



PARALLEL SESSION 3.2

FINANCING OF NCD RESPONSE: REALITY-TESTING DOMESTIC, BLENDED AND ODA FINANCE OPTIONS



| BACKGROUND

Creating health systems of the 21st century to provide high quality care for today's health problems requires modernizing, improving, and streamlining the way people receive and pay for health care. Growing health needs due to aging and epidemiological transition collide with challenging realities in countries at all income levels: inadequate infrastructure and too few health providers in low-income countries; budget-busting provision of comprehensive health services for all in middle-income countries; and layers of high-cost care in high-income countries. Fully tackling these challenges will require new resources for health – and wiser allocation of existing resources – to keep up with rising demand, and to fairly provide the benefits of advanced technology to all.

Of the projected \$80 billion increase in health investments needed by 2030 to meet SDG 3, more than 60 percent is needed to grow NCD services, and 85% is expected to come from domestic resources (SDG Health Price Tag, WHO 2018). And yet many countries, including India and multiple countries in Africa, have deprioritized health within government budgets in the past 15 years. Middle-income countries struggle to meet new promises against tight budget ceilings. Solutions are multi-faceted and multi-partner. The primary responsibility for meeting health needs lies with governments, but external resources will be required to fill the large vacuum in NCD control in the poorest countries of the world. Other LMICs can accelerate progress toward UHC by augmenting existing resources with technology, technical assistance and partnerships. External resources can come from multiple sources, such as official development assistance (ODA), loans – both at concessional and commercial rate, the private sector, and innovative financing. Internal resources are predominantly generated from the public sector, where efficient delivery of services is paramount to achieving greater coverage for NCD needs.

This session provides a close look at sources of funding for NCDs in LMICs by looking at historical trends in funding from official and non-official donors, as well as LMIC governments. It examines the financing gap for NCDs, globally and for selected countries, and projections of how that gap will be narrowed by 2030. Finally, the session offers examples of funds mobilization from a variety of sources – public, private, and innovative. It features representatives of organizations that are co-creating customized financial mechanisms and arrangements to close the NCD financing gap.

| OBJECTIVES

- To provide a realistic discussion of sources and magnitude of NCD financing to 2030.
- To provide experiences of success in NCD financing.
- To lay the groundwork for advancement of feasible innovative NCD financing mechanisms.





Moderator

Rachel Nugent

Vice President, Global NCDs

RTI International
United States of America

Rachel Nugent is Vice President for Global Non-communicable Diseases at RTI International. Rachel was Associate Professor in the Department of Global Health at the University of Washington and Director of the Disease Control Priorities Network. She has advised the World Health Organization, the U.S. Government, and non-profit organizations on the economics and policy environment of NCDs. She is a member of WHO's Expert Advisory Panel on Management of Non Communicable Diseases, co-chair of the Coalition on Access to NCD Medicines and Products, and a member of The Lancet Commission on NCDs of the Poorest Billion. She led a Lancet Task Force and Series on NCDs and Economics (2018). She served on the U.S. Institute of Medicine Committee on Economic Evaluation for Investments in Children, Youth, and Families (2015-2016), was co-chair of the IOM Workshop on Country-Level Decision Making for Control of Chronic Diseases (2012), and is currently on the National Academy of Medicine workshop planning committee on Global Obesity. Rachel focuses on using economic analysis for priority-setting in health, and has worked with global and national institutions to increase use of evidence for decision-making. Her recent work includes the costs and cost-effectiveness of HIV and NCD integration, assessing costs and benefits of NCD policies and interventions in multiple countries, and economic impacts of double burden of malnutrition. She received her M.Phil. and Ph.D. degrees in economics from the George Washington University in Washington, DC, USA.





