Financing, Efficiency, Transition and Sustainability Issues for Malaria

CABRI Conference on 'Financing HealthCare in Africa: Challenges and Opportunities'
30 November 2015
Dar-es-Salam

The Global Fund

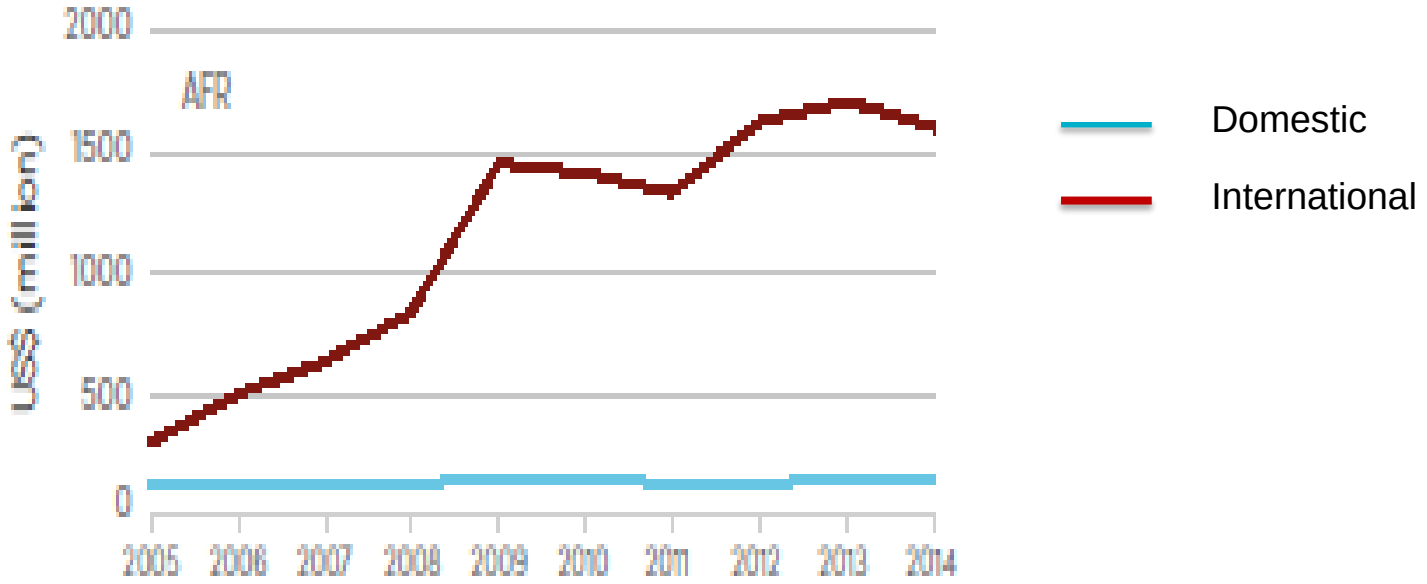
The Global Fund- An Overview

- 21st-century partnership designed to accelerate the end of AIDS, TB and malaria as epidemics- established in 2002
- Core Operating principles:
  - PARTNERSHIP- All stakeholders take part in decision-making.
  - COUNTRY OWNERSHIP- Implementers know the best way to fight disease.
  - PERFORMANCE-BASED FUNDING- Money goes where it can achieve results.
- Allocation to countries based on country income and disease burden
- As of November 2015:
  - US$ 28 billion disbursed
  - 55% of funding to Africa
- By 2015, the Global Fund has contributed to
  - 17 million lives saved; on track to reach 22 million lives saved by the end of 2016
  - 8.1 million people on antiretroviral treatment for HIV
  - 13.2 million people receiving TB treatment
  - 548 million mosquito nets distributed through programs for malaria

Financing for Malaria in Africa

- Five fold increase in direct investments for malaria in Africa, between 2005 and 2014
  - International funding for malaria increased 6 fold, between 2005 and 2014
  - In 2014, Africa accounted for 82% of malaria funding from international sources
  - Direct government investments in malaria increased at a modest rate

