Indonesia in Brief

Total Area (km²) = 1,913,578.68
Number of Islands = 17,504

Population = 258,700,000
34 provinces
514 districts

How much money is spent on health?

Life Expectancy Rate
Years
70.9

GDP at Current Price
Trillion rupiah
12,406.8

Per Capita of GDP at current price
Million rupiah
48.0

Source: Indonesia Statistics Office. 2017. Statistical Yearbook of Indonesia

Health Status
- Infant Mortality Rate (IMR) → 24/1000 (2017)
- Maternal Mortality Rate (MMR) → 305/100.000 (2015)

Source: Indonesian Health Profile, 2017.
You can only manage what you can measure...

- Financial planning
- Efficiency
- Value for Money
- Financial protection
- Absorptive capacity
- Monitor progress
Subsystems of National Health System
(Presidential Decree 72/2012)

- Health Effort on Personal and Community
- Research and Development on Health
- HEALTH FINANCING
  - Health Workforce
  - Pharmaceutical, medical devices and food supply
  - Management, Information and Regulation on Health
- Community Empowerment
Health Development and Health Financing

Ensuring implementation of health development

Health Financing
- Sufficient
- Fairly and evenly allocated
- Effectively and efficiently utilized and properly distributed

Availability
- Sufficiency
- Effectiveness and efficiency
- Sustainability
- Fairness and transparency

Principles

Priority Programs:
- SPM
- PISPK
- SDG’s
- GERMAS

Spending for operational & investment
PBI premium for National Health Insurance

How to monitor health spending in a country?

Improving the health status
Health accounts is a TOOL to monitor health spending


**Health Accounts**
A systematic and comprehensive approach to mapping the flow of health sector funds in a country/area over a defined period of time. (where the money comes from, who manages the money, what the money spent for, and who the beneficiaries are)

- **NHA** National Health Accounts
- **PHA** Provincial Health Accounts
- **DHA** District Health Accounts
Regulation for National Health Accounts Production

<table>
<thead>
<tr>
<th>Regulation</th>
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<tbody>
<tr>
<td>Law No. 33/2004 and No. 23/2014 concerning <strong>Decentralization</strong></td>
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<td>Government Regulation No. 38/2007: subnational responsibility in supporting the health financing</td>
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<td>Law No. 23/2014 concerning <strong>Subnational Governance</strong></td>
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<td>Minister of Health Decree No. 922/2008: needs of NHA, PHA and DHA production</td>
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<td>Bappenas: NHA, PHA, DHA institutionalization</td>
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<tr>
<td>Minister of Health Decree No. 122/2018 concerning <strong>NHA Team</strong></td>
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<tr>
<td>Work Agreement between Ministry of Health and other ministries regarding NHA production</td>
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</tbody>
</table>

Source: Head of Center for Health Financing and Health Insurance, April 2018
Health Accounts capture snapshots of this health financing flow

- **Revenues of financing schemes (FS)**
  - How are resources RAISED?

- **Financing schemes (HF)**
  - HOW funds are managed?

- **Financing Agents (FA)**
  - WHO manages funds?

- **Health Providers (HP)**
  - WHO DELIVERS health good and services?

- **Factors of Provision (FP)**
  - What INPUTS are consumed in the delivery of health services?

- **Functions (HC)**
  - What TYPE of services are delivered

- **Beneficiaries**
  - What are the population CHARACTERISTICS?
The Complexity of financial flows in Health System in Indonesia

- Ministry of Finance
- Other Ministries
- Ministry of Health
- Badan Penyelenggara Jamkesmas Sosial Kesehatan (BPJS Kesehatan)
- Provincial Government
- District Government
- External agencies
- Other Demand Side Schemes (VHI, NPIHS)
- External Donors
- Population/Enterprise

Financing schemes:
- Governmental financing scheme
- Social insurance financing scheme
- Private financing scheme
- Transfer between schemes

Roles:
- Providers
- Public Financing
- Private Financing
- Donor Financing

Key Players:
- District Health Office (DHO)
- Provincial Health Office (PHO)
- Hospitals (Public, Private, Parallel Health System)
- Providers of Ambulatory Health Care (GPs, Specialists, Clinics)
- Providers of Ancillary Services
- Providers of Preventive Care
- Providers of Health Care System Administration and Financing
- Retailers and Other Providers of Medical Goods

Expenditure:
- National budget
- Social insurance contribution
- Grants and/or loans

Fiscal Balance Transfer:
- Deconcentration & Co-administration mechanism
- Aid & regional office fund for hospital

Note: Self-insured in private companies; out of pocket payment for direct access to health care.
Data Sources on NHA production

- MOH (Ministry of Health)
- Ministry of Military
- Ministry of Religion
- Ministry of Manpower
- Ministry of National Education
- The National Narcotics Agency
- BPJS K (Integrated Jamskesda)

Social Security Funds

- Ministry of Religion
- Ministry of National Education
- The Indonesian National Police
- Coordinating Ministry for Human Development & Cultural Affairs
- The National Family Planning Coordinating Board
- Ministry of Law & Human Rights
- Ministry of Foreign Affairs
- Ministry of Research, Technology, & Higher Education

Non-Profit Institutions serving households (NPISH)

- Domestic NGOs
- Donors (foreign NGOs)
- Parastatal companies
- Private companies
- Households

