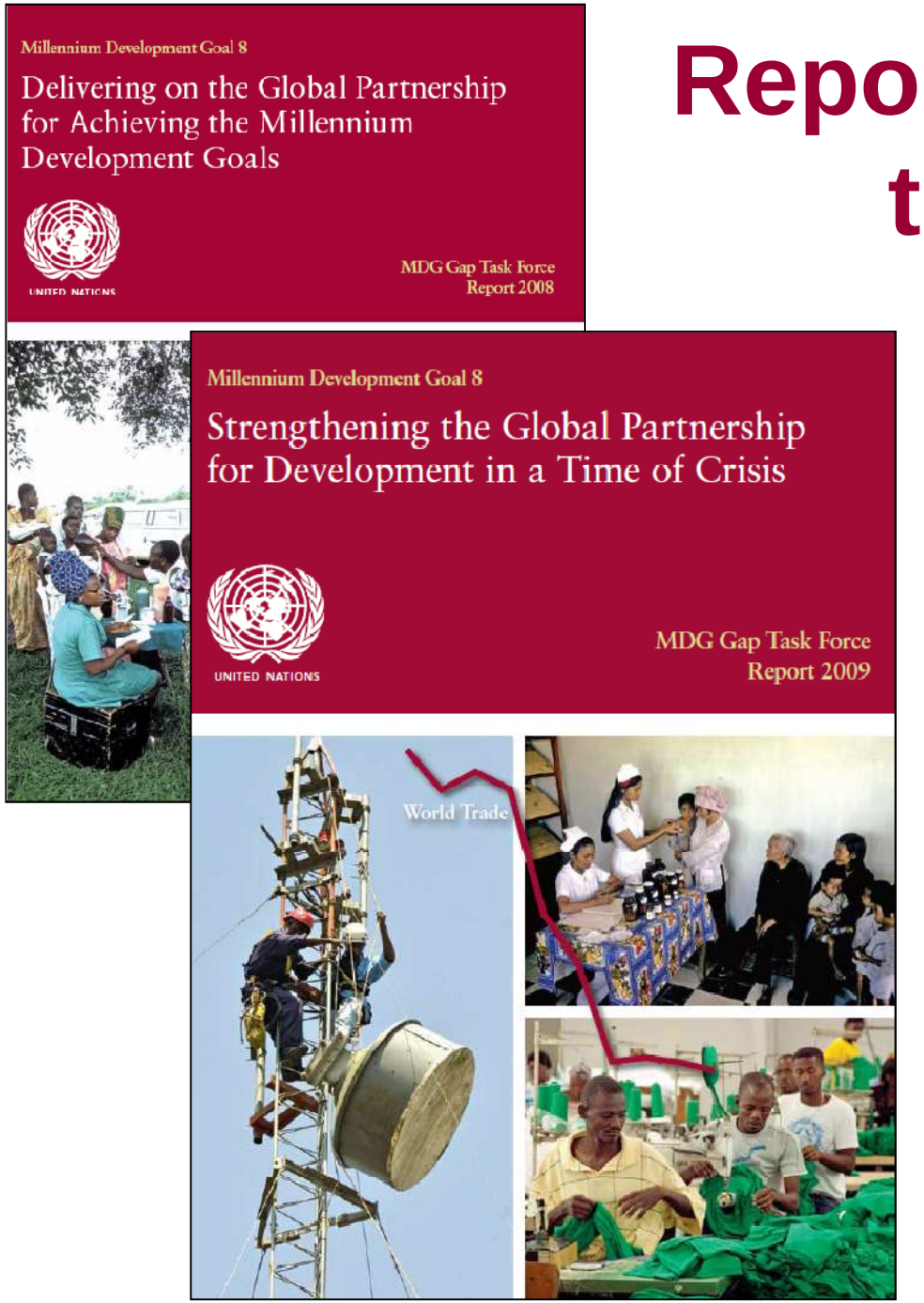

Reporting on progress towards MDG Target 8.E

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Access to medicines in the MDGs

