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Georgia: System-wide Effects of the Global Fund on Georgia's Health Care Systems

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Abstract

This study assesses the effects of the Global Fund on the health system in Georgia, focusing on the policy environment, public-private interactions, human resources and access to HIV/AIDS services. The Global Fund is the largest GHI in Georgia and has disbursed over US$ 26 million over six rounds of funding. These grants contributed to approximately 2.8% of total health expenditure in the country.

Global Fund resources have led to more HIV/AIDS preventative, diagnostic, curative and care services, and currently antiretroviral therapy (ART) is available to all people known to require treatment. Grants have also been used to develop the capacity of government and nongovernmental health providers and include addressing issues of stigma and marginalization. Stigma, however, continues to be a barrier for HIV patients when they access general health services.

Funding for HIV/AIDS has enabled the government to move national resources away from this area and increase spending on other healthcare priorities. As a consequence, HIV/AIDS service providers have become significantly dependant on GHI funding, threatening their sustainability when the funding ends. In light of ongoing reforms towards complete privatization of primary and hospital care, it is not clear how HIV/AIDS services that are supported by GHIs will be integrated in Georgia's private health care system.

Background

Located in the Caucasus region between Europe and Asia, Georgia is bordered by the Russian Federation to the north, Azerbaijan to the east, Armenia to the south, and Turkey to the southwest. Georgia ranked 93rd out of 179 countries on the UN Human Development Index in 2006 [1]. The country has experienced rapid growth in real GDP, but the war over South Ossetia (in 2008) caused significant damage to the economy, and Georgia is now faced with rising poverty in the rural areas, a lack of employment opportunities, and poor infant and maternal health [2].

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There are a number of financial and geographic barriers to accessing health care in Georgia. Prior to emerging as an independent state amidst the Soviet Union's collapse in 1991, 4.5% of GDP was spent on health. The estimated public health spending was around US$ 500 per capita. The fiscal crisis of the transition in the early 1990s hit the health sector particularly hard, and by 1994, government expenditure on health declined to around US$ 0.8 per capita (0.3% of GDP) [3]. From 1994, private spending and emergency assistance from international donors became a major source of health sector financing.

Despite structural and systematic changes such as moving from a costly primary care model to a more affordable family medicine model; and introducing an insurance scheme, Georgia's financing for health care services is highly dependent on out-of-pocket payments. As a result of the high out-of-pocket expenses as well as a scarcity of qualified providers in rural areas, Georgia has relatively low service utilization rates. A 2002 survey conducted in the Georgian countryside found that only 59.5% of those who face a health problem seek care, while 15.1% self-treat [4].

To address these problems, the Georgian government launched a Primary Health Care (PHC) reform initiative in 2002 aimed at improving care in both rural and urban areas [5]. However, the PHC reform has not received adequate financing. By 2007, most hospitals, dental clinics, and pharmacies in Georgia had been privatized [6]. In 2007, public funds accounted for only 18% of total health expenditure, compared to nearly 72% from out-of-pocket sources [7]. External resources made up 6.7% of total health expenditure in 2006 [8].

Official Development Assistance (ODA) to Georgia was US$ 360.6 million in 2006 [9]. Its total external debt was US$ 1.96 billion or 25.4% of GDP [9, 10].

Table 1 Basic Socioeconomic, Demographic and Health Indicators (*)

(*) Full data sources for all indicators are provided in Annex 1.

Indicator	**Value**	**Year**	**Source**
Population (thousands)	4,400	2007	World Bank
Geographic Size (sq. km)	69,700	2007	World Bank
GDP per capita, PPP (constant 2005 international $)	3,365	2007	World Bank
Gini index	40.4	2007	World Bank
Government expenditure on health (% of general government expenditure)	4.2	2007	WHO NHA
Per capita government expenditure on health at average exchange rate (current US$)	35	2007	WHO NHA
Physician density (per 10,000)	45	2007	WHO SIS
Nursing and midwifery density (per 10,000)	39	2007	WHO SIS
Maternal mortality ratio (per 100,000 live births)	66	2005	WHO SIS
DTP3 coverage (%)	98	2007	WHO SIS

Estimated adult HIV (15-49) prevalence (%)	0.1 [<0.1-0.3]	2007	UNAIDS
Estimated antiretroviral therapy coverage (%)	70.2	2007	UNGASS
Tuberculosis prevalence (per 100,000)	83	2007	WHO GTD
Estimated malaria deaths	0	2006	WHO WMR

Objectives and Methodology

The effects of Global Fund funding on Georgia's health system were assessed in a two-phase study conducted during 2004-2008. The study was part of the System Wide Effects of the Fund (SWEF) Network, which participates in the Global HIV/AIDS Initiatives Network (GHIN), where researchers are studying the effects of GHIs on countries' HIV/AIDS programmes and health systems.

The studies were designed to assess the effects of the Global Fund on the policy environment, on public-private interactions, on human resources, and on access to HIV/AIDS services. The findings presented draw from a base-line survey implemented in 2004; the survey was carried out in 35 health facilities, in 26 districts, with a follow up study a year later [11, 12]. Data collected was both quantitative and qualitative, based on structured questionnaires with service providers and semi-structured interviews with 36 key stakeholders. Study protocols were approved by the Bioethics Committee of Georgia.

