FROM COMMITMENT TO ACTION

Financing priorities to scale equitable access for NCDs and mental health

NCD Alliance

TIME TO ACT on NCDs LEAD

GLOBAL WEEK FOR ACTION ON NCDs

Introduction

This policy brief outlines NCD Alliance's priorities for the 3rd International Dialogue on Sustainable Financing for NCDs and Mental Health ("the Financing Dialogue") organised by the Department of Health (DOH) of the Philippines, WHO, and the Asian Development Bank. This meeting will build on both the first and second convenings (2018 and 2024, respectively) as well as the commitments made in the 2025 Political Declaration on Noncommunicable Diseases and Mental Health.

This Political Declaration established new targets for the noncommunicable disease and mental health (NCD) agenda[I], specifically for 60% of countries to have financial protection policies in place for NCD and mental health services and for 80% of primary care facilities in all countries to have availability of WHO-recommended essential medicines and basic technologies at affordable prices by 2030.

Consequently, the Financing Dialogue will focus on strengthening sustainable financing and financial protection, reforming health system delivery, and enhancing the affordability of medicines, diagnostics, and medical devices (hereafter 'medicines and medical devices') through strategic purchasing and pricing. The discussion is timed to leverage the "Access Pivot," a term coined for the Financing Dialogue which refers to the moment when GLP-1s and essential biologics come off-patent in many lower- and middle-income countries (LMICs). This is widely considered to be a critical opportunity to expand access through levers such as production of generics and biosimilars and pooled procurement.

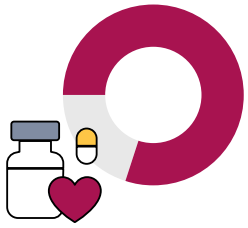
The Financing Dialogue will deliver three main outputs:

- **The Manila Declaration**, led by the Philippine DOH to advance political commitment and articulate priority reforms for access to medicines and medical devices;
- A **regional initiative** to improve coordination on NCD medicine access amid the "Access Pivot";
- **The Sustainable Financing Practical Guide** which will provide governments with technical guidance on scaling NCD investments.

In addition to reaching participants and stakeholders at the Financing Dialogue, this brief is intended to support health advocates in their engagement with health and financial decision-makers to make the case for increasing investment in NCDs and mental health. Finally, since a main topic at the Financing Dialogue is access to medicines, we would like to highlight a separate NCD Alliance (NCDA) policy brief titled Advancing Access: Global priorities to improve access to NCD medicines, diagnostics and medical devices, which details our global access priorities. This document focuses primarily on the technical rather than financial aspects of access, and therefore complements and may deepen understanding of the present brief. For this reason, it is recommended to read these two briefs in tandem.

All UN Member States have committed to achieving key access-related TARGETS BY 2030:

60% OF COUNTRIES have financial protection policies in place for NCD and mental health services



80% OF PRIMARY CARE FACILITIES in all countries **have availability of WHO-recommended essential medicines and basic technologies** at affordable prices

I NCD Alliance considers the term 'noncommunicable disease' as well as its acronym 'NCD' to be inclusive of mental health and neurological conditions.

Context

NCDs are the leading cause of death and disability worldwide. Together, the top five NCD groups alone – cardiovascular diseases, chronic respiratory diseases, diabetes, cancer, and mental health and neurological conditions – cause nearly US$2 trillion in economic losses every year[1] due to premature deaths, lost productivity, and healthcare costs.

Alongside these global losses, 100 million households are pushed into extreme poverty each year by out-of-pocket spending on health,[2] with much of this burden driven by NCDs and mental health conditions. Without timely and sufficient investment, this burden will expand at an accelerating rate, pushing communities, economies, and health systems into crisis. Currently, cost-effective NCD and mental health medicines and medical devices remain excluded from many national health benefit packages, with global out-of-pocket spending for NCDs estimated to be twice that for infectious diseases.[3] For NCDs, which require long-term or lifelong treatment, seeking and sustaining care poses a significant financial burden for individuals and their households. This financial burden is not borne equally; for example, women face compounded vulnerabilities to catastrophic health spending due to systemic economic disparities; lower rates of formal employment, and therefore less access to formal health insurance; as well as disproportionate roles as unpaid caregivers for family members living with NCDs, which takes the place of paid work outside the home. Economically disadvantaged households, those living in rural areas, ethnic minorities and Indigenous populations are among those groups also facing higher risk of economic hardship due to health spending.

