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MINISTRY OF HEALTH, ETHIOPIA

MEDICAL OXYGEN PLANT ADMINISTRATION DIRECTIVE

Preamble

Whereas, medical oxygen is an essential medicine to treat oxygen deficiency in the blood especially for health problems that are major causes for the death of infants and children; and indispensable cure for and therapy to rescue life during delivery and surgical processes and also major health problems related with emergency and intensive care treatment and respiratory health problems;

Whereas, it is essential to install and expand medical oxygen production plants in public hospitals and such hospitals having first met their oxygen demand are expected to supply and improve access to oxygen in nearby health facilities;

Whereas, it is necessary to establish a system whereby hospitals generate income by selling their extra oxygen produced in order to cover expenses necessary for oxygen production process, oxygen plants maintenance, purchase of spare parts, electricity bills and capacity building of experts which are high budget demanding activities and to replace oxygen production plants at the expiry date of their service life;

Now therefore, the Ministry of Health in order to alleviate the problems and challenges specified hereinabove and others; and in order that medical oxygen plants function sustainably for the provision of medical oxygen pursuant to powers and duties given to it by Article 15 of Council of Ministers Regulations No. 167/2009 has issued the following directive.

Part One

General Provisions

1. Short Title

This Directive can be cited as Medical Oxygen producing Plants Administration Directive No/2023

2. The Issuing Organ

The Ministry of Health pursuant to powers and duties given to it by Article 15 of the Council of Ministers Regulations No. 167/2009 has issued this directive.

3. Definitions

In these directives unless the context requires otherwise

1. “Federal hospital” means a hospital accountable to the ministry of health that provides medical services and that may also engage in learning- teaching and research activity;
2. “University teaching hospital” means hospital accountable to the Government Higher Education Institute that provides medical service in conjunction with the learning- teaching and research activity;
3. “Medical Oxygen” means a lifesaving essential medicine to treat low level of oxygen in the blood;
4. “Oxygen generating plant means a machinery in Federal and university teaching hospitals generating oxygen with the right standard or storing liquid oxygen for later use as a gas for medical services;
5. “Supplementary service” means services such as oxygen therapy equipment loading and transporting (pick-up and delivery); oxygen cylinder cleaning and maintenance and cylinder lease services;
6. “Health facility” means a public or private body that provides health services;
7. “overtime” means time in which work is done outside the normal working hours as specified in the public servants’ administration regulations, work done on weekly rest days or public holidays;
8. “Ministry and minister” means the FDRE ministry and minister of health respectively;

9. In this directive the expression in the masculine denotes also the feminine;

4. Objectives

1. Making accessible to health institutions quality medical oxygen in sufficient amount and supply; at the right time, at an affordable price and sustainably;
2. Making oxygen generating plants work sustainably by generating revenue through the sale of medical oxygen and proper use thereof;

5. Scope of Application

This directive shall be applicable at all federal and university teaching hospitals with medical oxygen producing plants;

Part Two

Oxygen Generating Plant Operation, Organization and Working Hours

6. Operation

Any medical oxygen producing plant shall

1. safeguard the safety of the plant and its surrounding by establishing a conducive working procedure and system and also provide efficient service by reducing wastage;
2. sell the extra or excess oxygen to other health institutions after reserving the oxygen amount necessary to meet their demand.
3. Without prejudice to that specified in sub article 2 of this Article, priority shall be given to public health facilities.
4. Selling a medical oxygen to non-health institution is prohibited.

7. Organization

1. A medical oxygen plant coordinator and other employees shall be assigned by the hospital or employed through government's civil service recruitment procedure;
2. A medical oxygen plant coordinator shall be a biomedical or mechanical engineering graduate with service experience in the area.
3. The hospital shall assign the necessary experts outside the regular working hours to carry out the activities of the oxygen generating plant according to work program adopted upon assessment by the hospital management and the coordinator.

8. Working hours of medical oxygen plant

A medical oxygen plant shall provide a 24 hour service every Monday to Friday, outside government working our including on Saturdays, Sundays and public holidays.

Part Three

Pricing, Financial Administration and Audit

9. Pricing

Medical oxygen sale prices shall not exceed ETB_____ per meter cube.

