2023 CLA CASE COMPETITION
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Case Title:

Transitioning HIV/AIDS Treatment to Local Ownership in Vietnam

Name:

R Singh, Dr. TH Phan, CA Nguyen, S Mulkerne

Organization:

USAID/Vietnam & Vietnam Ministry of Health

HIV Patient Receiving their SHI Card

Summary:

A decade ago, Vietnam received over 70% of its funding for HIV/AIDS prevention, treatment, and care from international donors. However, as the country reached middle-income status, donors planned to reduce funding, requiring a significant transition to local ownership and management. The Government of Vietnam (GVN) ultimately decided the country's social health insurance (SHI) scheme would fund these services, but worried this would be technically and financially unsustainable, while people living with HIV (PLHIV) feared losses in treatment and increased costs.

Utilizing a CLA-focused strategy, USAID helped the Government to operationalize this transition, collaborating closely with a diverse range of local stakeholders to generate and review evidence and learn from experience as the transition took place. USAID's strategy included four key elements:

- Demonstrating SHI's financial sustainability after the transition with robust evidence & scenario planning.
- Leveraging USAID's local relationships to build the confidence of PLHIV to enroll into SHI.
- Facilitating outpatient clinic enrollment into SHI to ensure access to services, using data to track progress.
- Working with GVN to develop a centralized procurement system to manage anti-retroviral (ARV) drug purchases more efficiently.

At present, all treatment facilities can now be reimbursed for the bulk of HIV treatment services, and most importantly, SHI funds are now used to procure ARV drugs, the most expensive component of an HIV response. By January 2023, Vietnam had enrolled 90 percent of HIV patients in SHI, and more than 150,000 patients had accessed ARV through the new system.
This case study was authored by Ritu Singh (USAID), Dr Phan Thi Thu Huong (Vietnam Ministry of Health), Cam Anh Nguyen (USAID/Vietnam) and Sean Mulkerne (Social Impact).

1. **WHAT: What is the general context in which the case takes place? What organizational or development challenge(s) or opportunities prompted you to collaborate, learn, and/or adapt?**

In 2013, Vietnamese Deputy Prime Minister faced a critical decision about the future of his country's HIV/AIDS response. Over 70% of the epidemic's prevention, treatment, and care programs depended on international donor funding, particularly from PEPFAR and the Global Fund. However, with Vietnam's attainment of middle-income country status, donors signaled to the Government of Vietnam (GVN) their plans to reduce this funding. After much deliberation, the GVN issued Decision 1899, laying the foundation to adapt the national HIV/AIDS program from one dependent on donors to one sustainably and domestically financed, with the primary option being the national social health insurance system (SHI).

However, how SHI would cover HIV treatment services was far from clear, as historically SHI had played a minimal role in financing the response. Could SHI absorb the projected cost of HIV services in a financially sustainable way? Could its fragmented, decentralized procurement mechanisms ensure a stable supply of anti-retroviral (ARV) drugs across the country at a predictable and affordable price? Vietnamese people living with HIV (PLHIV) had legitimate concerns as well – many feared this transition would mean losses in access, high premiums and out of pocket payment for lifetime treatment, substandard service in inadequate and unwelcoming clinics, or threats to the confidentiality of their HIV status.

In this context, USAID/Vietnam, with PEPFAR and other donors, pivoted its approach to supporting HIV treatment in Vietnam. Leveraging its deep relationships with local stakeholders, USAID aimed to move away from financial contributions, and instead toward assisting the GVN to mobilize domestic resources to sustain the country's HIV response.

2. **What two CLA Sub-Components are most clearly reflected in your case?**

External Collaboration

Technical Evidence Base

3. **HOW: What steps did you take to apply CLA approaches to address the challenge or opportunity described above?**

USAID supported the transition from donor financing to local ownership of the HIV/AIDS response through four strategies. In each, USAID/Vietnam closely collaborated with the GVN, the private sector, local organizations, and others to deliver, review, and learn from results, building local confidence over time to advance reforms through formal and informal engagements. Many of these engagements involved difficult decisions and disagreements over policy nuance, but USAID's open and trusting relationships with local counterparts provided a foundation for decision making. USAID also worked in partnership with other USG entities within PEPFAR and other donors, taking a coordinated approach to engagement. USAID relied on the technical evidence base to deliver high quality insights and guidance to the GVN in an open and direct manner. Importantly, several implementing partners delivered much of this assistance over several years, requiring a careful USAID-led process of knowledge transfer.

The first strategy focused on ensuring SHI's financial viability to cover HIV treatment services. USAID developed tools and evidence to support the sustainability of SHI coverage of the full range of HIV treatment services, including detailed financial models under different scenarios, and built the GVN's capacity to employ these tools independently. Its projection models helped the GVN understand that, even with the addition of ARV drugs and viral load testing, treatment costs would represent less than 0.2% of total liabilities for the SHI scheme and less than 1% total Government expenditure on health. This evidence proved that adding HIV treatment to SHI would not be a significant financial burden to the program, and that revenue and expenditures under the new coverage regime would be sustainable.

