

# Spending for COVID-19 drove largest recorded increase in development assistance for health, but more is needed

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A new study tracking global health spending finds that \$13.7 billion in development assistance for health (DAH) went toward COVID-19 in

2020, contributing to a 35.7% increase in DAH spending compared to 2019. This unprecedented increase in spending still falls short of what may be needed to address the pandemic in low- and middle-income countries, with one study suggesting a range of \$33 billion to \$62 billion under different scenarios.

"The COVID-19 pandemic has shown us the value of tracking [health](#) spending globally and the importance of understanding how spending changes outcomes," said Dr. Angela Micah, Assistant Professor at the Institute for Health Metrics and Evaluation and a lead author of the report. "COVID-19 is an ongoing threat and one that has shifted the health landscape dramatically. These data can inform responses to the current pandemic and help decision-makers make choices about how to address future health challenges."

The annual [Financing Global Health report](#), produced by the Institute for Health Metrics and Evaluation (IHME) at the University of Washington School of Medicine, also tracked COVID-19 spending by region, which did not always align with the burden of the pandemic.

The discrepancy in the Latin America and Caribbean region was most striking. In 2020, the region experienced 28.7% of reported global COVID-19 deaths but received only 5.2% of development assistance directed specifically at pandemic needs. Sub-Saharan Africa received a larger portion of COVID-19-related DAH than any other region, a pattern that aligns with historical trends in DAH spending.

The report found that most of the DAH funding directed toward COVID-19 was new funding, as opposed to funding repurposed from other areas. Between 2019 and 2020, DAH for malaria, HIV/AIDS, and tuberculosis decreased by 2.2%, 3.4%, and 5.5%, respectively. Funding for reproductive and [maternal health](#) also decreased by 6.8%, while funding for non-communicable diseases increased by 4.7%.

The data shows that [funding](#) for system-wide approaches and health system strengthening increased by 8.8% between 2019 and 2020. Spending on [pandemic](#) preparedness, a subset of health system strengthening, was approximately 1.5% of total DAH in 2020.

"Despite the fact that DAH is a small part of overall health spending worldwide, it's vital for countries that depend on it," said Micah.

"Further growth is needed to ensure that low-income countries, where DAH makes up a quarter of all health spending, do not fall behind, particularly as COVID-19 continues to impact health care systems around the world."

The report also includes total health spending estimates for 204 countries from 1995 to 2018 and future health spending scenarios for the period from 2019 to 2050. While overall global [health spending](#) is estimated to grow to \$9.9 trillion by 2030 and \$14.4 trillion by 2050, the forecasts show global disparities persisting. In 2018, per-person spending in low-income countries was \$35, or 0.6% of spending per person in high-income settings. By 2050, that number is predicted to grow to only \$46, or 0.5% of the estimated per-person spending in high-income countries that year.

The *Financing Global Health* report and additional materials, including a data visualization tool, are available on IHME's website. [A related paper on health spending and COVID-19](#) also published September 22 in *The Lancet*.

**More information:** Angela E Micah et al, Tracking development assistance for health and for COVID-19: a review of development assistance, government, out-of-pocket, and other private spending on health for 204 countries and territories, 1990–2050, *The Lancet* (2021). [DOI: 10.1016/S0140-6736\(21\)01258-7](https://doi.org/10.1016/S0140-6736(21)01258-7)

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