Target 8.E: In cooperation with pharmaceutical companies, provide access to affordable essential drugs in developing countries

Indicator 8.13. Proportion of Population with Access to Affordable, Essential Drugs on a Sustainable Basis

Background

- "Health-related" MDGs viewed as 4 (child health), 5 (maternal health), and 6 (HIV/AIDS)
- Target 8.E not included in official reporting on MDGs
- In 2008, WHO requested to participate on a task force to measure and report on progress towards MDG 8 (Global Partnerships for Development)
- MDG Gap Task Force charged with development of 3 reports on the delivery, coverage and needs gaps related to $MDG_3 8$

How was access to medicines initially defined?

Indicator 8.13. Proportion of Population with Access to Affordable, Essential Drugs on a Sustainable Basis

"having medicines continuously available and affordable at public or private health facilities or medicine outlets that are within one hour's walk from the homes of the population" (United Nations Development Group. Indicators for Monitoring the Millennium Development Goals. United Nations, New York, 2003.)

9 indicators proposed by WHO for measurement of access to medicines

STRUCTURE INDICATORS:

1. Access to essential medicines/technologies as part of the fulfilment of the right to health, recognized in the constitution or national legislation.
   - WHO target: Yes

2. Existence and year of last update of a published national medicines policy.
   - WHO target: Yes, and updated within the last ten years

3. Existence and year of last update of a published national list of essential medicines.
   - WHO target: Yes, and updated within the last two years

4. Legal provisions to allow/encourage generic substitution in the private sector
   - WHO target: Yes

9 indicators proposed by WHO for measurement of access to medicines (cont'd)

PROCESS INDICATORS:

5. Public and private per capita expenditure on medicines.
   - WHO target: country-specific $ value

6. Percentage of population covered by health insurance.
   - WHO target: country specific; ultimately 100 per cent

7. Average availability of 30 selected essential medicines in public and private health facilities
   - WHO target: 80 per cent; probably needs country-specific targets

8. Median consumer price ratio of 30 selected essential medicines in public and private health facilities.
   - WHO target: below 4x world market reference price

9. Margin or mark-up (in per cent) between producer and consumer price.
   - WHO Target: country specific, but generally below 70 per cent (to be refined)

Data collection and source

Access to essential medicines/technologies as part of the fulfilment of the right to health, recognized in the constitution or national legislation (Ind. 1):

- review of national constitutions conducted in 2008 but not routinely collected.

Existence and year of last update of a published national medicines policy (Ind. 2); Existence and year of last update of a published national list of essential medicines (Ind. 3); Legal provisions to allow/encourage generic substitution in the private sector (Ind. 4):

- WHO *Questionnaire on structures and processes of country pharmaceutical situations ("Level 1").*
- Measures national-level structures and processes of pharmaceutical sector
- Data collected through country questionnaires sent to WHO representatives in each Member State.
- Repeated every four years.

Data collection and source

Public and private per capita expenditure on medicines (Ind. 5):

- National Health Accounts
- Monitors resource flows in a country's health system for a given period.
- Reflects main functions of health care financing: resource mobilization and allocation, pooling and insurance, purchasing of care, and distribution of benefits.

Percentage of population covered by health insurance (Ind. 6):

- Reported using data from the World Health Survey 2004, but not routinely collected.

Average availability (Ind. 7) and median consumer price ratio (Ind. 8) of 30 selected essential medicines; Margin or mark-up (in per cent) between producer and consumer price (Ind. 9):

- WHO/HAI medicine price and availability surveys
- Availability/price of ~ 50 medicines collected in 6 regions in a sample of medicine dispensing points.
- Add-on costs collected by tracking selected medicines through the supply chain.
- Most countries have only conducted a single survey.

Key findings

Recognition of essential medicines in national constitutions

- Health is a fundamental human right recognized in at least 135 national constitutions. However, only five countries specifically recognize access to essential medicines/technologies as part of the fulfilment of the right to health.