Secondly, USAID promoted enrollment of PLHIV into SHI while ensuring they would not be liable to increased costs or face discrimination. USAID supported the Ministry of Health (MOH) to issue a circular establishing universal free access to SHI for PLHIV, and a waiver of all copayments for ARV. Meanwhile, PEPFAR and the Global Fund provided catalytic funding later that year to ensure the circular could be implemented. In partnership with local organizations and provincial governments and building on its own extensive relationships with the community through outreach and prevention service provision, USAID helped PLHIV receive insurance cards required to access SHI and launched communications campaigns to boost confidence in the transition. To ensure the system immediately responded to PLHIV needs, USAID trained health staff and supported the development of individual treatment continuation plans.

Third, USAID facilitated integration of HIV outpatient clinics (OPCs) into SHI, cutting through bureaucratic regulations to ensure access for PLHIV. Working with the MOH and other entities, USAID supported linkages between OPCs and nearby hospitals; developed a set of standards on infrastructure, IT, and management to ensure OPC qualification into SHI; and created a mapping tool to monitor integration. USAID also trained new OPCs to engage respectfully with PLHIV and ensure confidentiality.

Finally, USAID supported centralized procurement of ARVs, the largest and costliest part of the transition. USAID made the initial argument for centralization to maximize efficiencies and worked closely with MOH to outline the process and chart roles and responsibilities across government. Later, USAID provided technical assistance on implementing the new system, including supporting the new central procurement agency, outlining a national supply plan, supporting logistics, and updating data systems. USAID also closely monitored the system to address bottlenecks and improve administration.

4. RESULTS: Choose one of the following questions to answer.

We know you may have answers in mind for both questions; However please choose one to highlight as part of this case story

A. DEVELOPM ENT RESULTS

USAID's efforts helped build GVN confidence in transitioning to SHI financial management of HIV treatment services in the context of declining donor funds. With the GVN managing treatment services, Vietnam has made significant progress in managing the response to the HIV/AIDS epidemic. By early 2023, Vietnam had enrolled 90 percent of HIV patients in SHI. All treatment facilities can now be reimbursed for HIV services, and most importantly, SHI funds are now used to procure ARV drugs, the most expensive component of an HIV response. Antiretroviral therapy rapidly expanded from 2,700 patients in 2005 to 169,000 in early 2023. More than 98% of patients at sites supported by USAID have suppressed viral loads and more than 85% of patients, about 150,000, had used ARVs procured through SHI.

USAID supported this remarkable trajectory of success by collaborating closely with the GVN and advancing their goals on HIV/AIDS response. Without an approach built on strong relationships and open collaboration, the transition to local ownership may have been far more haphazard, leading potentially to a loss of treatment access for thousands of PLHIV.

USAID continues to support the GVN in managing and learning from HIV treatment services. This has focused on increasing in-country capacity to self-finance and sustain HIV control efforts through the generation and use of financial and economic evidence; facilitating innovative financing initiatives; and strengthening government capacity on ARV supply planning, quantification, bidding, and procurement through SHI. Most recently, USAID is working with local stakeholders to develop blended financing plans to sustain epidemic control which include among other approaches the incorporation of HIV prevention services into the SHI Law, or mobilizing building on the experience of these earlier reforms.

5. **ENABLING CONDITIONS: How have enabling conditions - resources (time/money/staff), organizational culture, or business/work processes - influenced your results? How would you advise others to navigate any challenges you may have faced?**

USAID's enabling conditions were critical in ensuring success of its support to the transition. First, building local relationships and leveraging political commitment were instrumental to success. The GVN has been a consistently strong and willing partner in the process of transition rooted in a sense of national pride in being able to address the needs of its most vulnerable citizens. USAID found champions even amongst the highest ranks of the Government, which helped to move the broader agenda forward. USAID also found that HIV programs in Vietnam are historically very siloed, focusing on advancing their own objectives and partnerships. USAID efforts to build new partnerships outside of traditional stakeholders were essential, particularly across ministries and between the GVN and local organizations. Meanwhile, coordination and policy coherence with other donors enabled a smooth transition.

USAID also learned that "transition" was not a fixed endpoint, but more of a continuous process working through a rigid public health system, requiring flexibility in approach and a willingness to adapt when new challenges arise. USAID will continue to embrace this approach to partnership in the coming years as it continues to support the GVN to deliver for Vietnamese PLHIV.

Finally, having a steady stream of funding year-on-year, controlled by USAID and outside of the normal PEPFAR interagency negotiation processes, ensured consistent, high-quality support to Vietnam. This likely would not have been possible if USAID was required to negotiate for a fixed envelope of funding from PEPFAR on an annual basis. Having a dedicated funding source enabled the Agency to focus on its work with the Government of Vietnam, pursue innovative initiatives, and be flexible in responding to challenges.