Corporations

- Public
- Non-Public

NHA (National Health Accounts)
## Indonesia Health Expenditures, 2010 – 2016

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<td>22.7</td>
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<td>4.7%</td>
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<td>2.7%</td>
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<td>2.3%</td>
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<td>Provincial Government</td>
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<td>23.0</td>
<td>3.1%</td>
<td>4.4%</td>
<td>4.7%</td>
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<td>4.2%</td>
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<td>14.7%</td>
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<td>15.5%</td>
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<tr>
<td>Social Security</td>
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<td>47.3</td>
<td>61.5</td>
<td>71.6</td>
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<td>6.1%</td>
<td>6.7%</td>
<td>8.1%</td>
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<td>16.7%</td>
<td>17.3%</td>
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<td><strong>Non-Public schemes</strong></td>
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<td><strong>2014</strong></td>
<td><strong>2015</strong></td>
<td><strong>2016</strong></td>
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<tr>
<td>Private insurance</td>
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<td>8.3</td>
<td>9.7</td>
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<td>10.5</td>
<td>13.4</td>
<td>3.3%</td>
<td>2.8%</td>
<td>3.2%</td>
<td>3.3%</td>
<td>3.0%</td>
<td>2.8%</td>
<td>3.2%</td>
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<tr>
<td>NPISH</td>
<td>1.7</td>
<td>1.9</td>
<td>2.0</td>
<td>2.1</td>
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<td>3.4</td>
<td>4.2</td>
<td>0.8%</td>
<td>0.8%</td>
<td>0.8%</td>
<td>0.7%</td>
<td>0.7%</td>
<td>0.9%</td>
<td>1.0%</td>
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<td>Corporations (Parastatal &amp; Pvt companies)</td>
<td>25.4</td>
<td>27.4</td>
<td>30.7</td>
<td>41.3</td>
<td>58.4</td>
<td>50.6</td>
<td>50.1</td>
<td>12.0%</td>
<td>11.4%</td>
<td>11.8%</td>
<td>13.8%</td>
<td>17.1%</td>
<td>13.7%</td>
<td>12.1%</td>
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<td>OOP</td>
<td>115.8</td>
<td>131.7</td>
<td>133.0</td>
<td>139.4</td>
<td>140.1</td>
<td>140.8</td>
<td>144.7</td>
<td>54.8%</td>
<td>54.7%</td>
<td>50.9%</td>
<td>46.7%</td>
<td>41.0%</td>
<td>38.1%</td>
<td>35.0%</td>
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<tr>
<td><strong>Total Health Expenditures/THE (Rp trillion)</strong></td>
<td><strong>211.2</strong></td>
<td><strong>240.9</strong></td>
<td><strong>261.0</strong></td>
<td><strong>298.4</strong></td>
<td><strong>341.9</strong></td>
<td><strong>369.4</strong></td>
<td><strong>414.0</strong></td>
<td><strong>100%</strong></td>
<td><strong>100%</strong></td>
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<td><strong>100%</strong></td>
<td><strong>100%</strong></td>
<td><strong>100%</strong></td>
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<tr>
<td>THE as share of GDP</td>
<td><strong>3.1%</strong></td>
<td><strong>3.1%</strong></td>
<td><strong>3.0%</strong></td>
<td><strong>3.1%</strong></td>
<td><strong>3.2%</strong></td>
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<td><strong>3.2%</strong></td>
<td><strong>3.2%</strong></td>
<td><strong>3.3%</strong></td>
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<tr>
<td>THE per capita</td>
<td>886 ribu</td>
<td>995 ribu</td>
<td>1.1 juta</td>
<td>1.2 juta</td>
<td>1.4 juta</td>
<td>1.4 juta</td>
<td>1.6 juta</td>
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</tbody>
</table>

Health care financing schemes provide an information of financing arrangements through which people obtain health services.
Local Government Schemes experienced an increase and had a substantial contribution to the total of health expenditures.

There is an indication of success on the implementation of Social Health Insurance Program where the household out-of-pocket financing scheme has decreased from year to year, while the Social Health Insurance Scheme has increased every year.

<table>
<thead>
<tr>
<th>Year</th>
<th>Central government schemes</th>
<th>Local government schemes</th>
<th>Enterprise financing schemes</th>
<th>Social health insurance schemes</th>
<th>Other private schemes</th>
<th>Total</th>
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<tr>
<td>2010</td>
<td>211.2</td>
<td>54.8%</td>
<td>5.5%</td>
<td>16.3%</td>
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<tr>
<td>2011</td>
<td>240.9</td>
<td>54.7%</td>
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<td>240.9</td>
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<tr>
<td>2012</td>
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<td>2015</td>
<td>369.4</td>
<td>38.1%</td>
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<td>23.7%</td>
<td>20.1%</td>
<td>456.1</td>
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<td>2016</td>
<td>414.0</td>
<td>35.0%</td>
<td>17.3%</td>
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<td>515.0</td>
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</table>
Health Expenditure per capita in Indonesia is under Singapore, Brunei Darussalam, Malaysia and Thailand. Health Expenditure per Capita in Thailand is about two times of Indonesia, which has been achieved universal health coverage since 2002.
Increasing Health Expenditure per capita is in line with Declining Maternal Mortality Ratio

The majority of public financing schemes come from APBN funds. Approximately 77% of health spending in district governments come from APBN funds.
Health expenditure is spent mostly for curative care (inpatient and outpatient) provided at hospitals and providers of ambulatory health care (puskesmas, clinics, etc.). Preventive care is only about 9.6% of total health spending.
THANK YOU