



Meeting Ambitious ART Targets in Tanzania: How Will We Pay?

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Learning Objectives

Participants will understand:

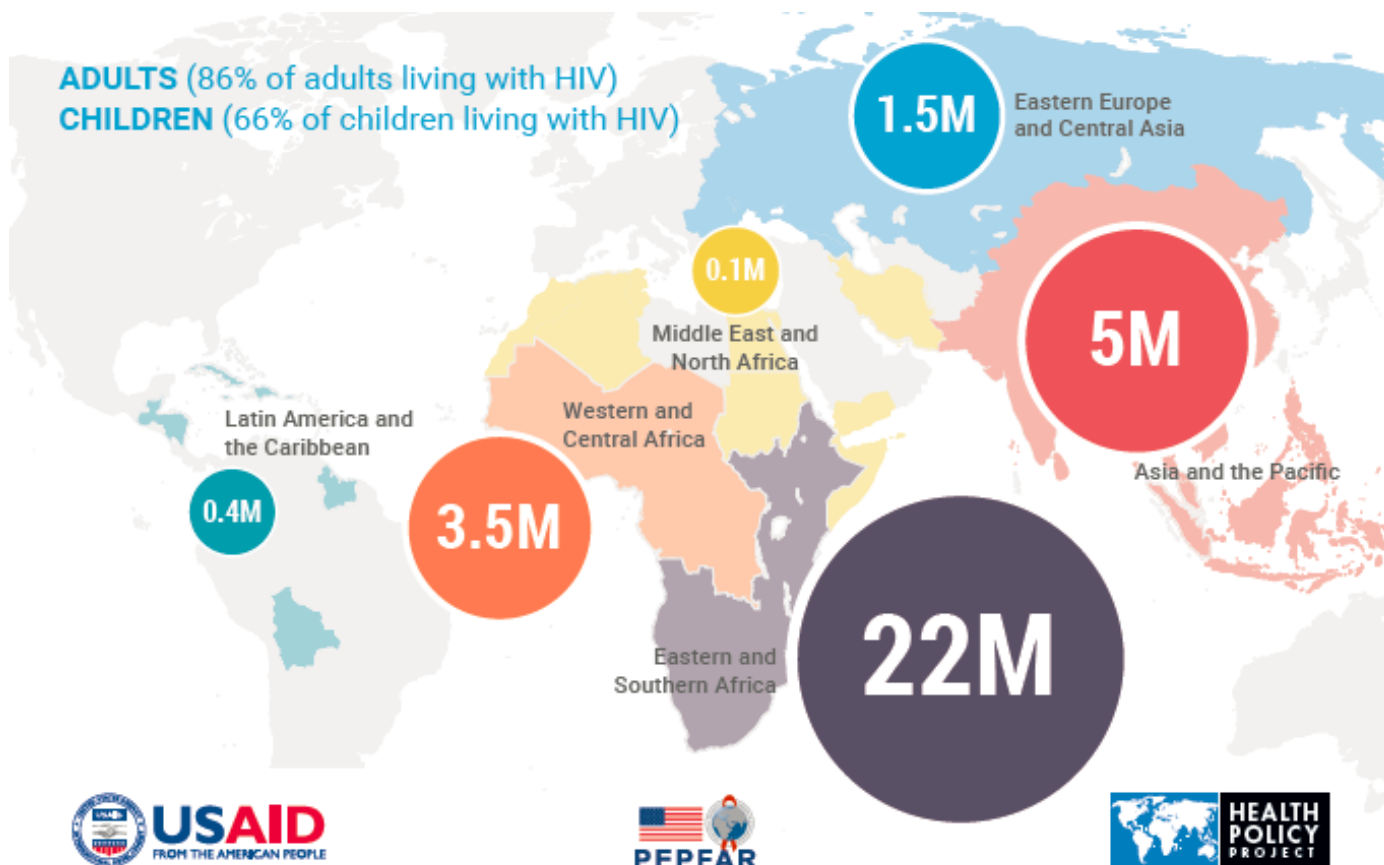
1. How to estimate ART costs
2. How HIV is financed in Tanzania
3. How Tanzania can fill the HIV funding gap



Meeting 90-90-90 Targets

Numbers on ART in 2020

ADULTS (86% of adults living with HIV)
CHILDREN (66% of children living with HIV)



Costs

(2015-2020)

\$53B

Cost categories:
ARVs, lab monitoring
commodities, and
facility-level
personnel and
overhead

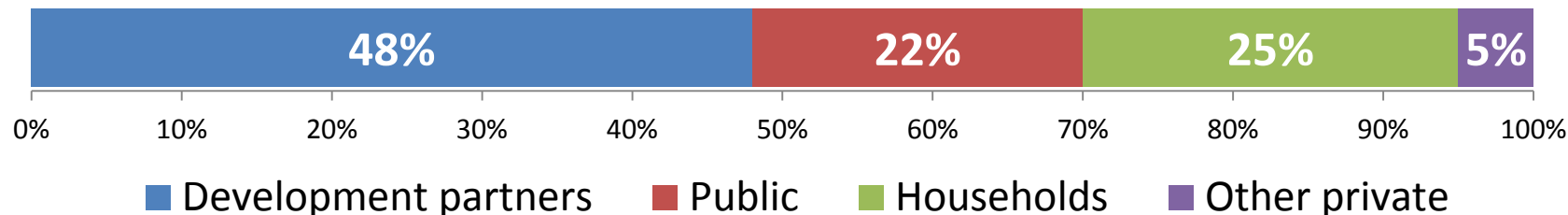
Funding Gap

(2015-2020)

48%

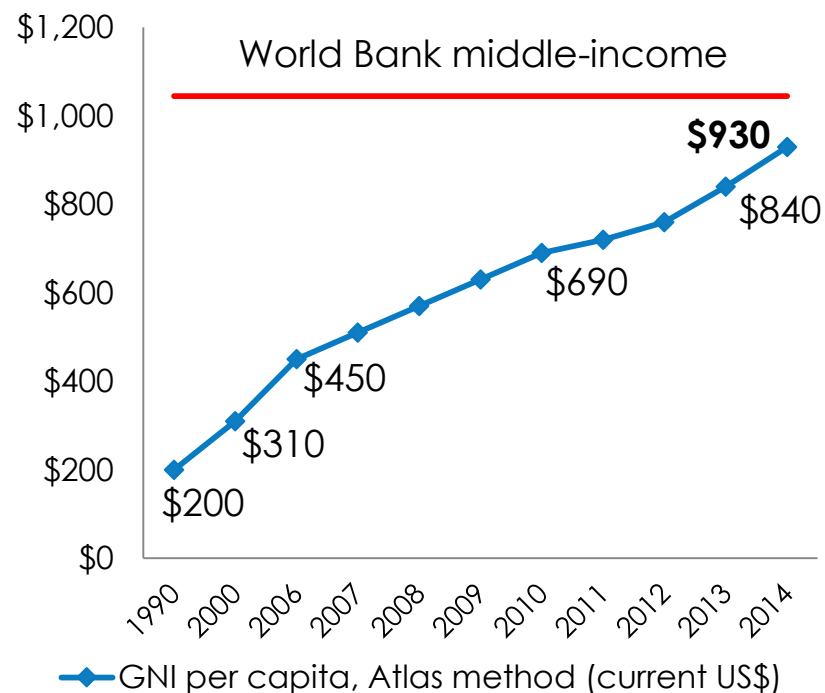
Health Financing: Tanzania

Total health expenditure



11.3% of government expenditure is on **health**, falling short of Abuja target of **15%**

