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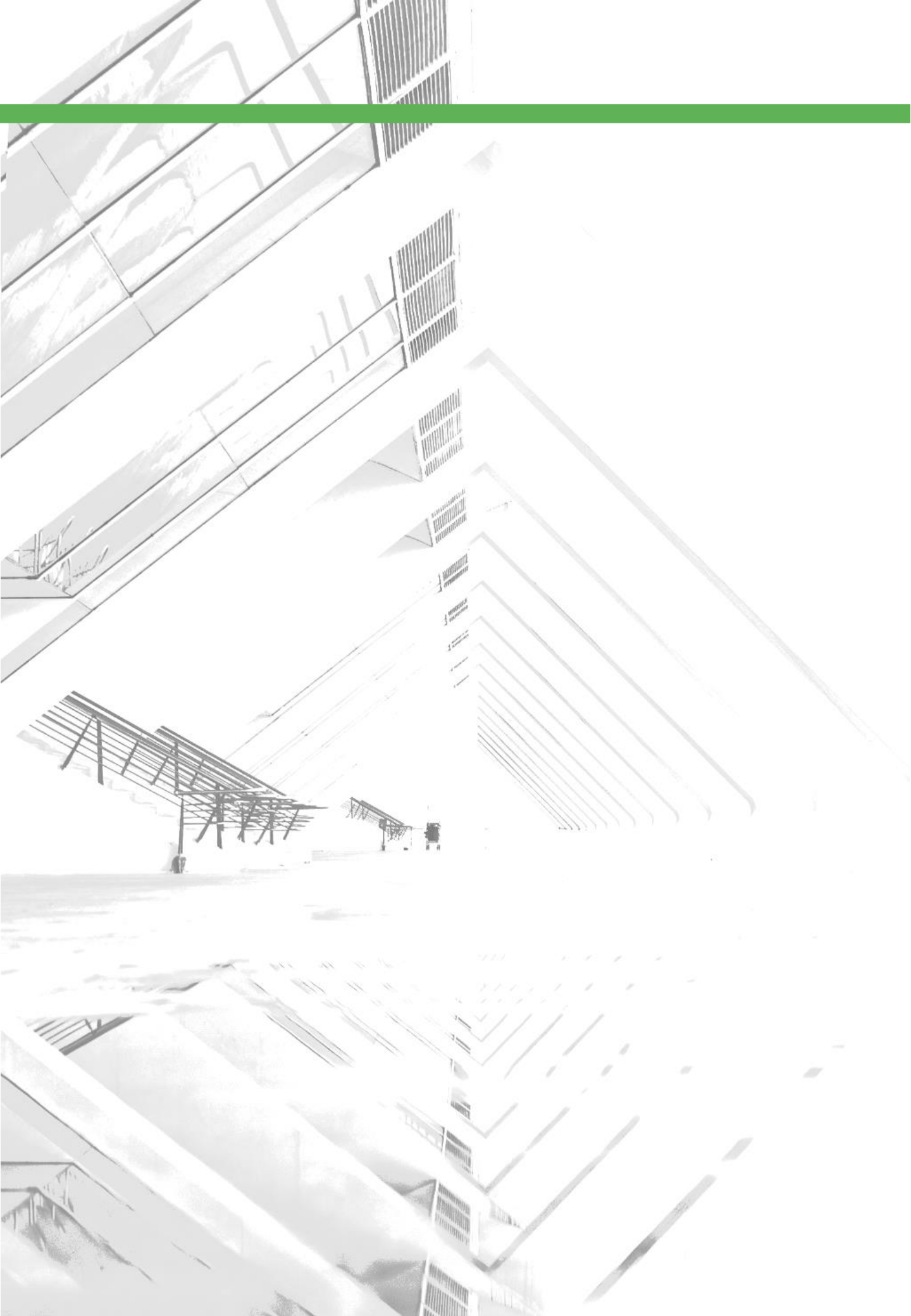
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Report on roundtables in Singapore

Innovative funding models
for cancer treatment in Asia



About ACCESS Health International

ACCESS Health is an international think tank, advisory group, and implementation partner. We work to improve access to high quality and affordable healthcare. We also work to reduce health disparities by shaping the social and environmental determinants of health. We conduct practical, evidence based research. We cultivate partnerships. We foster health innovation. We establish long term, in residence, country and regional programs.