Member States formally recognised these out-of-pocket expenditure (OOPE) challenges in the 2025 Political Declaration on NCDs and Mental Health, emphasising the need to accelerate primary healthcare delivery, essential medicine access, and accountability. Achieving this requires moving beyond policy commitments toward concrete, system-level reforms that shift from reliance on high out-of-pocket spending to predictable, publicly financed access. The Financing Dialogue serves as a vital platform to address the equitable delivery of medicines and medical devices, which is arguably one of the most pervasive barriers to the global NCD agenda.

100 MILLION HOUSEHOLDS ARE PUSHED INTO EXTREME POVERTY

each year by out-of-pocket spending on health, with much of this burden driven by NCDs and mental health conditions.

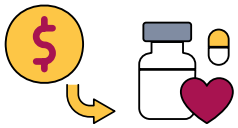
Our priorities for scaling NCD financing and accelerating access to medicines and medical devices

Spending targets and accountability

Financing has always been the "Achilles' Heel" of the NCD and mental health agenda, making unaffordable medicines a critical access barrier for people living with NCDs. Governments must ensure that essential NCD medicines and medical devices are explicitly included in nationally defined health benefit packages and financed as a core component of Universal Health Coverage (UHC).

Setting clear domestic financing targets, in this case, for NCD medicines and medical devices, can help Ministries of Health conduct better internal budget calculations and advocacy to their counterparts at Ministries of Finance to mobilise the resources needed to deliver this basic coverage. For example, NCD Alliance commissioned research which estimated that **1.1% to 1.7% of Gross National Income (GNI)** is needed to deliver a package of 13 essential NCD medicines in primary settings.[4] However, most countries currently invest **just 0.26% to 0.46% of GNI** in this same package.

While the official agenda focuses heavily on mechanism implementation, **the Financing Dialogue offers a crucial staging ground for Member States to pioneer and champion essential national targets**. The 2025 Political Declaration target of 60% of countries having policies for financial protection for NCD and mental health services in place by 2030 is a priority for the Financing Dialogue, and also meaningfully connects with the importance of developing and delivering person-centred care under UHC. In this context, policy design and decisions must be responsive to the needs of vulnerable and marginalised communities, ensuring that service delivery and affordability reach the furthest behind first.



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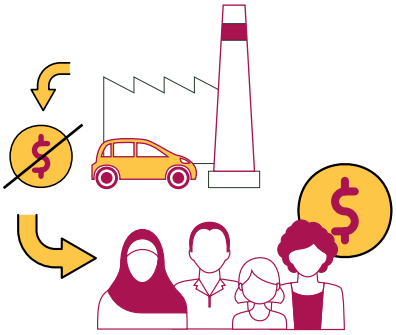
Maximising fiscal space

To mobilise the resources needed to improve access to NCD medicines and medical devices, health financing must look beyond restricted baseline health budgets. Long-term NCD and mental health care must be anchored in domestic investment, complemented by catalytic external support if needed, and not replaced by external sources. Sustained action requires a whole-of-government approach that includes and leverages progressive fiscal policies. Implementing fiscal measures that generate revenue and have public health benefits, like adequate taxation of unhealthy commodities – such as tobacco, alcohol, and foods high in fat, sugar and salt – is a **triple win**: these taxes save lives and prevent disease by lowering consumption while advancing health equity, reducing costs to health systems and the economy, and mobilising revenue for the general government budget.