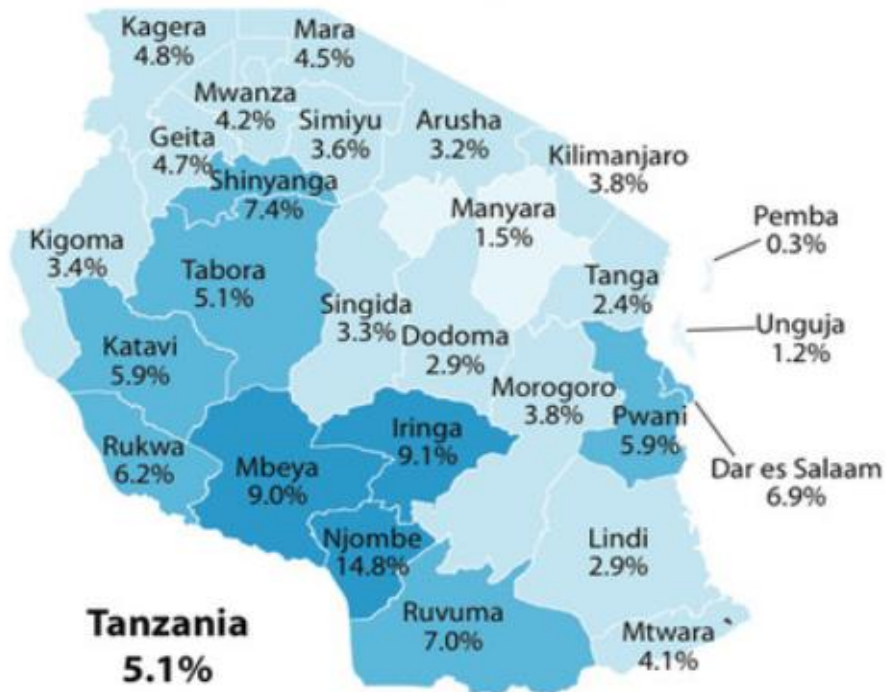
1.5% of **GDP**: Health sector funding gap in 2020



HIV in Tanzania

HIV Prevalence by Region

Percent of women and men age 15-49 who are HIV-positive



1.6 million
people living
with HIV
(PLHIV)

48%
of PLHIV
on ART

92,000 new infections each year

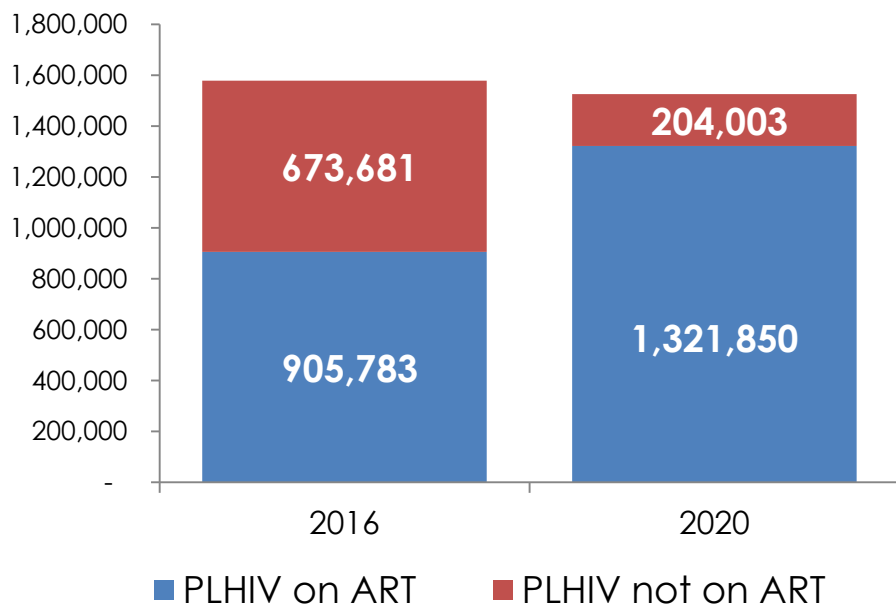
69,000 AIDS deaths each year

Tanzania's HIV Targets

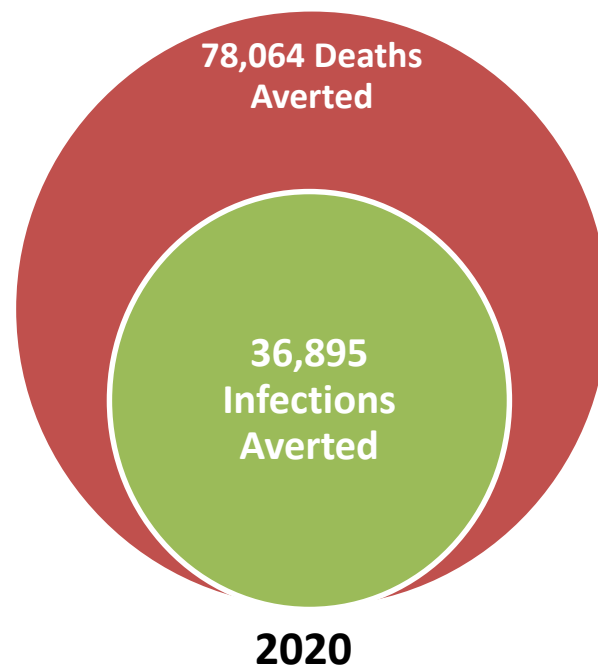
8,678,715 people counseled, tested, and know their HIV status by 2020