Recently updated National Medicines Policies

- Worldwide, 71 per cent of countries have a published national medicines policy. However, only 48 per cent of developing countries have updated their policy in the past 5 years, compared to 86 per cent of developed countries.

Recently updated National Essential Medicines List

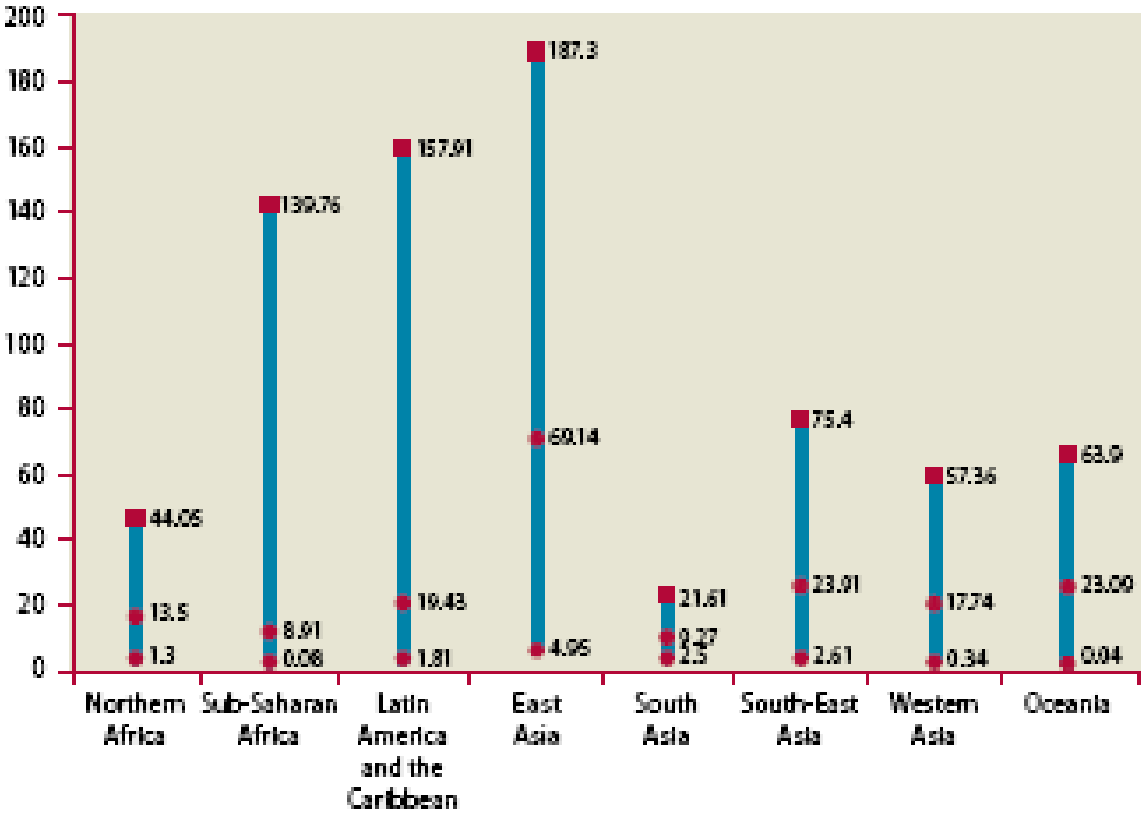
- Nearly all (95%) developing countries have a published national EML, and of these 86 per cent have been updated in the past 5 years.

Generic substitution policies

- About 72% of developing countries have legal provisions to allow or encourage generic substitution in the private sector.

Key findings – Public expenditure on medicines

Public per capita expenditure on medicines, 2007 (*dollars*)



National per capita spending on medicines in the public sector ranges from US $0.04 to $187.30 among developing countries.

Sources: WHO Questionnaire on structures and processes of country pharmaceutical situations & OECD Database 10/2007.

