

**15<sup>th</sup>**  
**GENERAL MEMBERSHIP MEETING**  
*of the* **REPRODUCTIVE HEALTH**  
**SUPPLIES COALITION**  
20-24 OCTOBER  
MEXICO CITY

**mexico**  
**2004-2014**  
**REPRODUCTIVE HEALTH**  
**SUPPLIES COALITION**



## UNIVERSAL HEALTH COVERAGE: CONSIDERATIONS FOR RH SUPPLIES AND SUPPLY CHAINS - OVERVIEW

Dr. Fabio Castano



AVAILABILITY



QUALITY



EQUITY



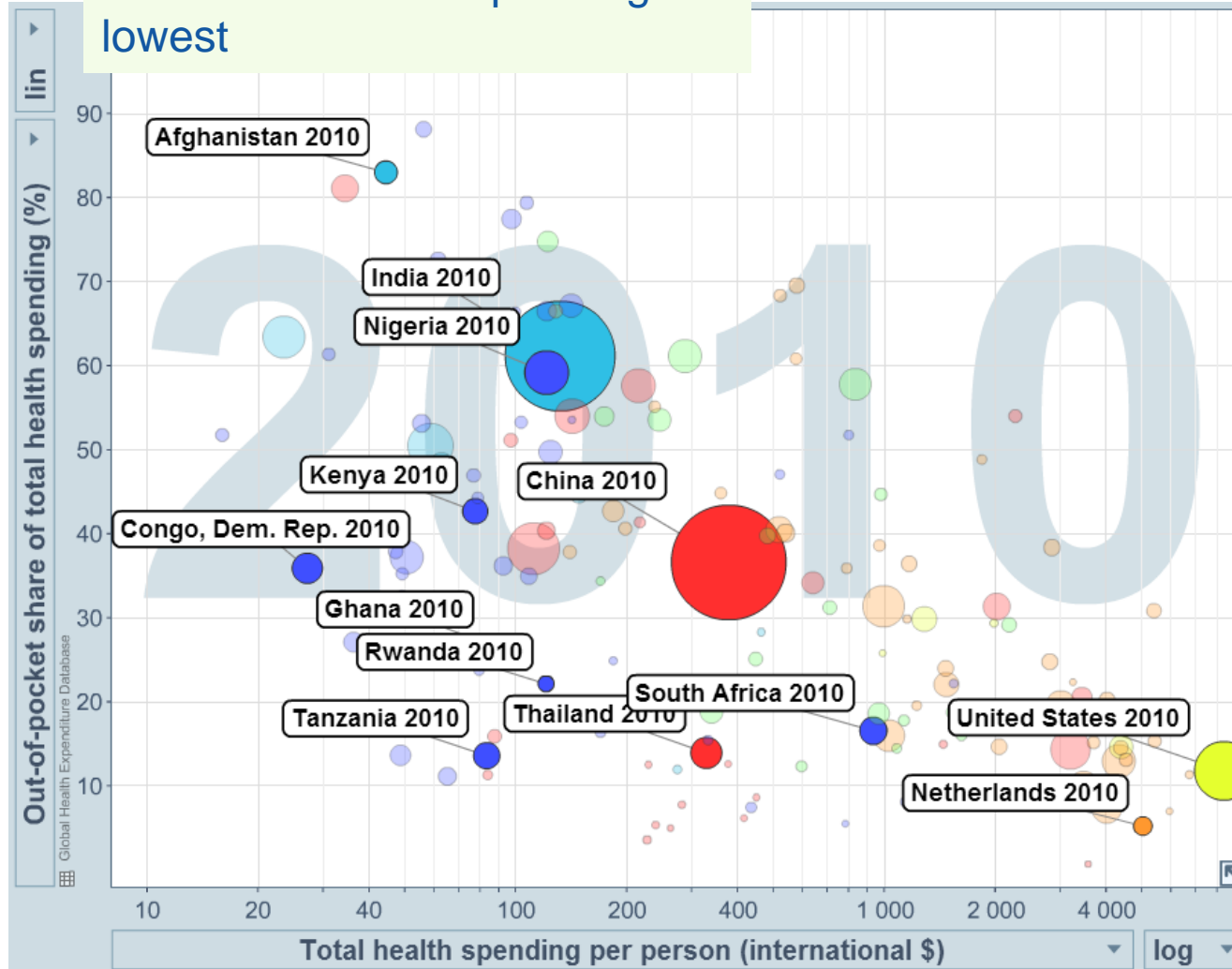
CHOICE

SALUD  
SECRETARÍA DE SALUD



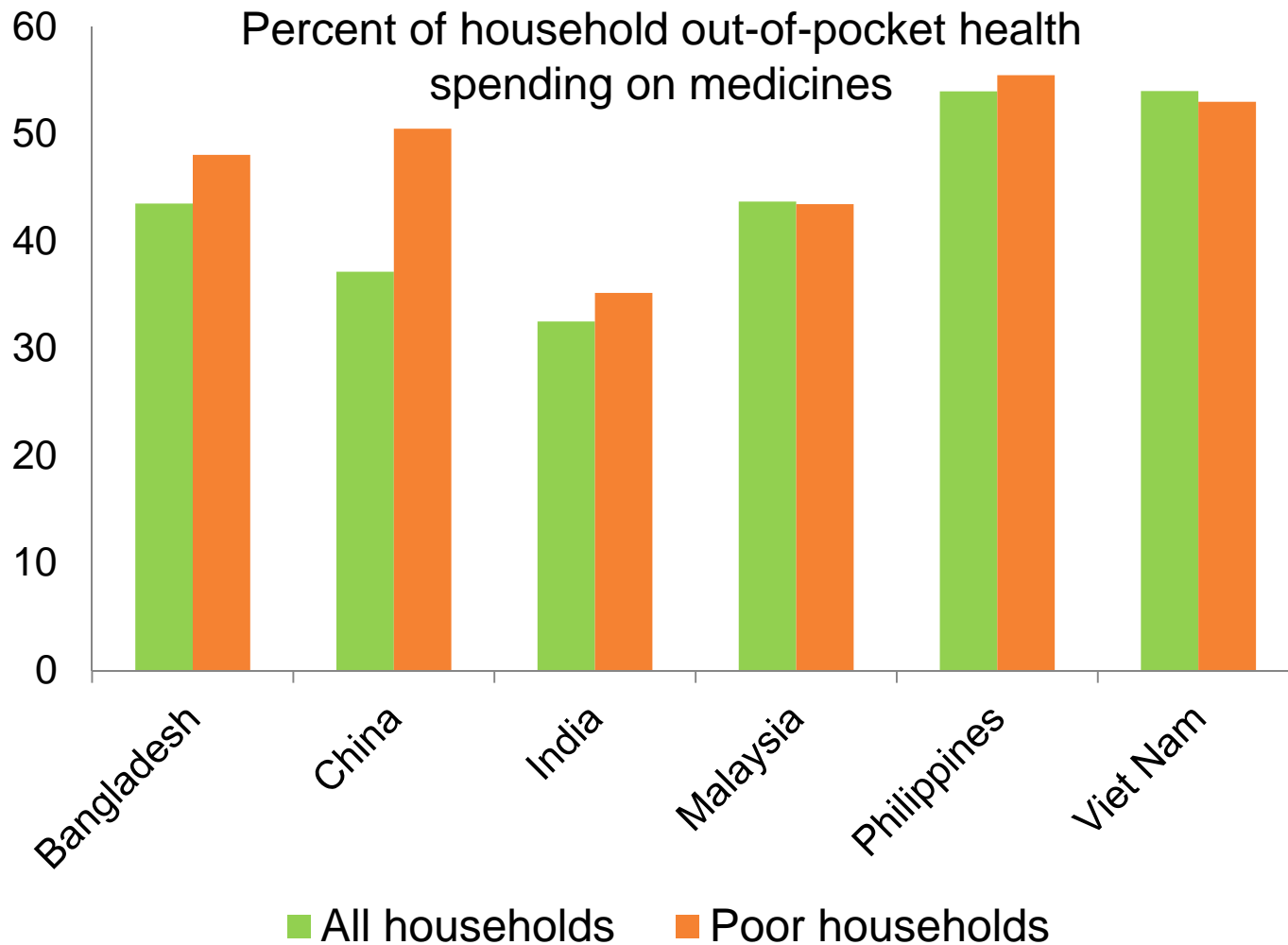
## UNFAIR HEALTH FINANCING

High out-of-pocket spending  
