

July 20, 2018

Advocating for Government Financing of Transitioning HIV Services in Indonesia through Improved Subnational Resource Needs Estimates

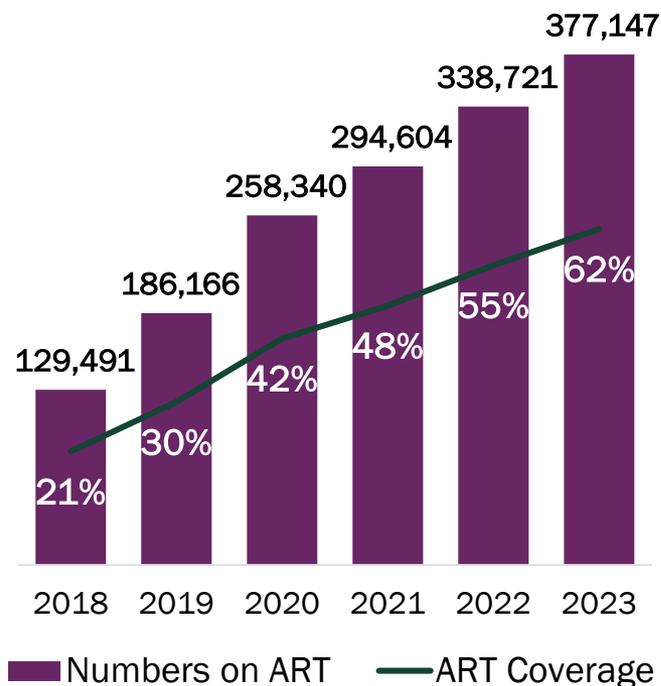
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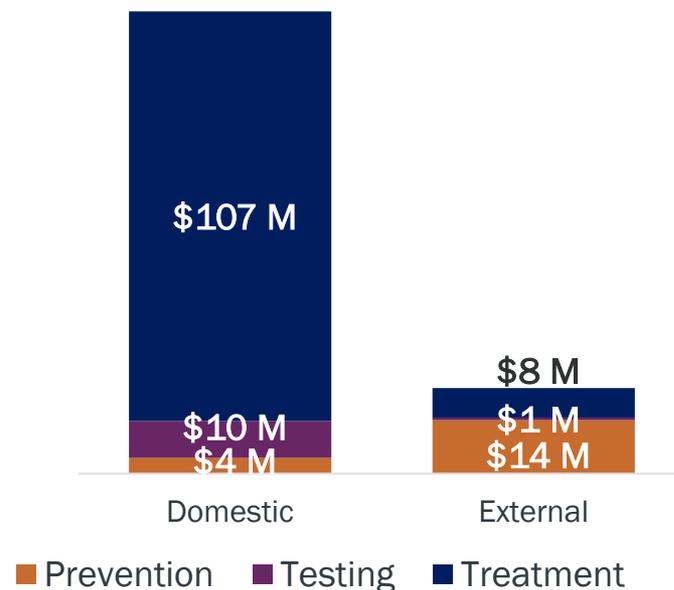
HIV context in Indonesia

Baseline coverage of HIV services is low...



...but the country has set ambitious fast-track targets

HIV is primarily financed from domestic sources...



...but Indonesia is facing funding transitions in the near term

Need for improved cost estimates: Existing data are limited

1. Lack of cost projections **beyond 2020**



Why are updated costs needed?

- Need national HIV resource requirements that reflect new targets and policy changes
- Need to understand local government financing requirements for HIV
- Need to understand financial impact from better integrating HIV into the country's national health insurance scheme

2. **Incomplete picture** of total resource requirements across cost categories and funding sources



3. Lack of resource requirement estimates at the **subnational level** that account for **variation in cost** across geographies



Updated HIV service delivery costs

+ Interventions included:

- Key population outreach
- Condom distribution
- Needle and syringe programs
- Methadone treatment
- STI testing and treatment
- HIV testing
- ART, including lab monitoring

+ Years of analysis:

- 2018–2023

+ Costs captured:

- Staff salaries
- Overhead
- Commodities



Source: Ministry of Health (MOH) and civil society organizations (CSOs)

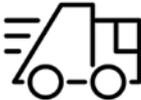
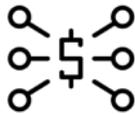
Source: Adapted from UNAIDS, World Bank, and other studies

Developed *province-specific* targets and non-commodity unit costs

Calculating province-specific unit costs

For staff and overhead unit costs



-  Difficulty reaching key populations
-  Cost of living
-  Place of service delivery
-  External funding priorities

Determine province- and intervention-specific score by factor

Assign a weight to each factor by intervention

Multiply score by weight and sum across factors to derive multiplier

For each province and intervention:

$$\text{Standard unit cost} \times \text{Multiplier}$$

Calculating province-specific unit costs, cont.

