



SUCCESS STORY

Uzbekistan Introduces a New Funding System for TB Hospitals

Uzbekistan Reforms its TB Financing System Based on Diagnostic-Related Groups



Meeting of the Technical Working Group members on the development of DRGs of TB service, Tashkent, Uzbekistan

“Thanks to support from USAID, Uzbekistan has gained unique experience in developing a DRG financing model for specialized care providers, aligning with international practice.”

***Mr. Zokhid Ermatov
Executive Director of the State
Health Insurance Fund***

U.S. Agency for International Development
<https://www.usaid.gov/uzbekistan>

March 2024

Photo: Bakhodirjon Mametov for USAID Uzbekistan

Uzbekistan is taking steps to reform its health financing system to enhance the efficiency and quality of healthcare services. Under the current system, funding for tuberculosis (TB) hospitals is based on the number of occupied beds. This funding system incentivizes unnecessary and prolonged patient hospitalizations, leading to the inefficient allocation of resources. To address this issue, the government issued a Presidential Decree in January 2023 to develop a financing mechanism using diagnostic-related groups (DRGs) for case-based payment in TB hospitals. This means that hospitals will now receive funding based on the number of patients treated, rather than the number of occupied beds.

Building on the momentum, USAID activities in collaboration with the Ministry of Health of Uzbekistan, State Health Insurance Fund, and National TB Program facilitated a Technical Working Group (TWG). This TWG developed analytical tables with important information about TB hospitalization, such as how many people were hospitalized, how long patients stayed, and how much it cost. USAID’s *TB Free Uzbekistan* activity specialists analyzed data from 13 TB hospitals (covering 14,998 hospitalized patients), which represented a quarter of all TB clinics in Uzbekistan. This study was the first of its kind in Uzbekistan and gave valuable insights into the structure and cost of TB treatment and highlighted the urgent need for a new funding system.

TB Free Uzbekistan’s analytical findings and innovative approaches quickly gained the attention of Uzbekistan’s Ministry of Health. As a result, DRGs were accepted, and the Ministry of Health approved a new funding system and further implementation. The technical support and analysis provided by the USAID *TB Free Uzbekistan* Activity has become invaluable in helping the government make effective decisions about budgeting for TB care. This successful development of DRGs in Uzbekistan’s TB services is a significant milestone in the country’s health reform efforts, highlighting the impact of collaboration between international organizations, governmental bodies, and healthcare professionals.