where total health spending is  
lowest



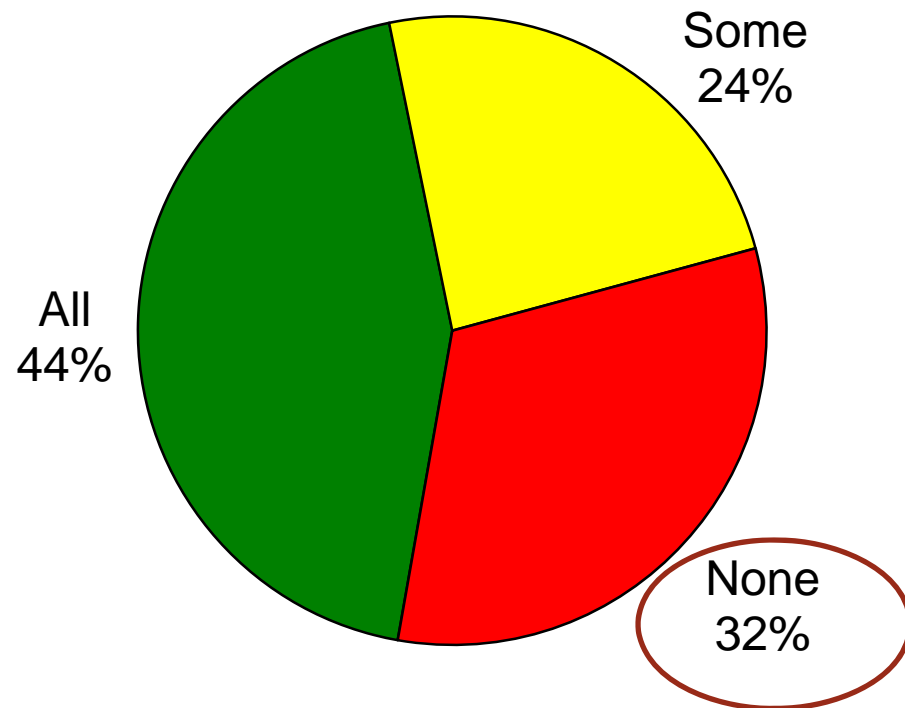


## WHERE DOES HOUSEHOLD SPENDING IN HEALTH GO?

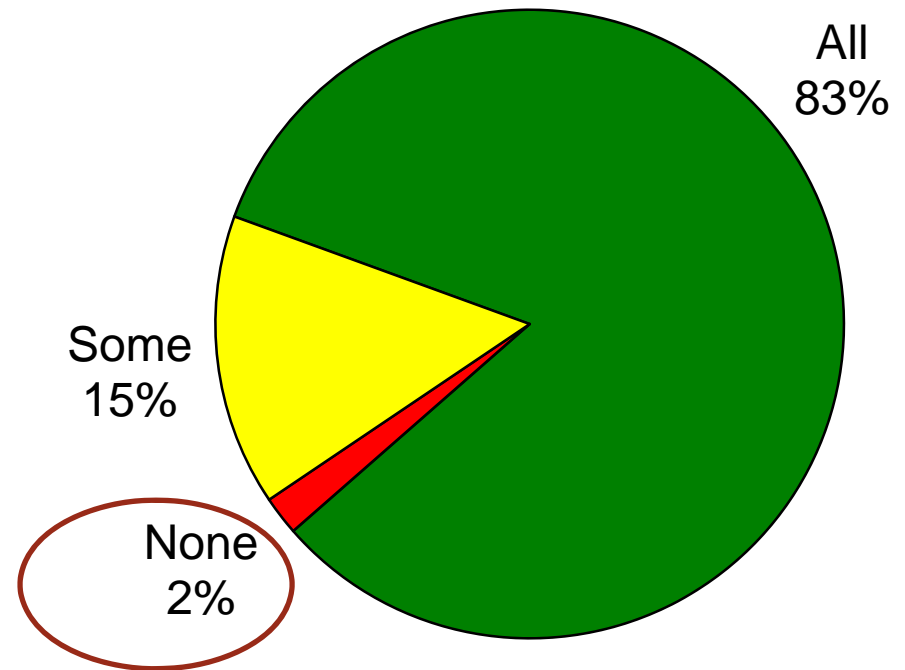


% respondents with recent acute illness  
receiving prescribed medicines, Tanzania, 2002