Health taxes should be part of a comprehensive and cohesive fiscal policy strategy that simultaneously phases out current subsidies for health harming industries, such as fossil fuels, to yield even greater returns. An International Monetary Fund analysis estimates that "scrapping explicit and implicit fossil fuel subsidies would **prevent 1.6 million premature deaths annually, raise government revenues by US$4.4 trillion,** and put emissions on track toward reaching global warming targets.[5]" An interesting coincidence: UHC has an annual funding gap that is approximately equal to this figure.[6]



An International Monetary Fund analysis estimates that SCRAPPING EXPLICIT and IMPLICIT FOSSIL FUEL SUBSIDIES would

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Utilising strategic policy levers to improve access

Many access barriers are political and systemic – they are not technical inevitabilities. Strategic policy choices on financing, selection, regulation, forecasting, pricing, procurement, and service delivery can overcome many barriers to improve availability, affordability and financial protection. There is no one-size-fits-all model for improving access to NCD medicines and medical devices, but there are a few practices that can be considered in all contexts, particularly within the ongoing reforms to global health architecture:

- **Shifting to integrated health systems** whose principles are aligned with the "one plan, one budget, one report" approach outlined in the Lusaka Agenda. Centralised decision-making can reduce redundancies and inefficiencies and streamline processes to make strategic purchasing decisions.
- **Pursuing health sovereignty,** which can include incentivising local and regional manufacturing to support long-term market shaping, and securing diversified supply chains, alongside implementing appropriate pricing policies to improve affordability. Levers such as technology transfer, including voluntary licensing, can support the development of cost-effective and resilient local and regional systems.
- **Capitalising on off-patent windows through strengthening regulatory cooperation, including reliance, convergence and joint assessment:** The "Access Pivot" is driven by GLP-1s and essential biologics coming off-patent in LMICs, and must be met with strong, proactive regulatory systems strengthening. Governments must actively address bureaucratic bottlenecks to accelerate the entry of quality-assured generics and biosimilars.

- **Pooled purchasing** is a fourth access lever coming into focus at the Financing Dialogue. While some studies have demonstrated its ability to reduce prices of medicines and medical devices by 50-90%, its feasibility depends on strong legal frameworks, regulatory harmonisation, and its effect on national manufacturing.[6] While real-world implementation demands complex coordination, aggregating purchasing power across neighbouring countries presents an opportunity to slash prices and ensures LMICs and Small Island Developing States benefit from economies to scale to lower prices.

Beyond the four key practices above, there are a wide range of policy solutions to support countries in moving from commitments to operations for improving access to medicines and medical devices *(see Annex 1)*. NCD Alliance commissioned research shows that implementing the right policy levers can reduce the cost of medicines and medical devices by an average of 20-50%. However, not all of these levers are suitable for all health systems. Ultimately, local and regional contexts will determine which solution is most beneficial, and a careful, evidence-based evaluation must inform strategic policy planning and development. While such an evaluation is beyond the scope of this brief, resources are available to support policymakers, advocates and other stakeholders in developing a locally-tailored access strategy.

Key resources include:

- The newly developed **WHO Operational Framework on Access to Medicines and Medical devices for NCDs in Primary Care**;
- **Advancing Access: Global priorities to improve access to NCD medicines, diagnostics and medical devices,** developed by the NCD Alliance and the NCD policy lab UNIGE in collaboration with 42 global, regional and national organisations working on NCDs, mental health, and/or access; and
- **Advancing Access: A practical advocacy toolkit for improving access to NCD medicines, diagnostics and medical devices**, developed by NCD Alliance and the NCD policy lab UNIGE (*see Annex 2* to read more about these resources).

NCDA recommendations

In addition to reaching participants and stakeholders at the Financing Dialogue, these recommedations are intended to support health advocates in their engagement with health and financial decision-makers to make the case for increasing investment in NCDs and mental health.

Establish concrete spending targets and promote health equity

Governments must move past passive commitments and adopt explicit budgetary benchmarks to systematically integrate chronic NCD and mental health care into national health benefit packages.

- **Progressively scale domestic public funding**: Increase from current levels towards a nationally determined financing target for essential NCD medicines and medical devices. Securing this investment is an important step toward comprehensive UHC. These investments should also include raising national spending by US$3 per person to implement the NCD "Best Buys," for cost-effective, high-impact public health interventions. These concrete targets provide Ministries of Health with the leverage needed to secure predictable, ring-fenced funding from Ministries of Finance.
- **Design for equity and financial protection**: Anchor long-term care in publicly financed UHC benefit packages to shift away from out-of-pocket models. Package designs must target "the furthest behind first" to proactively prioritise marginalised populations. Specifically, financial protection policies must alleviate the compounded financial barriers and higher risks of financial hardship faced by vulnerable groups, particularly women.