For each of the themes identified, the following tools were utilized by the research team, following SWEF and GHIN protocols [13]:

Policy environment

Stakeholder interviews were conducted. In total, 24 interviews were completed between January 2006 and February 2007, with representatives of the Country Coordinating Mechanism (CCM), the Ministry of Health (MoLHSA), members of the Parliamentary Committee on Health and Social Issues, representatives of International and local NGOs, members of the donor community, and managers at the National AIDS Center, the National Institute of Drug addiction, and with the Principal Recipient.

Public-private mix

Structured interviews were conducted with managers at 10 NGOs, who are implementing the Global Fund-financed HIV/AIDS programme in Georgia. These interviews were complemented by on-site visits to projects and a review of documents.

Human resources

Thirty-five health facilities were selected in three different geographical locations, and 201 primary health care providers interviewed. Sampling was based on incidence rates of the three target diseases.

Access to HIV/AIDS and TB services

Exit interviews were conducted with a small sample of TB (n=19) and AIDS (n=20) patients. Additionally, in-depth interviews were conducted among high risk group representatives (60 injecting drug users [IDUs] and 60 commercial sex workers [CSWs]).

Results

Leadership and Governance

Global Fund resources contributed to the establishment of CCMs, which over time have improved their overall governance and functionality since the initiation of the Global Fund grant. Interviews with key individuals revealed that multi-sectoral coordination has benefited from the process, which respondents attributed to the leadership qualities of the CCM chair. The follow-up survey revealed that CCM members became much more active and had developed a better understanding of their roles and responsibilities since the time of the baseline survey, as well as a better knowledge of the health system and ongoing reforms.

Financing

Other effects of Global Fund financing on the health system are mixed. For example, while support from the Global Fund for TB services is in line with Georgian government priorities to integrate vertical programmes at the primary care level, this is less true for HIV/AIDS and malaria interventions, as both are vertical in nature. In light of ongoing reforms towards complete privatization of primary and hospital care, it is not clear how vertical programmes will be integrated into Georgia's private health care system. Many stakeholders perceive Global Fund monies as reinforcing vertical tendencies.

Table 2 Global Health Initiative Investments (*)
(*) Full data sources for all indicators are provided in Annex 1.

Global Fund

Round & Disease Priority	Approved (in US$)	Disbursed (in US$)
Round 2, HIV/AIDS	32,855,709	12,111,223
Round 3, Malaria	806,300	806,300
Round 4, TB	5,536,965	4,245,476
Round 6, HIV/AIDS	6,130,724	2,763,821
Round 6, Malaria	1,587,960	1,587,960
Round 6, TB	9,314,136	9,314,136
TOTAL:	56,231,794	30,828,916

PEPFAR*

Year	Amount Allocated (in US$)
2006	1,689,480
2007	1,520,000
2008	961,130
TOTAL:	4,170,610

*Not a PEPFAR focus country; above sums represent total allocations to PEPFAR country programmes from bilateral U.S. sources including USAID, Department of Health and Human Services, Department of Labor, and Department of Defense.

GAVI

Disease Priority	Amount Approved (in US$)
Hepatitis B vaccine	705,000
Vaccine introduction grant	100,000
Injection Safety	65,600
Immunization services support	135,500
Health systems strengthening	435,500
TOTAL:	1,441,398

Global Fund resources have had dual effects on public financing for health care. On one hand, these funds have allowed the government to move national, fiscal resources away from HIV/AIDS, TB and malaria and to increase spending levels on other healthcare priorities. For example, from 2001 to 2006 public expenditure on health grew on average by 23% annually, taking into account inflation. However, allocations increased only marginally for TB and malaria and declined for HIV/AIDS. Expectations that the government would increase allocations for target diseases have not been met in Georgia; hence, service provision for target diseases is significantly dependant on the Global Fund. This has raised concerns among stakeholders, as it could threaten the sustainability of service provision after funding ends.

The issue has been further aggravated by increases in service availability, which have helped preventive, curative and care services to reach more individuals, but have also significantly increased recurrent cost requirements for HIV/AIDS, TB and malaria. If these diseases are not controlled, recurrent cost requirements will grow and consequently will aggravate funding shortages currently observed. Most key stakeholders interviewed expressed concerns regarding the sustainability of services in the long-term. They were of the view that in the medium to long-term it is unlikely that the government will be able to fully replace Global Fund monies with internal fiscal resources. Policymakers at the national level were particularly concerned that the Global Fund work with the government to develop gradual exit strategies spanning 10-15 years - strategies which would take into account both changes in the epidemic and in the economic situation.

In Georgia, Global Fund grants contributed about 2.8% of total health expenditure, which is relatively low compared with sub-Saharan Africa.

Health Workforce

The study also shows that training funded by the Global Fund grants has helped develop the capacity of health providers in both the private and public sectors, including addressing issues of stigma and marginalization. Between the first phase of the study and the second, findings suggested that health providers' attitudes towards patients had become more positive: health providers were less afraid of the target diseases and expressed greater readiness to render the necessary care and treatment.

Medical Products, Vaccines, and Technologies

The impact of Global Fund financing was significant in generating positive results for individuals suffering with target diseases: funds helped to supply necessary diagnostic tests and drugs, and as a result, ART is available to all who require treatment.

Community/Civil Society

However, while patients with target diseases have benefited from free services, largely funded by the Global Fund, their access to general health services remains limited, and interviewees said they often face stigma and confidentiality problems when they use general health services.

The study suggests that Global Fund financing also played a significant role in creating social networks of patients suffering from target diseases. This has facilitated people living with HIV/AIDS (PLWHA) being able to meet and exchange information, better understand their health and social problems and to become more open about their status.

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