Ina-Medicare: Progress and Challenges on Equity and Quality

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- *Information presented is not the view of CHEPS or Universitas Indonesia*

A Snapshot of Indonesia HCF:
The Growth of Health Expenditures and the GDP

Table 2. CHE, GDP, Growth Rate and Share of GDP (Current Prices)

Year	CHE		GDP		CHE as % of GDP
	Amount (Rp trillion)	Growth Rate (%)	Amount (Rp trillion)	Growth Rate (%)	
2010	227.8	-	6,864.1	-	3.3
2011	254.2	11.6	7,831.7	14.1	3.2
2012	281.2	10.6	8,615.7	10.0	3.3
2013	309.2	10.0	9,524.7	10.6	3.2
2014	363.5	17.6	10,542.7	10.7	3.4

Source: NHA-FKMUI/MoH

CHE=Current Health Expenditure, total. GDP = Gross Docmestic Pruduct

Source of Funding: OOP!!

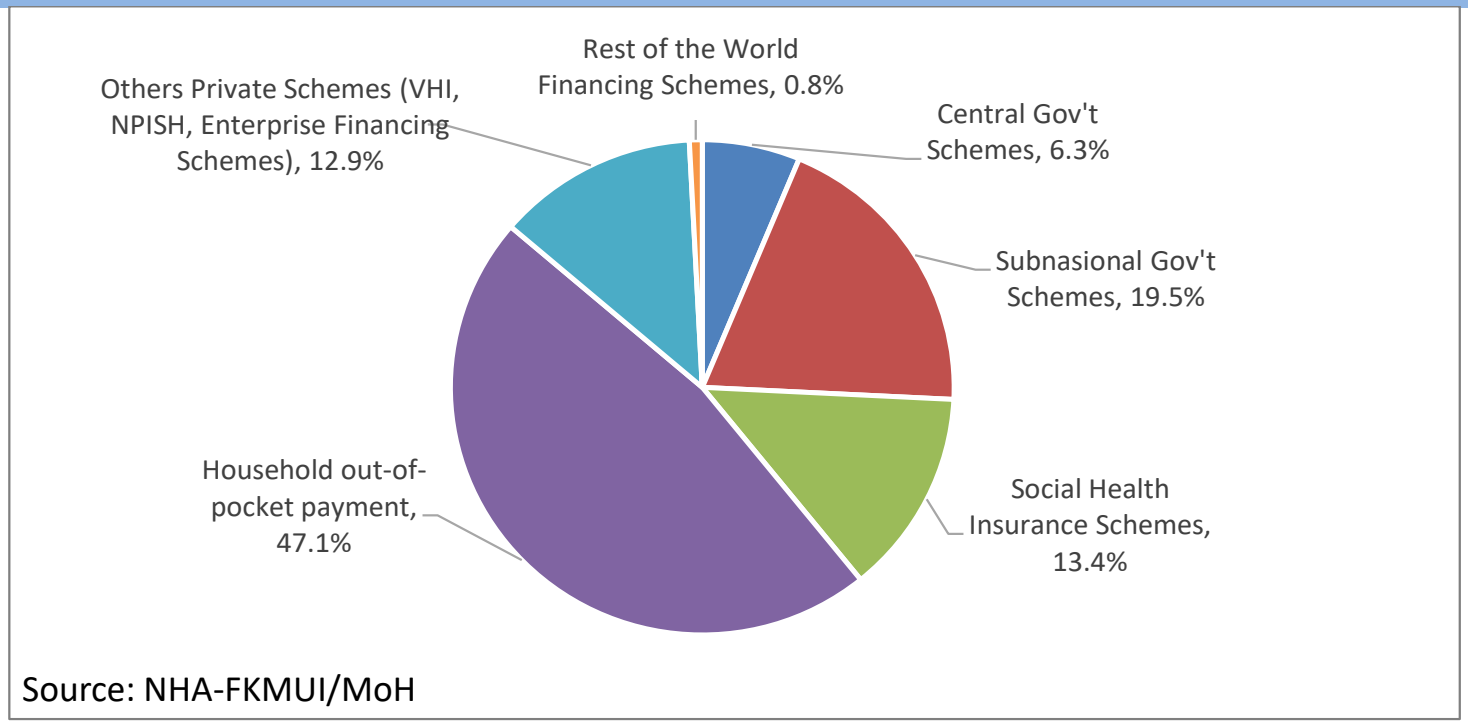


Figure 5. Current Health Expenditure by Financing Schemes, 2014

Oout of pocket (OOP) by households is the most regressive financing, leading to severe inequity. The burden to lower income is greater. Unfair financing!!