1,646,300 males circumcised from 2015-2017

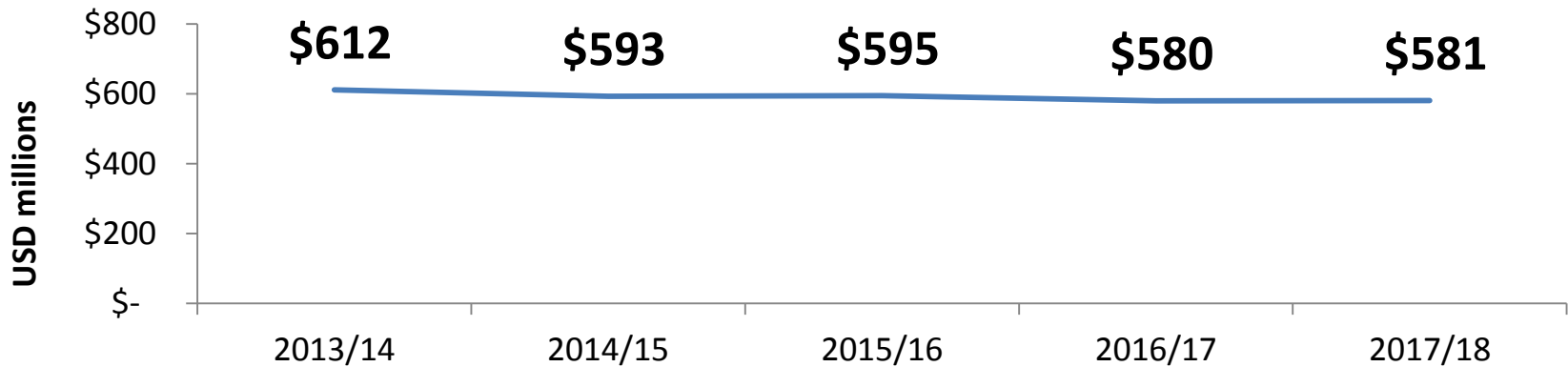
ART Targets



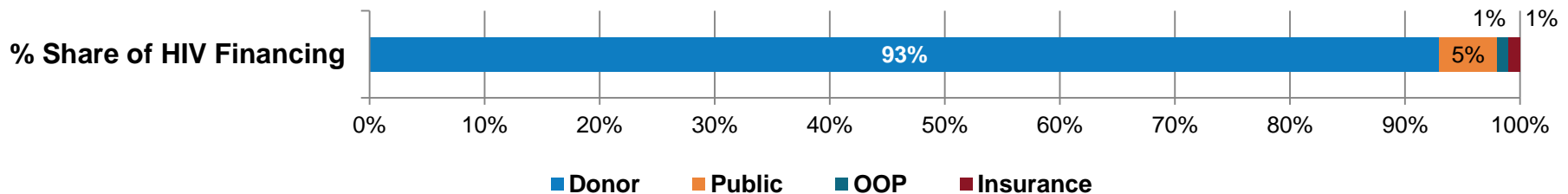
ART Impacts



HIV Resource Requirement Estimates for Tanzania



Donors account for vast majority of HIV spending, but donor support is projected to decline over time



Estimating ART Costs

Need for ART

Consumption-based:

Estimates commodity needs based on past consumption

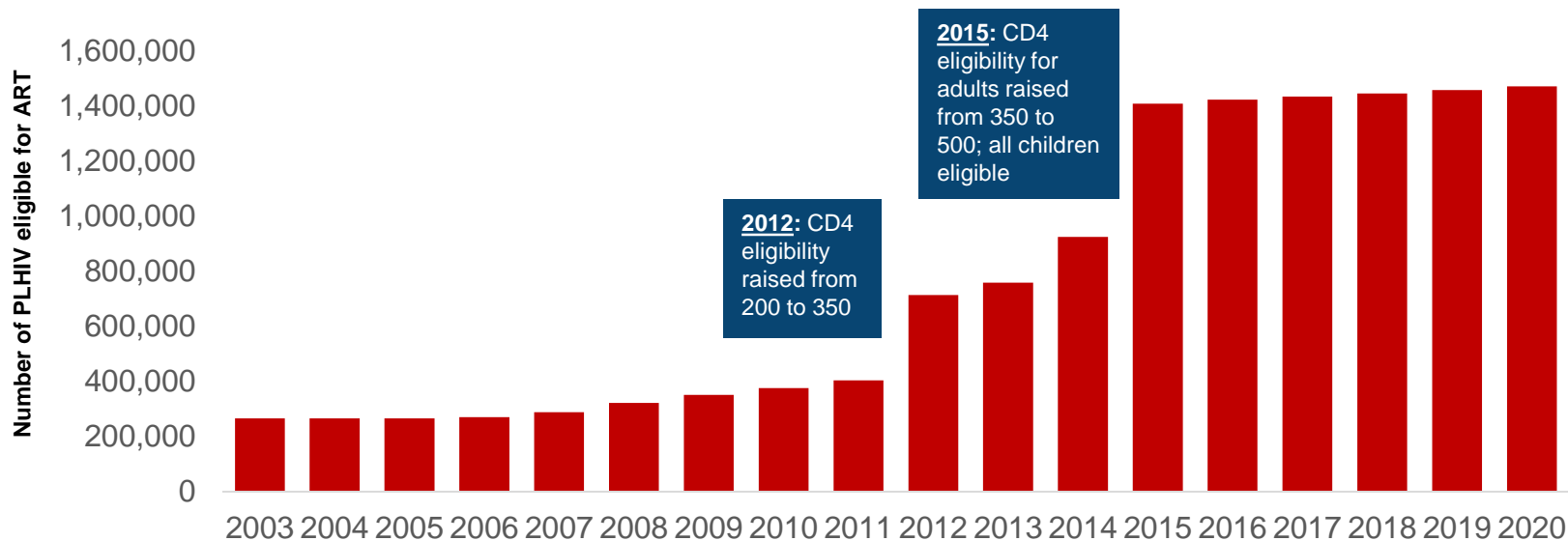
Morbidity-based:

Estimates commodity needs based on need for ART, patient targets, and standard treatment guidelines



Need to know...

- How many people are living with HIV, and how may this change over time?
- Who is eligible for ART?