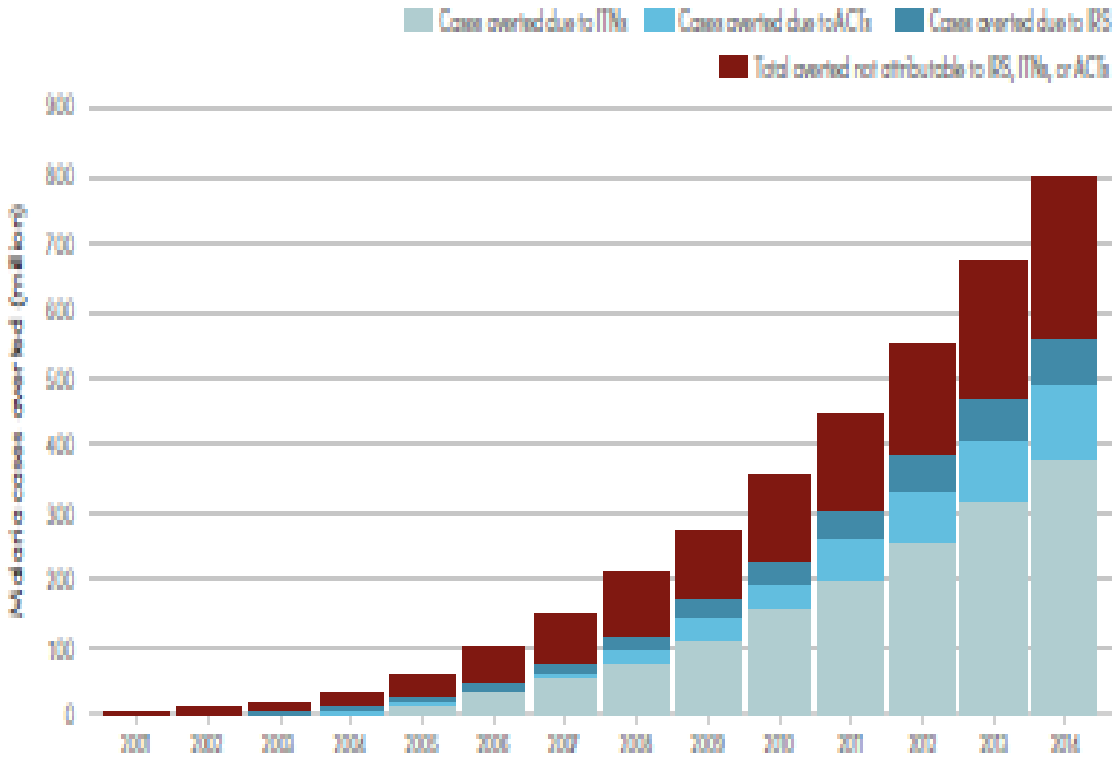
Malaria Control Investments in Africa, 2005-2014 (Constant 2014 US$)



Source: World Malaria Reports, WHO

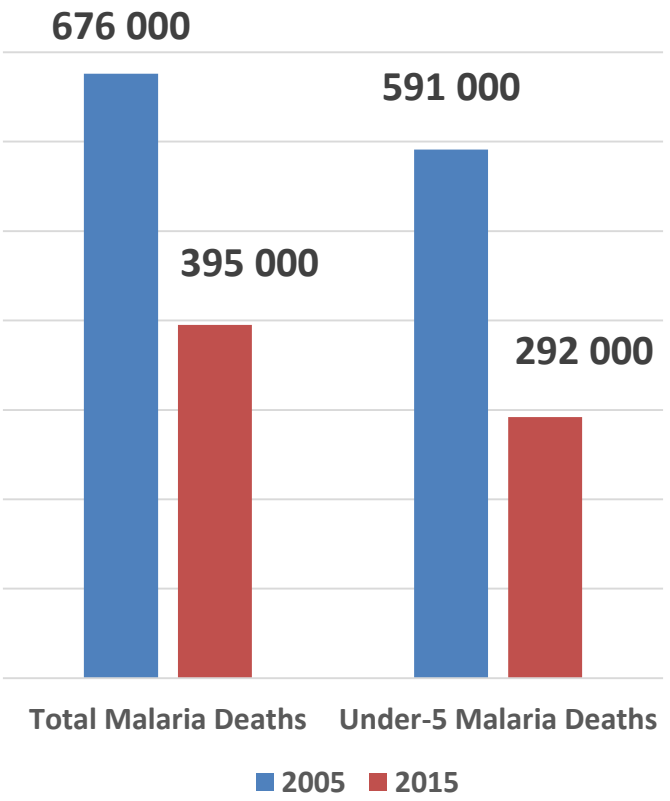
Significant Progress in Controlling Malaria in Africa

