



**Implementation of Jaminan Kesehatan Nasional (JKN) :**  
*Opportunities & Challenges for Indonesia's Pharmaceutical Industry*

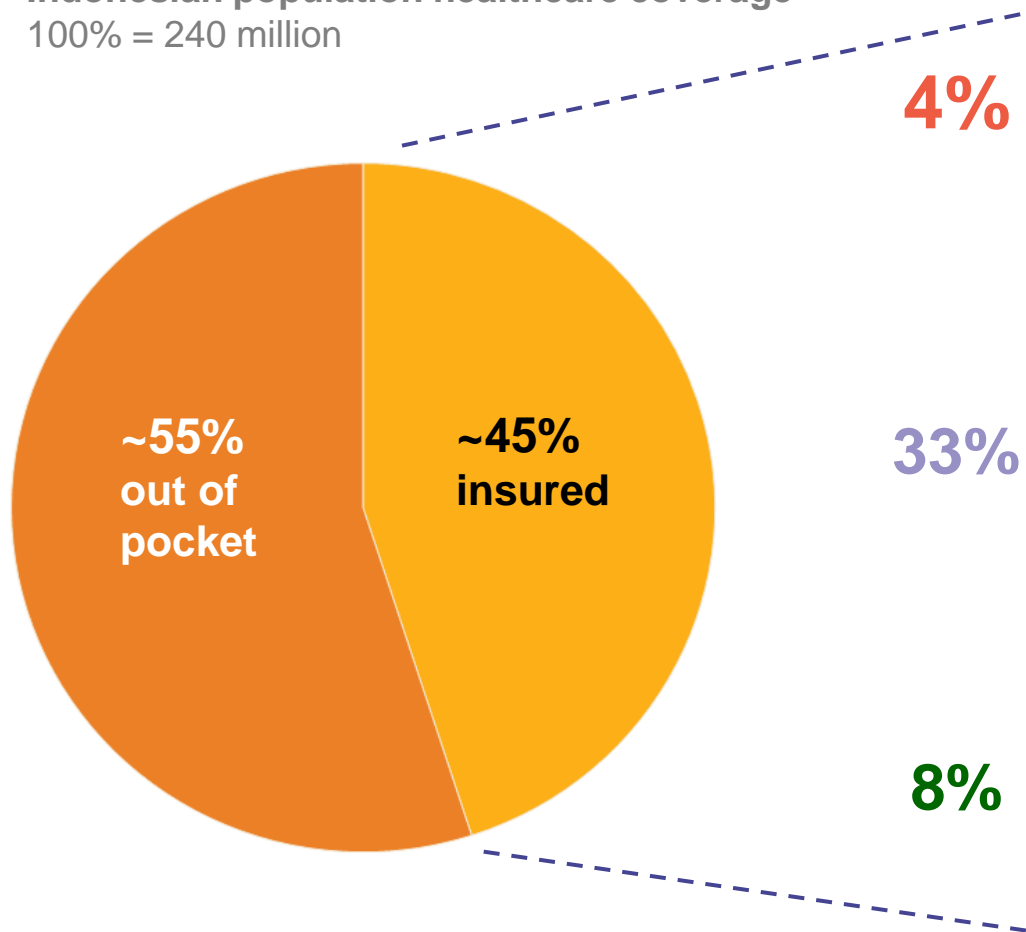
# Quick Facts impacting Healthcare in Indonesia

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- ❑ Total healthcare expenditure remains low at only **2.7% of GDP** (*compared to worldwide average of -6.3%*) and much lower than its neighbouring countries.
- ❑ Only **~45% of population** is covered by various insurance schemes, while remainder is paid Out-of-Pocket or have no access to basic healthcare
- ❑ Very **low per-capita healthcare** coverage (US\$100/capita, ranked 126<sup>th</sup> globally)
- ❑ Total hospitals : **~2,100** which 40% are public
- ❑ Total doctors : **~75,000**, of which 78% are GPs
- ❑ Very low doctor to population ratio = **1:3,200**

# Indonesia Healthcare Coverage – current situation

Indonesian population healthcare coverage  
100% = 240 million



## Private Insurance

- e.g. Jamsostek, In-Health,
- etc.(about 9 million insured)
- Fully reimbursed
- Presence of Essential Drug Lists

## JAMKESMAS

- Basic coverage scheme for the poor (about 80 million insured)
- Essential Drug Lists focusing on low-cost medicines
- Very low (close to zero) originator sales
- 80-90% discount from regular prices

## Public Insurance (ASKES)

- Civil servants and army retirees (about 19 million insured)
- Essential Drug Lists focusing on both branded Gx and originator drugs
- 20-30% discount from regular prices

Source: IMS Prognosis 2011-2015 report

# Pharmaceutical Industry's perspective toward Jaminan Kesehatan Nasional (JKN)

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- Fully supporting government's initiative to give a broader access to healthcare services for Indonesian people.
- Pharmaceutical industry ready to partner with government to find best implementation and sustainable scheme, such as:
  - *Promoting access to innovative and new medicines*
  - *Product listing should be based on quality, efficacy and safety (and HTA in future)*
- The JKN should be same or even better than current services
  - *Using ASKES as the "benchmark"?*
- Pharmaceutical industry ready to support on capacity building
  - *eg. Education of physicians (primary care) on diagnosis and treatment of chronic diseases*

# Industry concerns on JKN

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## ✓ Need clarity of processes

- *eg. e-catalog process, listing process, limitations of generics vs patented products*

## ✓ Readiness of implementation by Jan 2014

## ✓ Readiness of primary care infrastructure and resources

## ✓ Preparedness of funding mechanisms

# Some Industry Recommendations?

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- ✓ **Develop differentiated product lists (eg. List A, List B), possibly with co-payments**
- ✓ **Enable sustainable access to Innovative and new Products for long term health outcomes of population**
- ✓ **Start to build capabilities on HTAs, Cost-benefit ratios, Health Economics**
- ✓ **Development of private healthcare insurance to cater to needs of different population types**

Thank you