Key findings – Total pharmaceutical expenditure (TPE)

Cost of medicines in relation to GDP and health expenditures, by income group, 2006

Income group	Population (millions)	Number of WHO members	Sample size	Share of GDP (percentage)		Share of total health expenditure (percentage)	
				Mean (percentage)	Median (percentage)	Mean (percentage)	Median (percentage)
High	983	48	43	1.40	1.40	18.6	17.9
Upper-middle	782	42	35	1.35	1.20	21.5	19.8
Lower-middle	3 106	54	33	1.48	1.20	25.3	22.7
Low	578	49	19	1.50	1.50	28.9	26.0
Total	5 449	193	130	1.40	1.30	22.6	20.2

Source: National Health Accounts

TPE is closely related to a country's GDP and to its total health expenditures.

Key findings - Population covered by health insurance

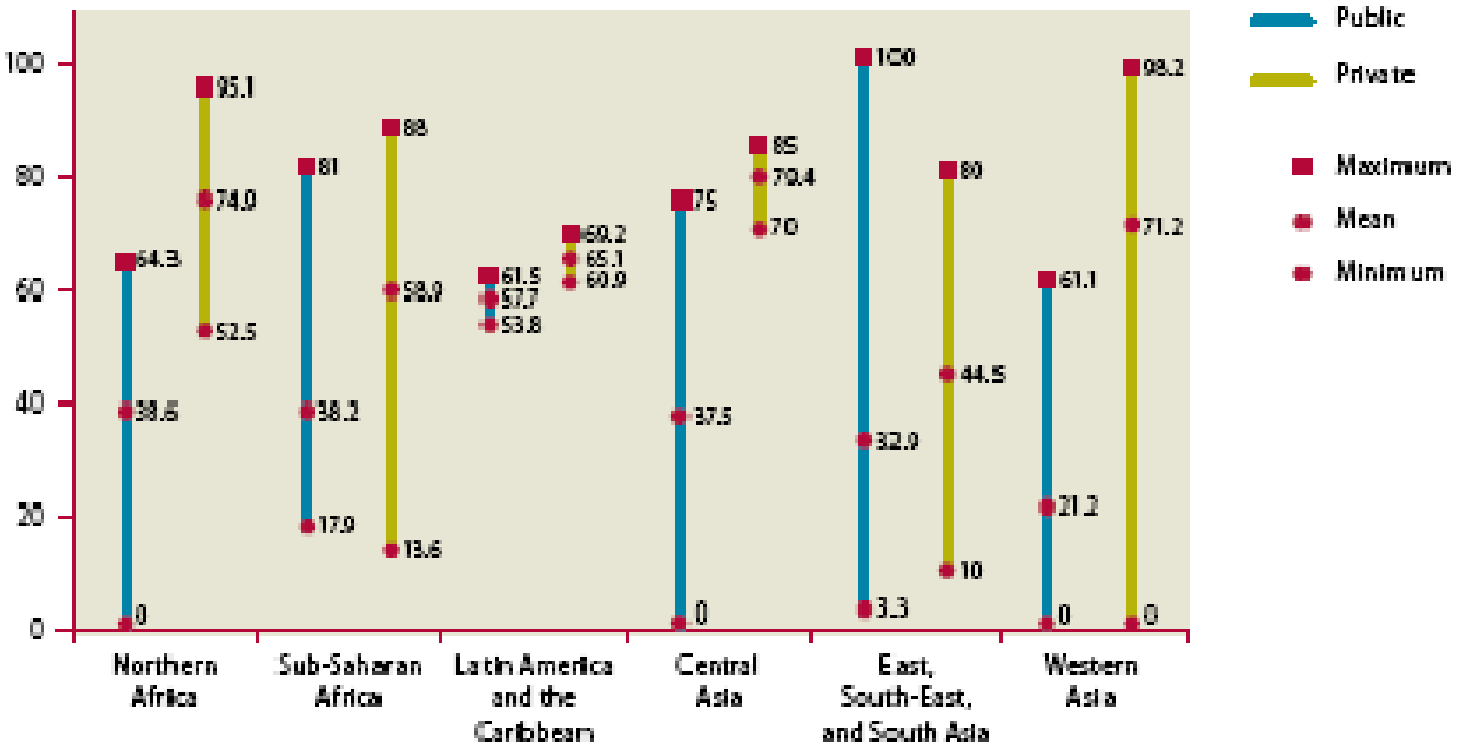
World Bank Country Income Group	Average* per cent of population covered by health insurance (min, max)
High income (n = 4)	79.50 (9.63, 99.51)
Upper middle income (n= 11)	43.03 (5.77, 98.67)
Lower middle income (n = 13)	20.07 (2.37, 98.98)
Low income (n = 17)	2.78 (0.08, 27.42)

