

# SPENDING BETTER FOR HEALTH IN THE PACIFIC

– a study of Papua New Guinea, Solomon Islands, Vanuatu and Kiribati



**Maude Ruest**

*On behalf of the Papua New  
Guinea and Pacific World Bank  
Health Teams*

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# Health Financing System Assessments in the Pacific



## HFSAs

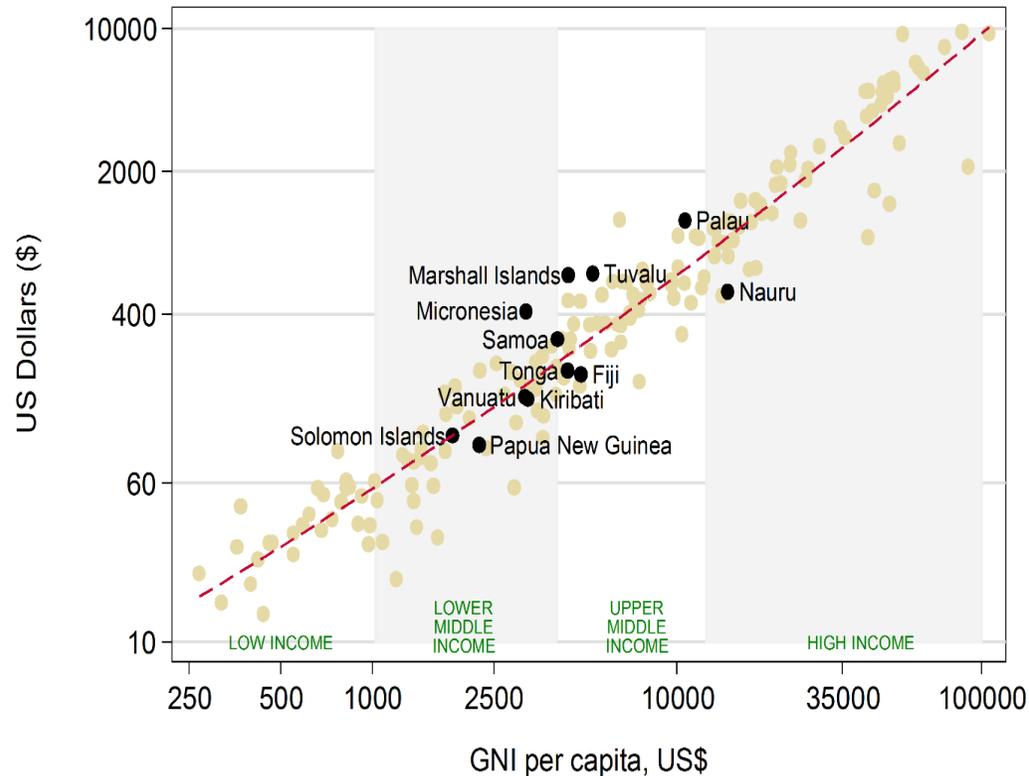
Papua New Guinea  
Solomon Islands  
Vanuatu  
Kiribati

