

## Reviewing the Health Benefits Package in Nelam Pradesh<sup>1</sup>.

In 2017, the Nelam Pradesh government spent roughly 4.7% percent of its budget on health services and receives roughly half of its total budget from the Central Government (43%). The State has a high burden of infectious diseases, including HIV/Aids and Tuberculosis (together 29.9% of total disability-adjusted life years (DALYs) lost in 2016), and lower respiratory disease, diarrheal disease, and common infections (together 16.5%). However, it also has a growing burden of non-communicable diseases (39.0% of total DALYs lost in 2016), including cardiovascular disease (10.9%), diabetes and endocrine disorders (together 4.6%) and Chronic respiratory disease (6.6%). Life expectancy at birth is 68yrs for males and 71yrs for females. The State has an annual *per capita* income of approximately \$USD890.

As part of its National Health Policy, the Central Government of India introduced a comprehensive Health Benefits Package(HBP) in 2018 - Ayushman Bharat Pradhan Mantri Jan Arogya Yojana PMJAY (AB-PMJAY). The three key objectives are:

- To provide a standard package of basic services that forms the core of service delivery in all healthcare facilities.
- To promote equitable access, especially in underserved areas.
- To afford the most vulnerable in India with financial risk protection from catastrophic health expenditure.

The Government of Nelam Pradesh is responsible for the roll-out and implementation of AB-PMJAY across the State. This requires careful consideration regarding convergence of the new scheme with existing schemes, and thorough assessment of likely costs and annual budget impact in the context of limited available resources.

An outline of the highest health spending elements of the current Nelam Pradesh budget is summarized in Table 1.

**Table 1: Costs Disaggregated by Program Area for 2016, in US\$ millions**

Maternal, new-born and child health	4.7
Communicable disease	25.1
Non-communicable diseases	29.4

<sup>1</sup> The fictional Indian State of Nelam Pradesh has been created purely for the purposes of this exercise. No inferences whatsoever should be drawn about actual policies in any Indian State, and neither should any of the data be used for any real-world application. The name Nelam derives from the Hindi word for 'sapphire' and Pradesh signifies a State in the Union of India. Any other connotation, whether fortunate or unfortunate, is entirely unintended and accidental.

Other	6.04
<b>Total costs (all program areas)</b>	<b>65.3</b>

Approximate public spending by sector is given in Table 2.

**Table 2: Costs by Levels of Healthcare Delivery 2016, in US\$ million**

Urban Health	44.0
Rural health	18.1
Med Edu & Res	4.0
Public Health	8.4
Misc.	2.4
<b>Total</b>	<b>76.9</b>

The complex mix of public and private provision of government-subsidised care in India, coupled with inadequate information capture systems and poor governance mechanisms, means that there is a high level of uncertainty in figures of health spending across the country. This uncertainty adds to the complexity of making decisions about resource allocation in the health sector.

The Nalam Pradesh government has appointed a high-level committee, coordinated by the Ministry, to oversee the review and adaptation of the HBP, and to make annual recommendations for implementation to the Chief Minister of Health. The committee is advised by a Health Technology Assessment (HTA) Bureau within the ministry's Department of Health, HTAI, which undertakes relevant technical analysis and assists the committee in appraising the evidence and forming its recommendations.

For 2019, the following issues have been raised.

1. Arthrimumab, a hospital-based TB therapy is currently included in the HBP package. However, it is estimated that only 27% of the relevant patient group secure access to the treatment, in obvious breach of the principle of universal health coverage and the objectives of the HBP. It appears that the main access difficulties arise in the remote rural areas in the south-west of the country, where it is particularly difficult to persuade health care professionals to work. The Committee asks local research partners to examine the consequences of trying to improve access to the treatment.
2. Inbatofen, a diabetes control medicine, is currently not included in the HBP, because of an absence of cost-effectiveness evidence. A recent study has suggested that the incremental cost-effectiveness ratio (ICER) may in fact be approximately \$313 per DALY. However, that study was undertaken on a limited sample of patients in

Thailand, aged under 50, with no comorbidities, and there is a high degree of uncertainty in the estimate. The Committee asks the HTAIn to assess the applicability of existing analyses to the context in Nelam Pradesh and to examine how to implement the treatment.

3. Cetamaxid deworming treatment is currently included in the HBP, because estimates suggested an ICER of \$176 per DALY. However, a recent large study from a neighbouring country has estimated an ICER closer to \$810 per DALY. If this is the case, it may suggest that inclusion of the treatment in the HBP should be reconsidered. The Committee asks local research partners to conduct some analysis on the implications of removing the treatment from the HBP.

### **Assignment**

1. For each of the above issues, assess what additional information is needed to inform the recommendations for the committee, and the extent to which consideration of key issues may require further analysis.
2. What would you consider to be the main circumstances in which the Nelam Pradesh Advisory committee should seek advice from the HTAIn?
3. What do you consider to be the criteria that the Nelam Pradesh Health Advisory committee should apply when developing its recommendations?