

ADB's New Health Sector

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HEALTH SECTOR GROUP

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Outline



1. ADB's approach
2. Ongoing innovations
3. Expanding investment frontiers
4. Opportunities for collaboration



Outline

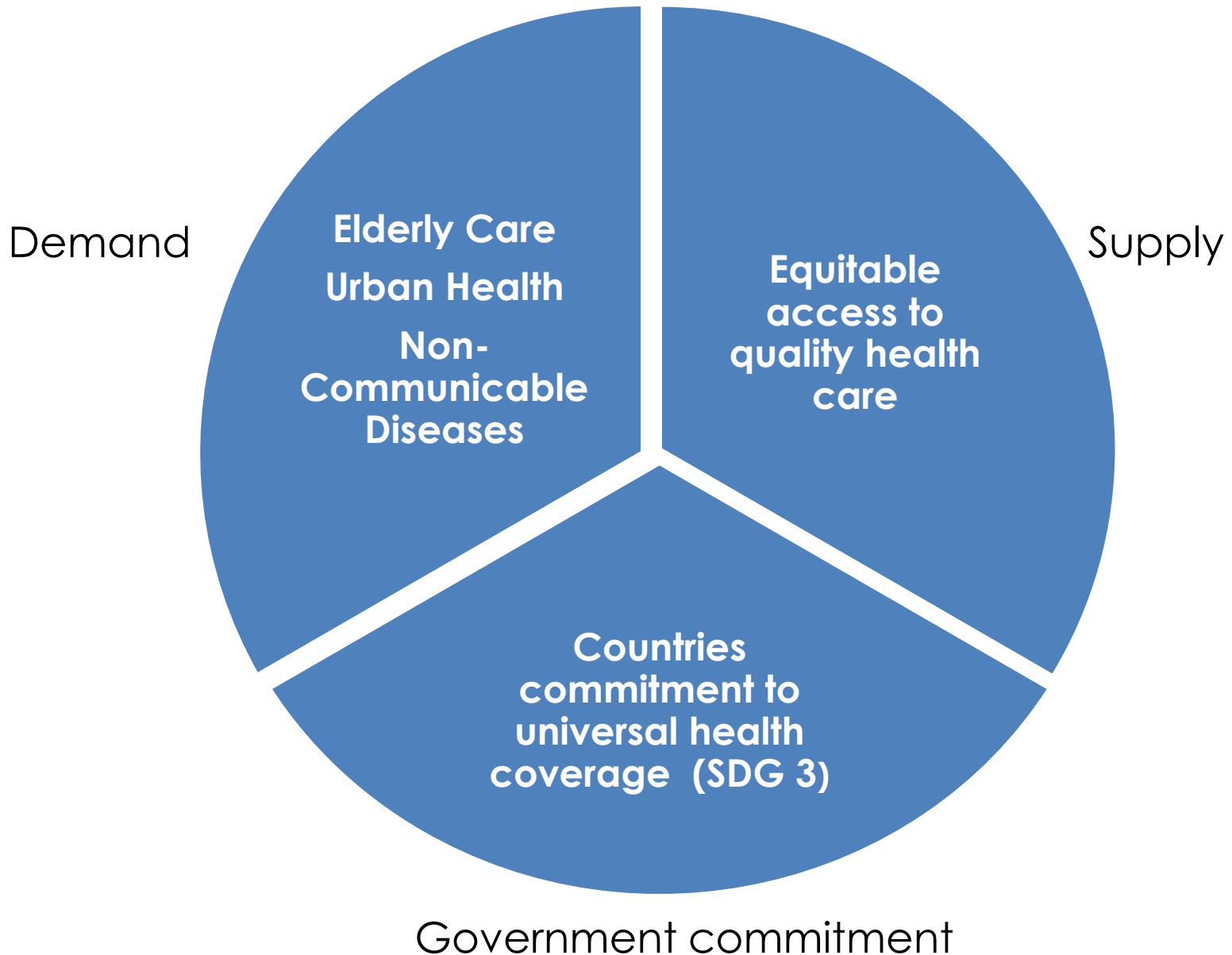


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1. ADB's approach

Meeting evolving needs



Focusing and model building



Strengthen health systems for Universal Health Coverage



1. Health infrastructure
2. Health governance
3. Health financing



Focus on 8–12 ADB DMCs



Build best practices, share knowledge,
evaluate impact

Global health financing landscape is changing



Grant funding for health is reducing Asia Pacific

- • Key bilateral aid programs are static or reducing in Asia Pacific
- • Health-specific grant funding is moving out of the region
 - Global Fund Cancelled Round 11; 2013 replenishment a challenge
 - GAVI can cover commodity scale-up to 2016, but not programmatic support

Countries must step in with financing However ADB DMCs continue to lag

	OECD	ADB DMCs
Doctors & Nurses / 1,000	12	3
Health spend (PPP \$US)	\$4,587	\$359
Health spend as % of GDP	11%	5%

Loans and innovative financing from ADB can play a critical role in filling this gap.