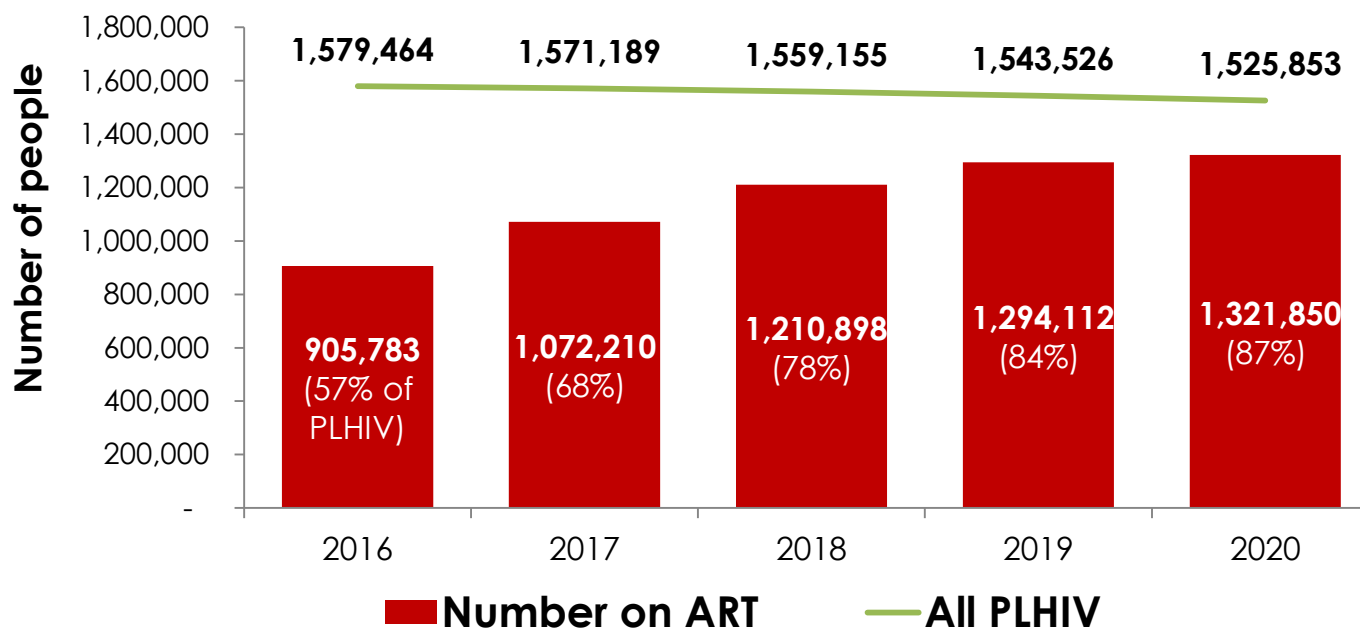


Setting ART Targets

Coverage: Percentage of people eligible for ART who will receive ART

Considerations in setting national coverage targets:

- Past enrolment trends
- Desired health impact
- Global targets (*e.g.*, 90-90-90)



Types of ART Costs

Site-level

Commodities:

- ARVs
- Laboratory supplies
- Supply chain (PSM)

Service delivery:

- Health workers
- Site overhead
- Equipment
- Other supplies

Health systems strengthening:

- Training
- M&E
- Infrastructure
- Management

Estimating ART Commodity Unit Costs

ARVs:

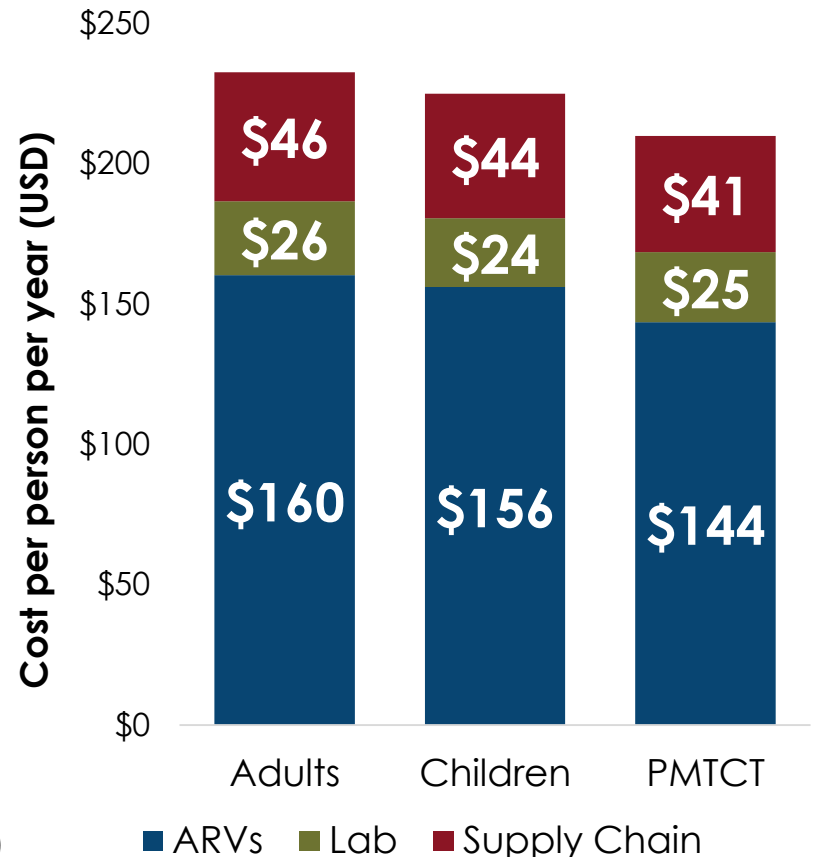
- Regimen unit costs
- Dosage needed per person per year
- Regimen mix

Laboratory monitoring:

- Types of tests conducted
- Number of tests per year
- Cost per test

Supply chain:

- Percentage of product cost

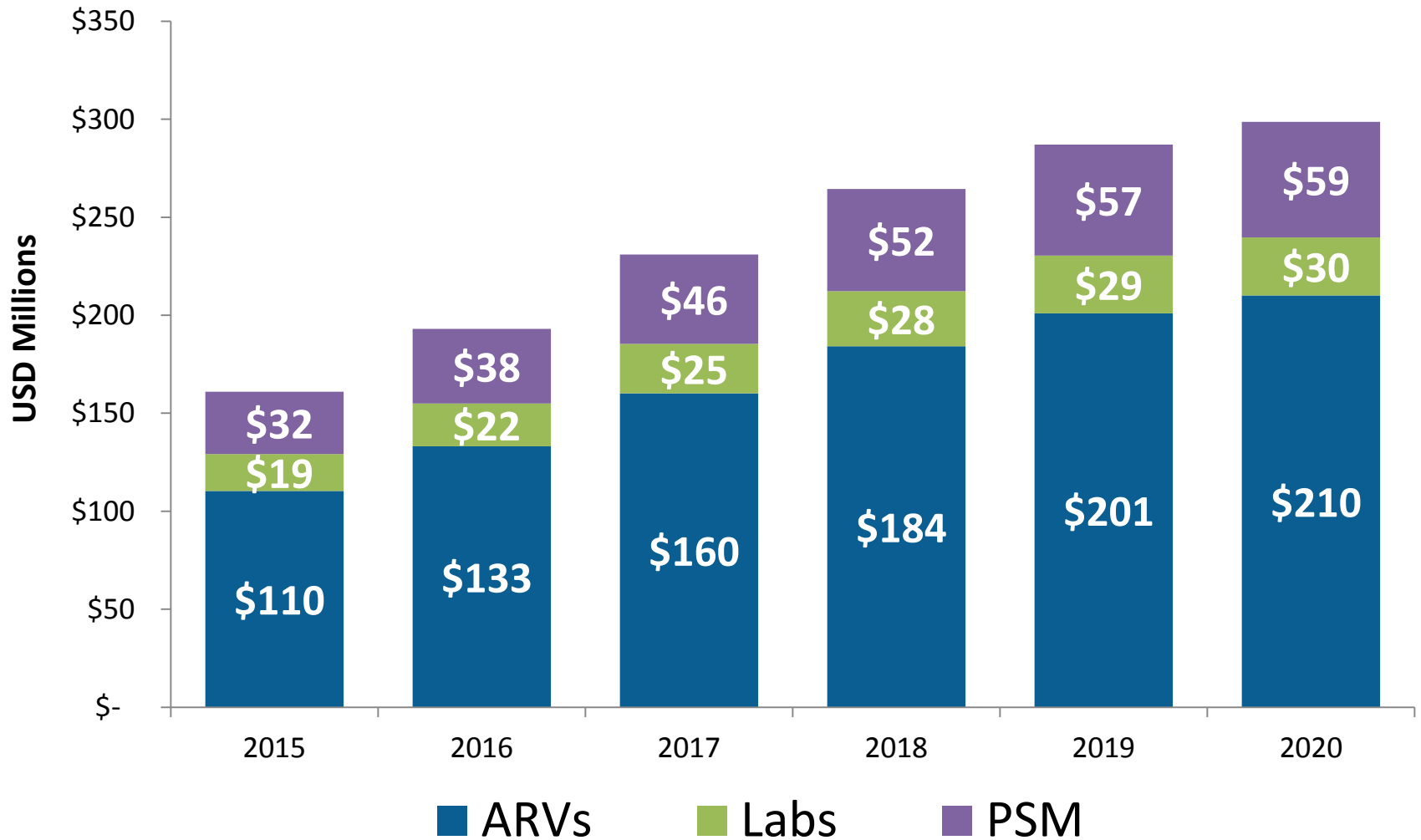


Number eligible for ART \times Coverage (%)



Number on ART \times Unit cost $=$ Total ART costs

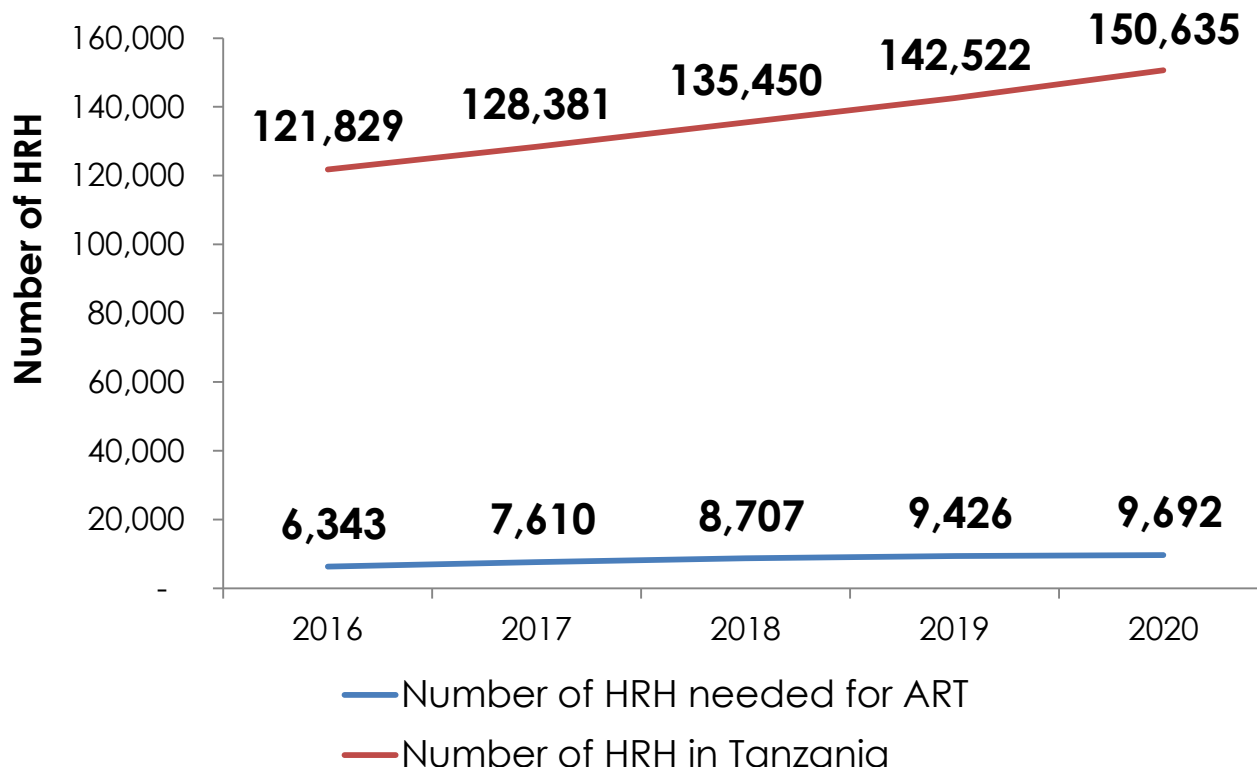
HIV Commodity Costs



ART Requires Investment in HRH

Estimating HRH costs:

- Full-time equivalents: Number of health workers needed based on how much time it takes to deliver services
- Average salaries by cadre



By 2020:

- **6%** of all health workers needed just for ART
- **\$51.2 million** is needed just for the salaries of HRH delivering ART

JEOPARDY!

100

200

300

400

Finished!

100: What is “coverage”?

ANSWER

100: Percentage of the people
in need of ART who receive ART

HOME

200: What three types of ART commodity costs did we discuss and calculate?

ANSWER

200:

1. ARVs

2. Laboratory monitoring

3. Supply chain

HOME

300: What are the two types of methodologies that can be used to calculate ART commodity costs?

ANSWER

300:

1. Consumption-based
2. Morbidity-based

HOME

400: What three things are usually considered when setting ART targets?

