

USAID Medicines, Technologies, and Pharmaceutical Services (MTaPS) Program

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Better Health Outcomes.



MTaPS COUNTRY SUMMARY REPORT INDONESIA (2021–2023)

About USAID MTaPS

The US Agency for International Development (USAID) Medicines, Technologies, and Pharmaceutical Services (MTaPS) Program (2018–2024) enables low- and middle-income countries to strengthen their pharmaceutical systems, which are essential to establishing higher-performing health systems and achieving better health outcomes. The program is implemented by a consortium of global and local partners, led by Management Sciences for Health (MSH), a global health nonprofit.

Learn more at <https://www.mtapsprogram.org/>

INTRODUCTION

The USAID MTaPS program enables low- and middle-income countries to strengthen their pharmaceutical systems, which are critical for ensuring access to and appropriate use of safe, effective, quality-assured, affordable medicines, vaccines, health technologies and products, and related pharmaceutical services to improve health. MTaPS' objectives are to (1) strengthen pharmaceutical sector governance, (2) increase institutional and human resource capacity for pharmaceutical management and services, including regulation of medical products, (3) increase availability and use of pharmaceutical information for decision making and advance the global learning agenda, (4) optimize pharmaceutical sector financing, including resource allocation and use, and (5) improve pharmaceutical services, including product availability and patient-centered care, to achieve desired health outcomes.

MTaPS employs a pharmaceutical system–strengthening (PSS) approach to identify and implement strategies and actions that achieve coordinated and sustainable improvements of a pharmaceutical system to make it more responsive and resilient for achieving better health outcomes. The MTaPS approach emphasizes locally led development, country ownership, and self-reliance to support countries on the pathway to sustainability.

At the country level, the MTaPS approach is adapted to the specific context, national health system–strengthening strategies, and USAID's vision and support. MTaPS provided technical assistance to the Indonesian health technology assessment (HTA) committee (InaHTAC) and the Center for Health Financing and Decentralization Policy (*Pusat Kebijakan Pembiayaan dan Desentralisasi Kesehatan*;



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CHALLENGES

- Fragmented funding decisions on health technologies
- Limited involvement of stakeholders in the assessment of health technologies
- Low number of quality HTA topics proposed to InaHTAC for review
- No comprehensive pharmaceutical expenditure (PE) data in the National Health Accounts report
- Pharmaceutical data spread across technical units in ministries and agencies
- Lack of comprehensive methodology for PE tracking
- Lack of capacity for PE tracking and analysis among the National Health Accounts team



PARTNERS

- Badan Kebijakan Pembangunan Kesehatan (BKPK) (Health Development Policy Agency, MOH)
- BPJS-K, Indonesia's national health insurance agency
- Center for Global Development (CGD)
- Country Health Information Systems and Data Use (CHISU)
- Department of Foreign Affairs and Trade, Australia (DFAT)
- Directorate General of Pharmaceutical and Medical Devices (DG Pharma), MOH
- InaHTAC
- Indonesian Food and Drug Administration (FDA)
- National Health Accounts team
- Pusjak PDK (Center for Health Financing and Decentralization Policy, MOH)
- USAID Health Financing Activity (HFA)
- United Nations Development Programme (UNDP)
- World Bank

Pusjak PDK), Ministry of Health (MOH), to strengthen pharmaceutical systems and services to institutionalize transparent and evidence-based decision making and improve planning and resource allocation of pharmaceuticals.