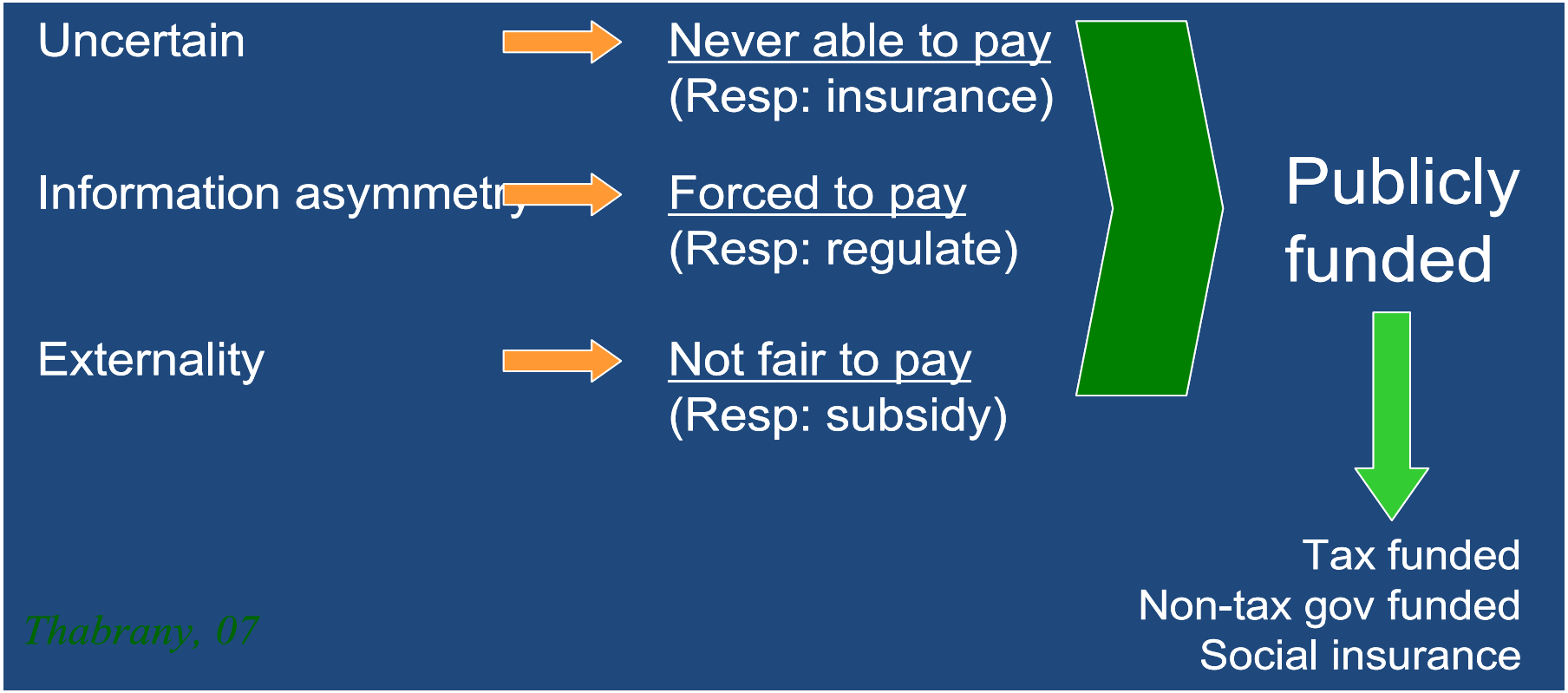
We Have been Spending TOO LOW for Health, NHA 2014

Table 9. GDP per Capita, THE Per-capita, and Share of THE to GDP in Selected Countries in the Asia-Pacific, 2014