ANSWER

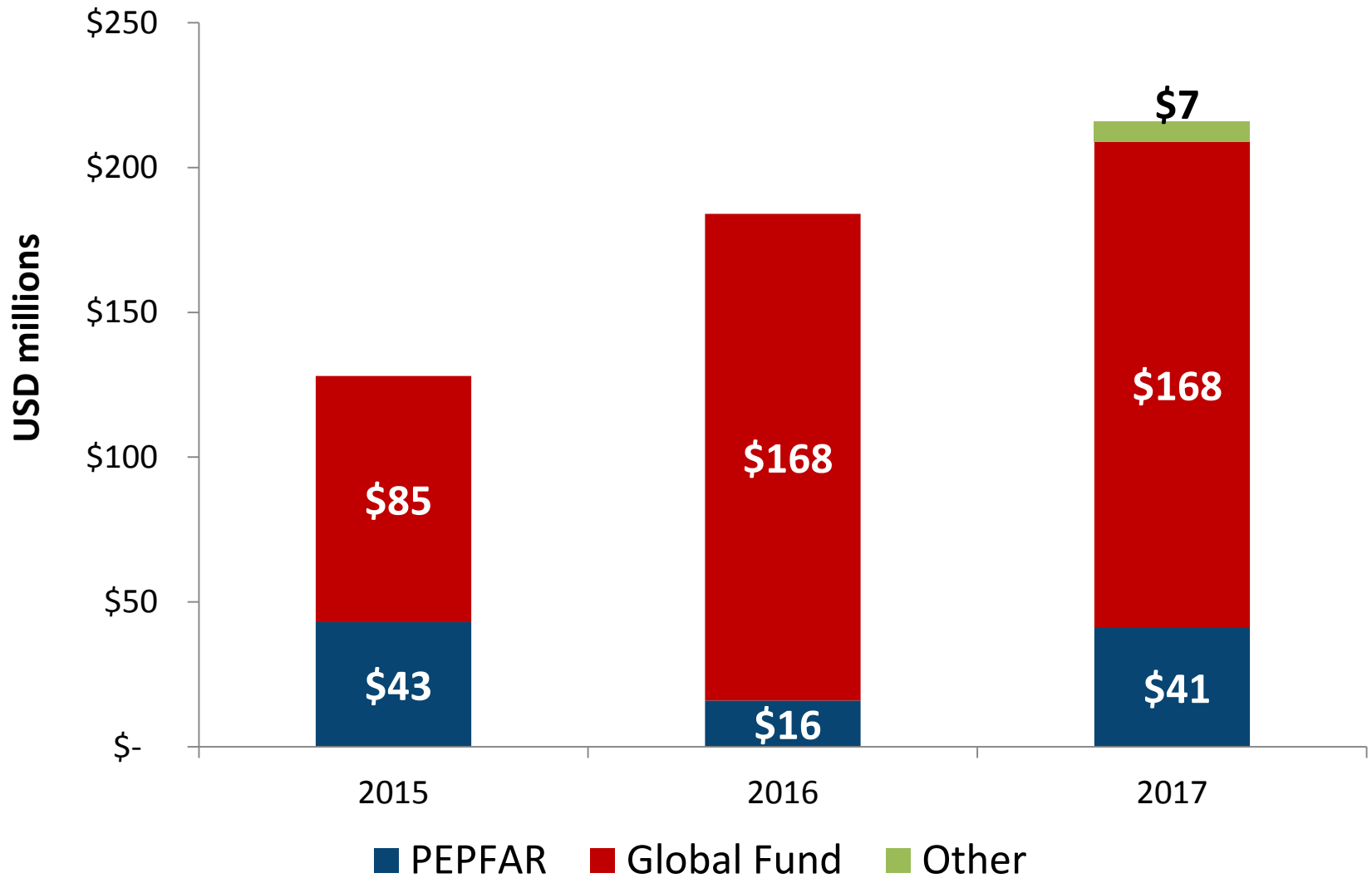
400:

1. Past enrolment
2. Health impact
3. global targets

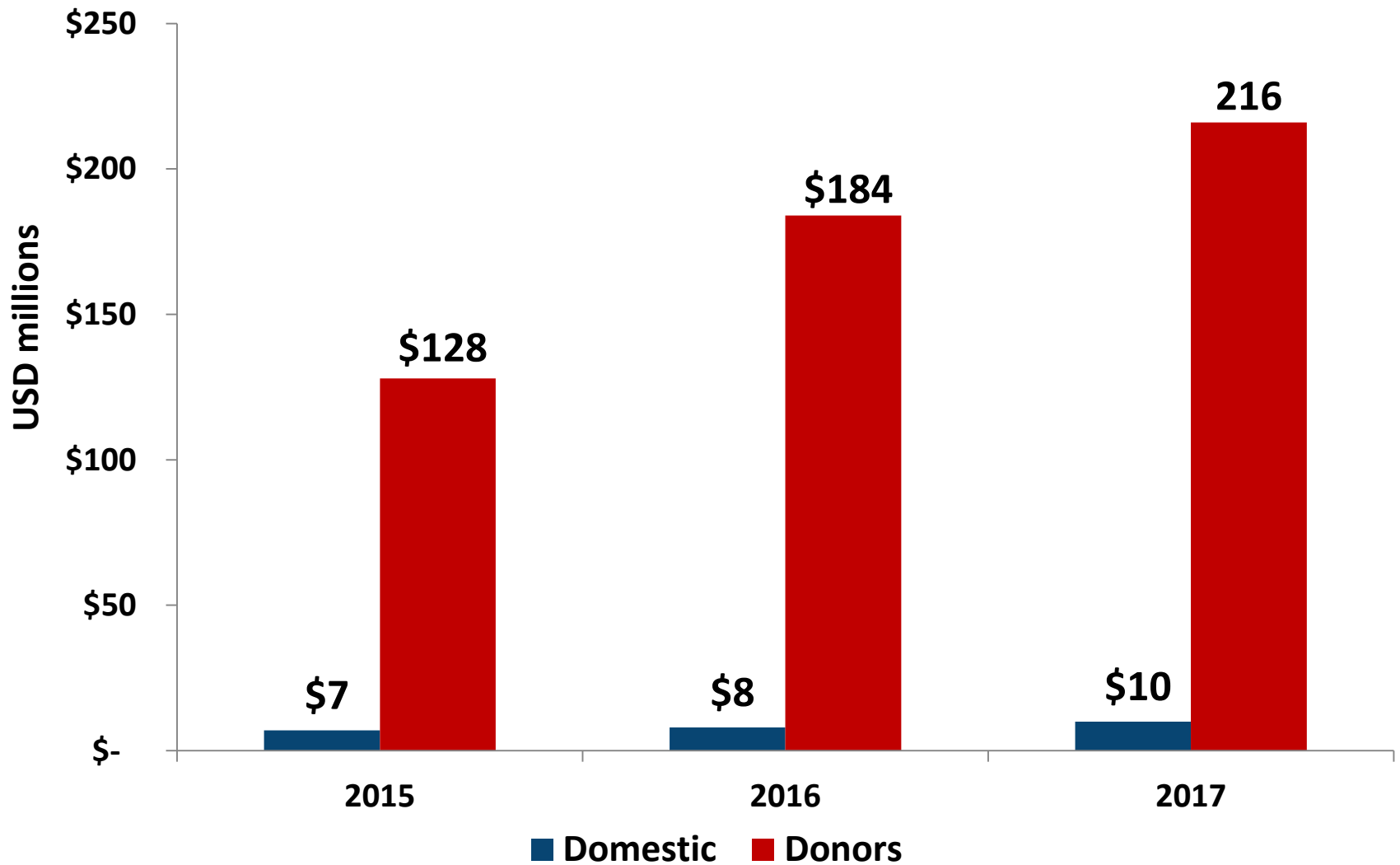
HOME

HIV Financial Landscape

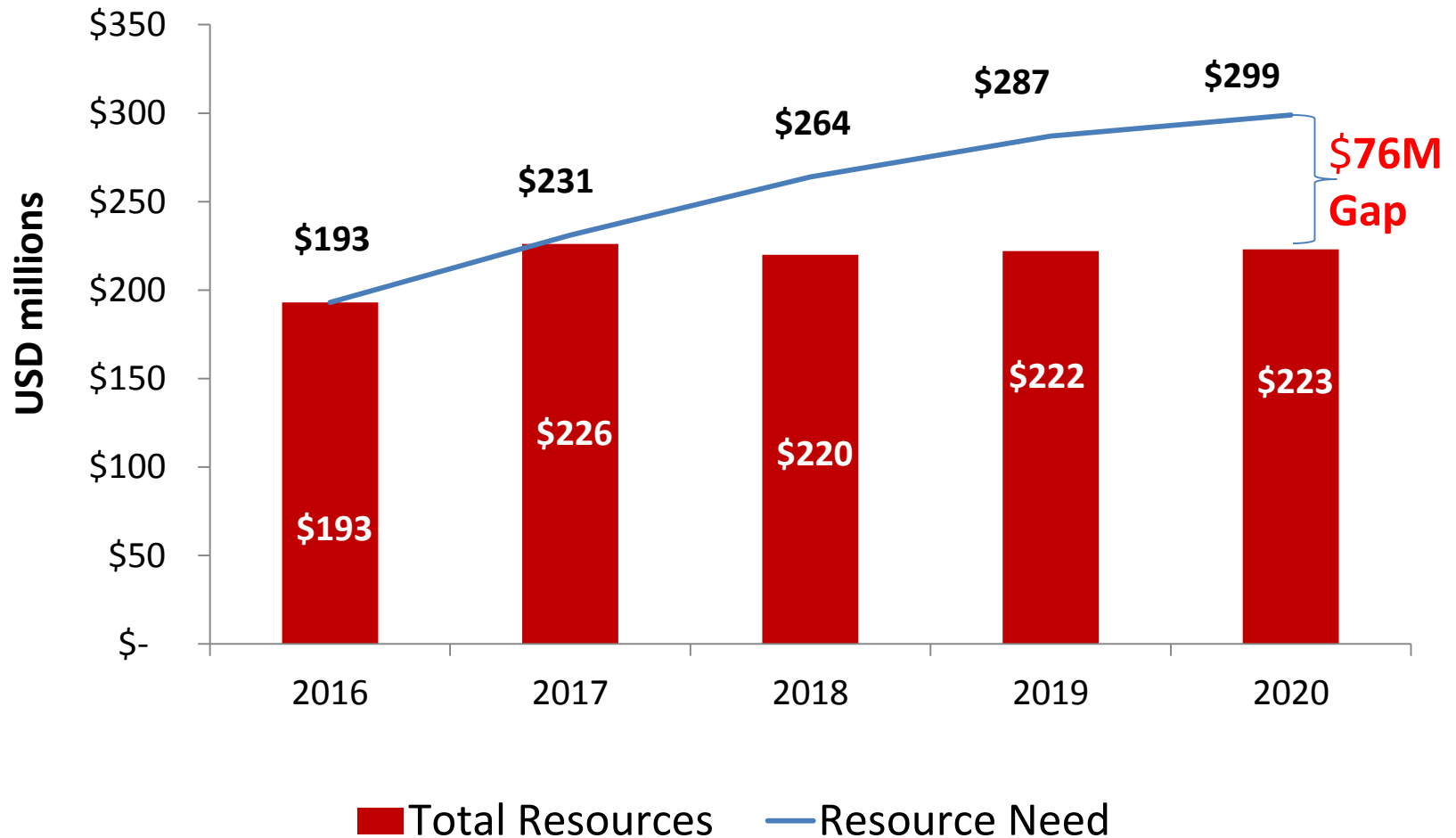
Donor ART Commodity Financing by Source



GOT Contribution to HIV Commodities



ART Commodity Funding Gap



Filling the ART Funding Gap

**Increased government
allocation to health**

**Earmarked tax
revenue for health**

What mechanisms or funding sources could fill the gap?

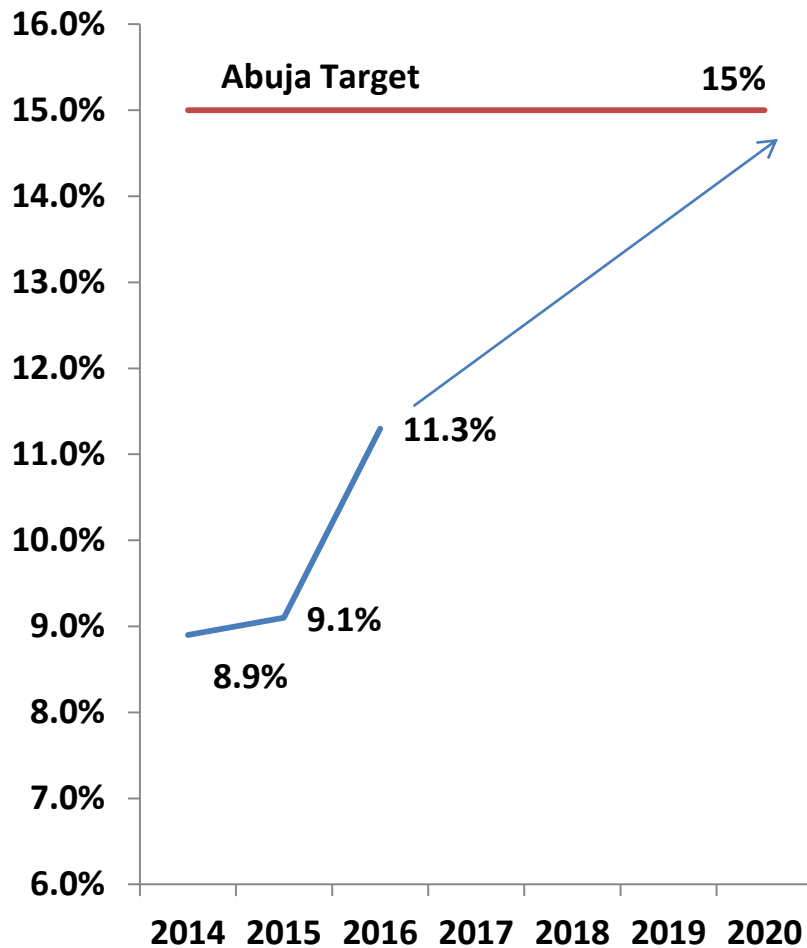
**Development Impact
Bonds**

Health insurance

**Public-private
partnerships**

Short-term GOT solution

Budget Allocation to Health



This Year's Budgetary 'ASK'

