

Global Health Finance after COVID-19 and the Future of UHC

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Outline

- Context and environment – positives and negatives
- What is UHC? Clarifying some aspects
- Some implications for health systems and programs – primary health care, hospital-based services, high-cost needs and interventions
- And Indonesia?
- Discussion

Post COVID-19 – Some Positives

- C19 was a major shock to global and national economies – US NIH estimate \$16T
 - ✓ Many countries incurred significant public spending to mitigate effects on employment and well-being
 - ✓ Some countries more affected than others both by the disease and these responses
 - ✓ Overall, economic growth and trade have resumed/rebounded for much of the world

Post COVID-19 – Some Negatives for Global Health Finance

- Significant increases in public debt, particularly negatively affecting low income countries
 - ✓ Current debt to GDP ratios in LICs range 30-65% (IMF)
 - ✓ External relief from IMF/WB imposing conditions on public finance and programs including health – ”structural adjustment 2.0?”
- Reductions in external aid particularly affecting health programs and systems
 - ✓ USAID
 - ✓ Other bilaterals
 - ✓ Emerging multi-lateral effects – GAVI, GFATM, World Bank IDA?
- Competing urgent needs – e.g. climate change

Recent estimates on ODA cuts from Africa CDC

Extent of known or announced ODA reductions

| Country | Details of cuts announced |
|----------------|---|
| Australia | Decrease of \$75 million to multilateral organizations |
| Belgium | Reduce ODA by 25% between over next 5 years (2025-2029); 1.291 billion Euro / year |
| Canada | Decrease ODA by \$1 billion |
| Finland | Reduce ODA by 25% between 2024-2027. |
| France | 2.2 billion Euros reduction in ODA in 2025 |
| Germany | BMZ cut by 8% or \$1.8 billion |
| Netherlands | ODA budget of \$7.4 billion Euros in 2023 plans to cut by 300 million Euros in 2025; 500 million Euros 2026 and \$2.4 billion Euros in 2027 |
| Sweden | Decrease by 300 million Euros |
| Switzerland | Reduce by 110M Swiss francs in 2025. Additional 321 million Swiss francs from 2026-2028 Budget. |
| United Kingdom | Decrease of ODA from 0.5% of GNI to 0.3%: Cut of 6.534 billion Pounds |
| USA | Cut by 83%: \$23 billion |

Sources: the guardian, AP News, Global citizen, CGD, Devex

Source: “Africa’s Health Financing in a New Era” Africa CDC April 2025

What is Universal Health Coverage (UHC)?

In 2005, the World Health Assembly defined a health system that provides Universal Health Coverage (UHC) as one that would:

- “guarantee access to [all] necessary services [to everyone] while providing protection against financial risk;” (WHA58.33, 2005) (my explanations in brackets)

Wouldn't this health system:

- produce the highest attainable outcomes a health system can achieve; and
- provide the optimal (or at least a very high level of) health system performance, defined in terms of financial risk protection, quality, access?

UHC is a high aspirational goal for health systems

- Margaret Chan, WHO DG: “I regard UHC as the single most powerful concept that public health has to offer.”

The Sustainable Development Goals and UHC

- In 2016, world leaders launched the SDGs to follow the Millennium Development Goals (MDGs) which covered the period from 1990-2015.
- There are 17 SDGs covering many aspects of development. SDG 3 focuses on “health and well-being”. It has 13 targets, including UHC as one. Many view this as the main or most important one.
- A sizable global movement has arisen in support of achieving UHC. This has included resolutions adopted by the UN General Assembly and a global advocacy organization – UHC2030 (www.uhc2030.org).
- The UN General Assembly hosts “high-level meetings” on UHC progress. This is seen as an important milestone to mobilize commitments going forward. World Bank and WHO release a “Global Monitoring Report” regularly on UHC. In 2019 a “Political Declaration” by heads of state was also released.

