

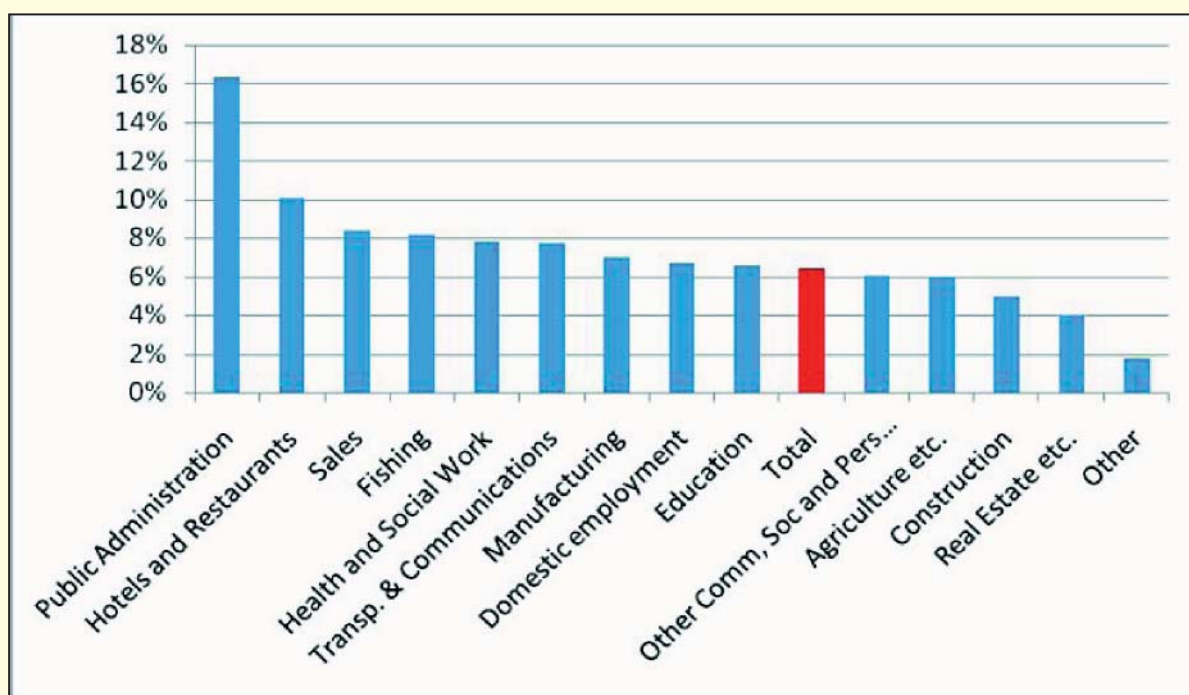


POLICY BRIEF

Provision Of Anti-retroviral Treatment In Uganda

Background

The prevalence of HIV/AIDS in the country is at about 6.4% among adults resulting in about 1 million of people living with HIV. The level of prevalence, however, varies across the population with more infection among (a) women than men, (b) people in urban areas than rural (c) those in the age bracket 20-49 years than in other age groups (d) working than non-working people and (e) unskilled manual workers than semi-skilled workers. There are also regional and sectoral variations in HIV prevalence.



HIV Prevalence by Economic Sectors in Uganda

In 2004, the provision of anti-retroviral treatment (ART) drugs was integrated into the national response to the epidemic and subsequently in the development of the National Strategic Plan (NSP) 2007/8 – 2011/12, one of the aims was to provide universal access of ART drugs to those who need the treatment. Accordingly, 39% of the resources in NSP was devoted to provision of care and treatment, with provision of ART related services taking most of this allocation.

WHO recommends that a person whose CD4 cell counts reaches 350 cells/mm³ should be put on ART. However in Uganda, due to scarce resources, the threshold for CD4 cell counts that makes an HIV infected person eligible to ART drugs is at 250 cells/mm³ which is far lower than that recommended by WHO; the lower a patient's CD4 count is, the lower his/her immunity and more likely s/he will succumb to opportunistic infections thus requiring more expensive drugs for treatment. At the restrictive threshold level used by Uganda, 350,000 are eligible for treatment but the country is only currently providing the drugs to 170,000 patients. Against this, 130,000 new infections continue to occur annually and indeed, more people reach the threshold value for treatment eligibility.

The "Assessing the Macroeconomic Impact of HIV/AIDS in Uganda" study explored the implications of providing ART to all that need.