Source: World Health Survey data (2003 for all countries except China (2002) and Kenya (2004)). Available from: http://surveydata.who.int/index.html.
*Weighted average by population across countries in each World Bank Country Income Group.

Key findings - Availability of essential medicines

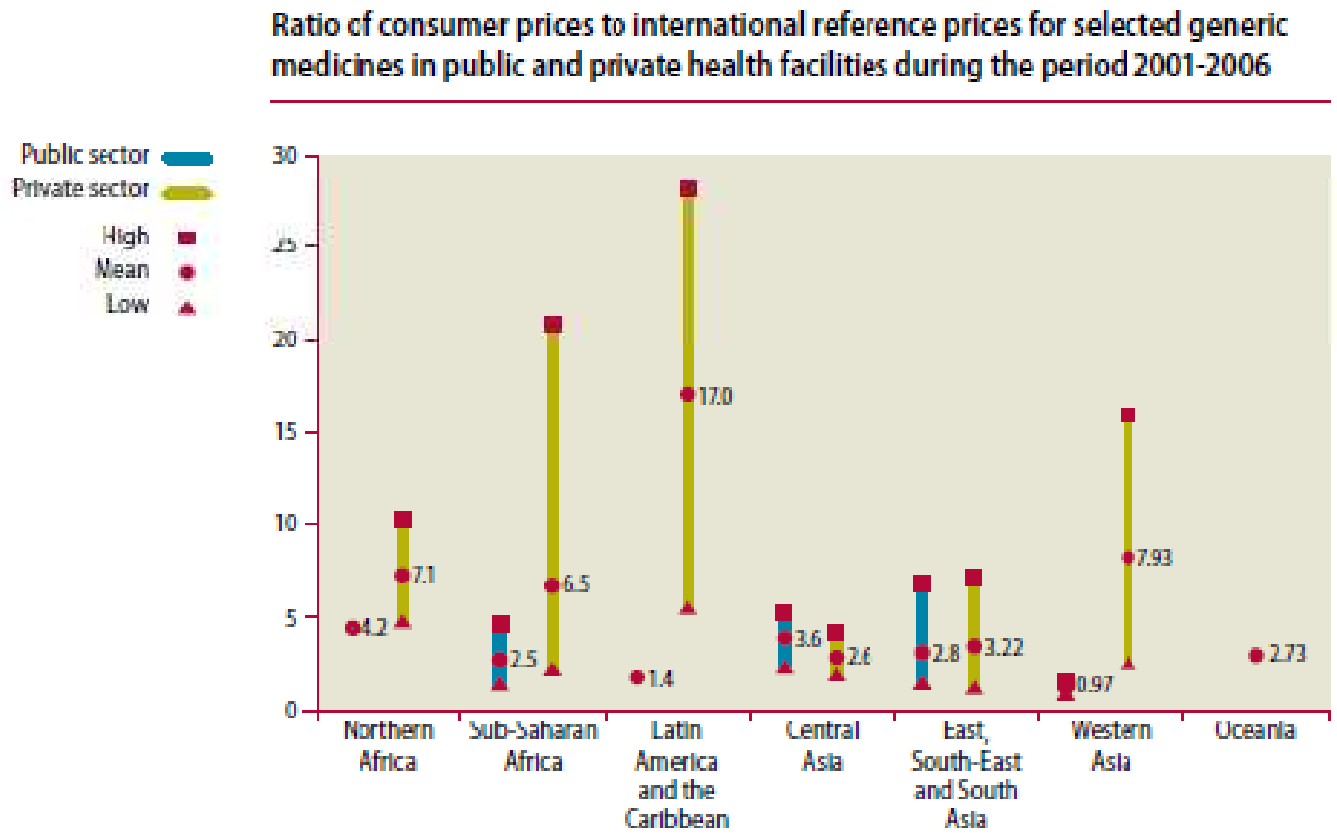
- Average availability was only 38.1% in the public sector and 63.3% in the private sector.
- Public sector availability of medicines is consistently lower than in the private sector.