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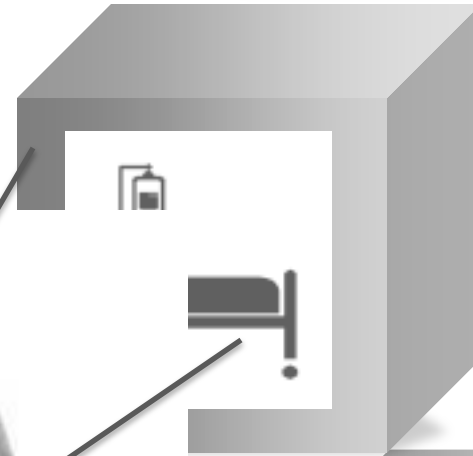
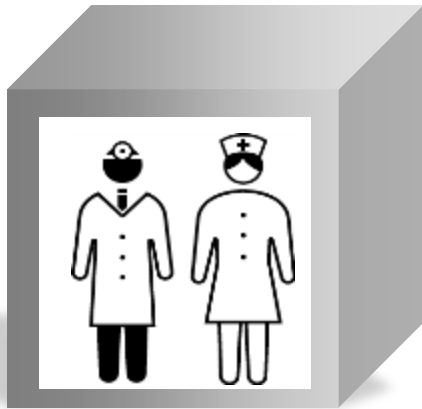


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2. Ongoing innovations

Create value in a new way



Developing Integrated Hospital Care



OPERATIONAL
PLAN FOR HEALTH
2015-2020



Innovative feature

- Infrastructure investment to develop model hospitals backed by strong ICT systems
- Hospital and primary care network with referral system
- Financial autonomy of hospitals



Project link

- MON - Fourth Health Sector Development Project
- Fourth Health Sector Development Project (Additional Financing)
- Fifth Health Sector Development Project



Impact

Improved quality of health services



Partnerships

WHO



The next big thing

- Pooling of State and health insurance funds
- Improving quality of care for disadvantaged groups, introducing evidence based care and standards

Strengthening Regional Health Security



OPERATIONAL
PLAN FOR HEALTH
2015-2020



Innovative feature

- Regional cooperation on public goods
- Infrastructure projects integrate preventive health activities (HIV)
- Neighboring provinces establish cross-border diseases surveillance, response to epidemics, patients referrals.



Project/program link

- GMS Communicable Diseases Control Projects 1 + 2 (existing) in CAM, LAO and VIE
- GMS Health Security Loan (in preparation for 2016) (MYA included)



Impact

Control of communicable diseases with epidemic potential, malaria elimination.



Partnerships

WHO, Global Funds, IOM, International NGOs



The next big thing

- Interconnected network of sentinel laboratories for early warning
- Health insurance portability between GMS countries

Supporting Urban Primary Health Services



OPERATIONAL
PLAN FOR HEALTH
2015-2020



Innovative feature

- Innovation creation for service delivery models and knowledge generation in urban health integrated as Disbursement Linked Indicators
- First Result Based Loan in health



Project/program link

- IND-Support for National Urban Health Mission
- (learning from BAN-Urban Primary Health Care Services Delivery Project)



Impact

Better health for urban poor



Partnerships

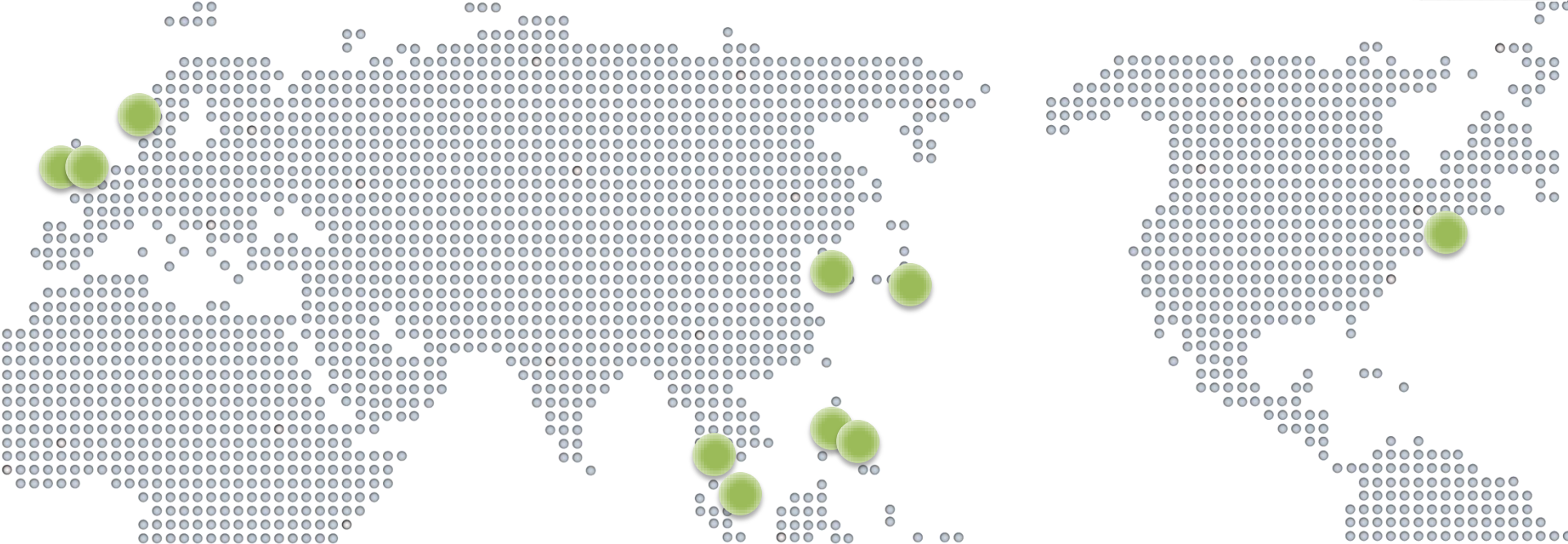


The next big thing

- Intersectoral convergence of urban health
- Patient centric Health Information System Management
- Service delivery through performance based PPP models

