

Indonesia - Strengthening National Tuberculosis Response Program-for-Results

Innovative Financing to Strengthen the Performance
of the National Tuberculosis Program in Indonesia



Background

- Indonesia continues to be one of the top three contributors to the global TB burden; The 2021 TB incidence 354/100,000 is projected to increase, among others, due to COVID-19 pandemic;
- Indonesia also one of the countries with the largest TB-related economic losses. Based on a business-as-usual scenario, TB will cost Indonesia USD 1.68 trillion during the period of 2020 – 2050. To prevent this economic loss, pace of progress must increase. Investing in TB and required investments are only ~2% of the loss;
- The Government of Indonesia (GoI) has made several commitments at the global level, as well as at the national level – for example with the issuance of a Presidential Decree on TB in January 2021;
- The Indonesia National TB Program is currently reviewing and updating its national strategic plan to address recent developments, as well as challenges (among others, those triggered by the COVID-19 pandemic)

Indonesia TB Program for Results : An innovative approach to address systemic challenges



Focus on **accountability and incentives for subnational performance** on TB, through Performance-oriented central transfers, which allows flexible end-use by the District level and/or public primary care facilities once performance targets are met.



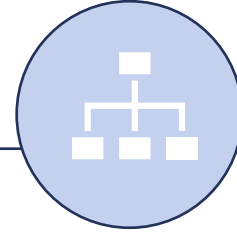
A **robust performance measurement and verification system** for local government and health facilities based on national and international evidence on what's needed and what works.



Incentivizing reporting through an **enhanced digital eco-system as a pre-requisite** for this performance system- with verifications improving data reliability and data quality



Clear guidelines to engage the **private sector- and harmonization** across performance based central transfers and Performance-based Social Health Insurance payment mechanism (capitation, case-based payment)



System-wide advantage: Initial experience from TB as a pioneer can also inform non-TB health services for similar performance-based transfers

Theory of Change – Strengthening Indonesia National TB Response

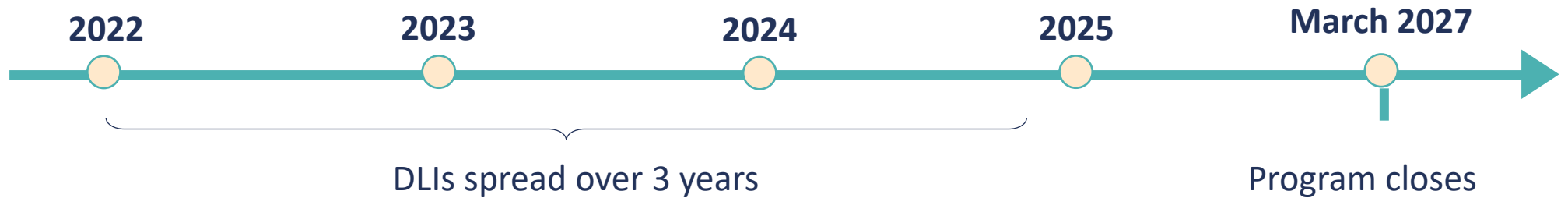


The TB PforR Structure

Amount

USD 300m from World Bank (IBRD), with partial buy-down grant of **USD 20m** from Global Fund

Timeline



- Focus on SNG Governance and Accountability; Involvement of Private Primary Providers; and Digital Solutions
- National level policy
- Results framework for improved coverage, quality, and efficiency

The Indonesia TB PforR covers three dimensions : Improved Coverage, Quality and Efficiency of the National TB Response.

RESULTS AREA 1: Strengthened Subnational Tuberculosis Response

An intergovernmental fiscal transfer mechanism to be linked with TB key performance indicators

- The design of (intergovernmental fiscal) transfers linked with TB performance in case notification and success treatment is developed and implemented

Improved supply side readiness

- Improved readiness of primary health care facilities for TB services
- Comprehensive TB Service Protocol (primary care, laboratory, and hospital)
- Training modules for TB service delivery using new approach and digital technologies developed and implemented

RESULTS AREA 2: Strengthened TB care among public and private primary care health providers

Strengthened access to diagnostic and regular sample transport mechanism

- Logistics and regular sample transport mechanism

Improved access to TB program diagnostics and drugs among private primary care providers

- Logistics and arrangement for TB drugs for private primary care providers and refer back from hospital

Strengthened payment mechanism links to quality of service

- PKBK (Pembayaran Kapitasi Berbasis Kinerja - Performance-based capitation payment) to include notification, and/or successful **AND** Fee for service payment per episode for treatment of TB
- InaCBG reform to modify hospital payments

RESULTS AREA 3: Enhanced digital systems for TB and Evidence informed policy

An integrated TB transaction-based information system :

- Simplified interface of the TB information system to notify TB cases is designed, piloted, and implemented;
- The use of automated data exchange interfaces
- Interoperability of the existing TB application/information system with the Integrated Health Service (Satu Sehat) platform

Improve use of data in decision making

- TB Prevalence Survey and
- Implementation process evaluation

to support evidence-based decision making to be completed by 2026

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What is innovative about the “buy-down” arrangement?

“Buy-down” Definition

An arrangement whereby a donor subsidizes the interest and/or the principal of a loan between a country and a lending organization (by reducing the effective rate of interest or reducing the principal outstanding), thereby reducing the country's future repayment obligations.

Specifications

- Global Fund's grant will be held by the WB in a dedicated "trust fund" used to make these future repayments – linked to the independently verified achievement of the same DLIs as are used for WB financing.
- Any remaining funds in the Trust Fund would be returned to the grant contributor.
- In the proposed design in Indonesia, there are added layers of innovations and results-based arrangements – such as performance-based transfers from MOH to Puskesmas.

Examples

Buydowns have been frequently used in the WB health sector in recent years, linked to performance-based operations.

Guatemala

Malnutrition – Grant provided from GFF for IBRD partial buy-down

India

TB – Grant provided from Global Fund for IBRD partial buy-down

Nigeria - Pakistan

Polio eradication – Grant provided from Gates Foundation for IDA partial buy-down

Pakistan

EPI – Grant provided from Gates for IDA partial buy-down