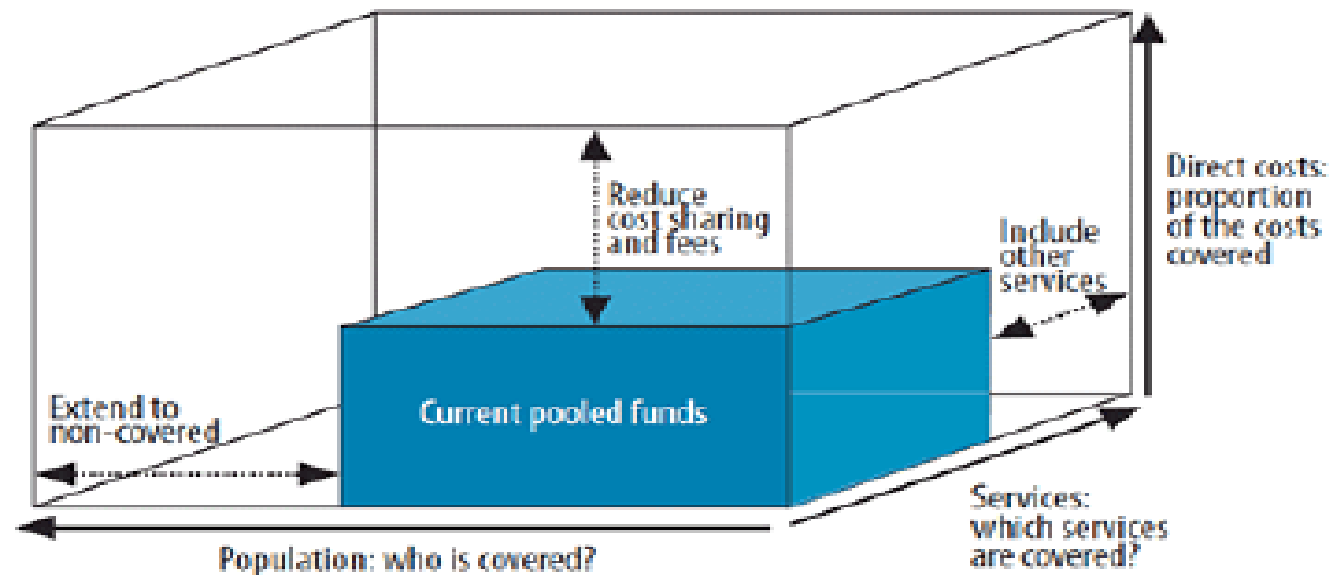
What is UHC?: Some Areas of Uncertainty

- The SDGs often refer not to ALL NECESSARY services but to “essential”, “priority”, or “basic” services
- For example, Sustainable Development Goal (SDG) 3 is: Ensure Healthy Lives and Attain Well-being for All at All Ages
- SDG Goal 3.8 is:
“Achieve universal health coverage, including financial risk protection, access to quality **essential** health-care services and access to safe, effective, quality and affordable **essential** medicines and vaccines for all”

[footnote: note that financial risk protection remains unqualified, while other items are qualified as “essential”]

Some other concerns:

- The term “coverage” can denote an entitlement (for insurance) or realized utilization of health care. Some prefer, for example, the term “universal health care” (Sanders et al Lancet 2019) which implies actual use of care.
- The widely reproduced WHO “cube” (WHR, 2010) seems to denote the funding of UHC, not necessarily its realization. In some versions “pooled funds” could be replaced by “service coverage”?