Public Expenditure  
Review on health

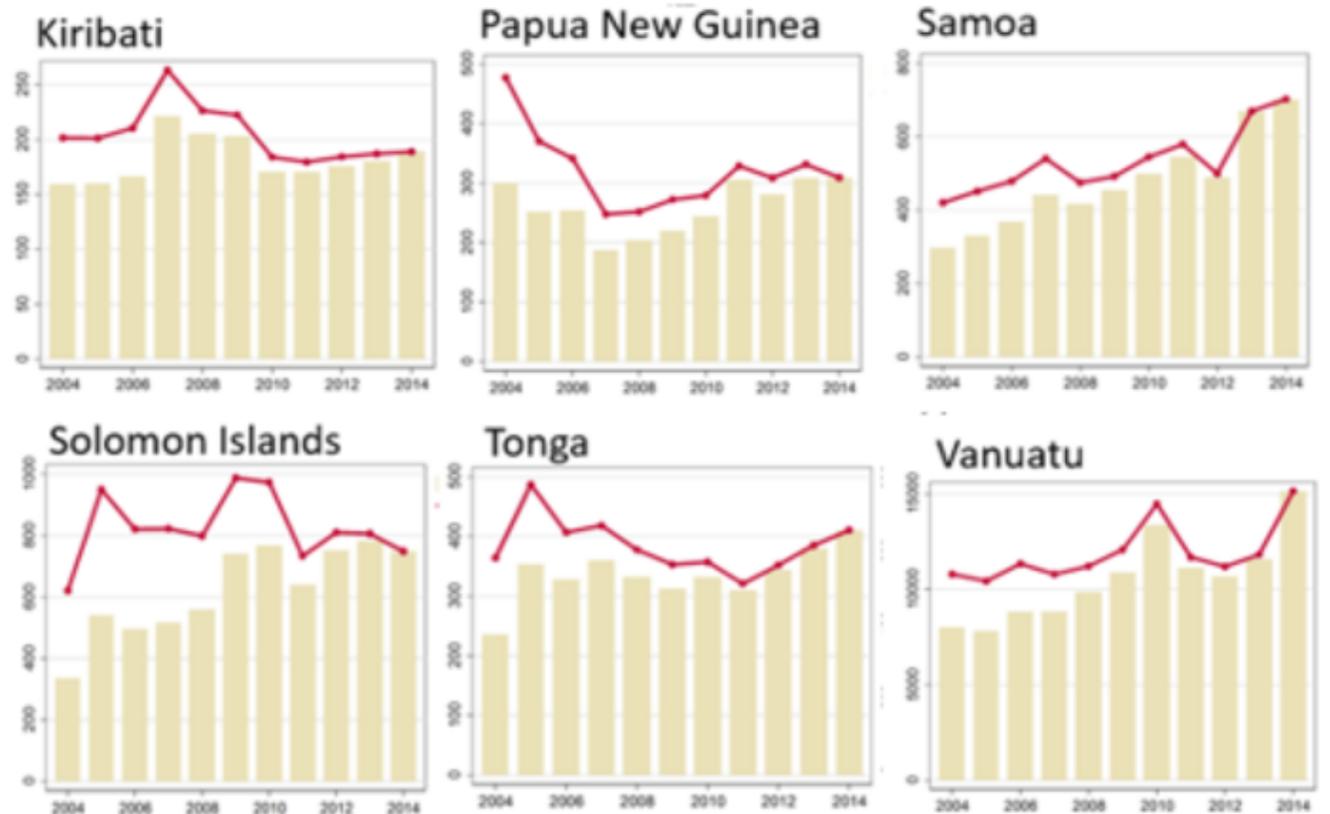
Samoa

# Expenditure Levels as Expected but not Increasing

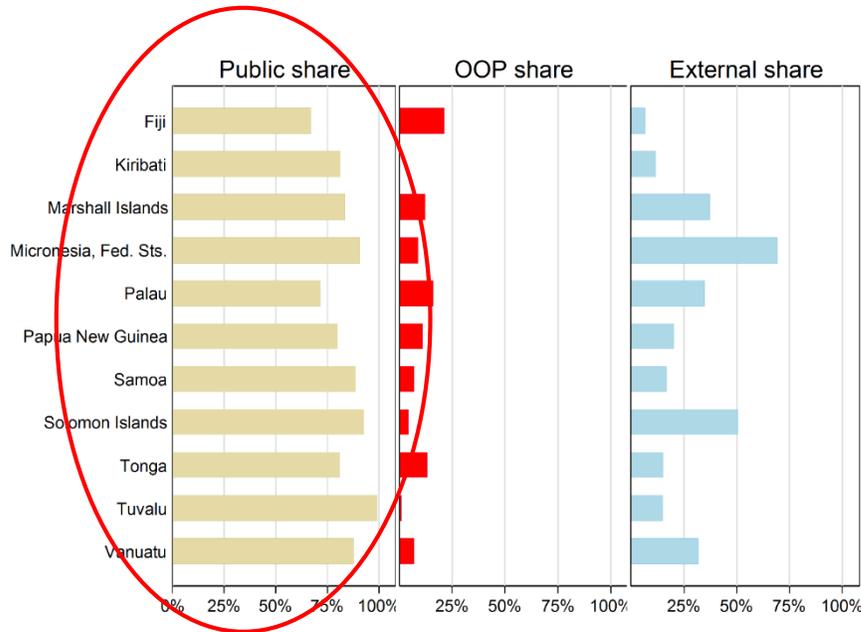
Total Health Expenditures per Person as Expected based on Level of Income (2014)...



