T20 Side Event: Healthcare Innovative Financing for a Sustainable and Equitable Access to New Cancer Treatments

NUUSA DUA, BALI, 05 SEPTEMBER 2022. Held as the capstone event of the T20 event series, the T20 Summit finally commenced on September 5 and concluded on September 6, 2022 at Hilton Hotel, Nusa Dua Bali, Indonesia. This year’s T20 summit has the main theme of “Strengthening the Role of the G20 to Navigate the Current Global Dynamics,” with three key themes to cover, related to delivering policy options that can be adopted by the G20 leaders on global health architecture, digital transformation, and energy transition.

One of T20 side meetings brings up the topic of “Healthcare Innovative Financing for A Sustainable and Equitable Access to New Cancer Treatments: Public Private Partnership” presented by the T20 Task Force 6 “Global Health Security and Covid-19”, LPEM FEB UI, LPPKM FKM UI and Merck Sharp & Dohme (MSD) brought together policymakers and researchers at the national and international levels to address the issues of how to establish sustainable public access and funding for cancer innovative treatments with innovations in healthcare financing and strong multi-stakeholder collaboration for the improvement of the quality of cancer care and to give better chance of higher survival rate and quality of life.

The session held in hybrid setting on September 5, 2022, was moderated by Hasbullah Thabrany (Professor of Health Policy and Insurance, University of Indonesia and the T20 Lead co-chair) and invited prominent speakers such as Guanjun Jiang (Milliman Shanghai), Abdillah Ahsan (Universitas Indonesia), Rifat Atun (Harvard University) and Susatyo Pujo Widodo (Gallagher Re/ PT IBS Reinsurance Brokers). Several key experts shared their time to be the discussants, including Krishna Reddy Nallamalla (ACCESS Health International), Yuli Farianti (Indonesian Ministry of Health), Nina Susana Dewi (local government of West Java Province, representing Ridwan Kamil, the Governor of West Java), Adiatma Yudianta Siregar (Padjajaran University), Diah Ayu Puspandari (Gadjah Mada University).

The world is still focused on dealing with the Covid-19 pandemic, but on the other hand, non-communicable diseases such as cancer remain an ever-present public health problem that will not only
impacts the survivors or patients, but also their families, social life, and economic condition. Cancer is one of the non-communicable diseases with high number of incidence and mortality globally, including in Indonesia. It is estimated that the world’s cancer incidence will increase by almost 50% from around 19 million cases in 2020 to 29 million cases in 2040, with a 64% increase in cancer mortality between those years.

One of the World Health Organization’s (WHO) recommendation is the Universal Health Coverage (UHC) which means that all individuals and communities receive the access to the health services and treatments they need without suffering financial hardship. Protecting people from the financial consequences of paying for health services out of their own pockets (OOP), especially for catastrophic diseases like cancer, reduces the risk that people will be pushed into poverty because unexpected illness requires them to use up their life savings, sell assets, or borrow – destroying their futures and often those of their children.

To achieve UHC is one of the commitments the countries set when adopting the SDGs which then reaffirmed at the United Nations General Assembly High Level Meeting on UHC in 2019. Indonesia is one of those countries that has adopted UHC principle by initiating their national health insurance called Jaminan Kesehatan Nasional (JKN) which has created positive changes to the Indonesian health system by broadening access to health services for all levels of society with coverage of 86.07% from total Indonesian population in 2021.

UHC emphasizes not only how many people are covered, but also what services are covered and how they are funded. This is in line with WHO’s strategy for the five-year period, 2019-2023 which focuses on triple billion to achieve measurable impacts on people’s health at the country level, that is one billion more people are benefiting from universal health coverage, one billion more people are better projected from health emergencies, one billion more people are enjoying better health and well-being. Countries that progress towards UHC will make progress towards the other health-related targets, and other goals. Good health allows children to learn and
adults to earn, helps people escape from poverty, and provides the basis for long-term economic development of the country.

Significant advances in cancer science and research have led to a rapid inflow of new diagnostic technology (biomarker testing) that can determine specific type of cancer and breakthrough in cancer treatments that work specifically targeting the cancer cells (targeted therapy) or use the body’s immune system to fight cancer cells (Immunotherapy) result in better clinical outcomes. Unfortunately, underfunded UHC remains one of main public health challenges for many countries, especially in low- and middle-income countries (LMIC) with limited health public budget that causes delay in adding new innovative drugs to public reimbursement. In a study conducted in several Asia Pacific countries (IHE, 2021), drawing on a sample of ten innovative cancer drugs across five major cancer types, almost one million patient life years are lost for every year of delay in reimbursement. In the same study, it was found that countries with higher allocations of cancer financing showed better cancer outcomes than countries with lower funding.

Prof. Hasbullah Thabrany shared that public health expenditure as a share of gross domestic product (GDP) tends to be much lower in low- and middle-income markets (on average 2%) than in high-income markets (on average 5%) based on data from Asia Pacific countries. Those low- and middle-income countries are unable to meet the WHO target of public health spending of 5% of GDP. Those countries should be able find innovative ways to mobilize funding to ensure adequacy and equity of access to innovative treatments for many non-communicable diseases, especially cancer.