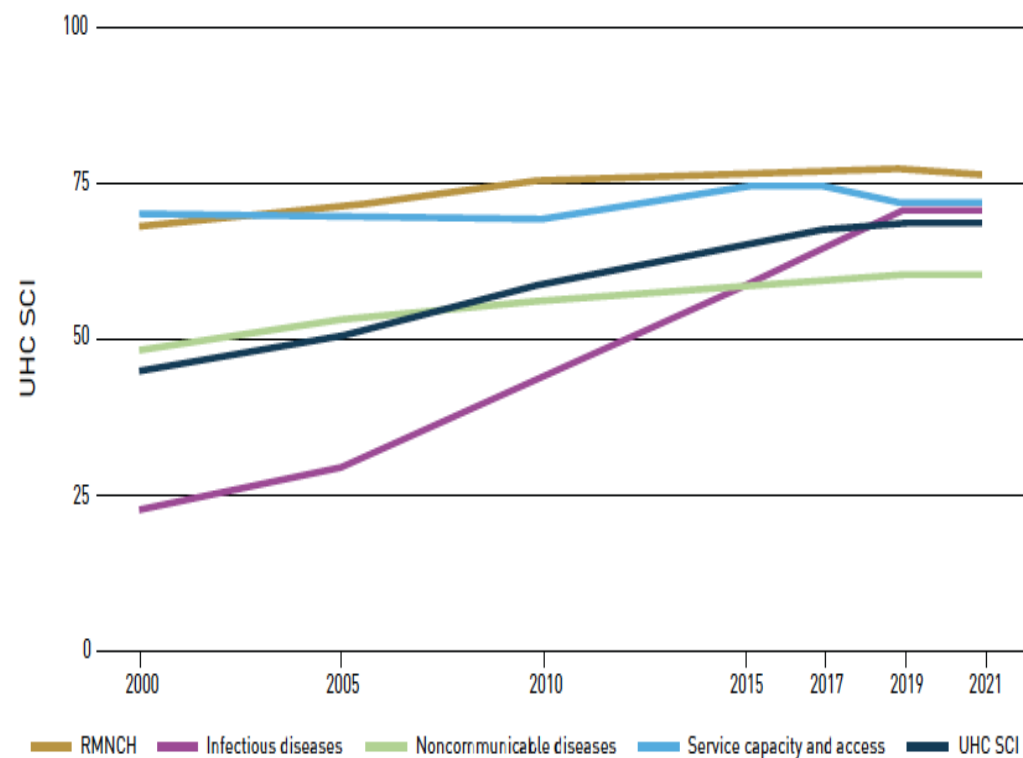


How is it going: some summary points

- In practice, UHC progress for the lower and lower middle income countries has been mainly on the set of “essential” or “priority” health services that have been the focus since the MDGs or earlier.
- There has been significant progress in service coverage since 2000, but improvements have stalled. Large differences across country income groups persist and significant equity differences within countries, by income, urban/rural, gender, also persist.
- Progress in financial risk protection has been mixed and is hard to interpret. Indicators don't focus on covered services and may reflect more of unmet need/demand than lack of key aspects of financial coverage.
- Overall, Dr. Samira Asma, WHO Assistant Director-General for Data, Analytics and Delivery summarized: “Despite the progress, UHC coverage is stalled or not on track, and only about half the world population will be covered in 2030. Therefore, progress must markedly accelerate, and we need to double the coverage in order to reach the target of UHC for all by 2030...” (<https://www.healthpolicy-watch.org/un-members-to-decide-on-faster-progress-better-financial-protections-for-universal-health-coverage/>)
- In terms of resources, various estimates of needs have been made – all of them several multiples of current total health spending in low and lower-middle income countries.