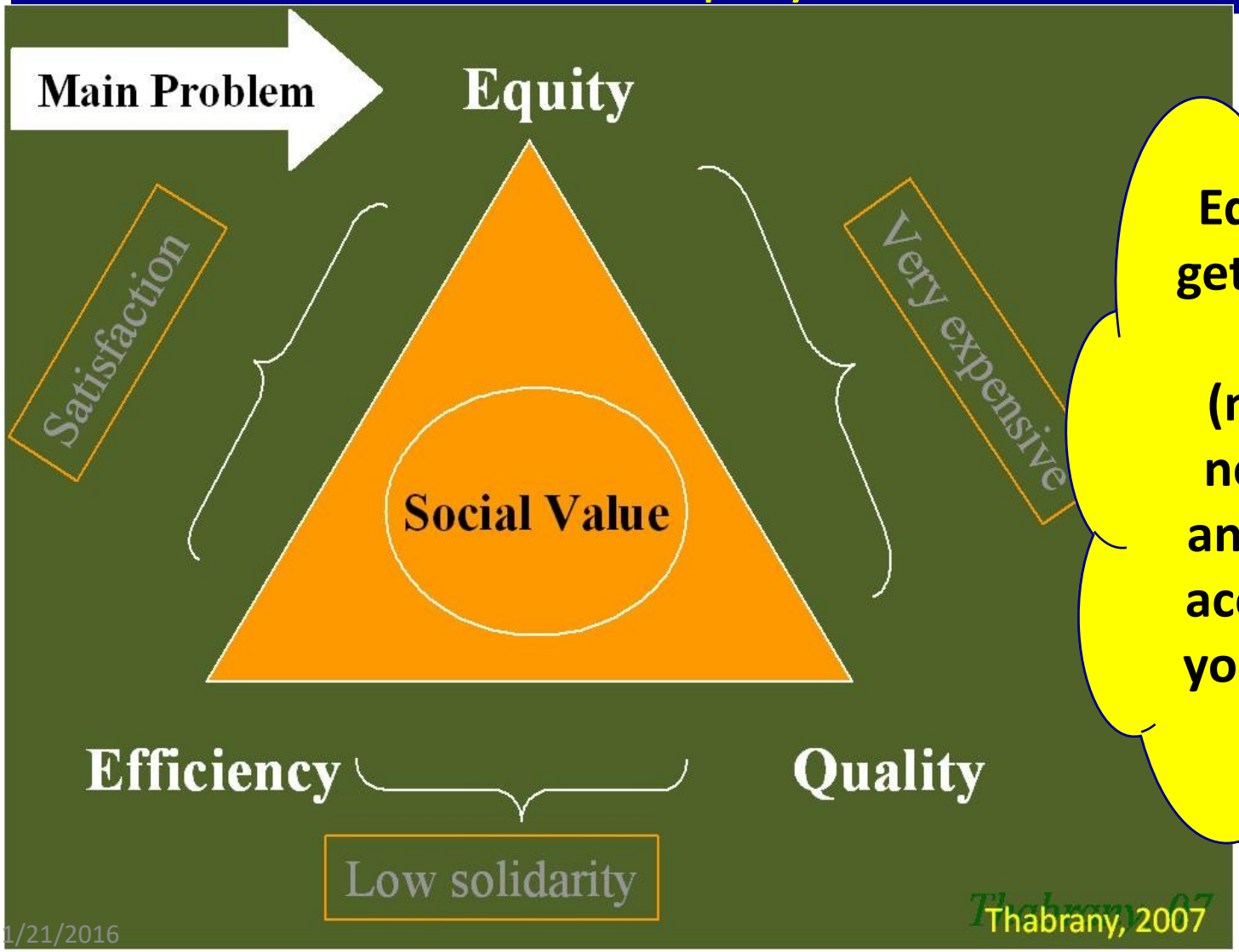
Country	GDP per Capita (US$)	THE (US$ million)	THE per Capita (US$)	THE as % of GDP
Myanmar	891.5	1,084.1	20.3	2.3
India	1,600.7	97,139.9	75.0	4.7
Laos	1,745.9	217.9	32.6	1.9
Viet Nam	2,014.7	13,158.7	142.4	7.1
Philippines	2,870.5	13,403.8	135.2	4.7
Sri Lanka	3,634.6	2,625.5	127.3	3.5
Indonesia	**3,523.6**	**31,838.1**	**126.3**	**3.6**
Thailand	5,519.4	24,407.3	360.4	6.5
China	7,565.2	574,799.0	419.7	5.5
Malaysia	10,933.5	13,630.1	455.8	4.2
Republic of Korea	27,942.7	103,989.1	2,060.2	7.4
Japan	36,201.4	470,671.7	3,703.0	10.2
Singapore	55,909.7	15,155.9	2,752.3	4.9
Australia	64,008.9	140,035.3	6,031.1	9.4

Source: NHA-FKMUI/MoH

The Basic Mechanisms for Appropriate Health Care Financing Models



The Three Main Goals of Health in Financing/UHC: Equity



Equity: You get what you needs (medically necessary) and you pay according to your income

