FINANCIAL PROTECTION AND IMPROVED ACCESS TO HEALTH CARE:
PEER-TO-PEER LEARNING WORKSHOP
FINDING SOLUTIONS TO COMMON CHALLENGES
FEBRUARY 15-19, 2016
ACCRA, GHANA

Day 1, Session V.

#access2care #NHISAfrica16
Economic Transitions in Health and UHC in Africa

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Financial Protection and Improved Access to Health Care: Peer-to-Peer Learning Workshop
Accra, Ghana, February 15-19, 2016
A New Chapter in Health History

- End of Euro-colonialism
- End of the Cold War
- The Grand Recession

1960's
- Colonial arrangements
- Pioneer age/missions
- Western tech experts
- Parasitic diseases and anti-viral vaccines
- Eradication campaigns

1990's
- New UN member states
- East-West geopolitical divide
- International solidarity
- Health as social construct
- Primary Health Care for all (Alma Ata to Selective PHC)

2010's
- Globalization: trade, markets, information and communication technology (ICT)
- AIDS and Millennium Development Goals (MDGs)
- World Health Organization joined by World Bank, Non-governmental organizations (NGOs)
- New Philanthropy and Funds
- Public-private partnerships
- Health Systems neglect

Tropical Medicine

International Health

Global Health

A New World Health
Setting the Stage for a “Grand Convergence”

**SDG goal:** <25 per 1,000 live births in every country

**EXAMPLE FROM EPCMD**

**Maternal Deaths by Year**
- 523,000 deaths in 1990
- 380
- 330
- 289,000 deaths in 2013
- 210
- 92
- 70
- 50

**Child Deaths by Year**
- 12.7 million deaths in 1990
- 90
- 76
- 9.7 million deaths in 2000
- 6.3 million deaths in 2013
- 46
- 26
- 18
Development Assistance for Health: The Golden Era
A Large Gap in Health Financing

Grand convergence costs in 63 low- and lower-middle-income countries (Example from RMNCHA)

Peak gap of US$25-27 billion per year, of which ~US$11 billion is covered by international financing
Unprecedented Economic Growth

World per capita GDP
1990 dollars

The Good News: Countries generally doing better economically, increasing their own ability to pay for health care.

124 countries for which there is longitudinal data

Low-income < $2,000 GDP per capita; lower-middle-income $2,000 to $7,250; upper-middle-income $7,250 to $11,750; high-income > $11,750 (1990 PPP dollars)

Source: Felipe, Abdon, and Kumar 2012 (Center for Global Development).
“The First Law of Health Economics”

Source: Jacques van der Gaag; WHO/IMF 2004
The Economic Transition of Health

India - Projected THE/K and Affordability

- **THE/K**: Green line with dashed pattern, Assuming 3.5% inflation.
- **CMH $38 assuming 2.5% inflation**: Red line.
- **TFIF $54 assuming 3.5% inflation**: Black line.
Many Countries can Now/Soon Buy Essential Packages of Health Services

Projected THE per Capita assuming income elasticity = 1.0, compared to inflation adjusted CMH target ($38 in 2002 prices) and TFIF target ($54 in 2005 prices), Low- and low-middle income countries

- Nigeria
- Zambia
- Guatemala
- India
- Ghana
- Kenya
- Ethiopia
- CMH $38 assuming 2.5% inflation
- TFIF $54 assuming 3.5% inflation
Out-of-Pocket Expenditures: Inefficient and Regressive

Source: WHO 2011 data based on World Bank Country Income Groupings
Universal health coverage:
A New Frontier for Global Health

Source: ILO 2014; OECD.
Important conference to **strengthen the finance framework for the SDGs**

Important outcomes:

- **ODA** remains vital to the poorest countries and **also as a catalyst** for other sources of finance
- **Domestic Resource Mobilization (DRM)** and private investment increasingly drive economic growth and sustainable development
- USG and partners announced the **Addis Tax Initiative** to help developing countries with DRM, as well as the **Global Financing Facility for EWEC**.
Financing Framework to guide thinking on how to Improve Health Sector Financing in Partner Countries

**Technical assistance**

- Identify the target source(s)
  - Public sector
  - Private sector***
  - Donors

- Develop the structure**
  - Loans (i.e. GFF), guarantees, debt
  - Insurance and other risk sharing schemes
  - Tax administration, Trust funds (e.g. SFI)
  - Social or development impact bonds
  - Public Private Partnerships
  - Provider payment arrangements e.g. RBF

- Implement
  - Advocacy
  - External partners
  - Funding mechanisms

**Tools and data**

- * Includes improvements in efficiency/productivity
- ** List not exhaustive
- *** Including households
Health Financing Tool identifies opportunity, source, and structure for additional domestic health financing

Illustrative health ecosystem*

*Note: Not exhaustive; health systems vary considerably by country, and involve a complex set of players

Conclusions and main takeaways

- The world of global health is changing rapidly with bold end games for IDs & MCH and a Grand Convergence now in sight.

- USAID is leveraging the economic transition of health to foster country capacity and ownership towards equitable & sustainable development.

- Post-2015 era demands Domestic Resource Mobilization and health financing engineering toward the progressive realization of UHC.
THANK YOU!