While setting a price, the following should be taken into consideration:

- a) general expenses necessary for oxygen generation and provision of related services;
- b) in a manner that does not put pressure on patients;
- c) in a manner that helps raise to the institution faire income;
- d) taking into current market value

10. Financial administration

10.1 Income sources

1. income sources of medical oxygen plant shall be from the following
 - Sale of medical oxygen;
 - Collected from the oxygen treatment service by the hospital owned the oxygen plant
 - Loading and transportation service of medical oxygen;
 - Cylinder cleaning and cylinder maintenance;
 - Renting of cylinder
2. Income from services provided by the hospital shall be tagged or identified with an income heading for purposes of effecting payment and transparent financial reporting.

10.2 Revenue Collection and Payment

1. Payments made to medical oxygen plants; procurement and property administration activities shall follow principles of public financial administration directives.

2. Revenue from sale of medical oxygen and from related services shall be collected by a receipt issued upon registration with and approval by the ministry of finance and in the name of the medical oxygen plant of the hospital.
3. The medical oxygen plant of the hospital shall have a bank account opened in its own name and revenue collected from other health institutions shall be credited daily to the bank account.
4. The revenue collected by daily cash collectors shall be deposited in a secure safe deposit box until deposited at the bank account.
5. Revenue collected from medical oxygen service shall be calculated quarterly and deposited in a special bank account opened in the name of the medical oxygen plant of the hospital.
6. Medical oxygen service payments made under contract with a third party will be prepared and registered daily. When the money is deposited into the institution according to the contract, the medical oxygen service payment will be separately deposited into a special bank account.
7. The balance after deduction of expenses for electricity, fuel, spare parts, current assets, expenses necessary for the provision of other services and overtime pay from the total income of the medical oxygen plant shall be considered profit of the plant.
8. Without prejudice to sub article 7 of this Article the net income accumulated over a long period of time shall be used to ensure sustainability of production and expansion of medical oxygen plant.
9. Overtime pay of employees' shall be executed by public servants' over time payment directives.
10. Without prejudice to sub article 9 of this Article overtime pay may not be made when medical oxygen plant is not operational due to damage or other reason.
11. Bank account of the medical oxygen plant shall be operated by the co-signature of chief executive director of the hospital and head of the finance directorate or in the absence of the chief executive director of the hospital by the co-signature of the head of the finance directorate and medical director of the hospital.

10.3 Keeping of Book of Accounts

1. The medical oxygen plant shall have its own books of account, bank account, receipt voucher and various forms separate from the ordinary books of accounts of the hospital.
2. Upkeep of accounts of the medical oxygen plant shall be in accordance with the general principles of the country's financial laws.

10.4 Audit

The accounts of the medical oxygen plant shall be audited in accordance with financial laws of the federal government.

10.5 Financial Reporting

1. Financial report of medical oxygen unit shall be submitted monthly, quarterly and annually to the Chief executive director of the hospital and other concerned organs.
2. The medical oxygen unit shall use account vouchers and forms issued by the ministry of finance.

Part Four

Sale, Distribution and Storage

11. Sale

1. The hospital owned oxygen plant shall sell medical oxygen and related services to other health institutions up on receipt of payment forthwith or.
2. The hospital owned oxygen plant may provide on credit medical oxygen and related services to other health institutions by entering into a contract.

12. Distribution

1. The hospital owned oxygen plant shall transport and deliver medical oxygen directly to the buyer health institution.
2. The hospital owned oxygen plant can transport the oxygen product and supply it directly to the purchasing health institution.
3. The hospital owned oxygen plant may, in the supply of medical oxygen, sub contract the carriage of the medical oxygen to a third party.

13. Storage

1. Medical oxygen production unit shall store oxygen in excess of the health institution's demand and oxygen that was not sold safely.
2. Medical oxygen plant shall keep unfilled or empty oxygen cylinders at a place especially designated for this.

Part Five

Part Five

Duties and Responsibilities

14. Ministry of Health

1. The ministry shall issue, amend, and ensure the implementation of medical oxygen plant administration directives and give the necessary support.
2. The ministry shall consolidate best practices regarding administration of medical oxygen plants and disseminate to a wider scale.
3. The ministry shall develop monitoring and evaluation criteria for the administration of medical oxygen plants;
4. The ministry shall evaluate performance reports of the medical oxygen plant administration; provide feedback and take necessary corrective measures.
5. The ministry shall issue medical oxygen and related services fee payment and amend as needed.

15. Hospital Governing Board

1. Shall oversee and support the overall performance and management of the medical oxygen plant services.
2. Shall ensure the implementation of service fee payment in accordance with the directive issued under Article 9.
3. Shall ensure that the income generated from sale of medical oxygen and related services is properly utilized for the intended purpose.

