



9 countries from the WHO African Region meet to analyse data from their Medicines Prices Surveys

Thirty-four participants from the Ministries of Health, WHO and Civil Society of nine African countries met for three days in Pretoria at the end of January to review and analyse more than twenty-six thousand pieces of price information collected as part of medicines prices surveys carried out between April and December 2004 in the nine countries.

All the surveys were carried out using the WHO and Health Action International methodology: *Medicines Prices: a new approach to measurement*.

The countries involved are Ethiopia, Ghana, Kenya, Mozambique, Nigeria, South Africa, Tanzania, Uganda & Zimbabwe and the meeting was organised as part of the WHO/Health Action International, Regional Collaboration for Action on Essential Medicines in Africa. A variety of sectors were surveyed in the nine countries including public facilities, private pharmacies, dispensing doctors, and private clinics/hospitals.

The Honourable Minister of Health of the Republic of South Africa, Dr M E Tshabalala-Msimang welcomed participants where she emphasized the importance of medicine prices surveys to provide evidence as to the extent that prices are one of the important barriers to access to medicines, and the need to intensify country support to make essential medicines more affordable and accessible to contribute in the improvement of the health status of the African population.

Preliminary results were presented during the workshop. Participants further cleaned their data and determined how to best analyse, present, interpret results and, to present and make evidence-based policy recommendations in an effective way to stakeholders and policy makers. It was apparent that reliable data and evidence on medicine prices are the first steps to identifying strategies and policies to lower the widely varying and unaffordable medicine prices observed in many African countries and to highlight some of the contributing factors.

Strategic approaches in making medicine prices more affordable were discussed; these included improving availability and appropriate use of generic medicines, providing reliable price information, the need for continuous monitoring of procurement and retail prices, improving efficiency of supply and distribution systems, regulating mark-ups and removing import taxes and levies on essential medicines.

After this meeting, countries returned home to further clean their data and finalise national reports with evidence based policy recommendations which would then be shared with stakeholders for comment. All countries are also planning how to disseminate the findings and how the various partners can contribute to advocate to achieve the recommended policy changes and other recommendations.

Findings from the preliminary data and issues identified by the countries

Below are reported some of the findings that emanated from the analysis of the preliminary data from 8 of the countries.

Public sector procurement prices

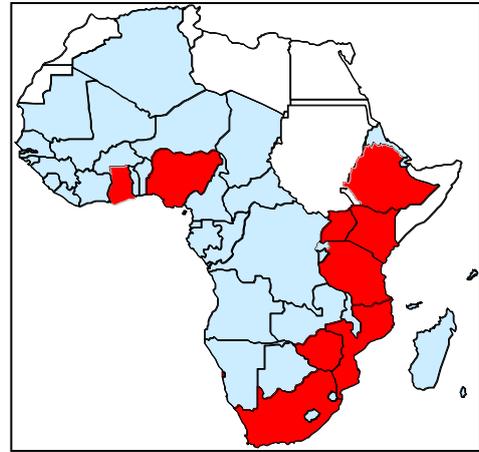
Good prices were obtained overall in public sector procurement; however there was generally poor availability in the public facilities. Five countries reported their procurement prices being less than the international reference price (MSH 2003) (n=6).

Private sector prices

Medicine prices were considerably higher in the private sector. The median patient prices for the lowest price generic were twice as high with dispensing doctors compared to private pharmacies (n=2).

Prices of innovator and generic medicines

Prices of innovator brands are considerably higher than the prices of their lowest priced generic equivalents. In private pharmacies, innovator brand medicines were found to be on average 400% more expensive than their lowest price generic equivalent for a basket of medicines; however this varied from around 200% to almost 700% between countries (n=8). The level of implementation of practices of generic prescribing and dispensing therefore has a major impact on the proportion of income that patients have to pay for their prescription or medicines.



Variations in prices within and between countries

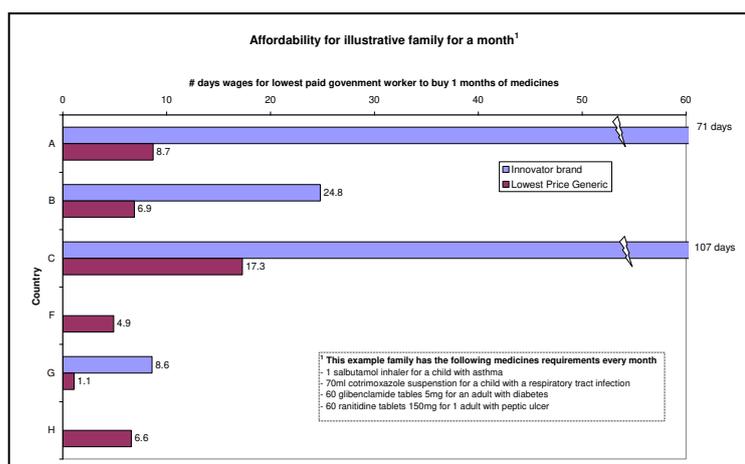
There is a lack of consistency in the pricing of medicines within countries: large price variations for the same brand or generic entity within and between sectors; in some countries, there were significant variations in medicine price between public sector facilities. In one country prices varied, on average, by 300% for the same innovator brand or generic entity within the same sector – for quite a number items this variation was greater than 1000%.

There are large variations in prices between countries for the same medicine; the price of innovator brand medicines varied on average by 220% between countries, and for the available lowest price generic, by 217% (n=8).

Affordability

Medicines were generally unaffordable for a large number proportion of the population - particularly for chronic diseases. The graph below illustrates the affordability of medicines for a family across the 8 countries; within the family, there is an asthmatic child with a respiratory infection, an adult with diabetes and an adult with a peptic ulcer.

In county “C”, a lowest paid government worker would need to work 107 days or 17.3 days for innovator and generic medicines respectively to pay for a month’s treatment and the course of antibiotic. With 7 out of the 8 countries, it would take (almost) 5 days or more salary to pay for the medicines. It should be noted that many family’s incomes are lower than that of the lowest paid government worker and hence these medicines are probably unaffordable to the majority of the population in most if not all of the countries.



The out-of-pocket affordability of malaria treatments is of critical importance in malaria endemic countries. The affordability of a course of sulphadoxine-pyrimethamine tablets was found to be a little as 0.1 days and as much as 1.3 days salary for the lowest paid government worker depending upon whether the innovator or generic medicine was prescribed, dispensed and purchased. The variation between countries in affordability was 820% for innovator brand and 1400% for the available lowest priced generic..

Preliminary recommendations identified by the countries

The following preliminary recommendations began to emanate from the preliminary analysis of the results.

- Countries need to have a policy on the pricing of medicines which contains elements of ensuring price transparency, price control and enforcement.
- Price transparency through ongoing monitoring and publication of pricing and availability information are important tools to reduce price variations for the same entity, as well as to monitor the effects of any interventions
- Sharing of price information between countries is an important tool to influence policy change within a country as well as to be able negotiate better prices - especially within economic sub-regions
- Increase consumer awareness and acceptance of good quality generic equivalents
- Legislate for generic substitution and promote and provide incentives for generic prescribing and dispensing in all sectors; stimulate and promote local production of generic medicines
- Public sector to focus on initiatives to improve availability including better quantification and demand driven supply systems
- Removal of all taxes and tariffs including VAT on medicines, especially essential medicines