Availability of selected medicines in public and private health facilities between 2001 and 2007 (*percentage*)



Key findings - Price of essential medicines

- Lowest-priced generic medicines cost 6.1 and 2.5 times international reference prices (IRPs) in the private and public sectors, respectively.
- Add-on costs in the supply chain can more than double medicine prices in the private sector. Public sector mark-ups can also be substantial.



Current limitations of indicators proposed by WHO for measurement of access to medicines

- Do not cover all areas related to medicines access
- Some data not routinely collected (e.g. constitutions, insurance coverage)
- Periodicity of measurement makes it difficult to monitor progress
- Weak reliability of some Level 1 indicators (currently efforts to improve validation of country data)

Level 1 2011- "Country Profiles"

- Tools similar to level I, but including indicators from level II and level III surveys- both structures and outcomes will be captured.
- Main changes in the process:
  - **Tool prefilled** (more speed, less effort for countries and duplication).
  - Data quality- **source identified, official endorsement**.
  - On-line data collection (less errors & possibilities of uploading key documents).
- Information used to build **profiles** (more data ownership; data easier to use for WHO staff and partners working on country support; visibility for medicines issues).

But… reporting is raising the profile of access to medicines as part of MDGs

TARGET

In cooperation with pharmaceutical companies, provide access to affordable essential drugs in developing countries

Poor availability and high prices are barriers to access to essential drugs in developing countries

Pharmaceutical companies, ranging from multinationals to generic manufacturers to national distributors, are critical in ensuring that people have access to affordable drugs. For their part, governments need to define national goals and objectives for the pharmaceutical sector and to identify strategies to meet them. Most developing countries have a National Medicines Policy, but more than half of these policies have not been revised in the past five years and need updating. Nearly all developing countries also have a published Essential Medicines List – a government-approved list of medicines that are intended to be available within the public health system at all times, in adequate amounts, in the appropriate dosage forms, with assured quality, and at a price the individual and the community can afford. However, in most developing countries the availability of medicines at public health facilities, where they are usually provided at a low cost or free-of-charge, is often very poor. This is due to a combination of factors such as inadequate funding, lack of incentives for maintaining stocks, inability to forecast accurately, and inefficiencies in procurement, supply and distribution. International health funds, such as the Global Fund to Fight AIDS, Tuberculosis and Malaria, have become important channels for improving the procurement and distribution of HIV, tuberculosis and malaria medicines to public health facilities.

In all regions, availability is better in the private sector, but can still be poor. Surveys in about 30 developing countries indicate that availability of selected drugs was only 35 per cent in the public sector and 63 per cent in the private sector. In a sample of six countries in Eastern, South-Eastern and Southern Asia, availability in the private sector was only 45 per cent.

