

IMF-JICA Conference 2020 | Tokyo, Japan
*Developing Asia: Achieving Inclusive and
Sustainable Growth with Sound Fiscal Management*

11:00-12:00

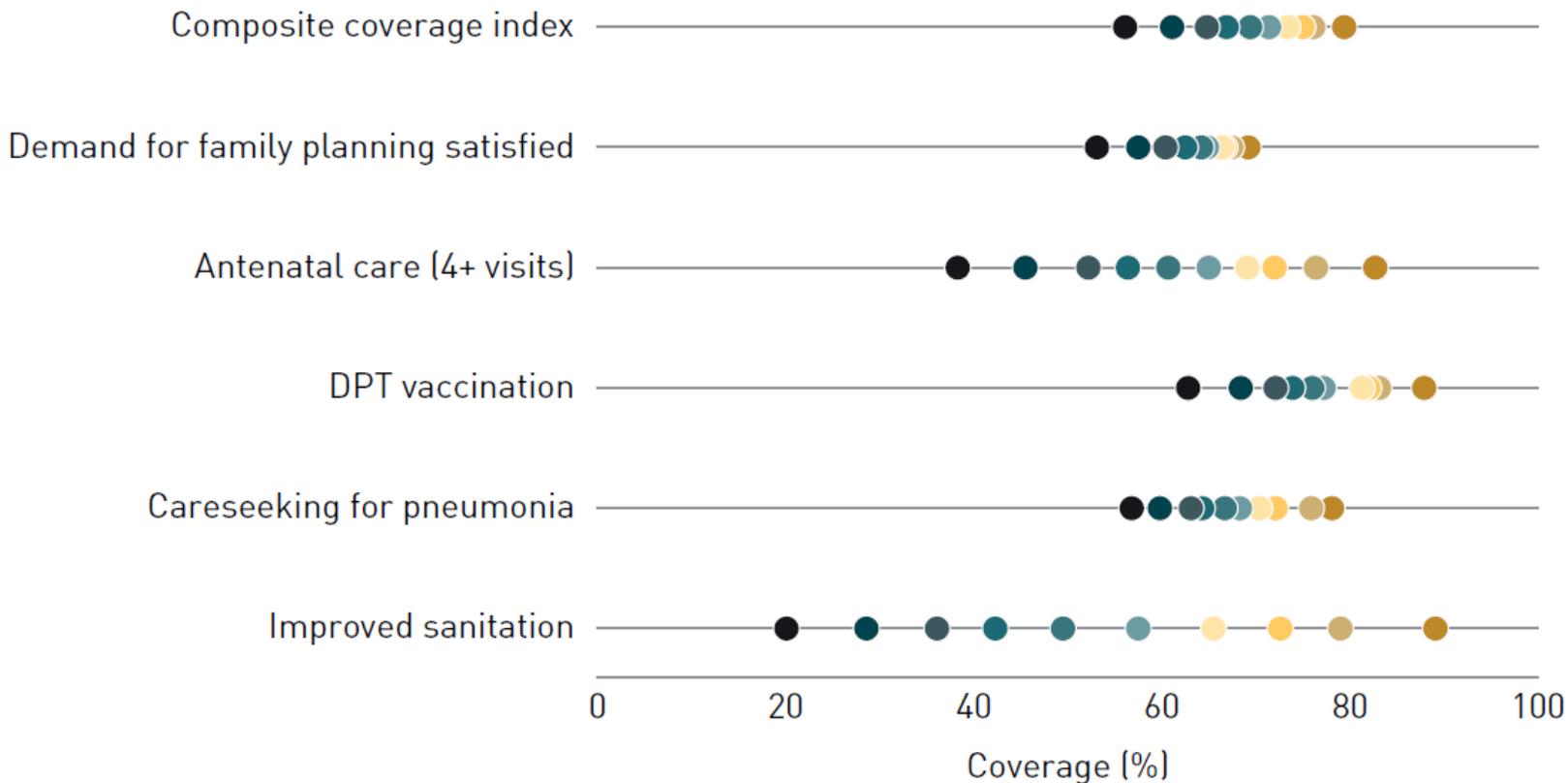
Invest More, Invest Better to Support the SDGs: Lessons from Universal Health Coverage



Moderated by
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Health is money

All 96 countries with data



Wealth deciles

● Poorest ● D2 ● D3 ● D4 ● D5 ● D6 ● D7 ● D8 ● D9 ● Wealthiest

(Source. World Health Organization. (2019). 2019 global monitoring report.)

Poor households **use** health services **less** than rich households.

