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

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Baseline coverage of HIV services is low...

HIV is primarily financed from domestic sources...

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

...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

**Step 1:** Identify factors that influence cost variation

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

**Step 2:** Develop multiplier for each intervention costed

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

**Step 3:** Apply multipliers to reference unit costs

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
  - > 1 = higher than average unit cost
  - < 1 = lower than average unit cost

- Unit costs
  - Range from $33 to $64 per MSM reached
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.
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.