Advancing knowledge

Collaborating with Centers of Excellence



UiO : **University of Oslo**



東京大学
THE UNIVERSITY OF TOKYO



HARVARD
UNIVERSITY

LONDON
SCHOOL of
HYGIENE
& TROPICAL
MEDICINE



**THE GLOBAL
RESEARCH
ALLIANCE**



IHPP
Thailand



AIM

서울대학교
SEOUL NATIONAL UNIVERSITY



UNIVERSITY OF THE PHILIPPINES
Shaping minds that shape the nation

DUKE NUS
GRADUATE MEDICAL SCHOOL SINGAPORE

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Performance Based Financing



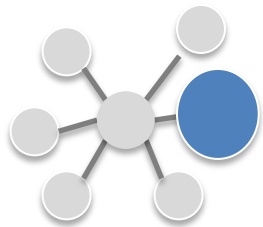
Invest in Health Information Systems

Define performance indicators:

- Reduced waiting time
- Improved health outcomes

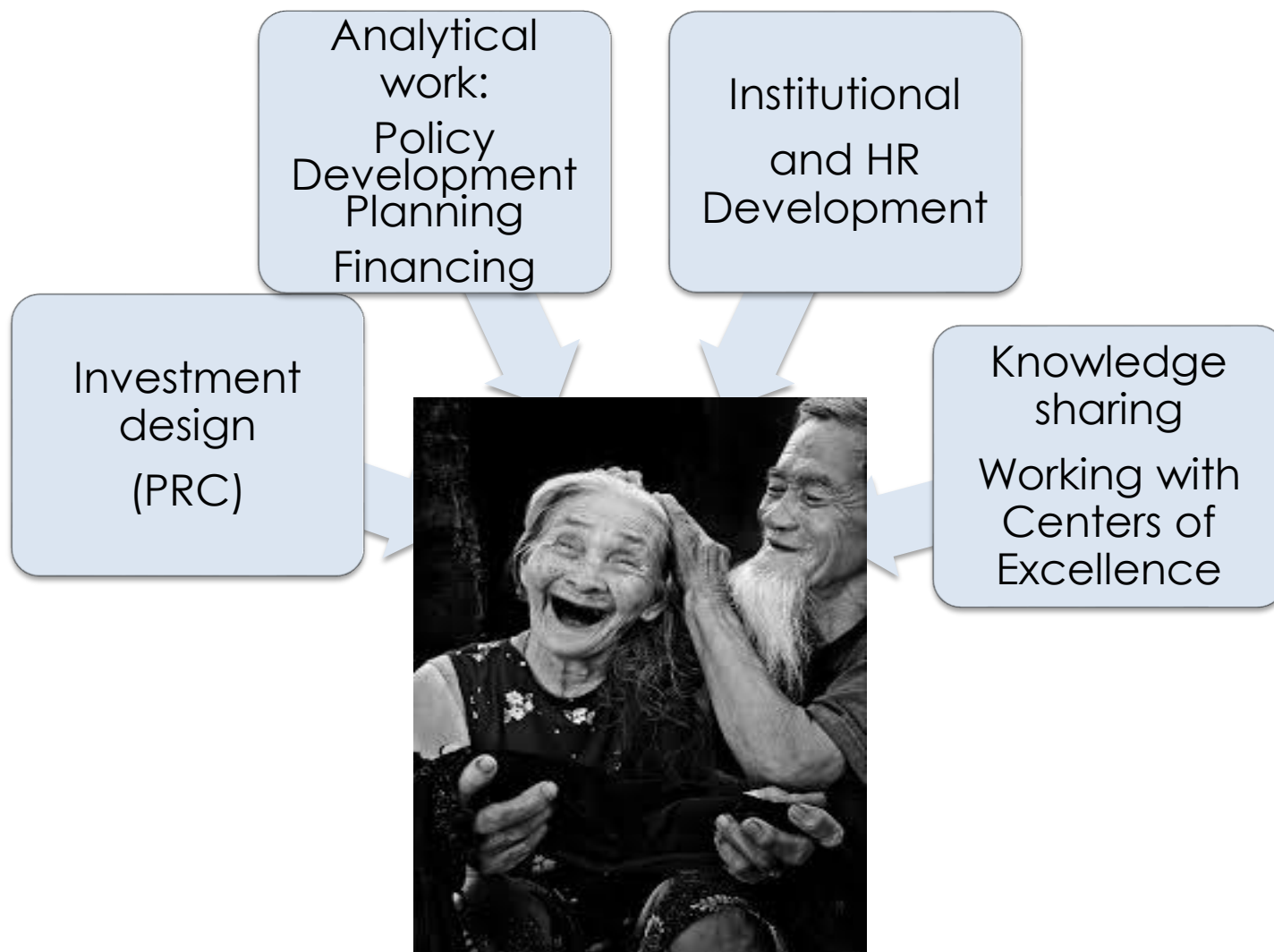


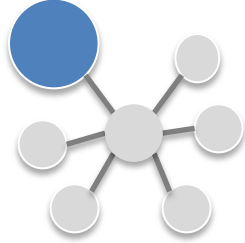
Pay for health system performance, not results, e.g. delivering a baby with quality



Elderly Care for Aging Asia

Investing in elderly care and healthy aging





Leveraging ICT in health

Increase efficiency, improve management, speed and transparency



Disease surveillance and population health

- Rapid case detection and communications applications
- Health issues monitoring dashboards



Healthcare service delivery

- Shared electronic health records
- Telemedicine
- Mobile health applications
- Mobile phone-based reminder systems
- Integrated patient ID registries



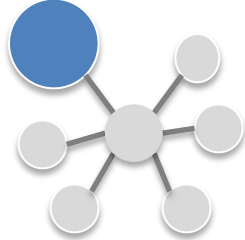
Health system leakages

- Hospital and insurance digital payments
- Financial management information systems
- Radio-frequency identification-based supply chain logistics



