseases.

The goal was to inform financial inclusion and public health strategies.

Conducting the research

This research used a mixed method approach. Both qualitative and quantitative data was collected remotely through phone interviews from a sample population of 180 respondents aged between 25-55 living in Kibera and Kawangware, Kenya. Throughout the course, students engaged in various other research stages, including formulating their own research ideas, designing their survey, analyzing group data, and preparing a final research paper and presentation for the classroom.

project facts

Key words

Empowering global citizens, Economics of global poverty, Financial inclusion, NHIF, Hustler fund, Public health

Behavioral themes

Risk aversion amongst small business owners
Women's financial inclusion

Research design

Mixed methods approach, with qualitative and quantitative elements

Scope

Start date: January 2024
End date: April 2024
Sample size: n=180

Location

Nairobi, Kenya

Partner

Center for Effective Global Action and Loyola Marymount University

Ethics approval

Loyola Marymount University and Strathmore University



- » On financial inclusion, we found that research on credit use in low-income Kenyan communities reveals that factors like inconsistent income, lack of savings, limited bank access, and cultural pressures shape borrowing decisions. Contrary to expectations, women and those with lower education levels were more likely to take out loans than men and the educated. This challenges the assumption that educated men have easier credit access. The study calls for action to close these gaps, such as improving financial literacy, expanding access to banks, and supporting small businesses to empower communities and boost economic growth.
- » In the field of Public Health, the findings of the research indicated that while NHIF membership improves healthcare access and satisfaction in Kenya, many face barriers, especially financial constraints, that prevent enrollment. Non-members report lower healthcare quality and access. The study suggests more affordable premiums, flexible payment options, and increased outreach efforts to improve NHIF coverage and healthcare access for all citizens.

Implications

For policy makers:

In the financial inclusion sector, the study shows the need for policies that focus on making financial services more inclusive so everyone has a fair chance to improve their financial situation. The study also suggests several policy changes to improve NHIF coverage and healthcare access in Kenya. Lowering premium rates, especially for informal sector workers with irregular

incomes, could make health insurance more affordable. Additionally, offering flexible payment options, such as weekly or bi-weekly plans, would help individuals maintain their coverage more easily.

For practitioners:

In order to address disparities, the NHIF (now known as SHIF, effective 1st October 2024) should focus on targeted outreach, particularly towards women, who have lower registration rates, and economically active age groups (26-50). Increasing awareness among less educated populations by collaborating with educational institutions and simplifying enrollment processes would also improve access to healthcare services for underrepresented groups. These steps aim to make NHIF more inclusive and effective for all citizens.

Recommendations for future research

To understand further the relationship between financial literacy and health insurance enrollment with greater nuance we recommend diving into further research into how financial knowledge influences participation and whether education-based interventions can enhance coverage and retention.

Also to fully understand the effects of NHIF/SHIF policy changes, further research is needed to evaluate their real-world impact on healthcare utilization, affordability, and health outcomes, particularly among low-income populations.

Further reading

Jain, P. (n.d.). Empowering global citizens: The transformative journey. Bellarmine College of Liberal Arts, Loyola Marymount University. <https://bellarmine.lmu.edu/economics/deiarticles/empoweringglobalcitizensthetransformativejourney/>

Study team

Busara Center Staff as Students

Brian Baraza, Cecile Juma, Lara Katumbi, Justin Kinyera, Cynthia Mbabazi, Lamech Nyakundi, Debra Opiyo, Stephanie Shari

To cite:

Busara. 2025. *Is public health and finance in Kenya truly inclusive?* (The *aha!* moment No. 16). Nairobi: Busara. DOI: doi.org/10.62372/FTDJ69478

The *aha!* moment summarises key facts and insights from Busara's research projects.

Disclaimer: The views presented in this publication are those of the author(s) and do not necessarily reflect the positions of funders or partners. ©Busara 2025.

38 Apple Cross Road, Nairobi, Kenya www.busara.global