Speaker

Agnes Soucat

Global Leader, Service Delivery

World Health Organization
Switzerland





Speaker

Andrea Feigl

Visiting Scientist, Harvard TH Chan School of Public Health

Harvard University
United States of America

Andrea Feigl, PhD MPH, is a visiting scientist and health economist at Harvard TH Chan School of Public Health and Senior Health Economist at Microclinic International. She also serves as Scientific Advisor to the Lancet Commission on Non-Communicable Diseases, Injuries, and Poverty. Dr. Feigl currently leads a SDG3 multisector initiative focused on innovative health financing for neglected global health issues. Her academic work focuses on health systems financing and governance, universal healthcare, and cost-effectiveness of chronic disease interventions in developing countries. Previously, she was a health economist and policy analyst with the Organisation for Economic Cooperation and Development (OECD). She led the largest worldwide longitudinal analysis of the political, social, and economic determinants of universal healthcare in 196 countries (published in *Health Policy*), leading the impact evaluation of a nationwide anti-smoking legislation in Chile (published in *WHO Bulletin*), and led the impact study of the award-winning intervention program for obesity/diabetes prevention in Amman, Jordan (project awarded Global Health Project of the Year from Consortium of Universities for Global Health). She was also notably the innovator of the Evidenced Formal Coverage Index for comparative health economics of achieving universal healthcare, and a primary author of the NCD reframing initiative, published in *Lancet Global Health*. In addition to health systems analysis in Timor-Leste and Bangladesh, she conducted policy research at WHO-PAHO, evaluated projects in Ecuador, Paraguay, and Peru, and worked for the Canadian Institutes of Health Research. She has further authored several high level reports, including *Development Aid Flows for Chronic Diseases* for the Center for Global Development, a background paper on the political economy of universal healthcare for WHO, and a leading World Economic Forum/Harvard report on the global economic burden of chronic diseases, featured at the UN High Level Summit on NCDs in 2011. She was a Harvard Graduate Leadership Initiative Fellow, former President of the Harvard Club of Austria, and an internationally certified teacher in Cecchetti classical ballet from the Imperial Society for Teachers of Dance. A native of Austria, she received her PhD in global health and population from Harvard University, her MPH and BSc (First Class Honors with full scholarship) from Simon Fraser University in Canada, and her IB from Red Cross Nordic United World College in Norway.





Speaker

Belinda Ngongo

Senior Technical Advisor

Medtronic Foundation
South Africa

BELINDA NGONGO is the Senior Technical Advisor for global health within Medtronic Foundation. In her role, she supports global health investments portfolio for expanding access to care for the underserved across Africa and is responsible for deploying gender lens strategies globally. A seasoned global health leader, Belinda has spent a great amount of her career engaging the private sector in health issues through forging public-private partnerships (PPP) with various actors to strengthen health systems in emerging markets. Previously, Belinda led BD (Becton Dickinson & Company) Global Health efforts in Africa where she was responsible for overseeing the regional strategy and implemented PPPs across a wide range of health initiatives including HIV/AIDS, TB, Cancer and Maternal, Newborn and Child Health. Belinda holds a Master of Public Health (MPH) in health policy and management and international health from Johns Hopkins Bloomberg School of Public Health, and a Bachelor of Science Honours in Applied Chemistry from the University of the Witwatersrand. Belinda is a global health leaders' fellow at the Public Health Institute.





Speaker

Hasbullah Thabrany

Senior Researcher and Policy Adviser

Center for Social Security Studies, Universitas Indonesia and ThinkWell Global
Indonesia