Return of investment to health

With enhanced **investment** to scale up **health** technologies and systems ... in most low-income and middle-income countries, ... **economic benefit exceed costs by a factor of about 9-20.**

(Source: Jamison, D. T., Summers, L. H., Alleyne, G., et.al. (2013). Global health 2035: a world converging within a generation. *Lancet*, 382(9908), 1898-1955. doi:10.1016/S0140-6736(13)62105-4)

The Lancet Commissions

GLOBAL HEALTH 2035 THE LANCET

Global health 2035: a world converging within a generation

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See Online for video infographic

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Executive summary
Prompted by the 20th anniversary of the 1993 World Development Report, a Lancet Commission revisited the case for investment in health and developed a new investment framework to achieve dramatic health gains by 2035. Our report has four key messages, each accompanied by opportunities for action by national governments of low-income and middle-income countries and by the international community.

There is an enormous payoff from investing in health
The returns on investing in health are impressive. Reductions in mortality account for about 11% of recent economic growth in low-income and middle-income countries as measured in their national income accounts.

However, although these accounts capture the benefits that result from improved economic productivity, they fail to capture the value of better health in and of itself. This intrinsic value, the value of additional life-years (VLYs) can be inferred from people's willingness to trade off income, pleasure, or convenience for an increase in their life expectancy. A more complete picture of the value of health investments over a time period is given by the growth in a country's "full income"—the income growth measured in national income accounts plus the VLYs gained in that period. Between 2000 and 2011, about 24% of the growth in full income in low-income and middle-income countries resulted from VLYs gained.

This more comprehensive understanding of the economic value of health improvements provides a strong rationale for improved resource allocation across sectors.

Opportunities:

- If planning ministries used full income approaches (assessing VLYs) in guiding their investments, they could increase overall returns by increasing their domestic financing of high-priority health and health-related investments.
- Assessment of VLYs strengthens the case for allocating a higher proportion of official development assistance to development assistance for health.

A "grand convergence" in health is achievable within our lifetimes
A unique characteristic of our generation is that collectively we have the financial and the ever-improving technical capacity to reduce infectious, child, and maternal mortality rates to low levels universally by 2035, to achieve a "grand convergence" in health. With enhanced investments to scale up health technologies and systems, these rates in most low-income and middle-income countries would fall to those presently seen in the best-performing middle-income countries. Achievement of convergence would prevent about 10 million deaths in 2035 across low-income and lower-middle-income countries relative to a scenario of stagnant investments and no improvements in technology. With use of VLYs to estimate the economic benefits, over the period 2015–35 these benefits would exceed costs by a factor of about 9–20, making the investment highly attractive.

Opportunities:

- The expected economic growth of low-income and middle-income countries means that most of the incremental costs of achieving convergence could be covered from domestic sources, although some countries will continue to need external assistance.
- The international community can best support convergence by funding the development and delivery of new health technologies and curbing antibiotic resistance. International funding for health research and development targeted at diseases that disproportionately affect low-income and middle-income countries should be doubled from current amounts (US\$3 billion/year) to \$6 billion per year by 2020. The core functions of global health, especially the provision of global public goods and management of externalities, have been neglected in the last 20 years and should regain prominence.

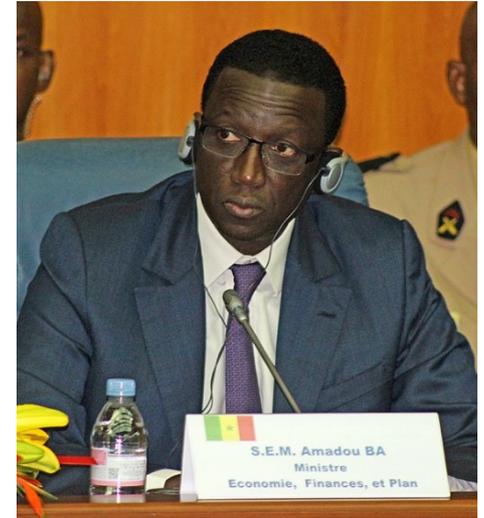
Fiscal policies are a powerful and underused lever for curbing of non-communicable diseases and injuries
The burden of deaths from non-communicable diseases (NCDs) and injuries in low-income and middle-income

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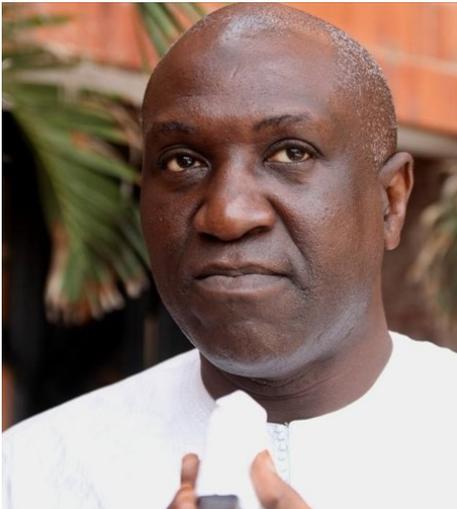
Competing interests in health financing



Minister of Health
"more money for health"



Minister of Finance
"fiscal discipline"
"efficient utilization of budget"
"return of investment"



Director General of National Health Insurance Agency
"more subsidy for the poor"
"financial sustainability of health insurance fund"



President
How to balance these competing interests?

Presenters

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