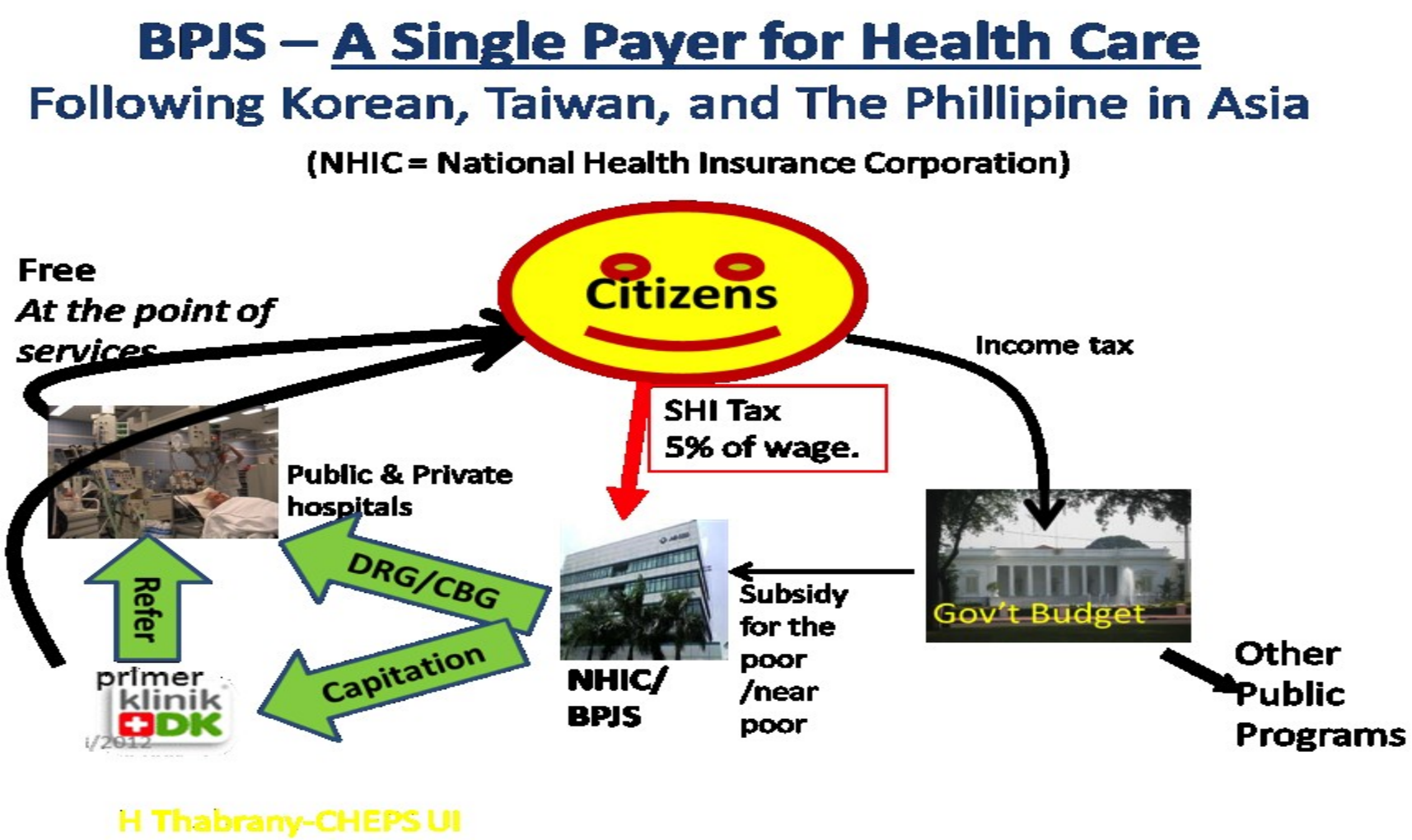
Indonesia – Pop 257 million

GDP/Capita 2015, US$ ± 3.400

5,000 KM

How to reach all people across such a big country?

The Solution: Ina-Medicare. A Single Payer Insurance Model



Main Characteristics of JKN, UHC Indonesia

- A single payer system for all Indonesian citizens, including foreigners. By September 2016, it covers 168 million people.
- Comprehensive benefits. All necessary but **most cost-effective** health care (A-Z) are covered
- The benefits can be utilized in public and contracted private health care providers.
- JKN uses gate keeper system and pay HC providers on prospective system (capitation and case mix base groups, CBG)
- A Commission on Health Technology Assessment is established to ensure new med technologies are covered

Current Achievements

- 170 million people register to a single payer, BPJS Kesehatan
- 2,000 public and private hospitals sign up to serve the members
- Outpatient rates for specialist care reaches stability on average 24 visit/1,000 members per month
- Inpatient rates reach stability at 3.7 admission per 1,000 members per month
- **Equity** is improving, although it is still a big problem, especially among lower income and in rural areas
- However, overall utilization rates remain low by the international standards

After the JKN, Expenses on Personal Care Jumped

Table 4. CHE by Function (Rp Trillion), 2010 - 2014

Functions	2010	2011	2012	2013	2014
In-patient curative care	70.7	80.8	89.3	101.4	137.6
Out-patient curative care	55.1	60.6	65.2	70.6	104.0
Services of rehabilitative care	0.3	0.4	0.5	0.4	0.6
Ancillary services to health care	13.1	13.0	14.2	18.1	14.1
Medical goods dispensed to out-patients	56.1	64.6	69.1	70.1	69.6
Prevention and public health services	14.7	13.6	17.0	14.7	23.3
Health administration and health insurance	17.7	21.1	25.9	33.9	14.2
Total	**227.8**	**254.2**	**281.2**	**309.2**	**363.5**

Source: NHA-FKMUI/MoH

Where the Money Goes?