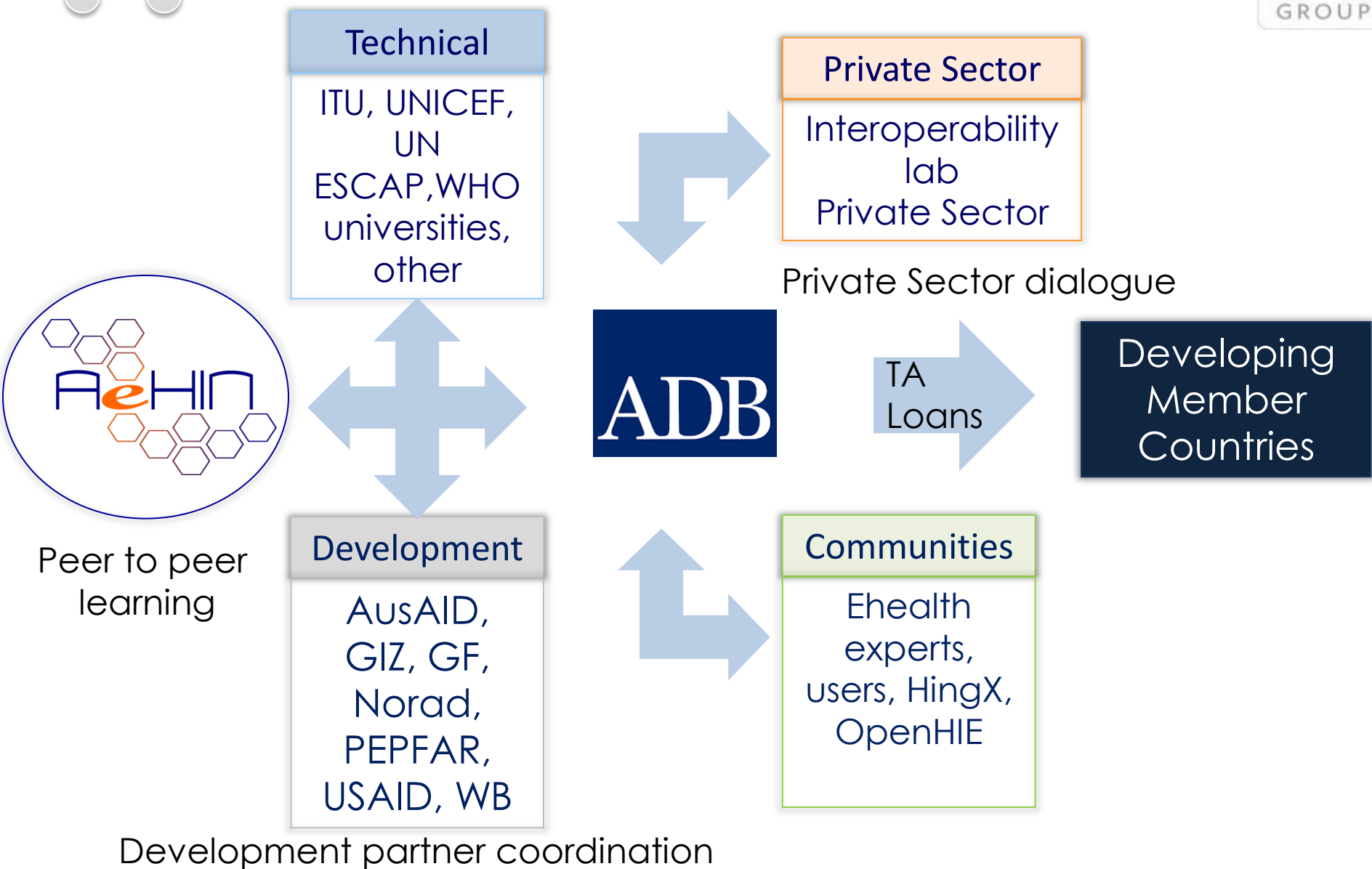
Health workforce

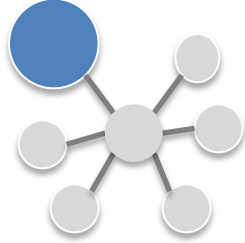
- Human resources for health information system
- Use of GIS for targeting services