Cumulative Number of Malaria Cases Averted in Sub-Saharan Africa, 2000-2014



Source: Malaria Atlas Project

Malaria Deaths in Africa, 2005 and 2015

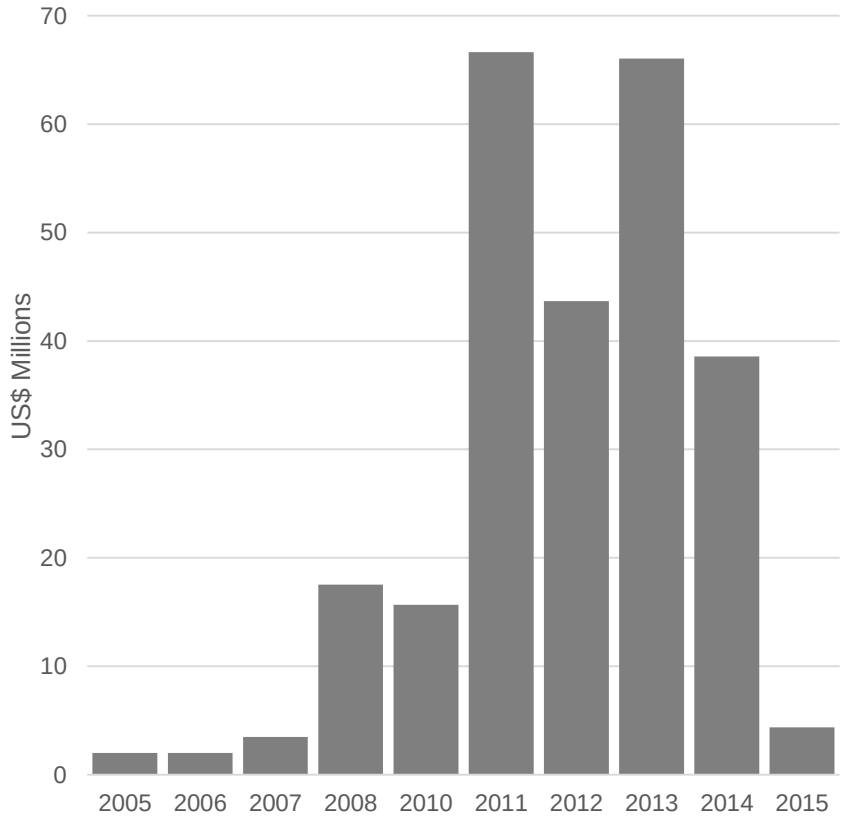


Source: WHO

Key Challenges in Sustaining Progress in Malaria Control (1)

- Current levels of funding meet only about half the funding need
- Significant gaps in coverage of key interventions in Africa. In 2014
  - 278 million out of 840 million people at risk not protected by bednets/IRS
  - 35 million pregnant women did not receive a single dose of IPTp
  - Between 57 and 69 million children with malaria did not receive ACT
- Increasing funding need: $5.1 billion in 2013 to US$ 8.7 billion in 2030
- Significant dependence on international resources for malaria control (>85% of current funding in Africa), which are plateauing
- Variable prioritization of domestic budgets for health (ranging from 4% to >15%); and overall low domestic funding for malaria
- Macroeconomic and fiscal constraints

Volatility of Malaria Budgets in an African country, significantly dependent on oil revenues