Factors used in multipliers



Difficulty reaching key populations

Ranked difficulty reaching men who have sex with men, female sex workers, people who inject drugs, and Waria/transgender by province on 1–5 scale

Harder to reach = higher unit cost

Data source: Workshop participants (CSOs, MOH)

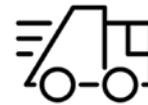


Place of service delivery

Assessed proportion of HIV testing and ART services provided at primary care vs. hospital level and in private vs. public sector

More services delivered in private sector and hospitals = higher unit cost

Data source: 2016 MOH data

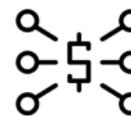


Cost of living

Standardized average cost of living across provinces on 1–3 scale

Higher cost of living = higher unit cost

Data source: 2015 BPS data on cost of living



External funding priorities

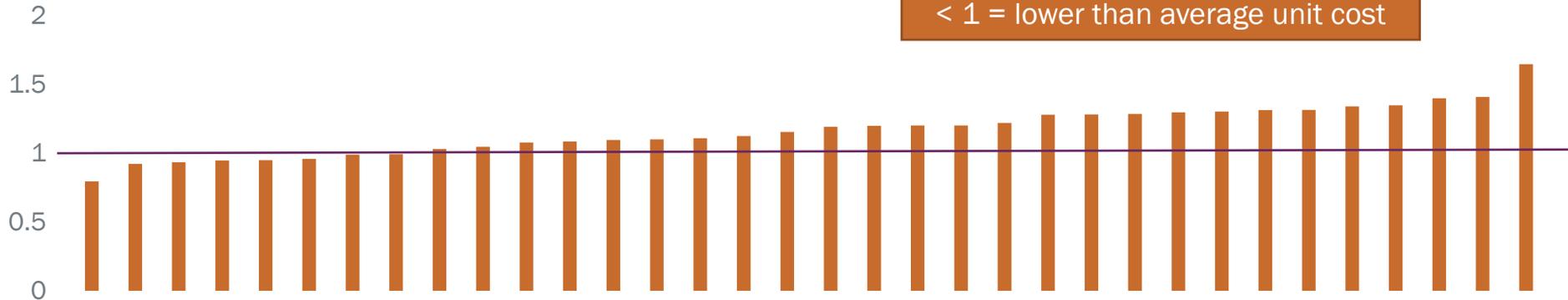
Identified prioritized provinces to receive Global Fund funding and standardized on 1–3 scale