4. Shall monitor, evaluate and support for the improvement of the medical oxygen plant administration.
5. Shall evaluate performance reports of the medical oxygen plant administration; provide feedback and take necessary corrective measures.
6. Shall provide direction for auditing the medical oxygen plant and evaluate the audit reports.

16. Hospital Chief Executive Director (CED)

1. Shall provide all the necessary support for the medical oxygen plant to functions 24 hours per day.
2. Shall ensure the on time supply of all the necessary supplies and spare parts needed by the medical oxygen plant.
3. Shall ensure the recruitment of all the required experts for the medical oxygen plant.
4. Shall develop performance monitoring criteria for the medical oxygen plant administration; provide follow-up support and take necessary corrective measures.
5. Shall evaluate the periodic performance reports of the medical oxygen plant along with the hospital management committee; and submit to the Hospital governing board.
6. Shall coordinate promotional activities regarding service provision of the medical oxygen plant and establish a system whereby customers obtain adequate information.
7. Shall ensure employees obtain the necessary trainings to improve medical oxygen plant services and efficiency.
8. Shall evaluate performance reports of the medical oxygen plant administration; provide feedback and take necessary corrective measures.
9. Shall provide direction for the medical oxygen plant to be audited, evaluate audit report and submit the hospital governing board.
10. As deemed necessary, can enter into a contract with a third party selected through a competitive bidding process approved by the hospital governing board, to provide medical oxygen plant maintenance and operations capacity building trainings to experts.
11. Shall carry out other activities or duties assigned to him by the hospital governing board.

17. Coordinator of Medical Oxygen Plant

1. Shall follow up the operations of the medical oxygen plant ; ensure that the appropriate data upkeep and registration is carried out; evaluate and consolidate the report every month and submit same to the medical director of the hospital.
2. Shall assess through a study the medical oxygen demand of the hospital and offer for sale excess medical oxygen to prevent wastage.
3. Shall prepare plan for the sale of medical oxygen and supplementary services and submit same to the medical director of the hospital.
4. Shall design various procedures so that the medical oxygen plant operates efficiently and implement same.
5. Shall receive feedback from customers about the efficiency of service given in the medical oxygen plant and performance of its employees ; evaluate feedback and take corrective measures.
6. Shall make control to prevent wastage and unnecessary damage by periodically following up and putting in place practices that ensure transparency and accountability.
7. Shall prepare work programs for employees in the medical oxygen plant and assign employees.
8. Shall fix by notice at a clearly visible place list of employees assigned so that employees know it; follow up and control if employees are attending at work; shall at the end of every month notify to the relevant organs of the necessary information.
9. Shall improve and make efficient the service identify training needs of employees of the medical oxygen plant and submit same to the general manager of the hospital and coordinate its implementation.
10. Shall carry out promotional activities about services provided in the medical oxygen plant by designing various methods. Shall identify inputs and spare parts necessary for the medical oxygen plant and submit requisition to the concerned organ and follow up whether or not the requisition is fully supplied.
11. Shall take the necessary corrective measure where employees of the hospital working in the medical oxygen plant fail to carry out their duties for various reasons.

12. Make sure that maintenance in time of ordinary damage is carried out in accordance with instructions set out by medical oxygen plant manufacturer.
13. Prepare a monthly, quarterly and annual report regarding activities carried out in the medical oxygen plant and submit same to the medical director of the hospital.
14. Carry out other activities or duties given to him by the medical director of the hospital.

Part Six

Follow up and Evaluation

Part Seven

Miscellaneous Provisions

18. Accountability

1. Any public hospital having medical oxygen plant and giving medical oxygen sale and supplementary services shall implement/enforce this directive.
2. The necessary administrative action shall be taken against any hospital found guilty of violating working procedures specified under this directive depending on the nature and gravity of the violation.
3. Any employee and official of a medical oxygen plant shall respect and make others respect the working procedures specified under this directive.
4. The necessary action under the relevant law shall be taken against any employee or official found guilty of violating working procedures specified under this directive depending on the nature and gravity of the violation.

19. Amendment of the Directive

The ministry may amend this directive when it finds it necessary.

20. Repealed Directives; Inapplicable Laws and Practices

Any laws and practices contrary to this Directive may not be applicable on matters covered under this Directive.

21. Effective Date

This Directive shall come into force since

Done on the Day of 2023 in Addis Ababa

Dr. Liya Tadesse

Minister of Health