COUNTRY CONTEXT

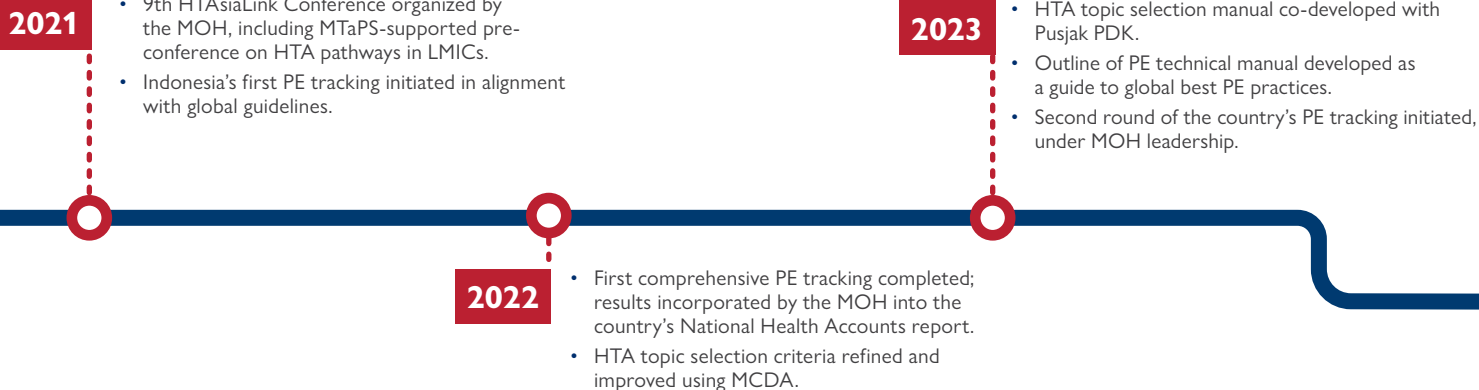
Indonesia is at a critical juncture in the financing of its universal health insurance program (*Jaminan Kesehatan Nasional*; JKN), which covers an estimated 262.74 million people (approximately 94.64% of the population, as of September 2023). In its effort to ensure sustainable access to quality health care services for the population, the country faces financial challenges resulting from increased health care utilization, benefits package expansion, and rising costs of goods and services. To control costs and allow for prioritization of cost-effective, high-quality health technologies and services, the government has taken steps to leverage HTA to provide policy recommendations to Indonesia's national health insurance agency (*Badan Penyelenggara Jaminan Sosial Kesehatan*; BPJS-K), the administrator of the JKN Program. However, funding limitations, research capacity constraints, and institutional barriers have limited Indonesia's ability to produce a high number of quality HTAs.

Pharmaceuticals accounted for a significant portion of JKN's expenditure in 2021, particularly those for managing noncommunicable diseases (NCDs) and COVID-19. Although the internationally recognized System of Health Accounts (SHA) 2011 framework provides a methodology for tracking overall health sector spending, Indonesia still grapples with monitoring pharmaceutical spending.¹ Through introduction of a pharmaceutical expenditure (PE) tracking system, Indonesia is taking steps to improve its planning and resource allocation and to track changes in priorities throughout the health system. Ultimately, the improved HTA process and PE tracking will enhance evidence-based policymaking and contribute to the sustainability and effectiveness of the JKN program.

STRATEGIC APPROACH

MTaPS collaborated closely with Pusjak PDK and InaHTAC to strengthen the transparency and accountability of Indonesia's HTA process, specifically the HTA topic selection. Simultaneously, MTAps provided two years (2021–2023) of technical assistance to build the capacity of the MOH in PE tracking. MTAps initiated implementation with landscape activities to gather perspectives from stakeholders and global best practices. By engaging high-ranking officials and underrepresented stakeholders, MTAps helped to identify root causes and generate consensus on potential solutions. To strengthen the capacity of core country counterparts, MTAps integrated hands-on learning and stakeholder engagement strategies; for example, through participating in the design of the HTA manual or in identifying PE data sources. MTAps introduced international best practices to country partners and developed their capacity in new areas such as multicriteria decision analysis (MCDA) for HTA and analysis of real-world data. During program implementation, MTAps maintained close collaboration with the MOH, offering support to MOH personnel. Through wide stakeholder engagement, MTAps gathered stakeholder inputs to improve existing workflows and strengthen HTA networks. By engaging with international development partners such as the World Health Organization (WHO), the Australian Government Department of Foreign Affairs and Trade (DFAT), and the World Bank, MTAps helped the MOH establish linkages for further development of HTA and PE initiatives beyond MTAps' lifespan in Indonesia.

KEY ACHIEVEMENTS

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- 2021**
- 9th HTAsiaLink Conference organized by the MOH, including MTaPS-supported pre-conference on HTA pathways in LMICs.
 - Indonesia's first PE tracking initiated in alignment with global guidelines.
- 2022**
- First comprehensive PE tracking completed; results incorporated by the MOH into the country's National Health Accounts report.
 - HTA topic selection criteria refined and improved using MCDA.
- 2023**
- HTA topic selection manual co-developed with Pusjak PDK.
 - Outline of PE technical manual developed as a guide to global best PE practices.
 - Second round of the country's PE tracking initiated, under MOH leadership.