Levering Partnerships

The Asia ehealth Information Network

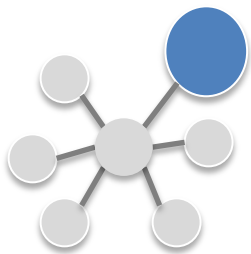




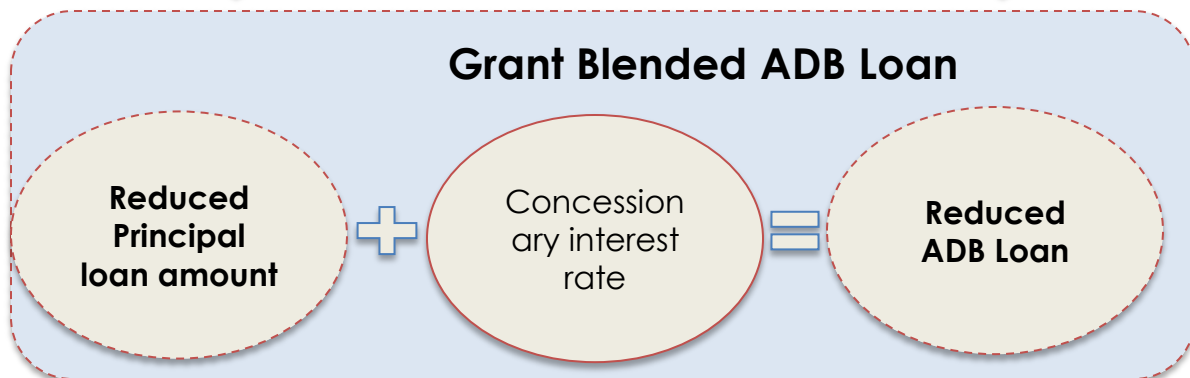
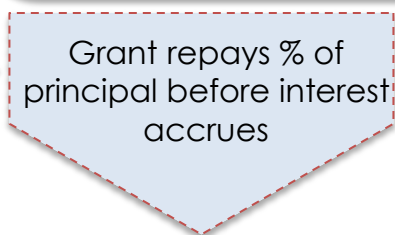
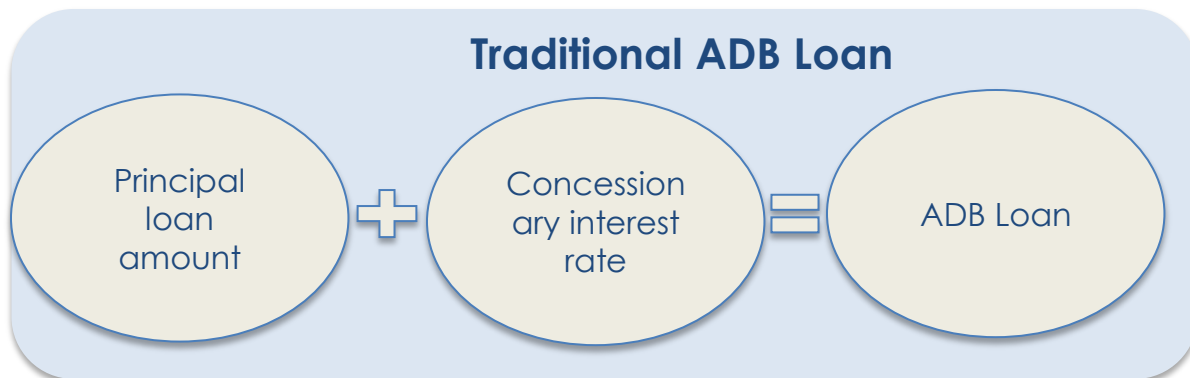
Regional eHealth Interoperability Lab

IT for better and harmonized data systems





Leveraging “Loans for Health” through grant blended loans



Next big thing Social bonds, concessional financing for private sector



ADB's Malaria and other communicable diseases trust fund



1

Strengthened regional leadership



2

Increased financing for malaria and other communicable disease threats



3

Better access to quality drugs and commodities



4

Better use of information and communication technologies



5

Improved national capacity to detect and treat drug resistant malaria and other disease threats



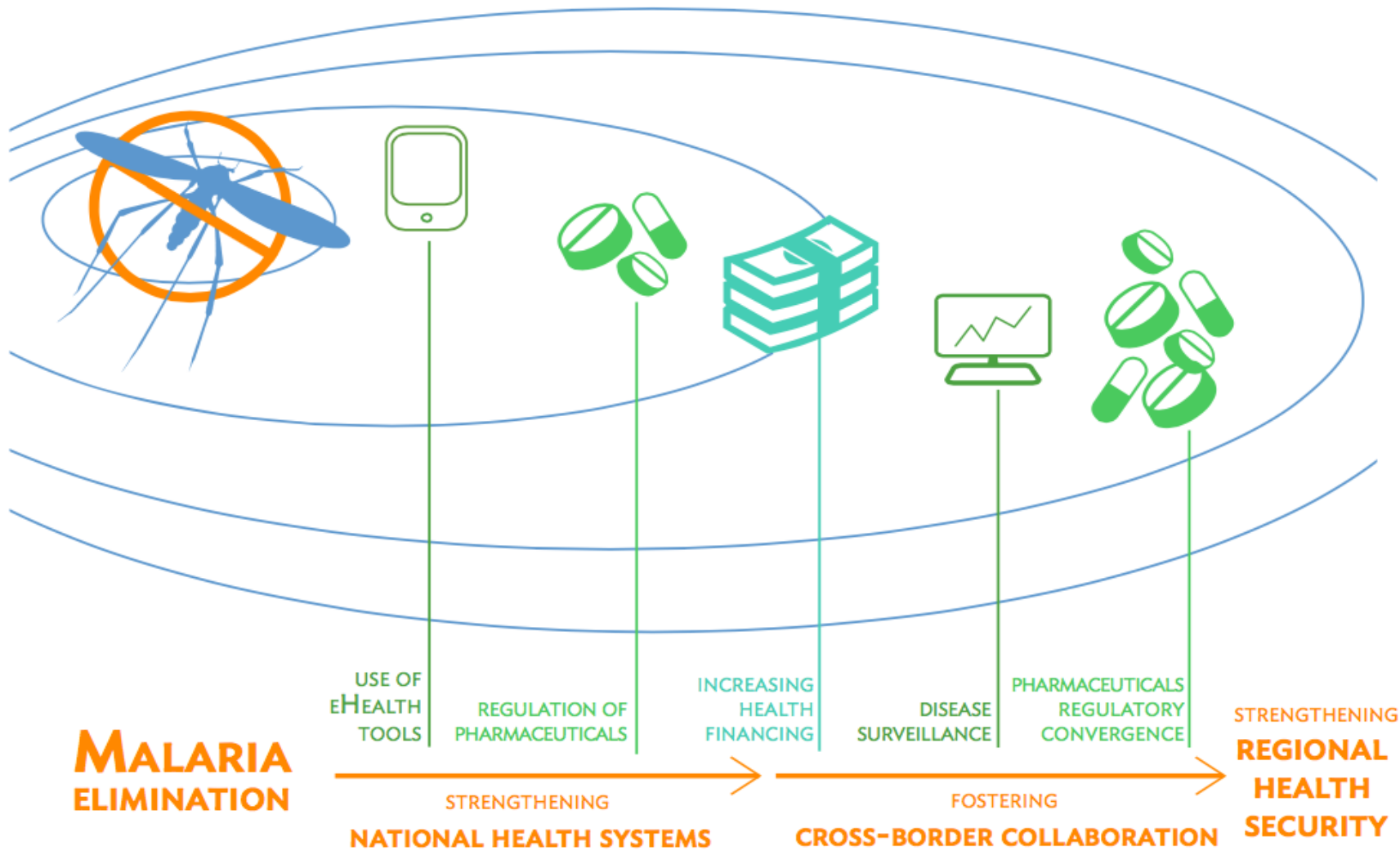
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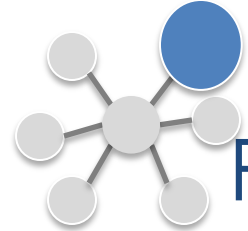
Inclusion of malaria and communicable disease prevention in large commercial and development projects