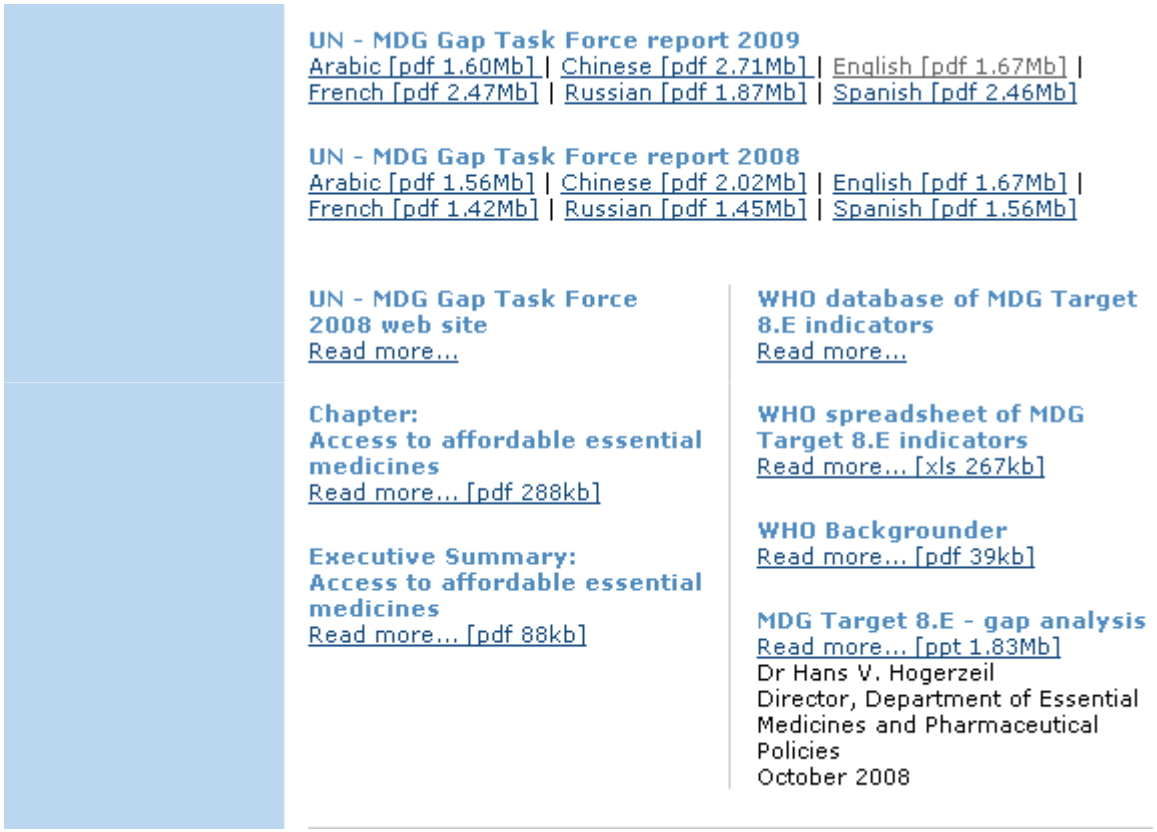
Some pharmaceutical manufacturers have lowered their prices to public health systems in developing countries to accord with the purchasing power of governments and households. However, the poor availability of medicines in the public sector often forces patients to purchase medicines in the private sector where prices are still higher. Even generic medicines acquired in the private sector are often several times their international reference price, and the prices of originator brand medicines are generally much higher. In the 33 developing countries for which data are available, lowest-priced generic medicines in the private sector cost over six times international reference prices. Some countries have attempted to make private sector mark-ups transparent, while others have regulated them.

Generic drugs offer an alternative to higher priced original and brand-named medicines. Options to promote the use of generics include allowing pharmacists to dispense a generic product in place of the originator brand listed on the prescription. Less than three quarters of developing countries have generic substitution policies. Other strategies for increasing the use of generic medicines include preferential registration procedures, encouraging price competition, and increasing the confidence of physicians, pharmacists, and patients in the quality of generic medicines.

And, WHO indicators will soon be described in Handbook on MDG meta-data

- "Indicators for Monitoring the Millennium Development Goals"
- guidance on the definitions, rationale, concepts and sources of data for each of the indicators that are used to monitor the MDG targets.
- First edition published in 2003; second edition to be published in Dec. 2009

For full report, access to data and other information



http://www.who.int/medicines/mdg/en/index.html