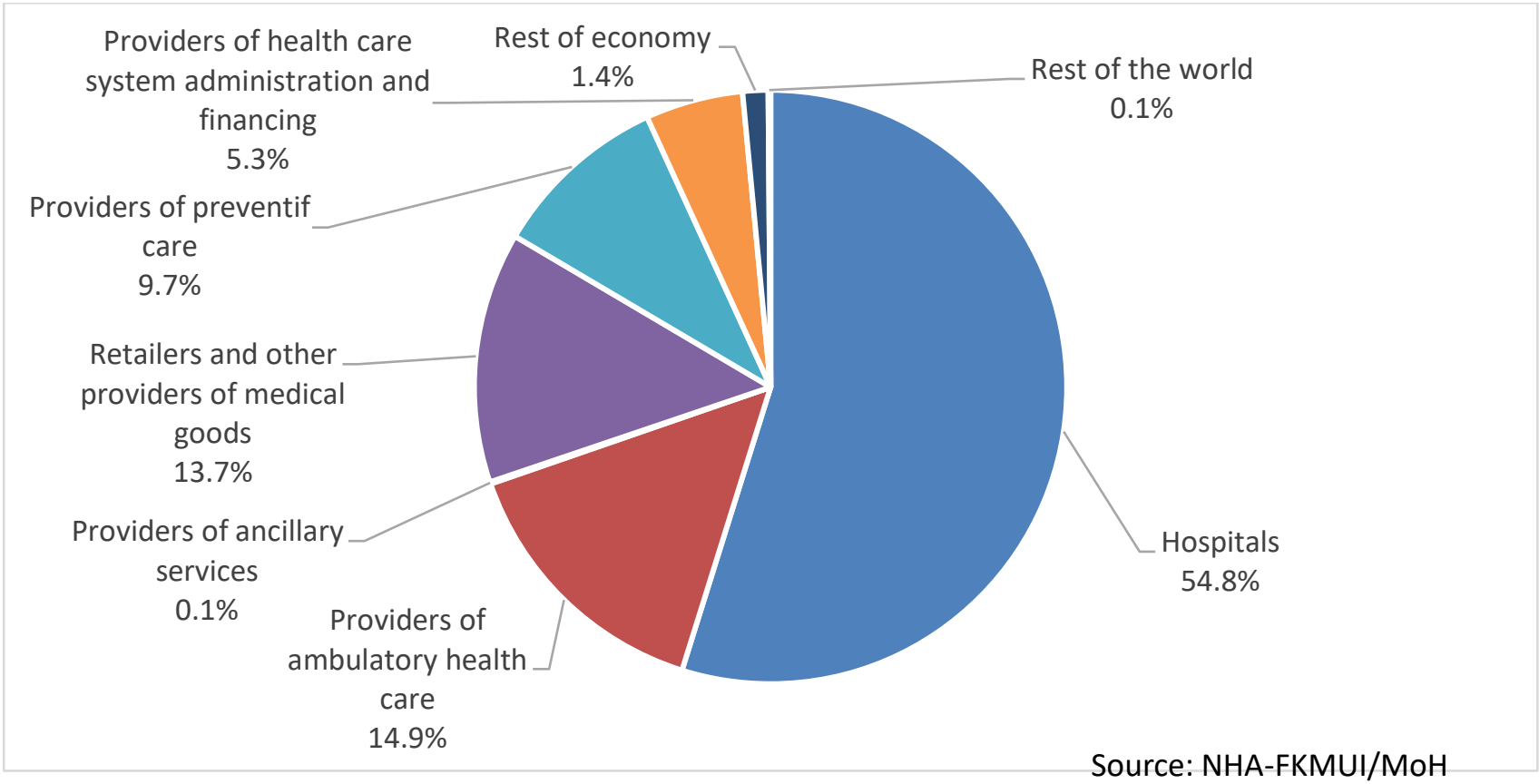
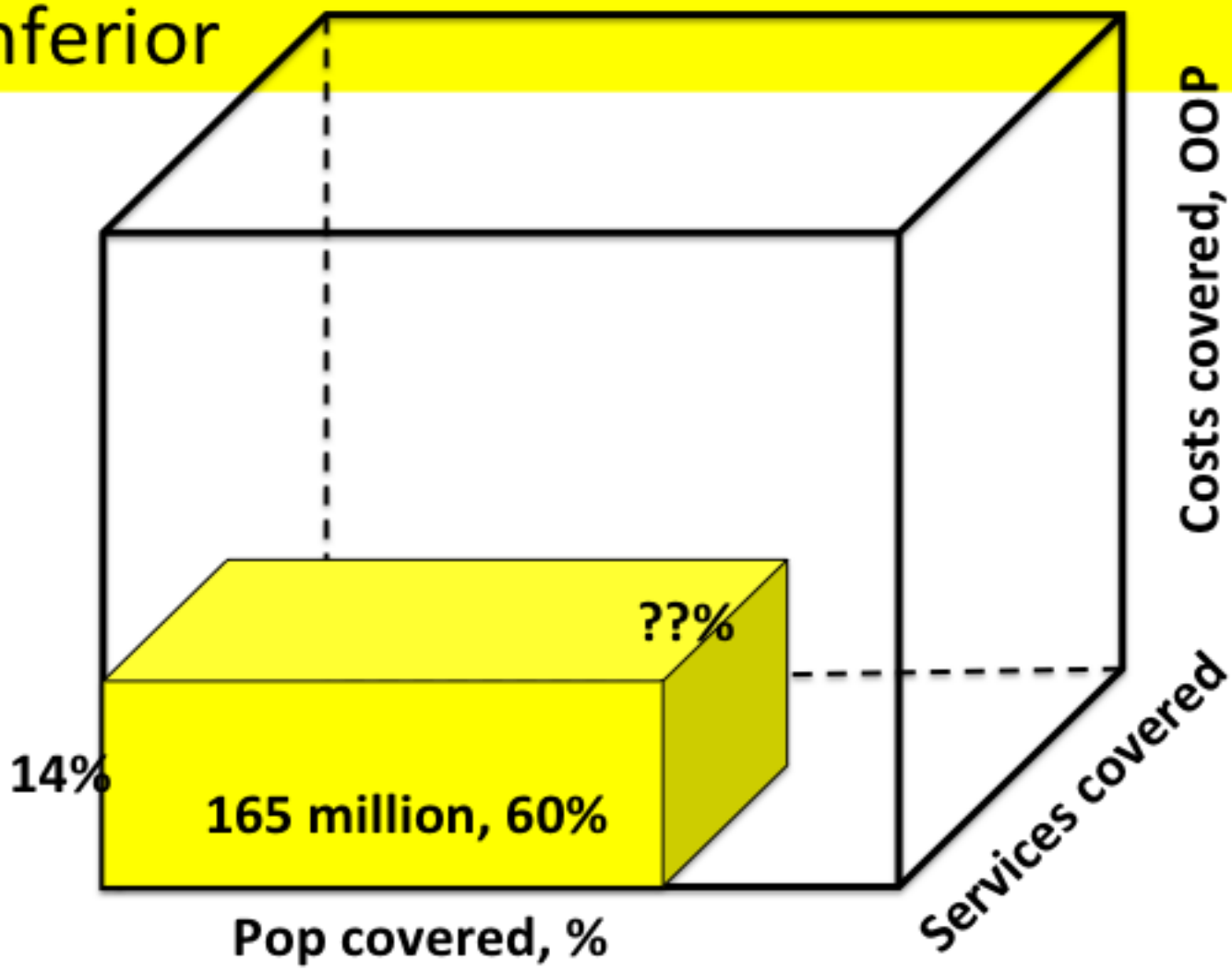