\$104M
Fund Fully
Functional
Supply

\$111M
Purchase
Core
Commodities

**GoT Budget
Request for
Medicines and
Health
Commodities**

\$65M
Clear MSD
Debt

Long Term Sustainability

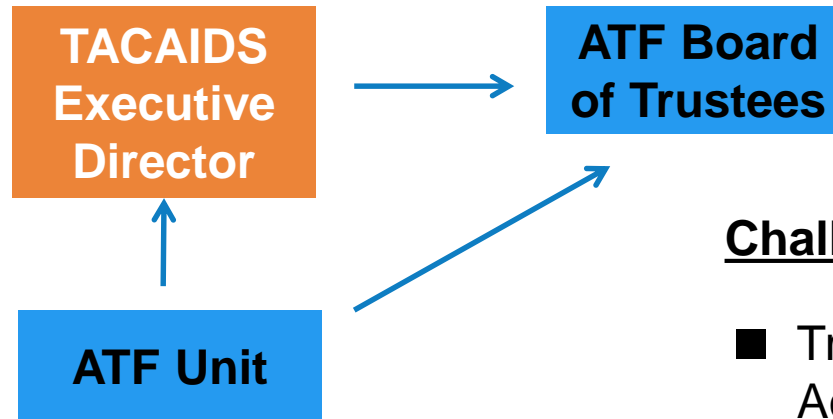
...reducing reliance on donors

AIDS Trust Fund

Vision	A Tanzania whose national HIV and AIDS response is sustainably financed.
Mission	To mobilize, manage and disburse resources to support comprehensive HIV and AIDS interventions in Tanzania according to the national priorities.
Goal	To secure sufficient and sustainable resources, financial and in-kind, to support comprehensive HIV and AIDS interventions in Tanzania, according to the national priorities.

Objectives:

- Mobilize Resources
- Invest Strategically
- Manage Grants



Challenges:

- Transparency and Accountability
- Funding mechanism

Longer-term health financing reforms

Ministry of Labor

\$78 million from earmarked taxes in 2013/14 for vocational training

Ministry of Infrastructure

Collects **1.5% levy** from consumption taxes for railway development

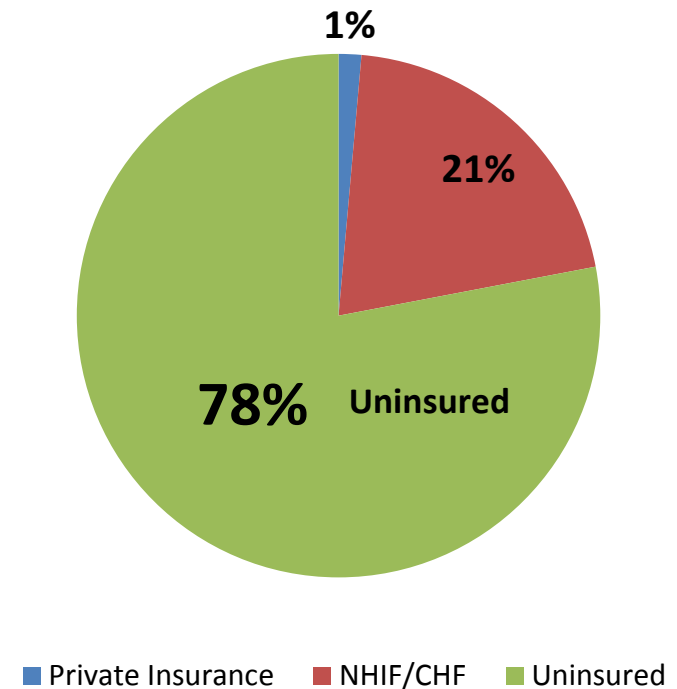


Earmarked Taxes

- Increasing Tax Base
- Improving Collection & Administration

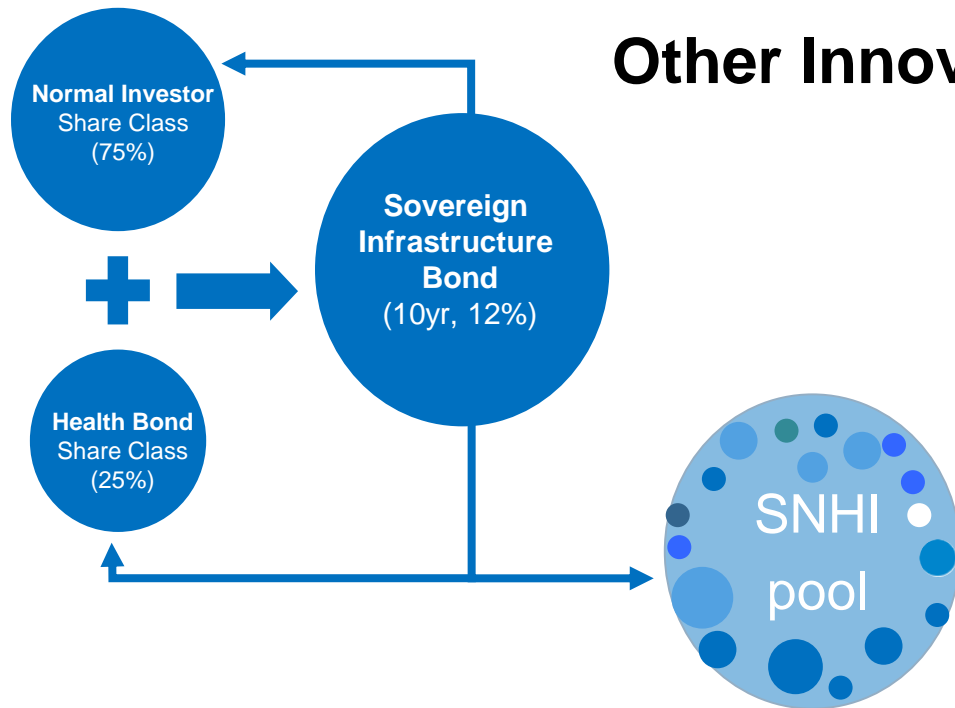
Longer-term health financing reforms

Social Health Insurance



- Financial Protection from Catastrophic OOP Expenses
- Pooled risk and cross-subsidization
- HIV Services Included in Benefits Packages

Longer-term health financing reforms



Other Innovative Financing Mechanisms



- Development Impact Bonds
- Social Success Notes

JEOPARDY!

100

200

300

400

Finished!

100: What is a short-term solution to filling the ART funding gap?

ANSWER

100: Increase GOT budget allocation

HOME

200: Name one example we presented for an earmarked tax?

ANSWER

200:

1. Ministry of Labor

\$78 million from earmarked taxes in 2013/14
for vocational training

2. Ministry of Infrastructure

Collects **1.5% levy** from consumption taxes
for railway development

HOME

300: What are the three strategic objectives of the ATF?

ANSWER

300:

1. Mobilize resources
2. Invest strategically
3. Actively manage grants

HOME

400: What is one reason why health insurance is a sustainable source of financing for HIV?

ANSWER

400:

1. Offers financial protection, or
2. Less dependence on donors (costs paid for by members of risk pool)

Conclusion

- Tanzania has set ambitious ART targets
- Estimated costs exceed estimated resources available
- Domestic resource mobilization and sustainable financing mechanisms are needed for HIV

Thank You!

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