Optimise fiscal space through coherent fiscal policies

Achieving sustainable financing requires looking beyond traditional health sector budgets. Governments must employ a whole-of-government approach to develop health-promoting fiscal measures that can unlock hidden revenue streams.

- **Implement "triple-win" health taxes**: Enact and progressively increase dedicated excise taxes on tobacco, alcohol, sugar-sweetened beverages and other unhealthy foods. These mechanisms save lives by reducing consumption, lower long-term health system burdens, and mobilise significant revenue for general government budgets.
- **Phase out and redirect health harming subsidies**: Align national fiscal strategies with public health goals by eliminating subsidies that benefit health harming industries and products. Redirecting these funds can help close funding gaps while preventing NCD incidence and premature deaths.

Deploy strategic access levers to lower costs and solidify health sovereignty

By deploying targeted access levers, governments can lower overall medicine and medical devices costs by **20% to 50%.**

- **Capitalise on the "Access Pivot" through strategic purchasing and pricing for all medicines and medical devices**. To guarantee affordability and maximise domestic budgets, governments must strengthen forecasting and procurement systems and implement robust pricing policies. These may include reference pricing, health technology assessments, improved tendering processes, regional or national pooled procurement, and regulations for supply chain mark-ups.
- **Connect with health sovereignty and regional resiliency initiatives**: Where appropriate, incentivise local and regional manufacturing to secure diversified supply chains and shape long-term markets. Incentivising levers such as technology transfers, including voluntary licensing, can support the development of cost-effective, self-reliant regional systems.
- **Ensure private sector accountability and transparency**: The private sector must explicitly integrate affordability, supply, and intellectual property management into their R&D plans, and actively consider technology transfers, including voluntary licensing, and transparent pricing strategies where appropriate.
- **Align with the Lusaka Agenda:** All stakeholders should support the transition of national health architectures to integrated health systems grounded in a centralised "one plan, one budget, one report" approach. Streamlining decision-making processes will eliminate administrative redundancies and maximise the impact of strategic purchasing choices.

Build the foundation: Invest in data and surveillance

Investment in data and surveillance is essential for accurate forecasting, responsive decision-making, and ensuring resources are allocated equitably.

- **Develop transparent budgets with disaggregated data**: Develop transparent health budgets featuring granular, routinely published, and disaggregated data on NCD and mental health spending. Establishing this baseline of public expenditure is essential to monitor tracking, minimise duplicative efforts, and ensure domestic resources are allocated efficiently and equitably.
- **Strengthen forecasting capabilities**: Utilise health data to forecast medicine and device needs accurately, optimising supply chain reforms for continuous patient access. Routine, robust, and disaggregated data collection is non-negotiable for monitoring progress against the 2030 targets and ensuring that financial risk protection mechanisms are working as intended.

ANNEX 1. Policies to improve availability and reduce prices of NCD medicines and medical devices*