Findings from Macro-economic Impact Assessment of HIV/AIDS in Uganda

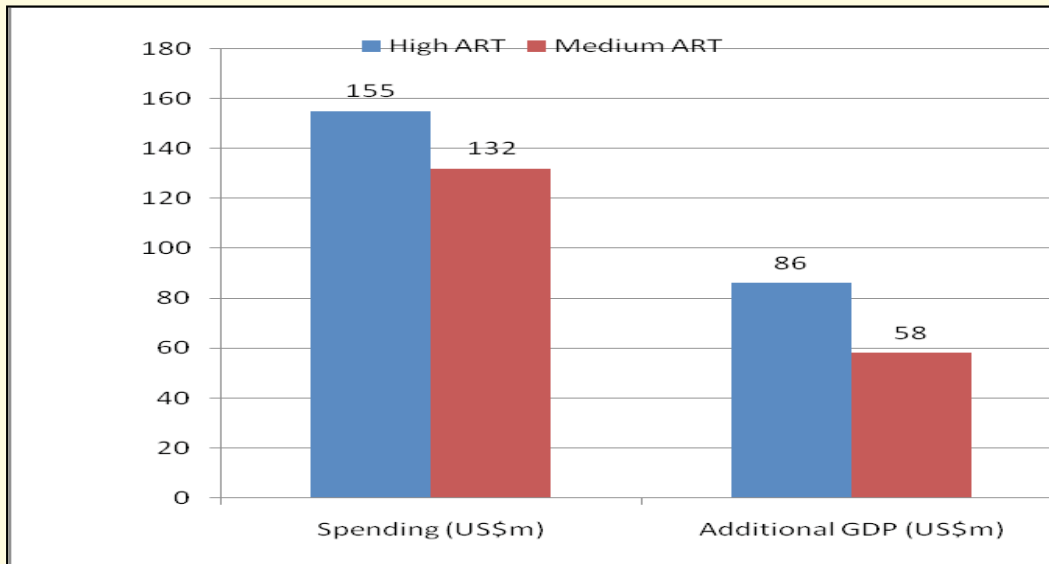
Value of ART Provision

- AIDS has a negative impact on the rate of economic growth of Uganda in that it would shrink the economy to a level that is 39% smaller than it would have been without AIDS by 2025 but depending on the number of people accessing treatment, ART can offset this negative growth impact of AIDS on the economy by 30-50%.
- The GDP of Uganda would grow at an average rate of 6.5% per year between 2005 and 2025 in the absence of HIV/AIDS but this rate would reduce to 5.3% because of AIDS; when ART is provided, GDP would improve to an average growth rate of 5.7%. During the same period, the presence of AIDS without treatment would reduce the rate of GDP per capita from 2.0% to 1.7% per annum.
- In the absence of HIV/AIDS, the Uganda's total population in the year 2025 could be at 64.5 million but this will be reduced by 9% to an estimated 58.8 million due to HIV/AIDS (with no ART provision); the provision and usage of ART was demonstrated to improve the situation by maintaining the population at 0.8% higher than in the HIV/AIDS with no ART scenario.
- Without ART, the number of people dying in the productive age groups 20-44 would be much higher than when ART is provided. In particular by providing ART, the country will lose only 7.7% of its labour force compared to 8.5% without ART.