KEY RESULTS

Working in collaboration with the MOH and other stakeholders, MTaPS supported Indonesia in achieving the following key results:



Health Technology Assessment

(Key partners: Pusjak PDK and InaHTAC)

- “Health Technology Assessment Pathways in LMICs: Scaling up for Sustainability of UHC in Asia” pre-conference workshop conducted as part of the 9th HTAsiaLink Conference 2021; conference digest book developed and shared on the BPKP website, ensuring accessibility of insights from the conference to strengthen advocacy efforts.
- HTA topic selection manual co-developed with Pusjak PDK and rolled out for the 2024 call for HTA topics, contributing to increased transparency, wider stakeholder engagement, and streamlined topic selection process.
- HTA selection process timeline reduced from 6–8 months to 4 months, allowing more time each year for implementation of the selected HTA studies.
- HTA topic submissions from stakeholders increased from 19 in 2021 to 41 in 2022 and to 141 in 2023, facilitating selection of more diverse and relevant topics.
- Transparency in HTA decision making improved through an inclusive stakeholder engagement process embedded in the co-developed technical manual.
- Capacity of HTA agents (7 MOH staff and 3 university researchers) strengthened on real-world evidence (RWE) calibration through participation in an economic evaluation of trastuzumab for early breast cancer patients. The use of RWE improves HTA quality and will be incorporated as one of Indonesia's standards for the expedited HTA process.



Pharmaceutical Expenditure

(Key partners: Pusjak PDK and the National Health Accounts team)

- Landscape mapping of data sources conducted: data sources mapped for tracking PE from the government and private sectors. The results of this mapping are a tool for Pusjak PDK and the National Health Accounts team to support the institutionalization of PE tracking and improve the country's health accounts data.
- Capacity of MOH on PE tracking improved to provide timely, accurate information for forecasting, planning, financing, and procurement for JKN and priority programs. A total of 45 National Health

HTA topic submissions from stakeholders increased



19 in 2021

41 in 2022

141 in 2023



Strengthened capacity of

45

National Health Accounts team analysts

to conduct PE tracking.

Accounts team analysts trained in PE tracking.

- Indonesia’s inaugural PE calculation conducted, identifying inadequacies and bottlenecks in procurement and supply chain management, and paving the way for targeted PSS programs to enhance efficiency and effectiveness.
- PE findings published as part of the health accounts report, ensuring the report provides comprehensive insights on resource allocation. Based on calculations from PE tracking, Indonesia’s total pharmaceutical expenditure at current prices in 2021 is 175.2 trillion Indonesian rupiahs (IDR) (12.2 billion US dollars), with allocations of IDR 45.6 trillion for COVID-19 vaccines, IDR 4.7 trillion for maternal health conditions, and IDR 5.1 trillion for nutritional deficiencies. This data enhanced the MOH’s understanding of pharmaceuticals spending and informed future expenditure planning.



... MTaPS’ support is very helpful to us for future HTA development in Indonesia. It is a cornerstone for our further development. The current HTA process is not perfect, but we plan to continuously improve and develop it . . . With the commitment of the MTaPS team, we are achieving good results.”

Lusiana Siti Masytoh

Head of the HTA Working Team, Pusjak PDK, MOH



Enhancing Indonesia’s Health Financing Policy through PE Tracking

With MTaPS support, the Indonesia National Health Accounts team implemented Indonesia’s first-ever PE tracking. Initially, this endeavor presented challenges, given the vast volume, diverse data sources, and multiple stakeholders involved. To begin the process, MTaPS worked in collaboration with the Indonesia Health Accounts team to conduct a country PE data sources landscape study, which provided a comprehensive picture of how pharmaceutical spending happens and how information on that spending is captured and organized. The team identified key PE variables and compiled data effectively. As a significant milestone in health financing, Indonesia’s first PE findings were disseminated in December 2022, and seamlessly incorporated into the country’s health accounts report. In 2023, the MOH took ownership to lead PE tracking activities without outside technical support.



Capacity-strengthening session with national stakeholders on PE tracking in Indonesia, May 9–13, 2023. Photo credit: MTaPS



PEER-REVIEWED PUBLICATIONS

- Nugraha RR, Rahadi A, Suharlim C. Using Real-World Evidence for Health Technology Assessment in Asia: Framework and Findings from Scoping Review. 2023. [Manuscript submitted for publication].
- Suharlim C, et al. A framework for an improved collaboration on HTA in the Asia-Pacific region: a role for HTAsiaLink. 2023. [Manuscript submitted for publication].

