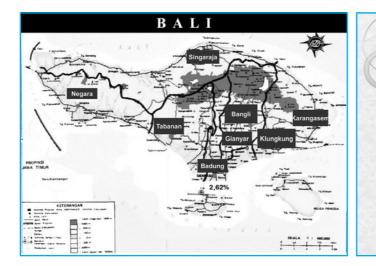
[Indonesia]

The Impact of Global Financial Crisis on Health: Bali experience

Made Kornia KARKATA*1





Republic of Indonesia in brief

- Population : almost 230 millions
- 13.000 islands, scattered along the equator
- Pluralism in : social / cultural / ethnicity / religion / language / urban / rural / remote areas etc
- Abundance of national resources, after 64 yrs of independence, failed to bring this country into social justice and prosperity
- Poverty rate : 30 %

*1 IDI, Bali Branch, Bali, Indonesia (pbidi@idola.net.id).

This presentation was made at the Symposium themed "Impact of Global Financial Crisis to the Health System" held at the 26th Congress of the Confederation of Medical Associations in Asia and Oceania (CMAAO), Bali, Indonesia, November 7, 2009.



BALI PROFILE

- Main land and small islands : Nusa Penida, Ceningan, Nusa Lembongan, Pulau Serangan dan Pulau Menjangan
- 5.636,66 km²
- 8 Districts and 1 Kotamadya
- Economic growth not spread equal
- Population : 3.516.000 ; female >
- Population density : 624 / km²

Bali Population structure (2008)

- 0 14 yrs ----- 24,25%
- > 65 yrs ----- 6,42%
- Non productive -- 30,67%
- 15 64 yrs ----- 69,23% , productive
- GDPB / Economic growth (2008) 5,97%
- · Source of growth : changed
- Poor group : 6,6 7,1 %

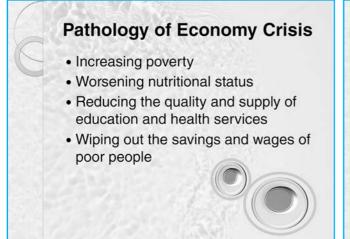


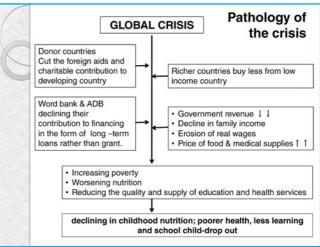
Economic crisis

- 1997 Asian crisis, began in Thailand and spread to other region had detrimental social impacts across 5 countries Indonesia, Laos, Cambodia, Philipina
- Bali bomb I, Bali Bomb II + oil price crisis
- 2007 US crisis began with a collapse of the credit market which quickly spread into the worst slowdown in world GDP growth.

Impacts on developing countries

- Financial contagion effects
- Global economic recession
- Human consequences
- Policy responses





Impact of regional crisis 1997 Indonesia (AusAid 1999)

- 20-25% declines in personal & government expenditures on primary care. 25% decline in purchases medicine
- Declines 92% >> 64% of DTP3 ; polio 97% >> 74% . Vit A supp down 20%
- 18% declining of child visits to health facilities
- A halt in the 1990s downward trend in infant mortality
- Mortality increases in 22 of 26 provinces between 1996 and 1999

IMPACTS OF BALI BOMB

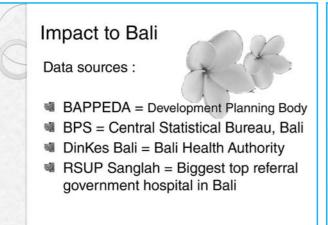
- Sharp drops of tourist visits
- skyrocketing of world fuel price
- result in high inflation, high jobless
- Unreachable price of food and medical supplies
- Cutting of subsidized oil price and changed it into BLT ,amount of Rp 200.000 to poor household to mitigate potential health impact

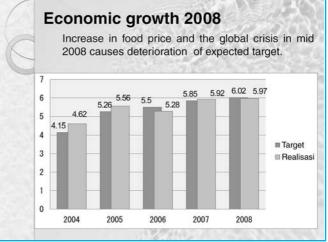
Current crisis to Indonesia (CSIS)

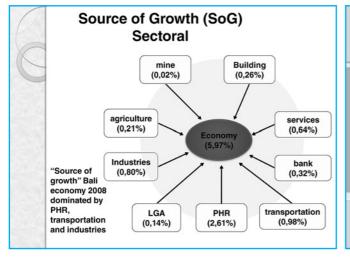
- Up to January 2009, some economic indicators still showed strong results
- GDP grow in $3^{\rm rd}$ quarter of 2008 >> 6,1%
- Consumption (private & govt.) accounts for almost 65% of GDP
- Poverty reduction efforts will be affected however not as severe as the 97/98 crisis.