Cost of Providing ART

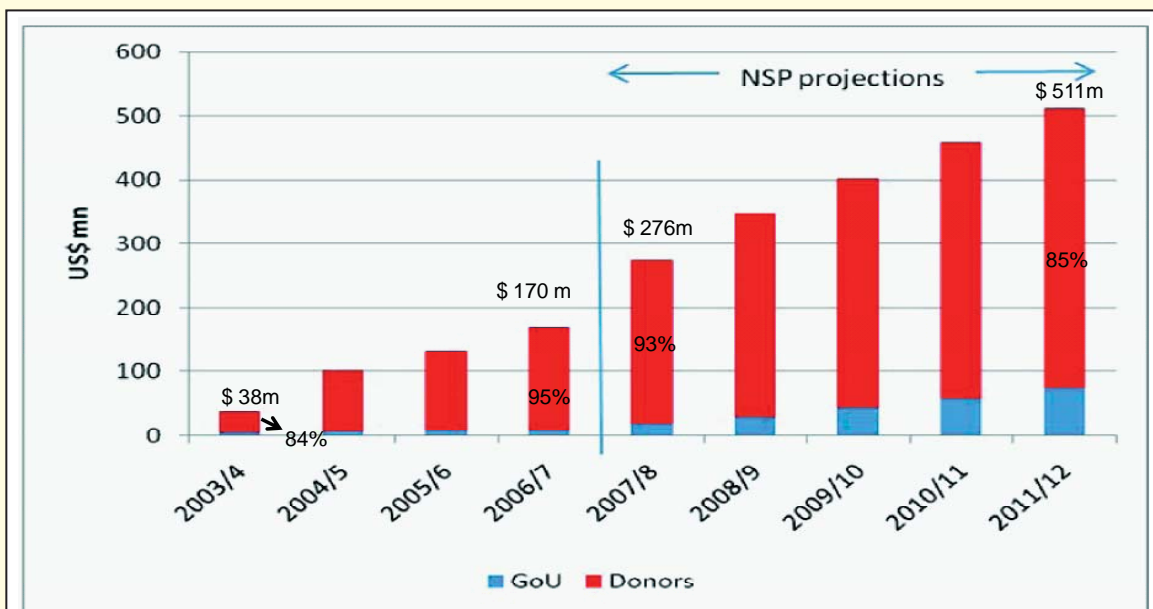
- In the NSP, the thematic areas of focus are: prevention, care and treatment, social support (mostly for OVCs), and programme support; taking cognizance of availability of relatively cheap and cost effective treatment (ART) and aiming at providing universal access to ART to those who need it, provision of antiretroviral treatment in the NSP accounts for over 90% of the resources required under care and treatment programmes.
- The lifetime total cost of providing ART to an HIV+ person over an average (median) additional life years of 10 resulting from ART was estimated to be US\$ 5,000. However, the average cost of educating a worker to replace a person who may die due to AIDS (when ART is not provided) was estimated to vary across sectors ranging from US\$ 350 for workers in domestic service to US \$5,000 for those in financial intermediation. This implies that in general, investment in education to prevent HIV/AIDS is cost-effective option comparing to the provision of ART.

- WHO assesses an health intervention as very cost effective if the cost per disability adjusted life year (DALY) is less than Gross National Income (GNI) per capita or as cost effective if less than three times GNI per capita. Using this approach, the study found that currently prevention expenditure is very cost effective while treatment was probably not cost effective because for prevention interventions, DALY was \$50 compared to GNI of \$400 while for treatment interventions DALY was \$500 compared to \$400.
- The expenditure incurred in providing ART also far exceeds the additional GDP created from using ART during the period 2007/8 – 2011/12; indeed, the GDP realized is only about 50% of the cost of providing the requisite ART.



ART Spending and Additional GDP (Annual Average, 2007/08-2011/12)

- ART per person costs US\$500 per year compared to the health per capita of US\$25. Provision of ART to the current 170,000 patients, will cost the country at least US\$ 85 million annually; this amount is far greater than the projected government's contribution in each of the years during the implementation of the NSP 2007/8-2011/12; government is to provide US\$ 19 million in FY2007/08 and US\$ 75 million in FY2011/12 compared to US\$ 6 million and US\$ 8 million in FY2003/04 and FY2006/07 respectively.



Total Spending on HIV/AIDS Programmes in Uganda

- If all the 350,000 who are medically eligible to receive ART drugs are given treatment, then annual financial requirements for providing the treatment would be US\$ 175 million which is more than half the health sector budget of UGX 732.7 billion (which is about US\$ 360 million) for FY2009/10.
- Treatment for HIV/AIDS is a life time undertaking which therefore requires a long term commitment of resources to provide the drugs and related services to the patients.
- Thus, by scaling-up there would be the question of sustaining donor funding for the scaled-up HIV/AIDS programmes through credible long term donor funding commitments or Uganda government taking over the responsibility.

Implications for Policy

- Government and donors should discuss and have a forecast on how the necessary treatment including ART could be funded and effectively delivered to the needed groups.
- Government should work out alternatives for funding ART, for example through National Health Insurance Schemes.
- Government should come out with a policy on access to ART within Uganda by those that may cross the borders into the country due to relative peace in the country, free movement in East African Community countries, availability of better health services, increased business opportunities across countries, etc.
- The need for a policy to make HIV/AIDS work place to be mandatory in both public and private sector should be seriously considered



Ministry of Finance, Planning & Economic Development,
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