Strengthening health systems

For regional health security





Providing better access to medicine



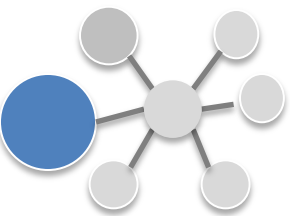
The capacity of national regulatory agencies in the GMS countries to **register quality-assured malaria and communicable disease commodities** and support regional convergence of regulatory processes;

The capacity of national regulatory agencies to **participate in the WHO Global Surveillance System** of substandard, spurious, falsely labeled, falsified and counterfeit commodities in order to improve detection and reporting of such medicines; and

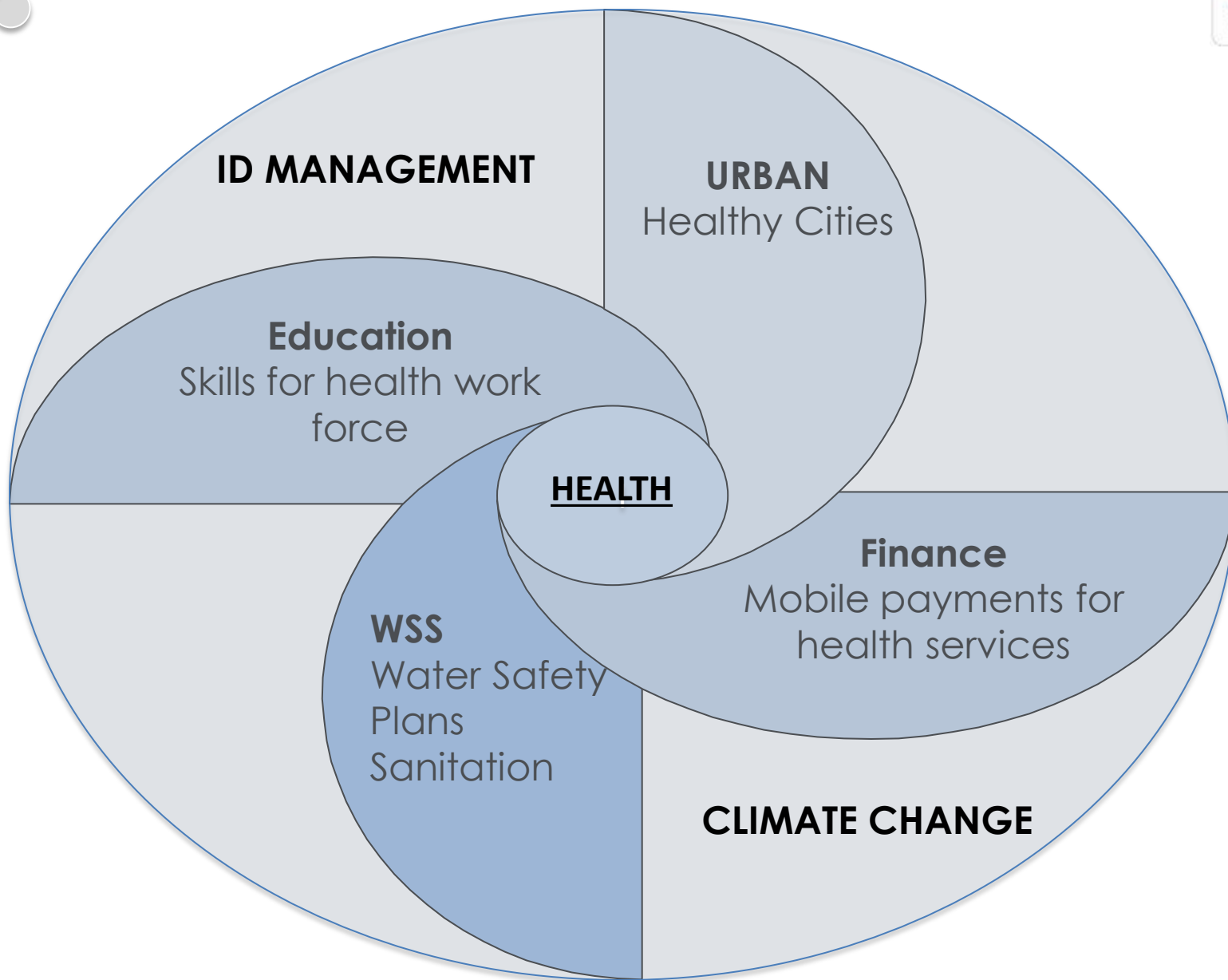
The capacity of national regulatory agencies to **conduct post-market surveillance** of malaria and other communicable disease pharmaceuticals.