Capacity of stakeholders strengthened through joint development of technical documents, tools, and HTAsiaLink conference presentations



PATHWAY TO SUSTAINABILITY

MTaPS provides technical guidance and supports countries in establishing strategic direction and developing critical capacities on a pathway to sustainable and resilient pharmaceutical systems. Through its activities in-country, MTAps strengthened the capacity of local governments and organizations for improved, locally led, and more sustainable pharmaceutical service delivery, as highlighted below:

- Strengthened decision-making mechanisms to support the institutionalization of a transparent and accountable HTA process are in place and functional.
- Successful handover of PE tracking tools and resources was achieved through hands-on capacity building and workshops with Pusjak PDK and other pertinent partners, including the Directorate of Pharmaceutical Production and Distribution, MOH.
- Pusjak PDK and the Directorate of Pharmaceutical Production and Distribution are leading PE tracking activities in 2023, demonstrating the institutionalization of the PE process in the MOH. A PE institutionalization plan was developed in collaboration with Pusjak PDK and the National Health Accounts team to enable PE tracking to continue post-MTAps technical assistance.

RECOMMENDATIONS

For continued implementation of the strengthened HTA process and to further improve the environment for PE tracking, several next steps are recommended for the MOH. Donors and implementing partners could support the MOH in these activities:

- Conduct forums with development partners and donors to facilitate continuous technical and financial support to InaHTAC to be able to handle the expected workload (HTAs on 50 topics annually beginning in 2024). Although MTAps' technical assistance was instrumental in strengthening the HTA process, partners should continue providing support to foster effective implementation of the MOH's health transformation agenda.
- Support InaHTAC and Pusjak PDK in establishing and nurturing an HTA agent network to expand the pool of HTA experts and strengthen the HTA capacity of research centers at local universities.
- Prioritize efforts to improve utilization of funding for HTA studies and capacity building. MTAps has successfully addressed training and capacity gaps, resulting in a competent workforce capable of generating and utilizing evidence in decision making. In the future, the MOH's emphasis should be on extending training initiatives and addressing personnel challenges for PE tracking and HTA studies.
- Support the implementation of HTA recommendations by fostering seamless collaboration with patient groups and BPJS-K to facilitate the translation of these recommendations into policy changes for benefit packages.
- Promote further institutionalization of the PE process through integration into key units within the MOH, i.e., Pusjak PDK and the DG Pharma, along with the National Health Accounts team. A letter of appointment from the Minister of Health will be required to formalize this collaboration.
- Advocate for further regulatory harmonization within pharmaceutical systems to ensure stronger translation of evidence-based recommendations into policies. Although MTAps has addressed communication gaps by improving information exchange, i.e., between the BKP and the DG Pharma, continuing attention is required to address remaining regulatory gaps.



FEATURED RESOURCES

- [9th HTAsiaLink Conference Digest](#)
- [General Guideline for Health Technology Assessment in Indonesia, 2022](#) by Sri Suryawati, et al.

The 9th
HTAsiaLink
Conference
Digest



FUTURE CONSIDERATIONS

- Organize a Development Partners Forum for Health System Strengthening on HTA and PE to enable the MOH to secure technical, management, and funding support for reinforcing the health systems—strengthening program and advancing the health transformation agenda.
- Implement a full HTA, systematic review, and adaptive HTA that leverages evidence from other settings, which will cover medication processes, medical devices, and public health. This approach will generate additional policy recommendations and improve budget and quality control for Indonesia’s universal health coverage program. USAID and partners should prioritize supporting HTA as a strategic issue.
- In collaboration with USAID CHISU and HFA, strengthen data infrastructure by providing comprehensive and integrated data for pharmaceutical systems to achieve interoperability of pharmaceutical-related information systems and to enhance decision making. Moving forward, the focus should be on expanding database integration efforts to ensure efficient and comprehensive analysis.
- Bolster networks with local civil society organizations and foster public-private partnerships. Strengthening these connections will contribute to a more inclusive and collaborative pharmaceutical ecosystem. Focused efforts should continue to enhance coordination with entities such as BPJS-K, the private sector (particularly medical industries), and patients.

REFERENCES

1. OECD, Eurostat, WHO (2011), A System of Health Accounts, OECD Publishing. doi: 10.1787/9789264116016-en. Available from: <https://www.who.int/publications/i/item/a-system-of-health-accounts-2011>.

RECOMMENDED CITATION

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