



Health Policy Plus: Indonesia

Overview

Engaging primarily at the national level in Indonesia from 2016–2022, Health Policy Plus (HP+)—funded by the U.S. Agency for International Development (USAID) and the U.S. President’s Emergency Plan for AIDS Relief (PEPFAR)—worked with the government to generate data to enable policymakers, civil society, and the private sector to achieve national health priorities more effectively and efficiently.

The project supported the government of Indonesia to develop, implement, and monitor policies for sustainable health financing and health equity with a special focus on maternal and newborn health—which remains a national concern—and HIV. HP+ provided hands-on learning, ensuring that skills, tools, approaches, and methods can be sustained. Underpinning all HP+ activities was an emphasis on strengthening the government’s capacity to generate and analyze health data for improved policies and programming.

Key Accomplishments

Maternal and Newborn Health

Health risks to mothers and newborns remain high in Indonesia despite efforts by the government, private sector, and donors to address this challenge. To better understand the issue, HP+ conducted a [landscape assessment](#) on the role of the private sector and civil society in maternal and newborn health (MNH) and undertook a large-scale primary data study of maternal healthcare providers. With the Ministry of Health’s Research Institute (NIHRD), HP+ strengthened its capacity to generate evidence

A Sustainable, Resilient System for Private Sector Engagement

HP+ supported Indonesia’s Center for Health Financing and Decentralization Policy with the development, adoption, and sensitization process for a Ministry of Health regulation on [non-infrastructure public-private partnerships](#), establishing the sustainable foundation for policy implementation. In February 2022, the regulation was approved, including a decree establishing a public-private partnerships committee, which will be responsible for assessing needs as well as identifying and selecting potential private partners. This effort facilitated the launch of the government’s first public-private partnership to support a [maternity waiting home](#) in Gowa District, South Sulawesi.

on MNH risk factors, which led to [five policy recommendations](#) and two peer-reviewed journal articles. A data visualization platform is hosted by the government, providing access to the data. HP+ also studied [MNH financing](#) and how service provision across primary and secondary providers was influenced by purchasing arrangements of the national health insurance scheme (JKN) and other sources, including local governments, to inform possible purchasing reforms.

HIV Costing and Strategic Purchasing

While HIV prevalence is relatively low in Indonesia, coverage of HIV services is also low. To assist governments in planning and budgeting for HIV



scale-up, HP+ generated estimates of HIV resource needs, [nationally](#) and in two provinces ([Jakarta](#) and [Papua](#)), and examined potential [financing options](#) through improved integration with JKN and increased local government financing. These efforts also informed government considerations of options to purchase HIV commodities more efficiently. Potential reforms identified through the work have promise to incentivize HIV care at appropriate health system levels through increased local government financial support.

Another key accomplishment, HP+ [created a tool](#) that helps civil society organizations budget their HIV programs and apply for local government financing. HP+ also explored opportunities to [scale up viral load testing](#), equipping the government with evidence to advocate for increased HIV financing, which would help accelerate progress toward Indonesia's HIV treatment targets.

Universal Health Coverage

HP+ conducted [an assessment of JKN](#), in partnership with the National Team for the Acceleration of Poverty Reduction, to generate evidence on the impact of insurance on improving access to and utilization of health services, disaggregated by income and geography. HP+ also [assessed JKN's financial sustainability](#) given current policies and the potential impact of new policies to bolster revenue and control costs. Working with the Ministry of National Development Planning, HP+ helped apply [costing](#) best practices for the ministry's annual health sector review and mid-term development plan. This, and the JKN assessment, considered the economic impact of COVID-19 and the government's decentralization agenda. Separately, [HP+ analyzed](#) the impact of COVID-19 on subnational government financing

and household financial risk protection in Indonesia. Supporting the government's recently launched minimum service standards for health, HP+ [collected data on costs needed](#) to meet the standards. To improve district governments' ability to plan and budget for the standards, HP+ revised the budgeting tool and developed e-learning modules.

The Way Forward

Through its partnerships HP+ has helped shape the health financing agenda and the data-to-evidence continuum. To sustain momentum, the government of Indonesia should:

- Formalize and expand engagement with the private sector, aligning innovations with Indonesia's health priorities. ([See our analyses on Indonesia's private sector.](#))
- Prioritize the scale-up of JKN coverage while increasing its financial sustainability through premium revisions and improved collection efforts on the revenue side, and strengthened referrals, cost controls, claims verification, and performance management on the expenditure side. ([See additional recommendations and analysis related to JKN.](#))
- Increase government health budgets by identifying more flexible funding sources at the subnational level and earmarking revenue from excise taxes. ([See our fiscal space analysis.](#))
- Improve the quality of primary-level MNH care and encourage women to deliver in facilities with the capacity to deal with obstetric and newborn emergencies until primary care is improved. ([See two HP+ analyses with recommendations.](#))

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