Foreword

The greatest challenge in today's healthcare lies no longer in the nonexistence of high-quality treatment and care services; rather, it originates from the failure to make them widely accessible and affordable to the public in times of need. Expanding access and affordability is especially vital in cases where the failure to do so will likely lead to catastrophic consequences.

The rising cancer burden in Asia warrants swift and coordinated action to ensure that we are doing the most we can to prevent, control, and treat cancer. At ACCESS Health International, we are committed to identifying and sharing best practices in health services and health financing that will inform governments, private sector, and the local communities they serve to ensure optimal health and well-being. This is precisely the idea behind this report.

I trust you will find this report informative and stimulating, and I hope it will be a guiding resource for all stakeholders in developing more innovative cancer funding mechanisms in the future.



A handwritten signature in black ink that reads "Chang Liu" in a cursive script.

Dr. Chang Liu
*Managing Director
for Singapore, Mainland China, and Hong Kong,
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Introduction

Today, nearly half of the world's people living with cancer are in Asia. Cancer is a threat all countries face regardless of the level of income or development. In Asia, countries as diverse as Singapore, Vietnam, India, and South Korea are grappling with a rising tide of cancer cases, where it is now a leading cause of death. The region is projected to face a thirty three percent increase in cancer cases by 2025.

The millions of Asian cancer patients today and the millions tomorrow need urgent help. They need to know when and how to get screened. If diagnosed, they need to be cared for and led down a pathway to recovery that includes the core services of cancer care: diagnostics, radiation therapy, surgery, medical oncology, and in cases where cancer is terminal, they need access to palliative care.

For the above to happen, a functional health system is needed to adequately support cancer care and access. In most countries in Asia, health systems are significantly underfunded and do not meet the basic cancer care needs of the population. The financing gap leads to a weak infrastructure for cancer care services and an inability of individuals to pay for these services. A 2015 study found that seventy five percent of people in ASEAN countries who were diagnosed with cancer died or faced financial catastrophe within one year of diagnosis.

Given the strong link between healthcare financing and access to cancer services, ACCESS Health was commissioned by Roche Pte Ltd to conduct a landscape study of funding models for cancer treatment in the region . In particular, the study sought to identify innovative strategies that provide new avenues of financing, helping individuals access cancer treatment. We found that out of approximately two hundred cancer funding mechanisms studied, forty developed an innovative approach to cancer financing. These innovative mechanisms improve a person's ability to pay for cancer (financial protection), improve access to cancer care financing for underserved populations, and improve allocation of funding to underfunded cancer services. Equally important, we found that seventy percent of all innovations were driven by partnerships that included traditional funders of cancer care.

In light of the importance of these partnerships ACCESS Health convened two roundtable discussions on August 18 and October 18, 2018 with a multi-stakeholder group of experts, industry, and government representatives. Participants discussed the current state of cancer care financing and pathways for catalysing partnerships to improve access to treatment.

This Executive Summary presents three key themes of the roundtable discussions and recommendations for each:

1. High level advocacy to finance the cancer treatment burden,
2. Innovative financing and delivery strategies for cancer treatment, and
3. Setting up partnerships for success



High level advocacy to finance the cancer treatment burden

Roundtable participants agreed that there is a compelling case for strengthening the cancer care ecosystem as the current baseline of services in most countries is woefully inadequate to support the millions who have cancer. To begin with, screening and early diagnosis is still out of reach for most Asians who live in low and middle income countries, leading to late presentation of cancer, poorer prognosis for survival, and higher healthcare costs. Other problems include: unavailability of human resources, inadequate surgical and radiation facilities, lack of access to basic and innovative medical oncology, and a nearly absent palliative care system.

There was consensus among participants that governments of low income countries need to dramatically increase financing to turn the tide on cancer incidence and mortality. However, there is currently little political will in most low income countries in Asia to strengthen the cancer response. Moreover, the international health community's efforts to highlight the significant disease burden and document inadequacy of health systems' responses are not enough to drive public investment.

The roundtable participants recommended three strategies to advocate for increasing financing for cancer care:

- ▶ **Recommendation 1:** Stratify the cancers by type to first prioritize investment towards those where the treatment pathway is clear and prognosis the best.

These “quick wins” in cancer can demonstrate achievable results to policymakers and funders and help dispel the myth of cancer as an untreatable and incurable monolith.