Higher external support = higher unit cost

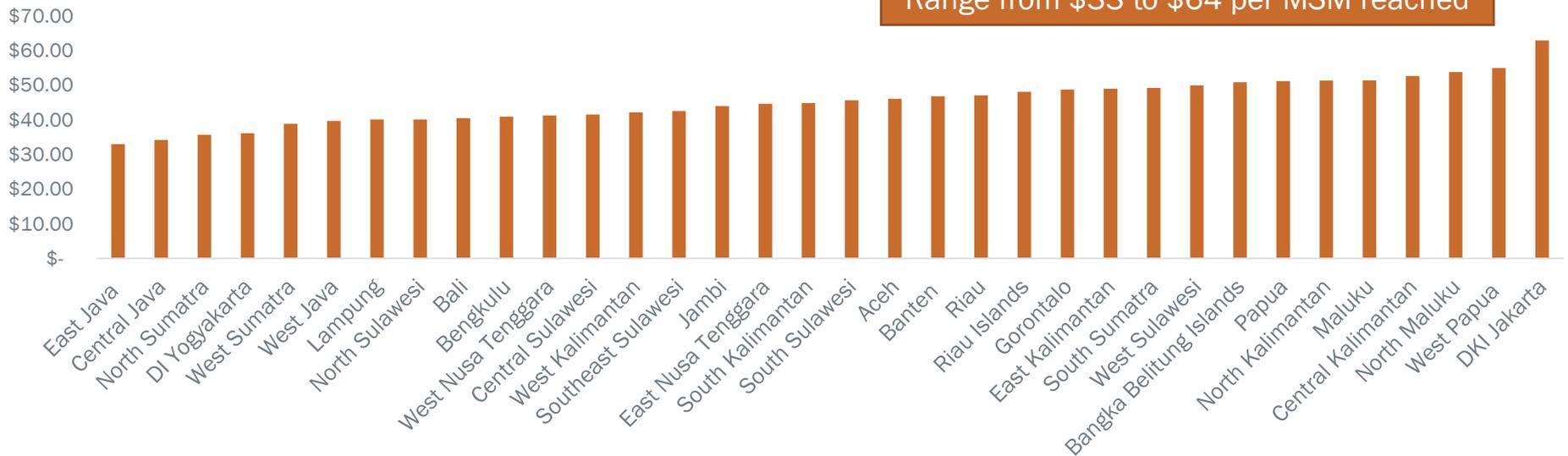
Data source: 2018–2020 Global Fund funding request

Example: Outreach to men who have sex with men (MSM)