Stage of value chain	Specific policy action	Impact on availability	Impact on prices	Comments
Production	Use of compulsory licensing and TRIPS flexibilities	Yes	Yes	Permits market entry; impact on innovation is unclear
	Establishment of regional generic manufacturing hubs	Yes	Yes	
Regulatory approval	Regional regulatory harmonization and cooperation	Yes	No	Improves efficiency of regulatory process
	Establishment of health technology assessment programs and regional networks	Yes	Yes	Also improves rational use, reduces unnecessary spending
	Medicines regulatory system strengthening	Yes	No	Also increases quality and trust
Procurement	Pooled procurement	Yes	Yes	50-90% reductions in prices in some studies
	Supplier incentives and market competition policies	Yes	Yes	
	External reference pricing	No	Yes	
	National essential medicines list / reimbursement list alignment	Yes	Yes	
	Price ceiling/regulation	Yes	Yes	May not improve availability in rural areas
	Mark-up regulation	No	Yes	
Financing	Essential medicines financing policy	Yes	Yes	
	Government-initiated access programs	Yes	Yes	
	Targeted Public Subsidies (e.g., Revolving Drug Funds, Free Medicine Programs)	Maybe	Yes	
Delivery	Strengthening warehousing, distribution, and inventory management systems	Yes	No	
	Public-private partnerships for pharmacy contracting	Yes	Yes	Improves affordability of medicines in the private sector
	Emergency procurement support	Yes	No	
	Lending agreements	Yes	No	
Uptake	Generic medicines policies	Yes	Yes	Most effective when including mandatory substitution
	Rational use/stewardship programs	No	Yes	Also improves rational use, reduces unnecessary spending
Cross-cutting actions	National medicines policy frameworks and comprehensive pricing policies	Maybe	Maybe	Effectiveness depends greatly on implementation capacity
	Cross-country collaborations across the value chain	Maybe	Maybe	Can also improve supply chain security
	Information-sharing and mutual learning	Maybe	Maybe	Enabling policy for others

Notes: TRIPS = Agreement on Trade-Related Aspects of Intellectual Property Rights

* This table is taken from the NCD Alliance publication 'Delivering on Health and Financial Protection for All: Financing Benchmarks for Essential NCD Services and Options for Improving Access to Affordable NCD Medicines'

ANNEX 2. Useful resources on access to NCD medicines and medical devices

WHO Operational Framework on Access to Medicines and Medical Devices for NCDs in Primary Care

The newly developed WHO Operational Framework on Access to Medicines and Medical Devices for NCDs in Primary Care provides a set of actions to address both cross-cutting and disease-specific challenges related to access to medicines and medical devices.

Advancing Access: Global priorities to improve access to NCD medicines, diagnostics and medical devices[II]

In collaboration with 42 global, regional and national organisations working on NCDs and/or access, the NCD Alliance and the University of Geneva NCD policy lab have developed a document containing key priorities for improving access to medicines, diagnostics and medical devices. The document contains recommendations directed at Member States, WHO in support of Member States, global health initiatives, non-governmental organisations and civil society, and the relevant private sector. The recommendations focus on specific tools and policies and are structured around five key steps of the pharmaceutical value chain that are needed to ensure access: selection and reimbursement, regulatory processes, forecasting, procurement and pricing. The ultimate goal at the end of these steps is sustainable access to essential NCD medicines, diagnostics, and medical devices, and inclusion of these products in national reimbursement packages and/or UHC.

Advancing Access: A practical advocacy toolkit for improving access to NCD medicines, diagnostics and medical devices[II]

The Advancing Access advocacy toolkit, developed by the NCD Alliance and the University of Geneva NCD Policy Lab, aims to bridge the gap between NCD advocacy and the operational and technical levers to improve access to NCD medicines, diagnostics and medical devices. Its purpose is to help advocates gain a deeper and more comprehensive understanding of why people in their country are unable to access essential NCD medicines and medical devices, and to strengthen technical advocacy asks towards Ministries of Health, Ministries of Finance, and other relevant bodies. The toolkit is directed at advocates working at international, national and regional levels, as well as other advocates and allies, such as health professionals and people with lived experience of NCDs. The toolkit guides users through five key steps of the pharmaceutical value chain and directs them to relevant advocacy strategies, tips and templates. It also contains a compiled list of WHO-recommended NCD medicines and medical devices, a broad list of tools and initiatives and a barrier analysis for advocates to gain a deeper understanding of their access-related issue.

II The Advancing Access global priorities and advocacy toolkit are part of a collection of resources developed by NCD Alliance and UNIGE NCD Policy Lab, designed to support advocates who want to improve access to NCD medicines, diagnostics and medical devices, previous working title Global NCD Access Advocacy Platform (GNAAP).

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This policy brief was written by Marijke Kremin with contributions from Alison Cox, Joanna Laurson-Doube, and Rosalind Turkie.

Published by the NCD Alliance
Content editing and editorial coordination: Jennifer Bajdan
Design, layout and infographics: Mar Nieto
Photos: © Shutterstock

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Accelerating action on NCDs to promote health, protect rights and save lives