Prof. Rifat Atun highlighted that mobilization of funds for healthcare should not be seen as source of expenditure. Health is one of the best investments one’s can make. There are six different sources of financing that government can use creatively to expand fiscal space for catastrophic disease, especially cancer treatments, such as: (1) conducive macroeconomic condition (GDP growth) that should be allocated proportionally to health (Germany, Turkey); (2) reprioritization of health within government budget (Turkey, Mexico); (3) sector-specific domestic revenue sources. e.g., earmark, targeted taxes (Philippines, Thailand); (4) international finance
borrowing (Argentina); (5) improve health budget effectiveness and efficiency by rechanneling inefficient health investment to other health aspects as evidence to Ministry of Finance to generate more value for money and more value for many for equity and inclusiveness (Thailand); (6) Innovative financing e.g., social impact bond (India, Australia). The investment in health can have very substantial return of investment when investing in cancer in LMIC, also in high income countries.

Guan Jun Jiang showcased the Supplementary Medical Insurance (SMI) program, called UCCMI (Urban-Customized Commercial Medical Insurance), in People’s Republic of China. UCCMI is an extra layer of protection stays in between public reimbursement and traditional private health insurance. UCCMI scheme is also considered as an affordable financing solution for equitable access to new cancer treatments. Most UCCMI programs cover high-value specialty drug in addition to inpatient medical expenses, with 15 to 25 tumor targeted drugs, immunotherapy drugs or orphan drugs that are not yet admitted to drug list of the public reimbursement. Several factors have contributed to the success of UCCMI scheme in China, including national- and provincial-level regulatory support. More than 10 regulations have been released to support and guide the development of UCCMI since 2019, after which there was a rapid growth in the number of UCCMI programs launched. In addition to the top hierarchy regulatory support, we have observed that local-level guidance on program implementation is also critical in program success. With the regulatory support and implementation guidance, the actual involvement and support of local bureaus also have a large impact on UCCMI penetration ratios and program sustainability. Overall, with continuing support, guidance, and supervision from government entities, UCCMI scheme in China is expected to be a feasible healthcare financing solution to lowering out-of-pocket expenses.

Susatyo Pujo Widodo presented a case study of public private partnership to build innovations in healthcare financing for cancer innovations to provide better access to innovative cancer medicines. The program is a private insurance policy that will cover innovative cancer treatments that are not listed yet in public reimbursement. The idea is for having partnership with government to cover the insurance premium for all populations or only for the low-income segment. For this approach, government should identify innovative
source of budget, such as allocating health tax to cover the insurance premium for the society and start pilot program in one Province as the showcase for national level or even for other countries.

**Krishna Reddy Nallamala** highlighted that the limited discussion of financing for advance care treatment in low- and middle- income countries is related to financial limitations and political situation. For this reason, innovative financing is an excellent way to invest in health, especially for low- and middle- income countries, intending to protect the unprotected and individual right to access advance care therapy.

**Yuli Farianti** expressed that today's discussion can support the Health Transformation that is currently being carried out by Indonesian Ministry of Health, especially regarding the issue of funding for health services. The use of health tax is one of the innovative financing mechanisms. Now, Indonesian Ministry of Health is conducting several studies to transform the use of taxes from tobacco tax and other sin taxes such as beverages to add funding resources that can provide sustainable and equitable access to patients in Indonesia. Indonesian Ministry of Health interests to have partnership with broader stakeholders, including private organizations, for more innovations in healthcare financing.

**Nina Susana Dewi** stated with a population of almost 50 million people, current experiences of West Java Province for innovation in health financing is using the health tax for promotive and preventive efforts, also cover the premium of national health insurance/JKN for poor people and build health infrastructure. Regarding the use of tobacco excise, one of the innovations came from Karawang District where the local government use some portions of the tobacco excise to build a Lung Hospital. From her explanation, using health tax for curative efforts is a new approach that potentially could be a new innovation in healthcare financing.

**Diah Ayu Puswandari and Abdillah Hasan** highlighted that based on current regulation in Indonesia tobacco excise and tax can be utilized for healthcare. The use of those budget depends on how innovate the area is, and there is opportunity to allocate those funds for cancer care, especially to cover cancer innovative drugs
that are not listed yet in the public reimbursement. Innovative health financing should be seen as investment for a better long-term health outcomes, not be seen merely about budgeting and spending,

All the panelists and discussants agree that G20 countries need to have more innovations in healthcare financing to allocate more budget for more values. Cancer will keep increasing, but countries cannot only trajectory what other countries or regions do. The most important is innovation. Innovation to find new source of budget. Innovation on how to use the budget. And inclusiveness by implementing strategic public private partnership.

The recommendation is for country to start in a small scale the idea of healthcare innovative financing, such as doing demonstration program (pilot) in one Province, one District or one city, do monitoring and improvement, then scale up to wider area and national level.

To see the full coverage of the summit, please watch our recorded live stream on YouTube: https://www.youtube.com/c/T20Indonesia

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