- ▶ **Recommendation 2:** Build the economic case for investment in cancer and direct advocacy to those who hold the purse strings.

In an era of budgetary pressure and competing health priorities, the participants recommended that an economic investment case must go hand in hand with the epidemiological case for cancer financing. The economic argument should include analyses that detail the potential savings related to healthcare costs and improved workforce productivity that would result from increased investment in cancer control and treatment.

The case should be directed to financial decisionmakers at Ministries of Finance and APEC meetings to build high level regional awareness and drive action.

- ▶ **Recommendation 3:** Identify and direct advocacy to political leaders who are influential and supportive of cancer .

Ultimately, evidence can only go so far. Without persistent political leadership to navigate the bureaucracies and politics of national priorities, it is likely that cancer financing will be crowded out by competing issues. Advocacy efforts will require identifying local, national, and regional leaders who can champion cancer financing.



Innovative financing and delivery strategies for cancer treatment

Most countries, regardless of income level, are now looking at strategies to maintain financial sustainability in an era of growing health care demand and costs. As the growth in healthcare budgets is not keeping pace with the current healthcare demand, there are significant gaps in funding to pay for treatment, equitable and universal access to treatment, and coverage of treatment services. Innovative models of funding and delivery are emerging to fill in some of the gaps and represent supplementary approaches to the traditional avenues of cancer care financing.

Roundtable participants discussed innovative strategies that are helping to drive access to cancer care and treatment.

▶ **Recommendation 4:** A diverse range of innovative funding models for cancer treatment can strengthen the financing of the cancer care ecosystem

ACCESS Health (Singapore), Taikang Insurance (China), and HCG Oncology (India) presented case studies of innovative funding models for cancer treatment that were developed and implemented in Asia. The case studies represent a diverse range of strategies.

Examples include innovative solutions that are tapping into new sources of revenue, including the creation of mutual funds and development impact bonds in India that specifically generate financing for medical oncology.

Private insurance is an important source of supplemental financing to help offset out of pocket payments and insufficient social health insurance support. However, private insurance penetration is very low in Asia and generally unaffordable to those individuals not employed in the formal sector. New strategies are helping to bring private insurance to those who typically lack access. Taikang Insurance in China has developed an insurance program that is targeted to populations who already have cancer or are at high risk of developing cancer. This includes an insurance program for Hepatitis C patients who are treated and insured against liver cancer. The Singapore Integrated Shield Plans is another example of an innovative partnership between social health insurance (Medishield Life) and private insurance to develop a combined plan in which the private insurer offer supplemental coverage thereby allowing for higher levels of reimbursement for cancer treatment.

At the service level, HCG Oncology described a hub and spoke model of delivery to deal with barriers due to geographic access. Cancer services are comprised of a central cancer center (hub) as well as outposts (spokes) that provide first level cancer services to patients where they reside, thereby helping people save on transport and lodging costs associated with long term cancer care management. Service costs are also reduced by other innovative strategies, including a leasing arrangement between the provider (HCG Oncology centers) and high-tech medical equipment suppliers (e.g. cyberknife) that allows for a three year deferred payment while revenue from equipment usage is generated.



- ▶ **Recommendation 5:** Technology should be leveraged to increase operational efficiency and reallocate resources to the funding of cancer care.

Technology is an important driver of innovation and is helping to improve operations for better management of financial resources. In the area of cancer care, HCG Oncology emphasized that their first priority was to develop optimal operations for patient care and financial management, thereby realizing a significant amount of costs savings that can then be used to improve care. Participants from Mastercard described how their teams are employing data integration and analytics to streamline processes in areas as diverse as smart city planning.

Setting up partnerships for success

The Innovative Models of Funding for Cancer Treatment in Asia report found that partnerships were the overwhelming source of innovation. These partnerships were largely between traditional funders and varied in their combinations: public private partnerships, cross industry partnerships (e.g. pharmaceutical and insurer), and between nonprofit and private organizations. Two thirds of all partnerships in the study originated in the private sector. However, as roundtable participants pointed out, government involvement is crucial for bringing innovations to scale. Although partnerships are important, they are not easy to form and require alignment of organizations and objectives. The roundtable partnerships offered the following suggestions to set up partnerships for success:

- ▶ **Recommendation 6:** Partnerships require clarity on objectives and rules for behaviour.