WHAT IMPACT TO BALI?



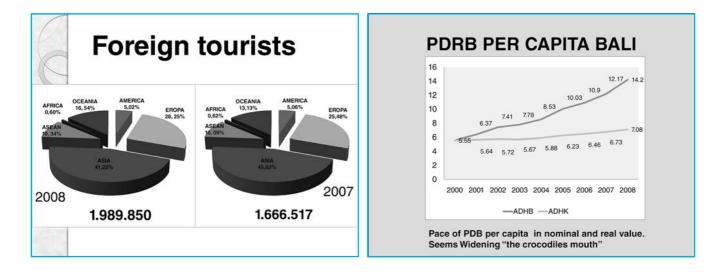


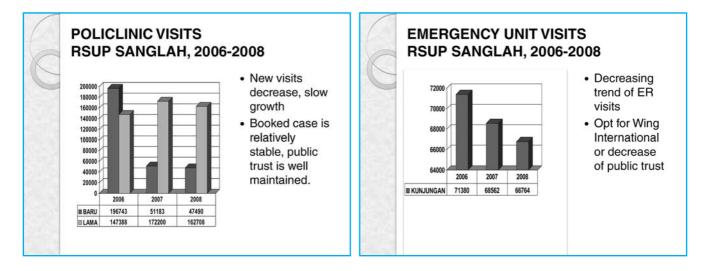


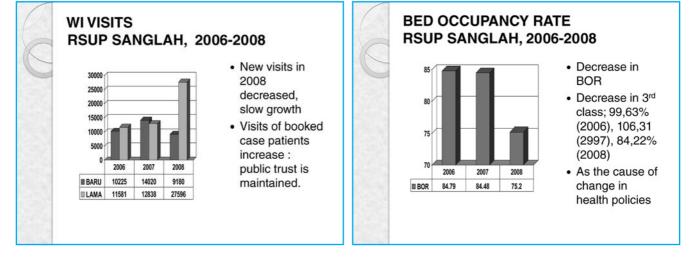


Economic growth , inflation ect.

Macro indicator	2004	2005	2006	2007	2008
Growth	4,62	5,56	5,28	5,92	5,97
Tot. Economy	28,99	33,95	37,39	42,34	49,92
Capita	8,53	10,03	10,90	12,17	14,20
Inflation	5,97	11,31	4,30	5,91	9,62
NTP	134,96	116.31	120,72	141,33	100,72*







HEALTH SERVICES SYSTEM FOR THE POOR FAMILY

- National wide BPS will decide first the numbers of "poor family" in the country based on established criteria annually done since 1984, revised 2006
- Funding by the government (APBN) is on the basis of : 74,6 million population X 12 month X Rp 5000,00
- The total amount is then divided into all the province according to the numbers of their respective poor family
- registered as poor family/citizen will receive jamkesmas card which is sponsored by the state government (APBN)
- Those poor group who are not yet covered / registered should be financed by Province (40%) and District (60%) by introducing SKTM

- SKTM was accepted since 16 th April 2008 which were given to the poor family who were not registered and paid by the province/district.
 - The aid are in the form of basic health services and 3rd class in referral hospital system .



Examples of services

- Jamkesmas : inclusive of all basic health services and 3rd class referral system
- By sitter / nurse of laboring woman (source APBD I)
- Establishment of family closet
 (Karangasem)



Problems Encountered

- Because of economic crisis→ government funding is not sufficient for poor families
- After allocation of funds to districts, it is not sufficient for the poor families.
- Criterion for determining poor family is inconsistent
- Data of poor family is not accurate/valid→ many poor family are not actually registered.

Problems cont'd

- Poor family certificate are actually given to the ones who really don't need them.
- Funding is limited. For the fiscal 2009 there are only Rp. 5 billion of funding available for Bali.
- People responsible for issuing SKTM are not helpful often rejects/delays payments (Only Badung /Gianyar that fulfill their promises)

CONCLUSION

- Not just the global crisis, but every aspect that affects the main sources of income will deteriorate the health of the poor people.
- Data base of poor people are not valid therefore making aids often fall to the wrong hands.

Conclusion (2)

- Government aid for poor people health services are not adequate.
- The number of poor people in Bali will be constant as far as the portion of the largest people who are farmers will be left behind by the vast tourism development.

