24 Indonesia: The Challenge of Protecting Immunization in the Transition to Universal Health Coverage

Key Points

* **Indonesia's transition from Gavi support is happening during a time of rapid health system changes, including decentralization of the health delivery system and a transition to universal health coverage under a single national health insurance system.**
* **Immunization is provided free to the population through the public health service delivery network regardless of health insurance coverage status. Nonetheless, inequities in access to immunization between insured and uninsured children may be emerging.**
* **The high level of decentralization in Indonesia also poses challenges to sustaining and strengthening the national immunization program.**
* **As JKN coverage expands, the key to financial and institutional sustainability of the immunization program will be better integration with the universal health coverage system, especially as the government introduces new vaccines over time.**

INDONESIA WILL FULLY self-finance its immunization program starting in 2018, after Gavi support ends. Although external contributions to total health spending are low—at only 1% in 2013—the government has received significant support from Gavi to fund immunization. International partners also provide substantial technical assistance to Indonesia's immunization program. At the same time, Indonesia has instituted a series of major health reforms over the past decade that affect how resources are allocated to the immunization program.

Since 2001, responsibility for health service delivery has been fully decentralized to local governments. In 2014, the country's public health insurance schemes were consolidated into one national unified social health insurance program—Jaminan Kesehatan Nasional, or JKN. In 2016, its third year of implementation, JKN covered about 60% of the population; universal coverage is planned by 2019. At the same time, Indonesia has one of the lowest rates of public spending on health as a share of GDP (about 1% in 2014) and as a share of total government spending (about 6% in 2014).

In this period of transition from Gavi financing and rapid changes in the health financing system, Indonesia is faced with the challenge of ensuring adequate domestic financing for immunization, as well as governance, service delivery, and coordination of immunization program functions as JKN expands insurance coverage, all under tight financing constraints. The financial burden will continue to increase as the government introduces four additional vaccines to the national immunization schedule over the next three to four years. Indonesia also has the challenge of sustaining immunization program management and ensuring health provider capacity to deliver immunization services during the transition from Gavi support.

Indonesia has instituted a series of major health reforms over the past decade that affect how resources are allocated to the immunization program.

Indonesia's Immunization Program

Indonesia's immunization schedule covers all traditional vaccines recommended by the World Health Organization except rubella. Of the newer vaccines in the recommended schedule, Indonesia has adopted only pentavalent vaccine. Despite increases in coverage rates in recent decades, large inequities exist and Indonesia does not compare favorably with peer countries with similar income levels when it comes to immunization. WHO/UNICEF coverage estimates for Indonesia in 2015 are 81% for diphtheria-tetanus-pertussis (DTP3), 77% for BCG (tuberculosis), and 69% for measles (first dose).

The central government is responsible for procuring vaccines, and district governments are responsible for service delivery. Operational costs, including the cold chain and immunization service delivery, are the responsibility of subnational governments. The Ministry of Health's National Immunization Program (NIP) oversees immunization and carries out forecasting and planning for vaccine procurement. The central government finances vaccines through a national budget line item, and regulations require that all government-procured vaccines be supplied by Biofarma, a state-owned enterprise. As with other health services, district governments are responsible for service delivery costs, including operational costs for primary health care facilities to provide immunizations. The NIP provides technical assistance, guidelines, monitoring and evaluation, quality control, training, and supplementary activities such as immunization campaigns. The NIP also uses a standardized tool for assessing supply-side readiness for immunization at the local government level.

Vaccines on the national immunization schedule are provided free of charge by the government to public and private providers, and a 2011 health facility census showed that more than 90% of all health centers *(puskesmas)* reported availability of government-mandated vaccines. However, the census also showed availability issues at the public and private provider level in three provinces (Papua, West Papua, and Maluku), where more than 20% of puskesmas reported no supplies of measles, DPT, polio, and BCG vaccines. Vaccine availability is less reliable among private providers, with only about a quarter of private facilities, and less than 10% of those in eastern provinces, reporting availability of government-mandated vaccines.

> *Immunization is provided free to the population through the public health service delivery network regardless of health insurance coverage status.*

Immunization and Social Health Insurance

Immunization is provided free to the population through the public health service delivery network regardless of health insurance coverage status. Although most government financing for immunization comes from the government budget, some financing also comes from JKN. JKN currently covers routine immunizations for children under age 5 and tetanus immunization for pregnant women. At public health facilities contracted to provide services under JKN, individuals do not need to present their insurance card to obtain free immunizations. At contracted private facilities, a JKN card is required to receive free services; otherwise, people usually have to pay a service charge even though private providers also receive vaccines for free from the government. Overall, there is no evidence of significant out-of-pocket payments for immunization services.

Although immunization services are provided free of charge, household survey data show that differences in access to immunization between insured and uninsured children may be emerging. Children who had not received any doses of the DPT vaccine were more likely to be uninsured than were children who received three doses of the vaccine, according to household survey data. Individuals and providers are sometimes unclear on entitlements and funding sources for immunization services for insured versus uninsured individuals, which could affect access for the uninsured. A further challenge is that funds for immunization services are part of the capitation payment to primary care providers under JKN to deliver all covered primary health care services, including immunization, but confusion among local governments and providers sometimes results in capitation payments being used to finance only curative care.

Decentralization

Although the central government procures and distributes vaccines, provincial and district governments manage the operations of public health facilities and services. Intergovernmental fiscal transfers from the national to subnational levels are not used to incentivize immunization coverage and there are no clear ways to influence allocation of resources for immunization at the subnational level. Expenditures on the immunization program at the subnational level are not reported back to the Ministry of Health or the Ministry of Finance, so they are difficult to monitor. Management capacity and commitment to immunization vary greatly across provinces and districts. Anecdotal evidence shows limited allocated operational budget for the immunization program at the local government level, which could potentially affect service delivery and coverage. With regard to the new vaccines that are planned for inclusion in the national immunization schedule, strong advocacy at the local government level may be needed to ensure adequate operational budgets for service delivery.

Protecting Immunization in a Transitioning Health System

Indonesia's health system is complex and undergoing rapid change. The transition to universal health coverage (UHC) under the JKN national health insurance system and the high level of decentralization pose challenges to sustaining and strengthening the national immunization program. Lack of clarity in the links to JKN is a challenge. The government has an ambitious plan to introduce four new vaccines in the next three to four years, so issues around financing and service readiness will become more urgent. Furthermore, there is no procedure for deciding when to include new vaccines in the JKN benefits package, and any new vaccines included in the routine immunization schedule are automatically covered by JKN without considering the financial implications.

As in all mixed health systems, the responsibility for financing the country's immunization program in Indonesia needs to be made explicit and communicated to all stakeholders. As JKN expands coverage, the key to financial and institutional sustainability of the immunization program will be better integration within the UHC system and explicit processes for matching service delivery readiness and financial capacity with immunization commitments.

Sources and Further Reading

Tandon A. et al. Health financing system assessment: Indonesia. Jakarta: World Bank; 2016.