Progress towards SDG 3.8

Fig. 1.8. Trends in UHC SCI by sub-component, 2000–2021

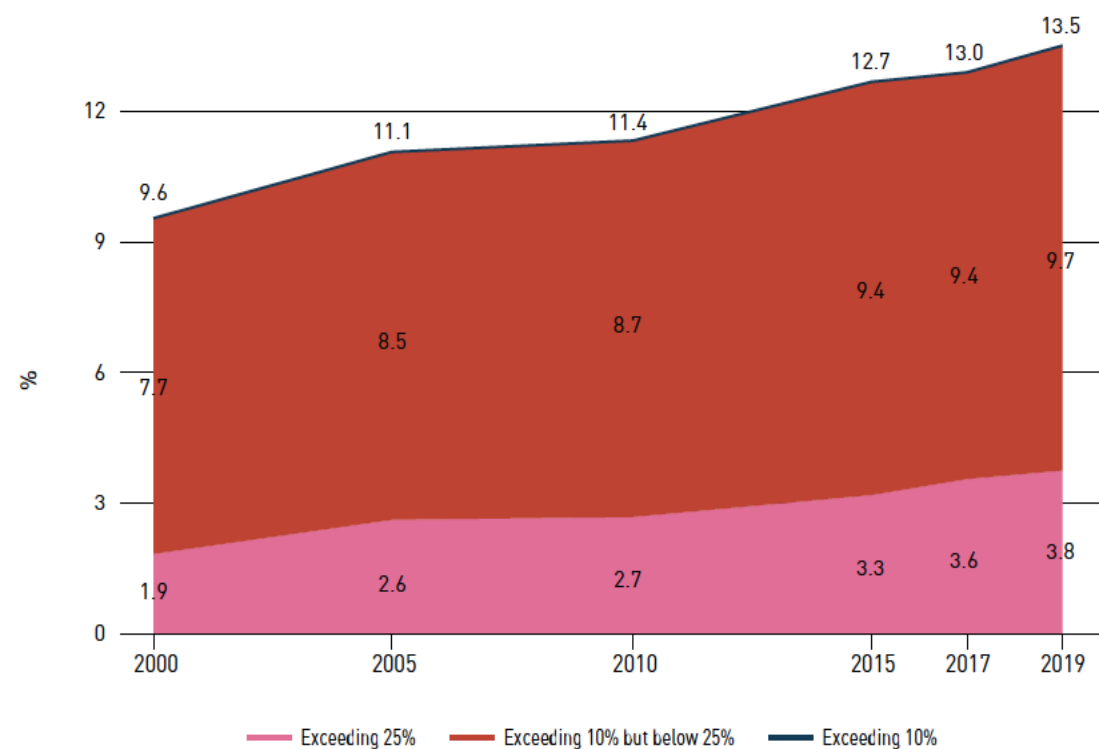


Note: Black line indicates composite index, UHC SCI (SDG 3.8.1); RMNCH, reproductive, maternal, newborn, and child health.

Source: WHO global service coverage database, May 2023 (1).

Fig. 2.2. Trends in the incidence of catastrophic health spending as tracked by SDG indicator 3.8.2, 2000–2019

Global proportion of the population with OOP health spending exceeding 10% or 25% of the household budget



Source: Global database on financial protection assembled by WHO and the World Bank, 2023 (2,3).

Source: *Tracking universal health coverage: 2023 global monitoring report*. Geneva: World Health Organization and International Bank for Reconstruction and Development / The World Bank; 2023. Licence: CC BY-NC-SA 3.0 IGO.

Some implications of these observations

- Almost all countries face overall financing challenges in achieving or sustaining the most ambitious concepts of UHC
 - ✓ In HICs aging populations, longer life expectancy, multi-morbidity, increasingly costly new therapies
- In LICs, current spending levels limit ability to achieve even more limited concept of UHC
 - ✓ Need to find balance between population health outcomes and financial risk protection
- In LMICs and MICs some version of SDG 3.8 UHC is achievable financially with good health system design and management
 - ✓ But it is critical to be clear what content of UHC is the focus in terms of health care and financial risk protection
 - ✓ But some are facing challenges imposed by ambitious new programs focused on financial risk protection, e.g. comprehensive health insurance benefits

Indonesia today? (1)

- Current total per capita health spending of USD 145 (2023) should be sufficient to achieve some partial version of UHC with further advances accompanying economic growth and health system development
- Indonesia is experiencing significant new needs/demands related to NCDs, unmet past needs, and other things
- The big challenges:
 - How to balance need/demand for medical care with need to mitigate future need/demand through population health initiatives, in order to achieve a financially and operationally sustainable system?
 - How to manage large regional diversity in geography, health care supply, and economic conditions

Indonesia today? (2)

- JKN world's largest single payer health insurance – with comprehensive benefit package
 - ✓ High enrollment (>80%) but facing significant deficits along with significant gaps and inequalities in benefit distribution
- PHC still largely financed by government budget transfers through multiple channels
 - ✓ How to balance need for acute medical care treatments and population-focused prevention/promotion interventions
 - ✓ Minister of Health promoting new integrated PHC program (ILP), recognizing urgent need to prevent future high cost illnesses – can it be done?
- Significant and growing non-government provision – funding, organization, and governance of govt and non-govt provision?
- And other things 😊

Thank You!

Terima Kasih!

Diskusi?