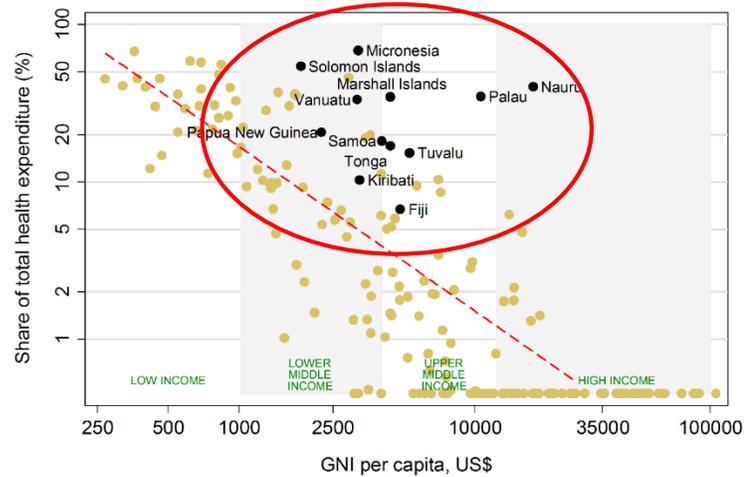
... but Real Total Health Expenditure per Person Stagnating or Decreasing (2004-14)



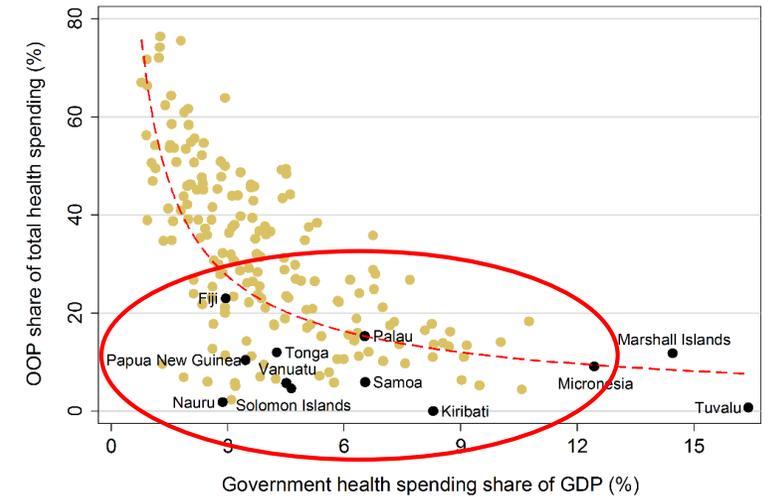
# Health Financing not 'Typical' of Income Level



Health is Publicly Financed, with....



... high share of external financing and...



... low OOP

Most governments provide a considerable share of domestic government expenditure to health – often between 10-15%.

Very different to South East Asia where **OOP in many countries is the largest source of health financing**, with low share of external financing.