Source: Ministry of Finance, Budget documents

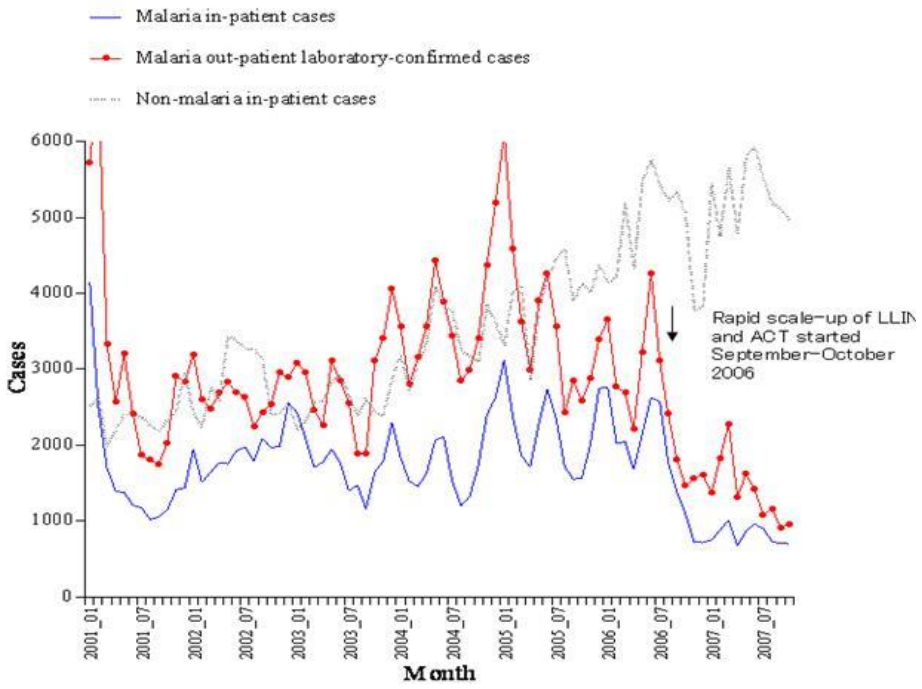
Key Challenges in Sustaining Progress in Malaria Control (2)

- With economic growth and transition to higher income levels, many countries become ineligible or eligible for lower level of international funding
- Alignment of international funding with country systems and processes
- Need for greater engagement with Ministries of Finance
- Health systems constraints
- Managing transition of increasing decentralization and devolution to lower level of governments
- Better integration with national development and health sector plans
- Inefficiency in usage of available funding- potential for greater prioritization, integration, and efficiency savings
- Requirement of reliable costing of requirements and institutional mechanisms to track health and disease expenditures on a routine basis

Why Invest in Malaria (1)

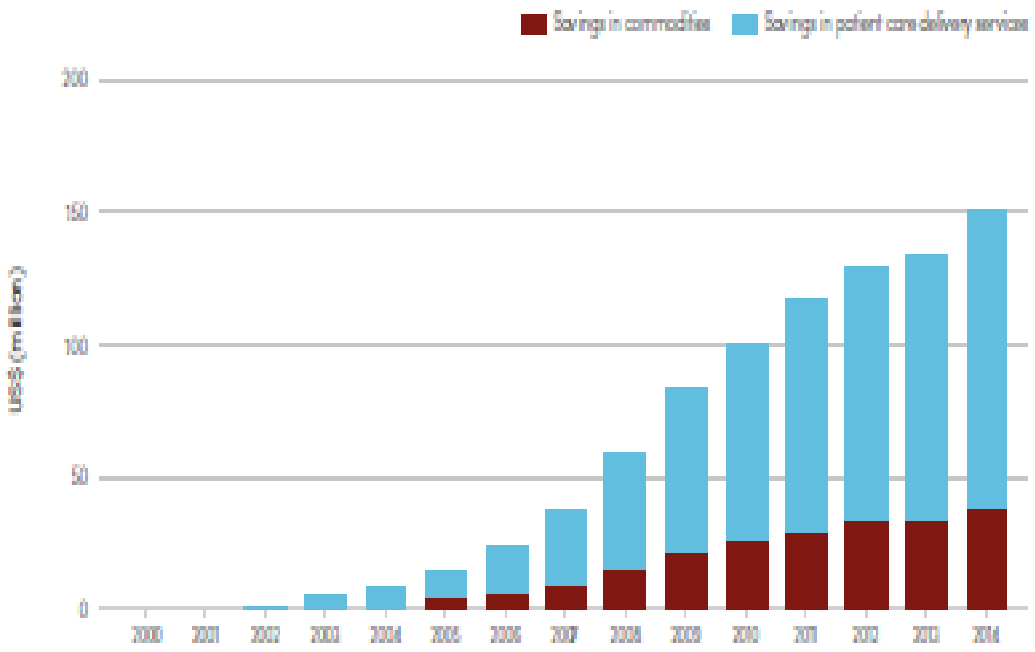
- Reduce morbidity and save lives:
  - About 9% to 10% of disease burden in Africa due to malaria
  - Africa accounts for 88% of global malaria cases and 90% of malaria deaths
- Malaria interventions can significantly reduce burden on health systems in a relatively short time, while generating significant provider savings