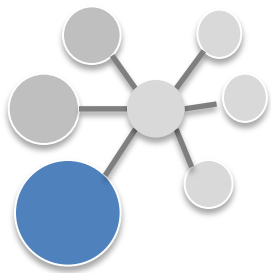


World Health Organization



Advancing cross sectoral features





Private Sector as a driver for Health Impact



Traditional investment: Debt, Equity

The opportunity

- The hospital sector needs 180 million new beds in the next 10 years;
 - The pharma sector is expected to grow from US\$ 214bn in 2010 to US\$386bn by next year (annual growth rate of 13%)
- ✓ Investment activity is growing fast in health but mainly for upper income groups in tertiary care

Average Deal size is \$36m;

Median deal size is \$5m

Non-Traditional investment

Impact investment

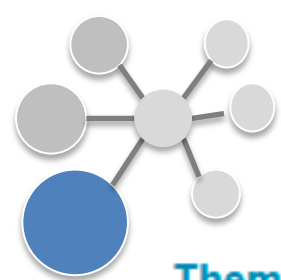
ADB Impact investment Fund

- Incubate inclusive businesses
Foster public private dialogue
- Facilitate knowledge sharing



- “Best of the Rest” health Infrastructure
- Affordable medicine
- Health Promotion
- Digital Health

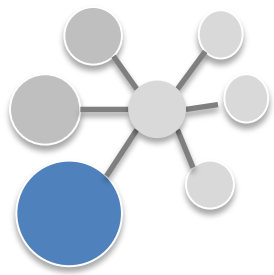




Private Sector solutions are needed



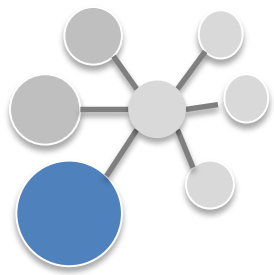
	Theme	Description	Emerging Solutions
1	Inadequate infrastructure	Under-developed healthcare organisations unable to deliver care to whole population	Public-private partnerships with private spending on infrastructure and public spending on services
2	Inequitable allocation	Most of the population lives in rural areas where doctors and clinical workers are scarce	Hub and spoke models expand outreach of specialty services to rural areas – increasing role of IT
3	Inaccessible technology	Medical technology for diagnosis and treatment unaffordable for DMC providers and patients	“Frugal engineering” products that are cheap, built with local materials and easy to repair
4	Inefficient expenditure	Public expenditure often not allocated to where it can achieve greatest impact	External funding agencies boost government efforts on specific focus areas for “quick wins”
5	Inequitable expenditure	Poor pay higher share of income on healthcare, further exacerbating inequality	Innovation in healthcare funding, particularly to broaden insurance coverage for the poor
6	Incomplete execution	Outcomes have not improved quickly enough due to lack of complete care ecosystem	New models of care empowering of front-line health staff, and community



Examples of Private sector solutions



Issue	Example	Country	Description	Deal Details
1 Inadequate infrastructure	Reach Hospitals	India	<ul style="list-style-type: none"> • Smaller, simpler facilities, offering limited but robust specialist services • Cross-subsidisation between high-income and low-income patients • Hospital expenses for extremely poor patients covered under the national health insurance scheme for families below poverty line 	Equity \$15M + long term debt \$65M by IFC
2 Inequitable allocation	Vaatsalya Hospitals	India	<ul style="list-style-type: none"> • Established chain of 9 affordable 1° and 2° hospitals in Tier II, III towns • Created doctor-centric model based on semi-urban/rural MDs + incentives • Received additional funding to setup 50 more such hospitals and reach out to a million patients per year 	\$6M by Aavishkar, Bamboo Finance, Oasis Capital
3 Inaccessible technology	Jaipur Foot	India	<ul style="list-style-type: none"> • Manufactures ultramodern prosthetic limbs for only \$45 compared to similar \$12,000 limb produced in the United States 	Grants



Examples of Private sector solutions



<p>4 Inefficient expenditure</p>	<p>CureVac</p>	<p>Germany</p>	<ul style="list-style-type: none"> • Funded by Gates Foundation as part of its focus on vertical projects – interventions targeted at specific diseases or health problems, largely bypassing existing health systems • Scale of resources and funding applied to achieve best results 	<p>Direct grants and investments</p>
<p>5 Inequitable expenditure</p>	<p>Micro-Ensure</p>	<p>Philippines, India, Bangladesh</p>	<ul style="list-style-type: none"> • Collaborates with various insurance and reinsurance companies for carrying risk and utilising the underwriting capital for micro-insurance • Typical premiums are \$5 per person per year • Delivers cashless access to hospitals for poor households. 	<p>\$10.4M by Telenor, IFC, Omidyar Network, others</p>
<p>6 Incomplete execution</p>	<p>Apollo Sugar Clinics</p>	<p>India</p>	<ul style="list-style-type: none"> • Provides comprehensive and multidisciplinary diabetes care services with a pool of specialists , dieticians, physiotherapists, podiatrists • Across the complete spectrum of care – primary to tertiary 	<p>Investment from Sanofi (undisclosed)</p>

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Opportunities for Collaboration



WHAT	HOW
Digital health	
Pharmaceuticals	
NCD prevention	
Private sector	

For more information

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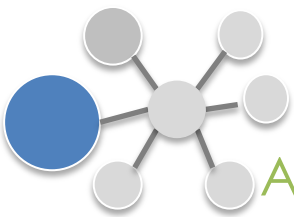
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Blog: <http://blogs.adb.org/author/health-team>