# Transitions, Graduations and Decreasing External Financing

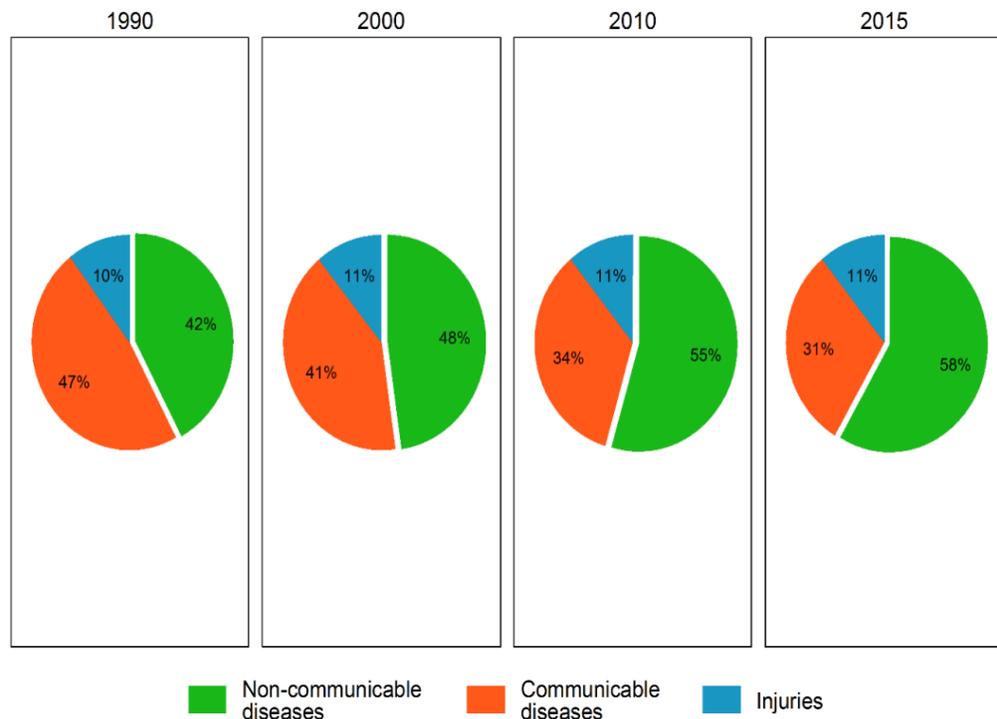
External financing expected to remain significant, but some more traditional donors have started decreasing support, and it is expected to continue on the downwards trend.



Country	Gavi	GF			
		HIV	TB	Malaria	Transition
Kiribati	2016	✓	✓	--	HIV
PNG	2021	✓	✓	✓	--
Solomon Islands	2022	✓	✓	✓	HIV
Vanuatu	--	✓	✓	✓	HIV

# Increasingly Complex Burden of Disease Across the Pacific

**There are considerable differences in what health outcomes PICs are able to achieve for similar levels of investment, but all are facing an increasingly complex burden of disease.**



Significant improvements in health outcomes in the last decade, but:

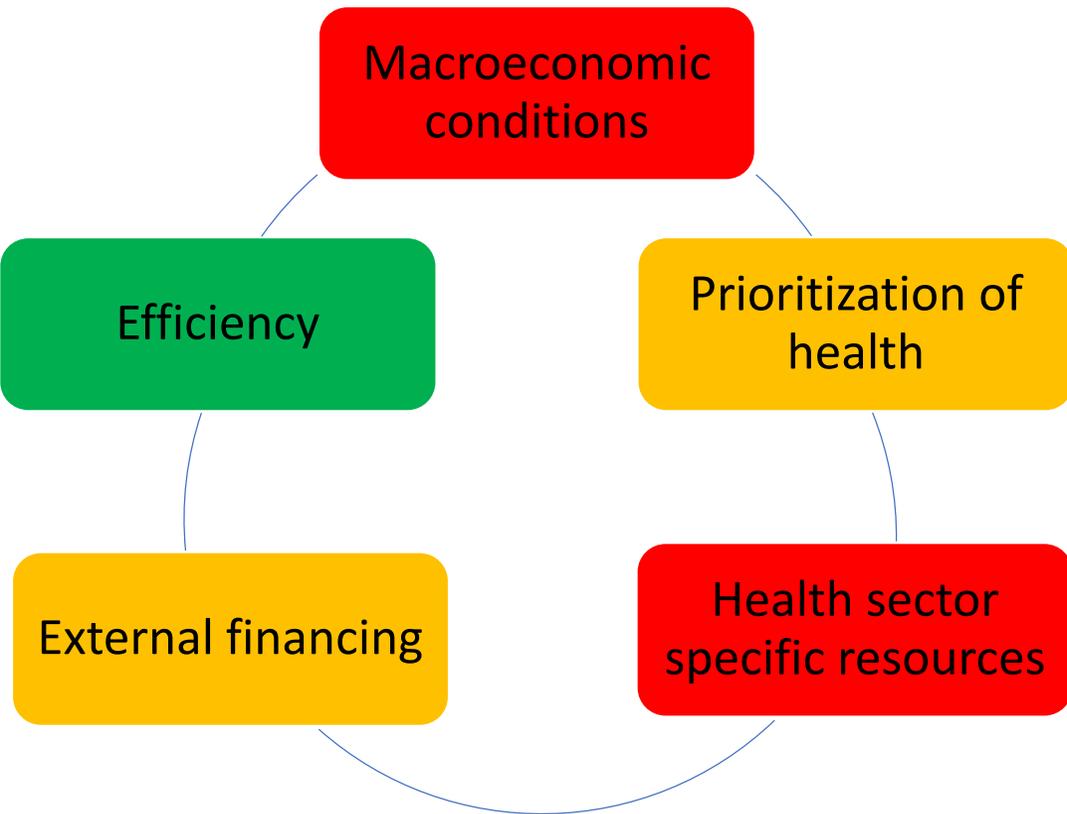
- Mixed results between countries
- Limited progress with family planning services in many countries
- Access to improved sanitation are well below average
- Both under and overnutrition
- TB and HIV –burden of unfinished agenda is significant. (PNG)

→ Classic double burden of disease

External support often earmarked. Will it respond to changing disease burden? Can it be more integrated?

# Increased financing opportunities are limited in PNG, Solomon Islands, Vanuatu and Kiribati

But...



- Modest Economic growth forecasts
  - Health already represents a relatively large share of national expenditure
  - Social health insurance, voluntary private insurance and community based health insurance not large-scale feasible options
  - Low reliance on OOPs should be maintained
- Efficiency gains are the main potential source for freeing up additional money for health in the short term.

# Way Forward- Improved Quality of Spending

Increase efficiency to ensure finite resources are used to purchase best quality and value goods and services



- Target high return health interventions (prevention, high risk population, primary healthcare, frontline service delivery)

- Target large expenditure categories (health workforce remuneration, medicines and vaccines, hospitals)



# Way Forward: Governance and Accountability

## Strengthening governance and accountability arrangements

- Performance monitoring and evaluation
- Improve access, use and dissemination of timely quality data
- DPs to align and coordinate (on plan, on budget, and when possible on system)
- Improving PFM
- Clear demarcation of roles and responsibilities



# Way Forward: Increased Collaboration

## Increase partnership and collaboration within health and across sectors

- Better integration of DP funded large disease programs
- More effective approach to integrated service delivery
- Work with other sectors on social determinant of health
- Investigate links with civil society, NGOs, FBOs, other DPs



# More Money, but More QUALITY

Inevitably, more money will be needed to manage increasing demands on the healthcare sector:

→ Taking these actions will help countries to make a case for more money



Focus is on fiscal space for health, but improving quality of healthcare simultaneously is crucial:

→ Poor quality of care will benefit from these actions, but need further effort.