Impact of rapid scale-up of malaria services on hospital caseload in Rwanda



Source: Otten et al., 2009

Provider savings in malaria case management costs, attributable to malaria prevention

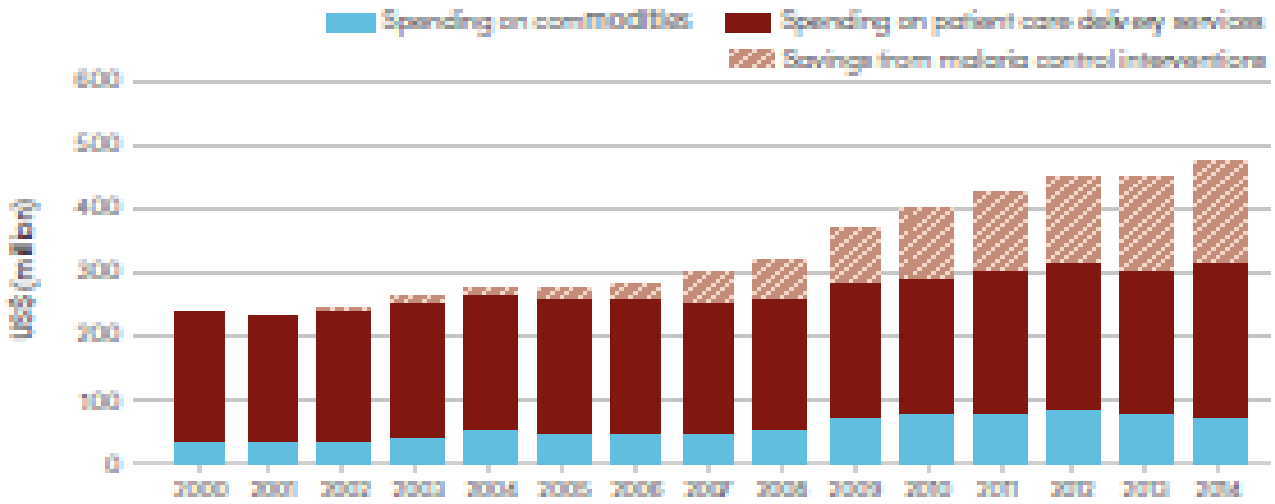


Source: WHO

Why Invest in Malaria (2)

- In May 2015, the World Health Assembly adopted a goal to reduce global malaria incidence and mortality by 40% by 2020 and by 90% by 2030 (Estimated cost: US$100 billion)
- Availability of cost-effective interventions (US$ 5-8 per infection averted), investments in which can produce significant returns:
  - US$4 trillion of additional economic output across the 2016–2030 timeframe
  - 60:1 return on investment in sub-Saharan Africa
  - Save more than 10 million lives, avert nearly 3 billion cases
  - In savings that can be re-invested, as health system costs for malaria treatment account for a significant share of government expenditure in low income, high burden countries