Roundtable participants agreed that any partnership requires clarity of objectives and a commonly agreed end goal. The process and excitement of forming a partnership can sometimes overshadow the need to delineate specific terms of reference and engagement of each partner, but these elements are critical for a lasting and successful partnership. The value of the partnership is not in its formation, but in the problem it is trying to solve.

- ▶ **Recommendation 7:** Each partners needs sufficient ownership and “skin in the game.”

In partnerships, there is typically a lead entity that will convene one or more partners. It is critical that each of the partners see value in the engagement and are incentivized to remain committed. In particular, partnerships are vulnerable to changes in leadership, shifting organizational objectives, and budgets. Partnerships should be constructed to withstand transitions and demonstrate value to the overall organizational mission or business objectives. HCG Oncology described how a carefully crafted partnership helped to alleviate a common problem facing healthcare institutions in low resource settings. In their hub and spoke model of health care delivery, providers at the “spoke” level have less oversight and typically fewer incentives to provide continual high quality care (e.g. lower pay). HCG Oncology developed a model where local doctors earned equity in the cancer center at the spoke and were thus personally linked to its success over the long term. “Local doctors became stakeholders in local system.”



- ▶ **Recommendation 8:** Partnerships, particularly for innovation, require a significant appetite for risk and accept the possibility of failure.

Aligning partners, with different organizational cultures and objectives, is often a time consuming and resource intensive process. Setting up the partnership may require extra budgetary commitment and staff time away from day to day operations. The challenge is further compounded for partnerships that are formed to test an innovative approach to healthcare delivery and healthcare financing. The nature of innovation entails experimentation, iteration, and the very real possibility of failure. Healthcare is heavily regulated, involves patient safety, and therefore has a lower tolerance for failure than other industries. Partners should be therefore clear on their goals and commitments to the partnership. Participants noted that one way to mitigate the risks is to test innovative strategies in countries where the political and economic environment is favorable and where a win is most likely (e.g. Singapore).

Conclusions and Next Steps

The roundtable series on innovative funding for cancer treatment convened stakeholders from hospitals, insurance, pharmaceutical, technology, academia, nonprofit and government. The diverse group of experts – some of whom are not directly working on issues of cancer or even healthcare -- brought their unique perspectives on addressing the cancer financing challenge and recommended strategies that will strengthen the cancer ecosystem.

The financing gap for cancer is significant and no one entity will be able tackle the issue alone. Indeed, as the roundtable series highlighted, continued and collaborative action among a multidisciplinary group is crucial to tackling the most persistent financing gaps left by traditional models of cancer funding.

While partnerships to drive innovative funding for cancer treatment are critical, the roundtable discussion also highlighted the power of advocacy that draws on public health and economic evidence, as well as the passion of those who are committed to progress.

Following the roundtable series on innovative approaches to cancer financing, ACCESS Health will continue to engage on all three themes highlighted by the discussions:

- ▶ **1. High level advocacy to finance the cancer treatment burden**
- ACCESS Health will identify and participate in fora where we have the opportunity to speak about the findings of the report and advocate for innovative efforts to improve cancer financing. To that end, on November 5, 2018 ACCESS Health participated in the APEC Life Sciences Innovation Forum on “Enhancing Innovative Healthcare Financing in Pursuit of Sustainable Healthcare” held in Bangkok. The forum was requested by the Ministry of Finance of Thailand to generate recommendations on innovative financing strategies that may strengthen the Thai system of Universal Health Coverage.



▷ **2. Innovative financing and delivery strategies for cancer treatment**

ACCESS Health will continue to engage with external groups on the identification of innovative models and document these examples to share with the larger community. As a further step, we will also work closely with partners who wish to assess whether an innovative approach is right for them, and to move towards implementation, including provision of a needs analysis, stakeholder mapping, and stakeholder engagement activities.

▷ **3. Setting up partnerships for success**

ACCESS Health will continue to convene multi-stakeholder events around cancer financing to highlight the value of partnerships and dig deeper into the elements that drive their success. In particular, we are intensifying efforts in bringing technology and digital health startups to the dialogue to explore new strategies in healthcare financing. There is an incredible opportunity in data analytics that can identify efficiencies to improve cancer systems.



Acknowledgements

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