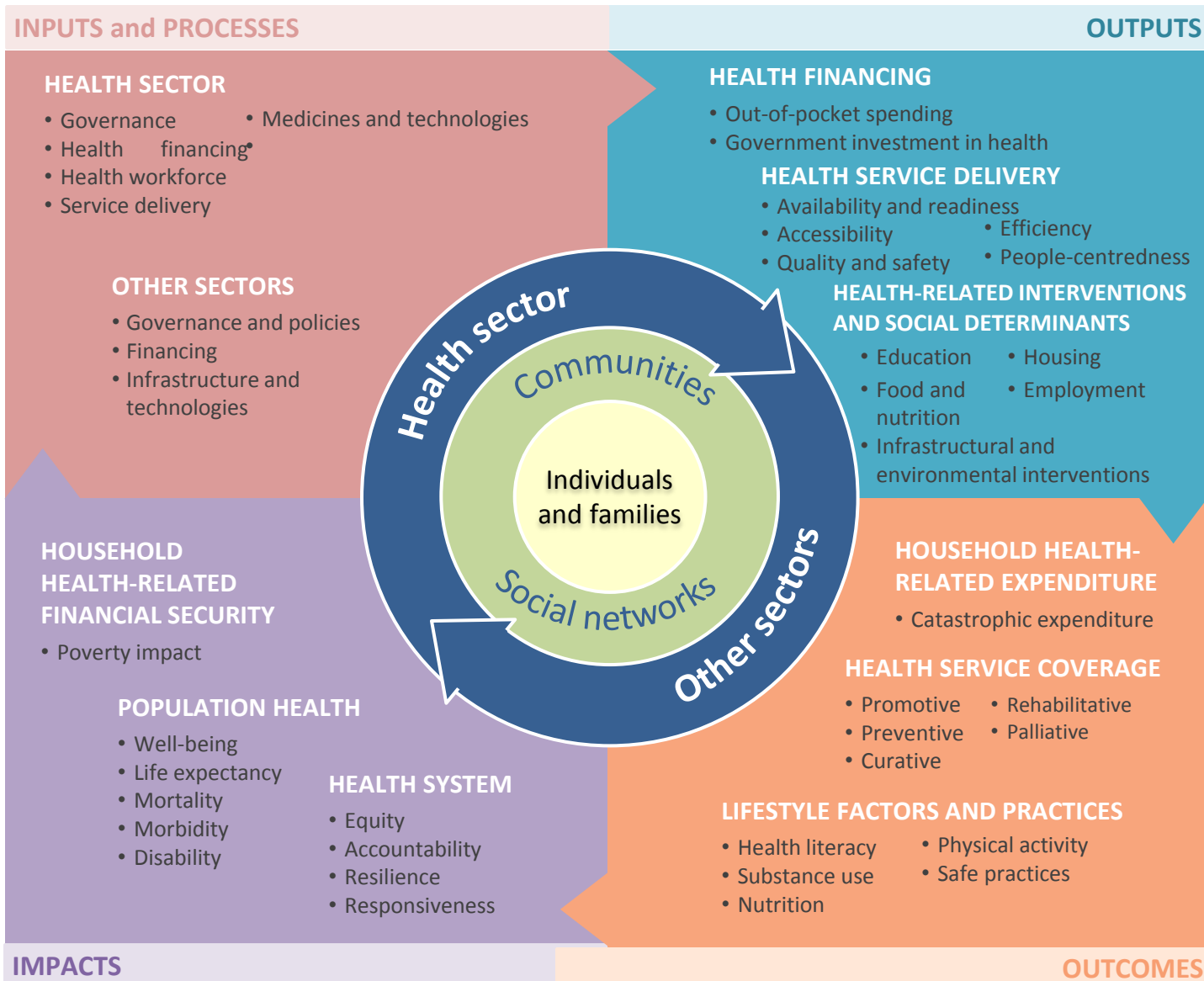
Health Sector Website: <http://www.adb.org/sectors/health/main>





Measuring and Achieving UHC

It takes more than the health sector-
 ADB is developing a M&E framework together with WHO



Current 2015–2017 health sector pipeline

Project		OCR	ADF loan	ADF grant	Co-financing	Total
2015						
SARD	IND Supporting National Urban Health Mission	300				300
SERD	LAO Health Sector Governance Reform		20			29.5
SERD	GMS Second Communicable Diseases Control (additional financing)				9.5 (grant)	
PSOD	Health care in underserved areas in PRC	70				70
2016						
SERD	GMS – Health Security		114			114
EARD	PRC Elderly Care Service System Dev	100				100
2017						
EARD	MON Ensuring Inclusive Service Delivery for Persons with Disabilities		8			8
SARD	IND Supporting the National Urban Health Mission (Supplementary)	200				200

Knowledge Product pipeline

Opportunities for knowledge collaboration



ADB's working paper series 2015-2016

- Pharmaceutical policy/regulatory convergence for better access to malaria and other communicable diseases treatments
- Unique identifiers for malaria elimination, links to civil registration and vital statistics and UHC, with reference to in-country landscape analyses
- From malaria surveillance to sustainable e-health architecture
- Interoperability lab for better HMIS
- Malaria surveillance in the GMS
- Urban Health in Asia and the Pacific
- Social Health Insurance- From Design to Implementation
- The Business Case of investing in NCD Prevention
- Health Public Private Partnership in Asia and the Pacific
- The UHC Dashboard- Why measuring UHC matters