Hasbullah Thabrany Senior Policy Adviser, ThinkWell Organization and Chairman of the Indonesian Health Economics Association (InaHEA) Hasbullah Thabrany was a professor and former dean of the School of Public Health and former chairman of the Centre for Health Economics and Policy Studies, Universitas Indonesia. He is now serving as a Senior Policy Adviser on Strategic Purchasing on Family Planning and Maternal and Child Health with ThinkWell, funded by Melinda&Gates Foundation. Mr Thabrany has been working to evaluate the development of non communicable diseases in particular the effect of cigarettes in Indonesia. He has been instrumental in advocating raising cigarette excise to control future NCDs and high medical claim costs for the National Health Insurance (JKN) in Indonesia. Dr Thabrany worked with RAND Corporation in Santa Monica, California, from 1992 to 1995. Realising that there was a severe shortage of professionals in health insurance and social security, Dr Thabrany established PAMJAKI (Association of Health Insurance Professionals of Indonesia) in 1998. He served as its chairman until October 2010. He was a key person in reforming health care and social security in Indonesia when he was a secretary of the Task Force for social health insurance reform, established by President Megawati. He publishes a book entitle Jaminan Kesehatan Nasional (JKN), detailing the design and current achievement of UHC in Indonesia. He was the Chair of the Center for Health Economics and Policy Studies, Universitas Indonesia. Since the National Health Insurance (JKN) was implemented in 2014, he has been conducting research and evaluation to advocate the JKN to be implemented consistently with the principles of improving access and quality of care. From 2016-2018 he served as Senior Health Financing Adviser to the National Social Security Council (DJSN) under the BANTU—a USAID funded project. He established the Indonesian Health Economic Association in 2013 and becomes the chairman since then. Dr Thabrany has a medical degree from the Universitas Indonesia and MPH & DrPH degrees from the University of California, at Berkeley, USA.

ABSTRACTReducing Fuel Subsidies to Finance the Chronic Deficits of the UHC in Indonesia Hasbullah Thabrany Chairman, the Indonesian Health Economic Association (InaHEA) Email: hasbullah.thabrany@gmail.com Non communicable diseases in Indonesia has been taking about 60% of lives in the last decades in Indonesia. To anticipated the growing NCDs and to prevent people from impoverished, Indonesia launched integrated health coverage by establishing the National health Insurance Scheme (Known as JKN) in 2014. Currently the JKN covers more than 205 million people, about 75% of the 266 million people. The single payer JKN is now the biggest UHC under a single database in term of population coverage. Despite increasing utilization of the JKN benefits, protecting ten of millions of people from impoverishments, the JKN has been suffering from five year consecutive deficits. Poor and inclining toward more political considerations in setting the contributions, the JKN is struggling to ensure sustainability. Last year, the Government fill the financial gaps from cigarette tax income stimulating debates about financing NCDs via sin-tax. About 30% of the JKN spending has been for NCDs. Many believe that NCDs will put more burden to the Indonesian UHC. The Indonesian UHC has been suffering from five consecutive deficits. Financing for the deficits becomes big debates recently. Many argue that Indonesia has not adequate fiscal capacity. However, the author found that it has been malfunction of public policy in Indonesian public finance policy. For example subsidies for oil, gas and electricities in 2019 reach IDR 157 Trillion while the government subsidy to cover 107 million low income people is only IDR 29.5 Trillion, or about 15%. Who are the users of oil and gas subsidies? Not the low income. This mistargetting of the public fund should be corrected inspite of strong political opposition. In addition, increasing contributions are also a viable options given that the economic growths have been quite good at more 5% annually in the last five years. At the same time, contributions rates have not been increased. Lastly, sin-tax from cigarettes potentially could increase the UHC fund with more than IDR 50 Trillion. All of those viable options can be done if the Government has a political will.





Speaker

Jo Birckmayer

Public Health Advisor

Bloomberg Philanthropies
United States of America

Johanna Birckmayer PhD MPH Dr. Birckmayer coordinates the tobacco economics projects supported by Bloomberg Philanthropies, overseeing efforts to assist low-and middle-income countries implement effective tobacco tax policies to reduce tobacco use. From 2008 to 2015, she directed the International Research Department at the Campaign for Tobacco Free Kids, supporting international efforts to advocate for effective tobacco control policies using data and evidence. Dr. Birckmayer has led technical assistance programs to assist U.S. States improve the effectiveness of state tobacco, alcohol, and illicit drug prevention systems and worked with community-based organizations evaluating health services, mental health and health promotion programs. She has a PhD in Health Policy from Harvard University and a MPH from the University of North Carolina at Chapel Hill. She is an Adjunct Professor at the Gillings School of Global Public Health, University of North Carolina.





Speaker

Michael Borowitz

Chief Economist

The Global Fund to Fight AIDS, Tuberculosis and Malaria
Switzerland





Speaker

Patrick Osewe

Chief Health Sector Group

Asian Development Bank

United States of America