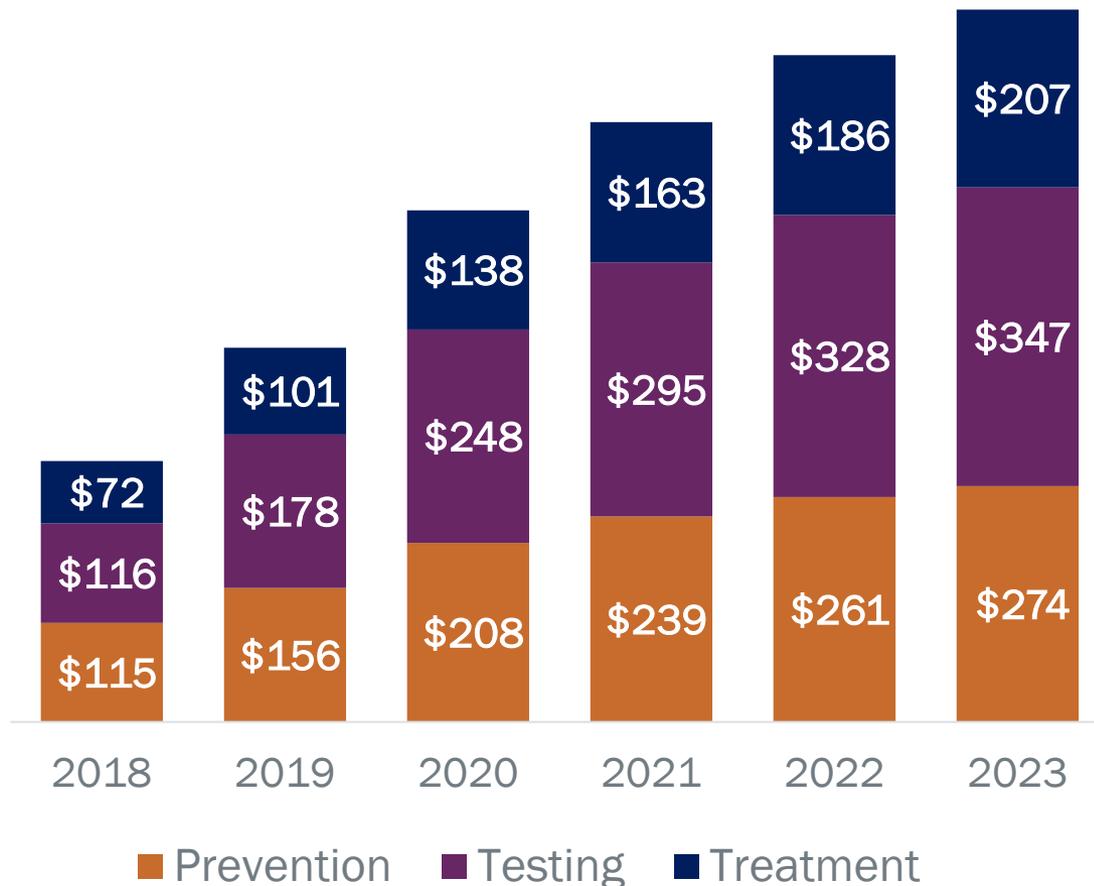
Multiplier



Unit costs

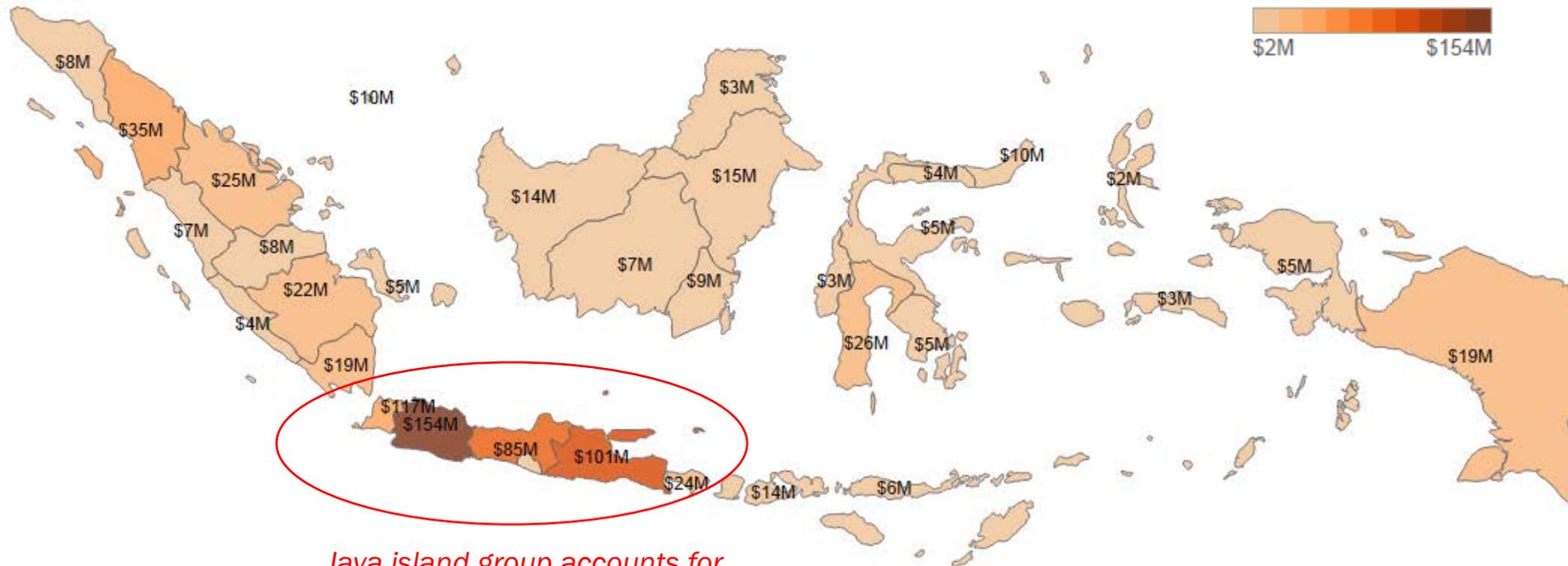


Results: Annual HIV service delivery costs (USD millions)



- If Indonesia secures reduced prices for ARVs and viral load reagents, an estimated \$209 million can be saved from 2019 to 2023.
- The savings in 2019 alone could allow an additional 71,000 people to receive ARVs for the same cost as in 2018.

