

# Closing the Cancer Divide: A BLUEPRINT TO EXPAND ACCESS IN LOW AND MIDDLE INCOME COUNTRIES

**Innovative financing:  
Local and global opportunities**

**Felicia Marie Knaul**



# Domestic financing of health: the vast majority of THE

- middle income countries: external financing is 1%
- low income countries: external sources covered only 16% of total health expenditure
- with the important exception of the poorest and most aid-dependent countries— Malawi, Tanzania, and Mozambique— even countries as poor as Ethiopia, Niger, or Haiti rely on domestic funding for more than half of health expenditure



# Domestic financing of health

- Two main sources
  - private, out-of-pocket, at point of service by families
  - public spending, social protection, or insurance schemes.
- Out-of-pocket spending by families
  - accounts for more than 50% in many LMICs
  - least equitable and most inefficient means of financing a health system
- South Asia: the probability of incurring catastrophic health expenditure from hospitalization is 160% higher for cancer, for a communicable disease



# Domestic Financing

Several countries have integrated CCC into national insurance programs and this means significant market expansion by expressing previously suppressed demand:

- Mexico
- Colombia
- Dominican Republic
- Peru
- China
- India
- Taiwan
- Rwanda



# Incorporation of Diseases in the Catastrophic Fund

Disease Category	Initiation of Coverage
Cervical Cancer	2004
HIV-AIDS	2005
Intensive neonatal care	2005
Cataracts	2006
Childhood cancers	2006 – LLA 2008 - All cancer
Bone marrow transplants	2006
Transplants for congenital and acquired defects (Health Insurance for a New Generation)	All children born after December 2006
Breast Cancer	2007
Acute myocardial infarction, non-Hodgkin's lymphoma, lysosomal diseases, bone marrow transplant, corneal transplant and testicular tumor	2011



# Seguro Popular and cancer: Evidence of impact

- Since the incorporation of childhood cancers into the Seguro Popular
  - 30-month survival: 30% to almost 70%
  - adherence to treatment: 70% to 95%.
- breast cancer adherence to treatment:
  - 2005: 200/600
  - 2010: 10/900
- Access to medicines – an anecdote



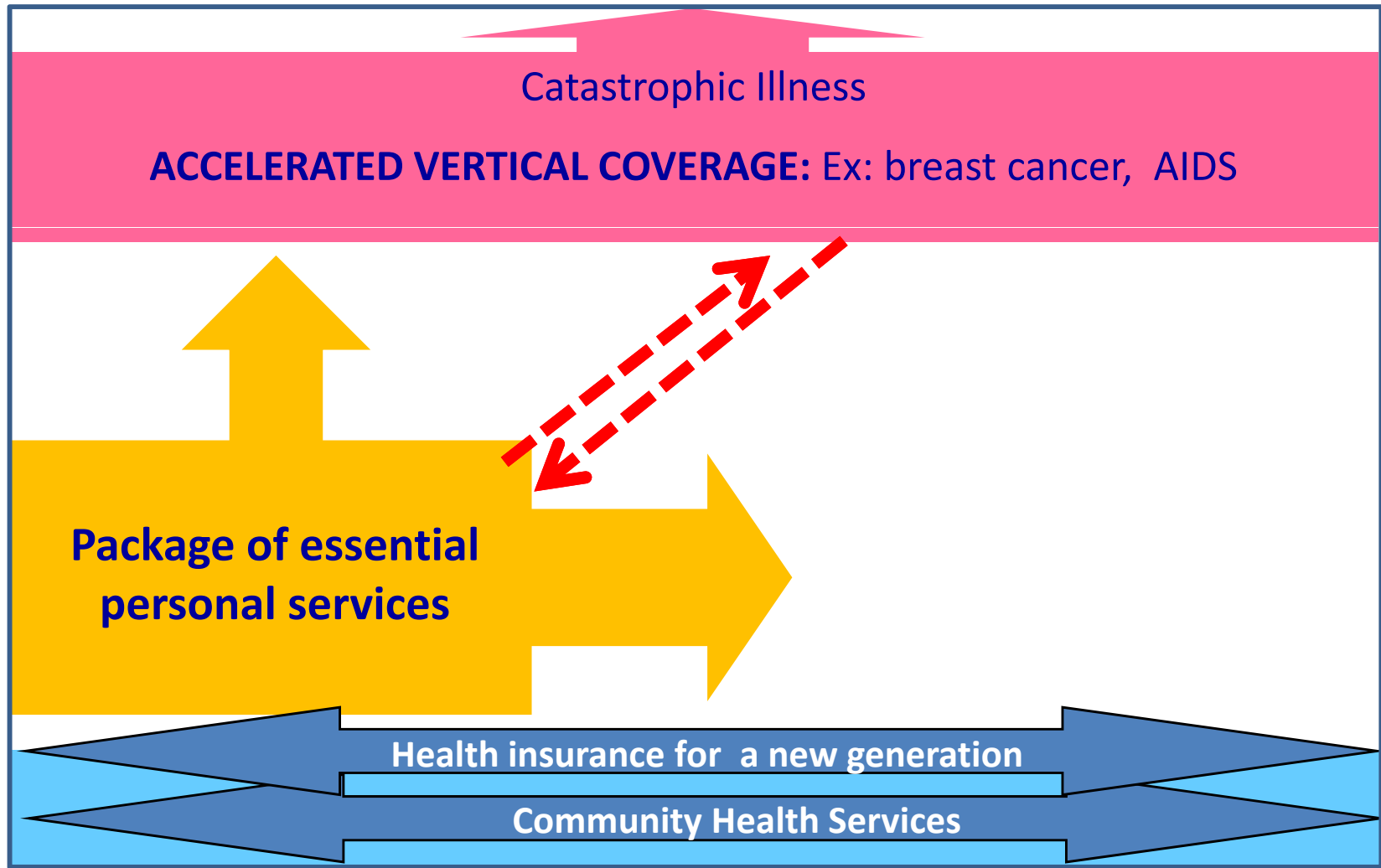
# Intersection between coverage and financial protection in the face of chronicity