Figure 10. Current Health Expenditure by Providers, 2014

Most Problems

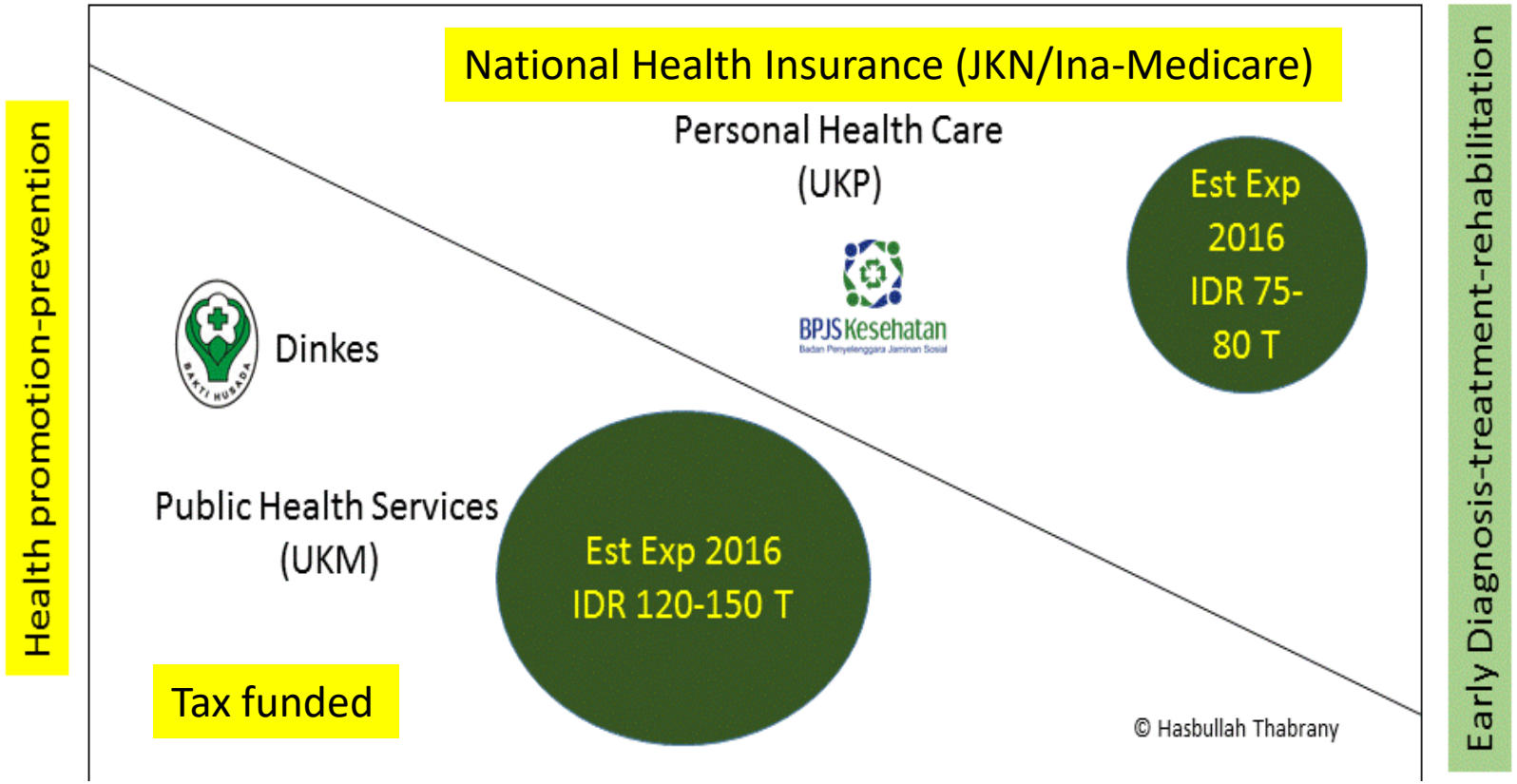
- Overall financial protection of JKN has not reached optimum level, since the contribution of JKN to the THE was only 14% for 65% of the population coverage
- Quality of services is generally perceived not good yet
- The majority of employees of the large employers and high rank government employees have not utilized full benefit. Only the very high costs care are utilized. It signal perception of poor quality
- Making all stakeholders understood the system details remain big challenges for this large country
- Inadequate contribution and the level of prospective payments to private health care providers are the root for sub optimum JKN