Estimated malaria spending on treatment in Sub-Saharan Africa, 2000-2014

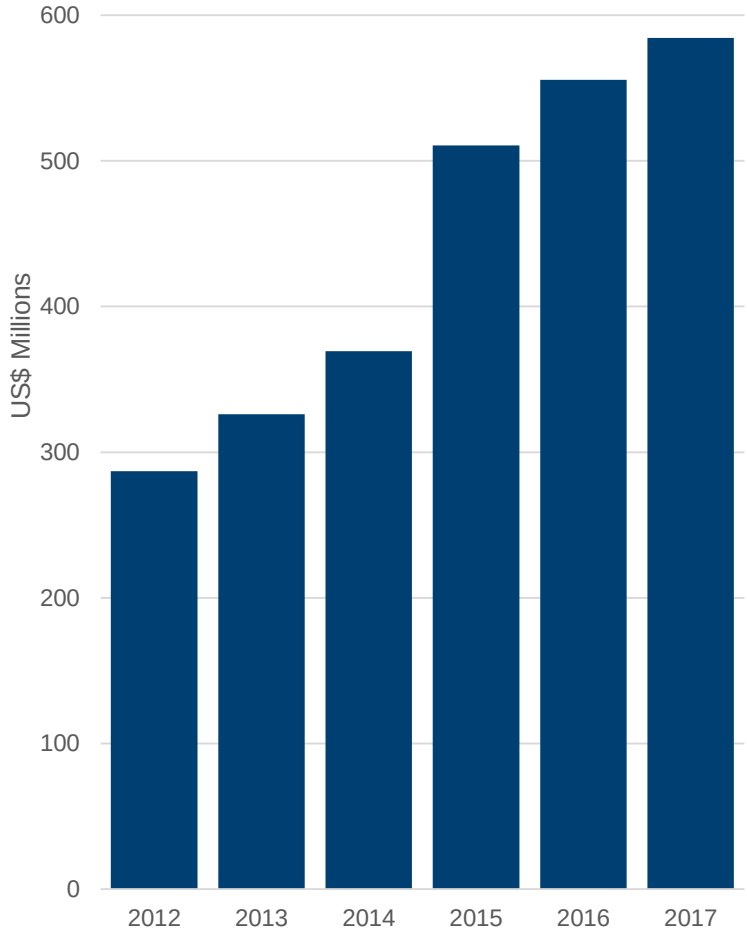


Source: WHO

Sustaining the Malaria Response- A key focus for the Global Fund (1)

- Efforts to mobilize domestic resources:
  - Counterpart financing requirements-
    a) Minimum threshold requirements (5% for low income, 20% for lower LMI, 40% for upper LMI, and 60% for UMI)
    b) 15% of allocation tied to additional government investments (68% increase in malaria commitments for 2015-17, compared to 2012-14)
    c) Matching funds for incentive funding in specific cases
  - Facilitate technical assistance to develop robust national health financing strategies
  - Multi-sector strategy for advocacy at the country, regional, and national levels
  - Greater engagement with Ministries of Finance

Government malaria spending and commitments in Africa



Sustaining the Malaria Response- A key focus for the Global Fund (2)

- Facilitate roll out of tools for costing and prioritization of health plans (e.g., one-health tool)
- Co-investment to support institutionalization of National Health Accounts (NHA)
- Improving alignment of Global Fund support with country systems and processes
- Investments for strengthening the performance of priority health system components
- Fostering synergies among the three disease programs, as well as between them and other health programs, primarily RMNCAH; Building the capacity of health systems to scale up integrated service delivery platforms (iCCM, RBF)
- Piloting innovative health commodities procurement platform (eMarketplace)
- Supporting community and civil society actors, including community health workers
- Support and collaboration for innovative financing mechanisms (Debt2Health, Social Impact Bonds)
- Sustainability and transition – a major pillar of the new strategy (2017-21) supported by Development Continuum Working Group/ Equitable Access Initiative
    - Develop a more rigorous and differentiated approach to better define the development continuum and a new policy framework to better inform decision making, particularly for countries in transition

Thank You