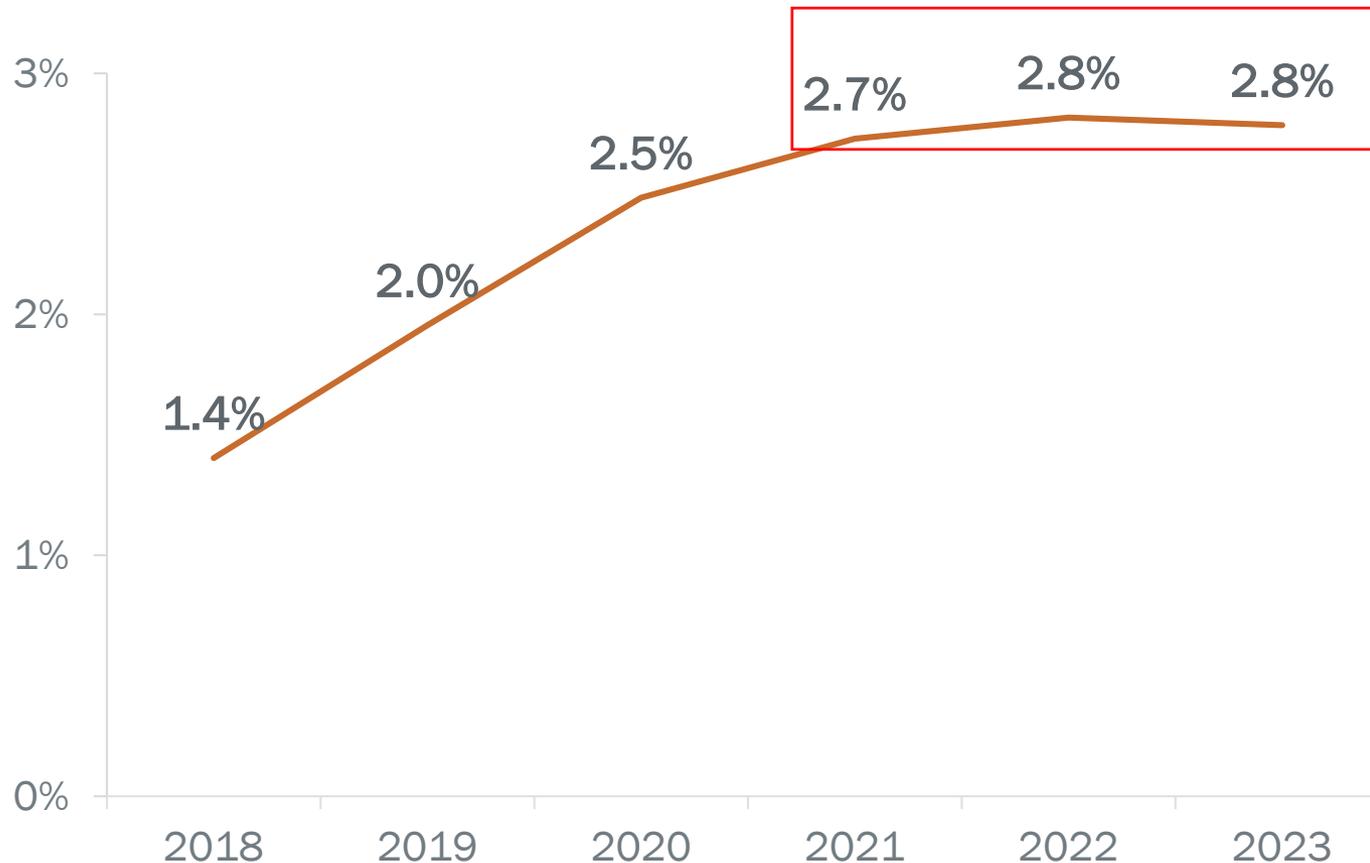
Total costs by province, 2023



Java island group accounts for 63% of total costs in 2023. Jakarta has the largest resource requirements due to high unit costs and large population size.

Local government HIV resource requirements may exceed resources available

Percentage of projected local government health spending needed for HIV, by year



This level of spending on HIV may not be feasible; burden could be alleviated through improved integration of HIV into national health insurance and efficiency gains

Key takeaways

- ✦ Updated, province-specific resource requirements can be used by the local government to improve budgeting for HIV and by CSOs in budget advocacy
- ✦ Given the projected increase in costs required to meet Indonesia's ambitious HIV goals, the government will need to increase funding for HIV through central and local government allocations, and potentially through better integration of HIV into the country's national health insurance scheme, JKN
- ✦ Further analysis is needed to:
 - Revise province-specific targets based on new epidemiological data from the IBBS
 - Estimate potential efficiency gains from a more optimized HIV testing strategy that targets specific populations and geographies
 - Explore payment modalities and regulatory issues associated with greater integration of HIV into JKN

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