Currently, UHC in Indonesia is considered Inferior



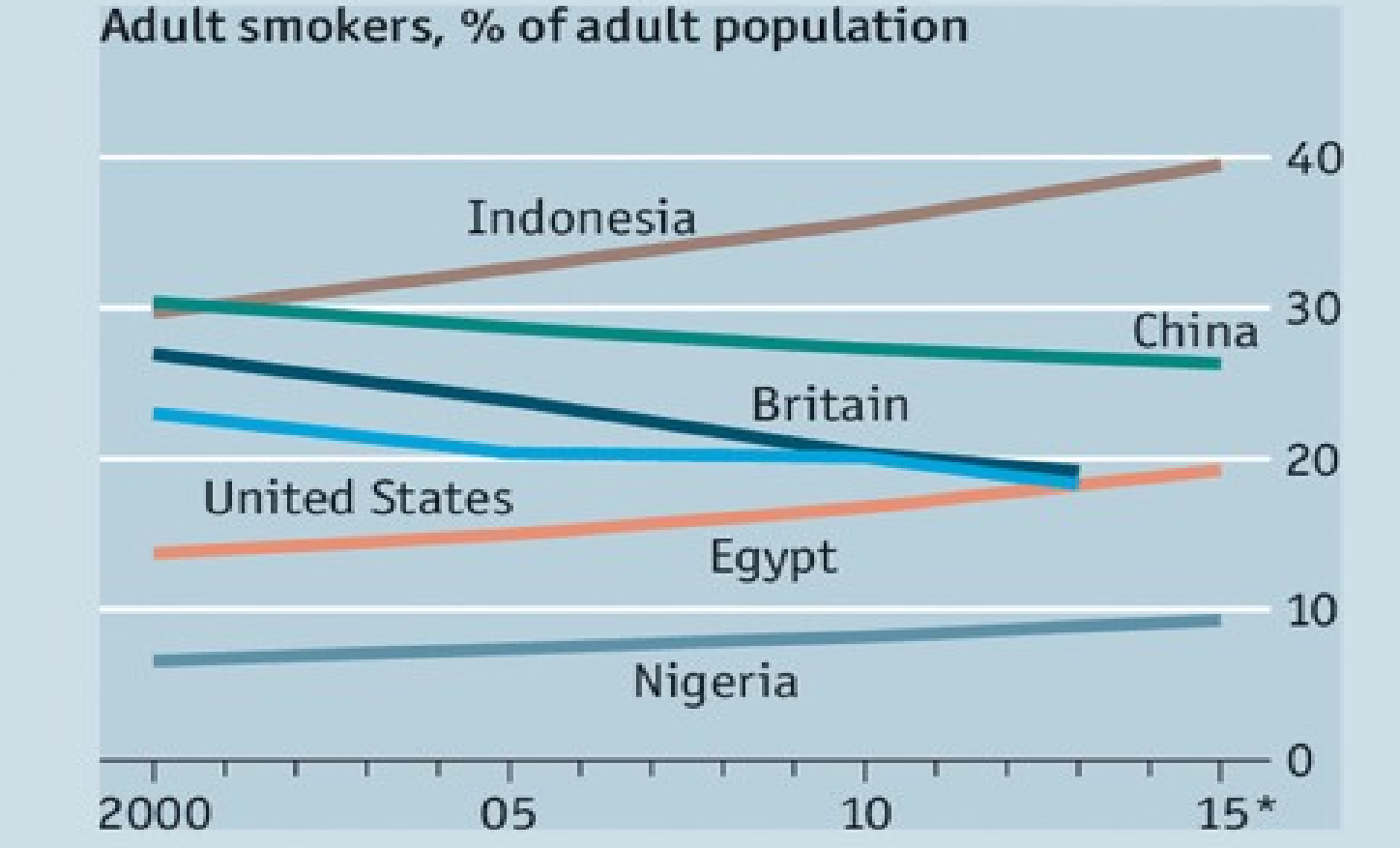
HTA Unit is just established. Priority and funding should be given to research on costs and benefits evidences