- Stages – lifecycle of interventions for a chronic illness
  - Primary prevention
  - Secondary prevention (early detection)
  - Diagnosis
  - Treatment
  - Survivorship care
  - Palliative care



# Horizontal and vertical financial protection strategies: Seguro Popular in Mexico

Benefits: covered interventions



Poor

Rich

Beneficiaries: Population covered

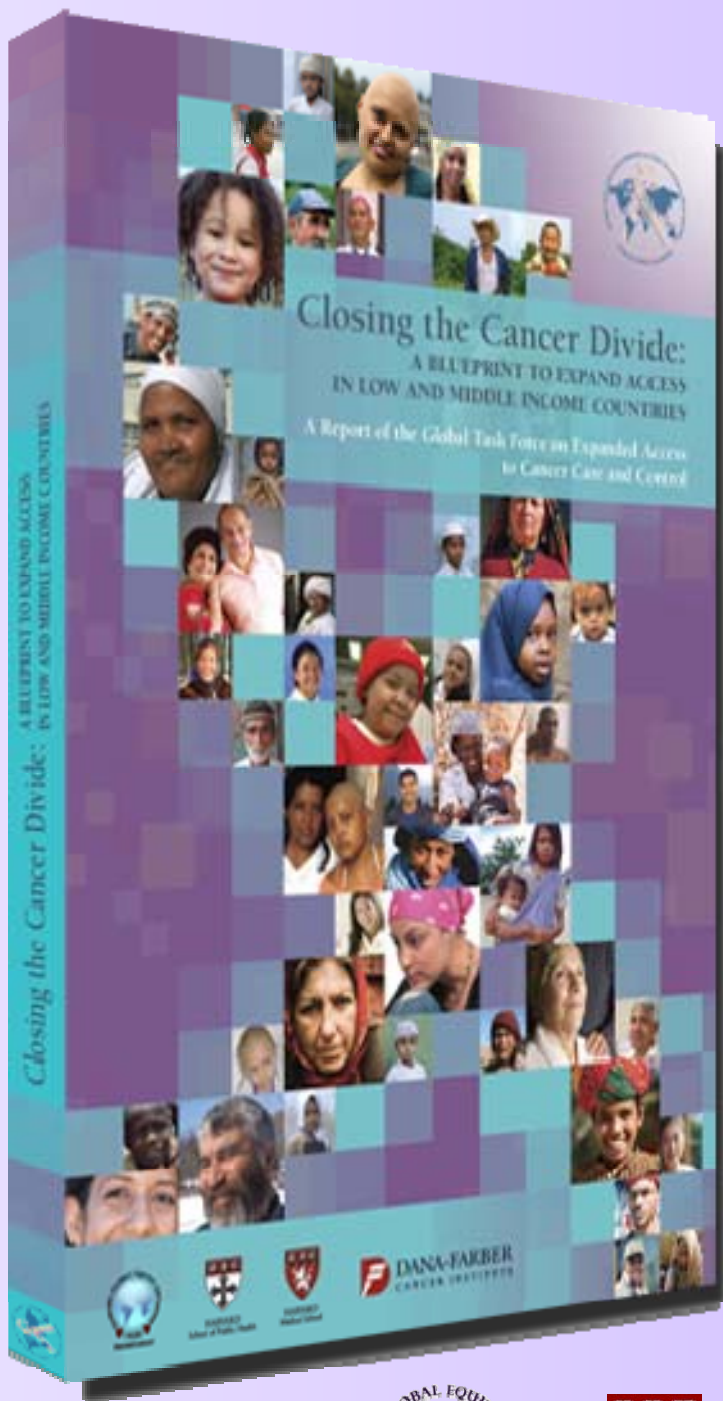




# Recommendations and Lessons Learned

- CCC can be integrated into broader health insurance initiatives.
- Establish and expand entitlements around a guaranteed, cost-effective, benefits package, guaranteed with permanent revenue sources and capacity- building.
- Establish separate funds for personal versus catastrophic health services.
- Other financial and non- financial barriers need to be considered
- Effective financing must encompass the CCC continuum – including prevention – to avoid overspending on costly, difficult, complex treatments.
- A strong evidence base – including evaluation research - is key to developing innovative financing mechanisms and to implementing, and continually upgrading, CCC financing and programs.





# Closing the Cancer Divide: A BLUEPRINT TO EXPAND ACCESS IN LOW AND MIDDLE INCOME COUNTRIES

**Innovative financing:  
Local and global opportunities**

**Felicia Marie Knaul**

