What Determines Health Financing?

• Need (i.e.: burden of disease)
• Budget (i.e.: Abuja Declaration 15% target)
• Supply/capacity (i.e.: CAT Scan machines)
• Profit (i.e.: rate of return)
• Demand (i.e.: elective)
• Advocacy (i.e.: voice)
Health Expenditure Per Capita Predicted by GDP (US$)
Sources of Financing

- Public
  - Government
    - National
    - Provincial
    - Municipal
- Private
  - Health insurance/medical schemes
  - Out-of-pocket
- Development Assistance for Health (DAH)
  - Bilateral
  - Multilateral
  - Philanthropy
  - Religious
Did/does HIV and AIDS Have to Fight for Funding?
Focus on HIV
Total Annual Funding for HIV/AIDS

The Global Fund

PEPFAR

Domestic Contribution

US$ Billions


$0.3 $0.5 $0.5 $0.9 $1.4 $1.6 $4.2 $5.1 $6.1 $8.5 $8.9 $12.7 $15.6 $15.9 $15.3 $17.1 $18.9 $19.1

#ADHERENCE2015
Years of Life Lost by Cause (Global, Women, 2010)

Source: IHME
Years of Life Lost by Cause (Western Europe, Women, 2010)

Source: IHME
Years of Life Lost by Cause (Eastern Africa, Women, 2010)

Source: IHME
Years of Life Lost by Cause (Southern Africa, Women, 2010)

Source: IHME
Financing for Health
DAH by Channel of Assistance, 1990-2014

Source: IHME
Total DAH, 2000-2014 (Observed vs. Potential)

Source: IHME
DAH by Health Focus Area, 1990-2014
Flows of DAH From Source to Health Focus Area, 2000-2014

Source: IHME
Change in DAH by Health Focus Area, 2000-2014

Source: IHME
Financing for HIV/AIDS
DAH for HIV/AIDS by Channel of Assistance, 1990-2014

Source: IHME
Top 20 Countries by 2011 HIV/AIDS Burden of Disease vs. Average 2010-2012 DAH

Source: IHME
“Triple Squeeze”

1. Rising HIV programme costs to meet new commitments to treatment and access targets

2. Shrinking donor support for HIV

3. Limited availability of domestic resources
Three Major Factors

1. Burden of disease

2. Value for money and rate of return

3. Populations rights and the right to health
New Infections and Deaths

- New Infections
- Deaths of HIV Positive People

Number of people

Time
Treatment Requirements

- Treatment needed

Graph showing the number of people requiring treatment over time.
Economic Transition

- New Infections
- Deaths of HIV Positive People

Economic Transition Credit
Mead Over
Data from South Africa

- HIV infections
- AIDS cases
- AIDS deaths
Data from South Africa

New infections (Incidence)

AIDS deaths

No Economic Transition on the horizon
An Advocacy and Epidemiological Transition

- New Infections
- Deaths of HIV Positive People
- Treatment
- New people needing treatment

Number of people vs. Time
Epidemiologic Transition

- New Infections
- Deaths of HIV Positive People
- New people needing treatment

Number of people vs. Time
Global Resource Needs

Billions

2007 2012 2017 2022 2027

Current Trends
Rapid Scale-up
Hard Choices
Structural Change
Global Resource Need Estimates and Financing Gap

- Global Resource Need: 16.8 billion USD in 2011
- Financing Gap: 7.2 billion USD in 2015
- Current Level: 4.6 billion USD in 2020

Analysis:
- The gap between global resource need and financing has been increasing over time, with a significant rise in recent years.
- Strategies for addressing the gap and increasing financing are crucial for sustainable development.

Graphical representation:
- Bar chart showing the progression of global resource need and financing gap from 2011 to 2020.
Donor Dependency of HIV Treatment and Care in Africa

Source: Global AIDS Response Progress Reporting country reports (most recent available).
<table>
<thead>
<tr>
<th>Country</th>
<th>Total Health Expenditure as % of GDP</th>
<th>Development Assistance for Health as % of GDP</th>
<th>Out-of-Pocket as % of Total Health Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina</td>
<td>Public 5.2% Private 3.0%</td>
<td>0.37%</td>
<td>21.6%</td>
</tr>
<tr>
<td>Canada</td>
<td>Public 8.0% Private 3.3%</td>
<td>N/A</td>
<td>14.2%</td>
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<td>Colombia</td>
<td>Public 5.0% Private 1.8%</td>
<td>1.21%</td>
<td>17.8%</td>
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<td>India</td>
<td>Public 1.0% Private 2.7%</td>
<td>0.62%</td>
<td>61.8%</td>
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<tr>
<td>Indonesia</td>
<td>Public 1.1% Private 1.8%</td>
<td>0.64%</td>
<td>47.2%</td>
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<tr>
<td>Iraq</td>
<td>Public 2.3% Private 0.8%</td>
<td>11.18%</td>
<td>26.1%</td>
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<tr>
<td>Japan</td>
<td>Public 7.9% Private 1.7%</td>
<td>N/A</td>
<td>14.4%</td>
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<tr>
<td>Sierra Leone</td>
<td>Public 2.4% Private 13.1%</td>
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<td>South Africa</td>
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<td>Swaziland</td>
<td>Public 5.7% Private 2.7%</td>
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<td>Turkey</td>
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<td>United Kingdom</td>
<td>Public 8.0% Private 1.6%</td>
<td>N/A</td>
<td>9.4%</td>
</tr>
</tbody>
</table>

Source: World Bank
Health Expenditure Per Capita (US$)

Source: World Bank
Crude Death Rate and Physicians (per 1000 people)

Source: World Bank
Conclusion

1. Determinants of health financing are complex and vary from country to country
2. DAH for HIV has peaked
3. Financial needs will rise
4. Nuanced advocacy is urgently required
5. MDGs to SDGs is not good for health financing and thus HIV