We Divide Funding and Administration into TWO Major Public Organization



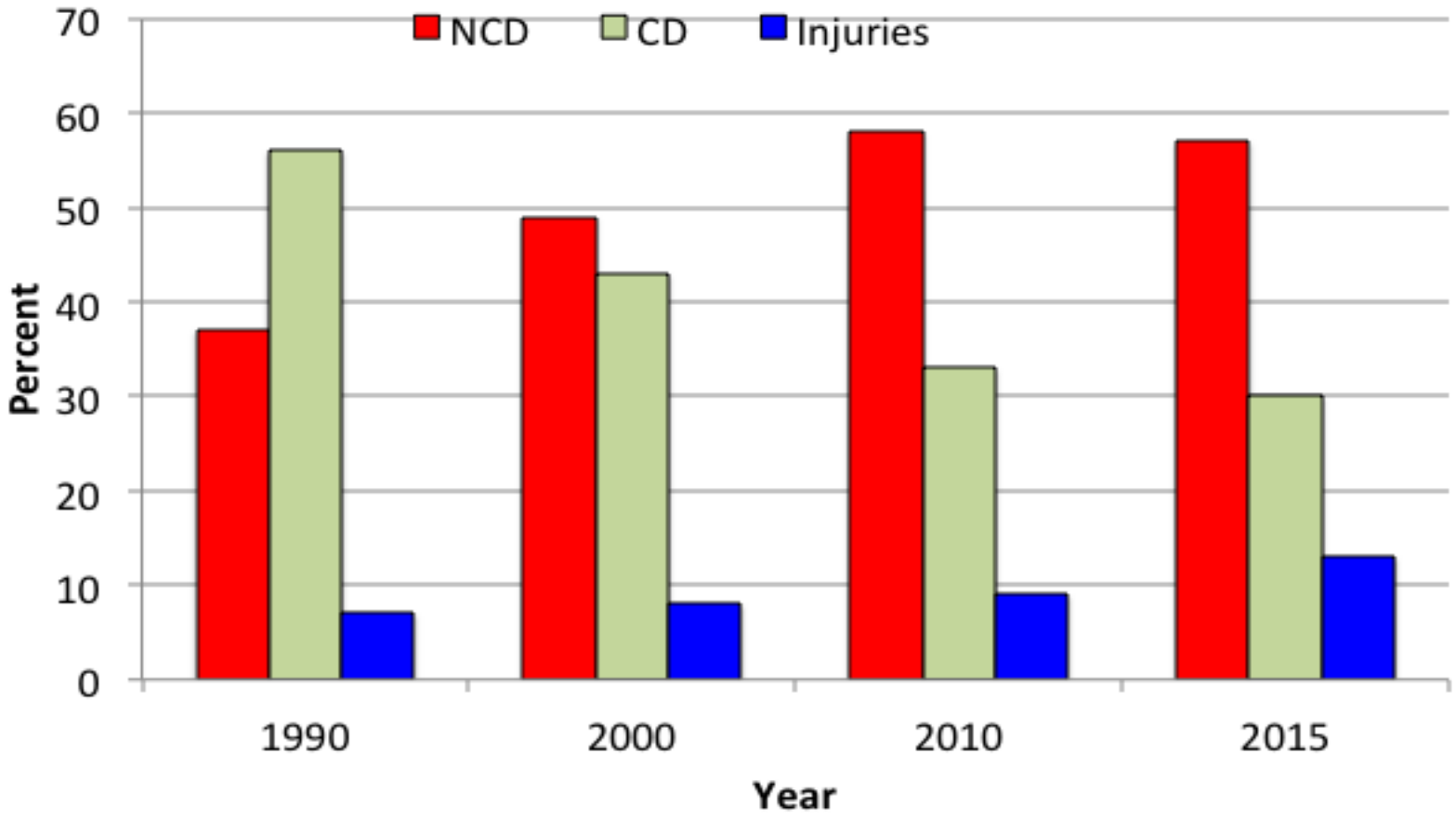
More efficient and more effective services are expected

The Biggest Public Health Challenges: Champion of Smokers: Leading to Costly NCD Treatments in the Future



Source: WHO Tobacco Atlas, 2015

Changes in the Proportion of Burden of Diseases, by Group of NCD, CD and Injuries in Indonesia



The Borobudur temple, built in the 9th century, was constructed for long time; it last long!!!
So we expect the INA-Medicare does

Conclusion

- Indonesian health care financing is the right tracks, consistent with theory and concept addressing equity and quality of health care
- Despite the large and diverse country, current achievements show improvements of equity and coverage
- Quality of care and waiting time is generally perceived not good (yet)
- Challenges remain high in adequate financing and addressing NCDs, behavioral diseases, the new public health challenges or Indonesia