### Low Income



### High Income



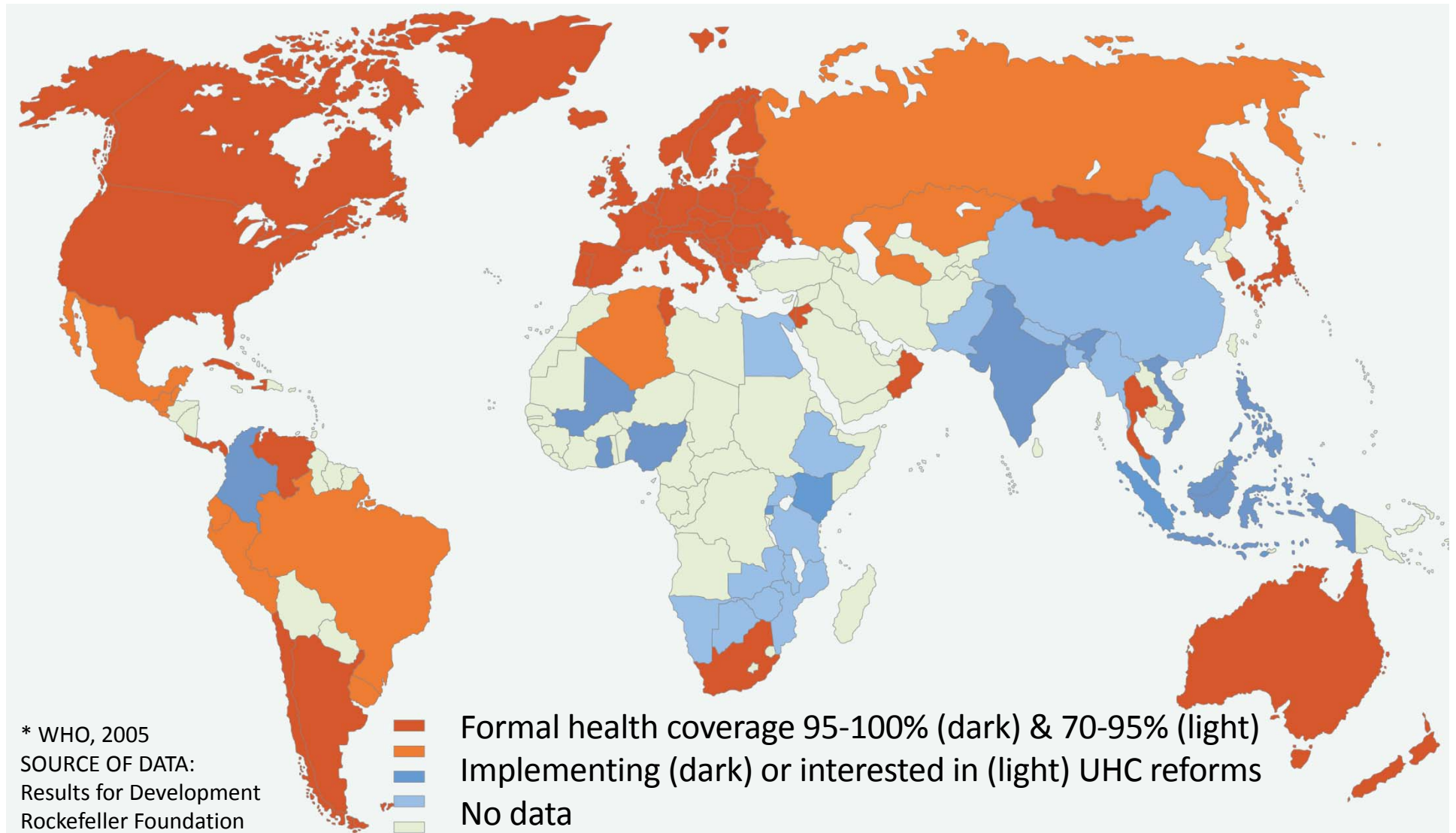
Tanzania, 2002, WHO essential medicines project

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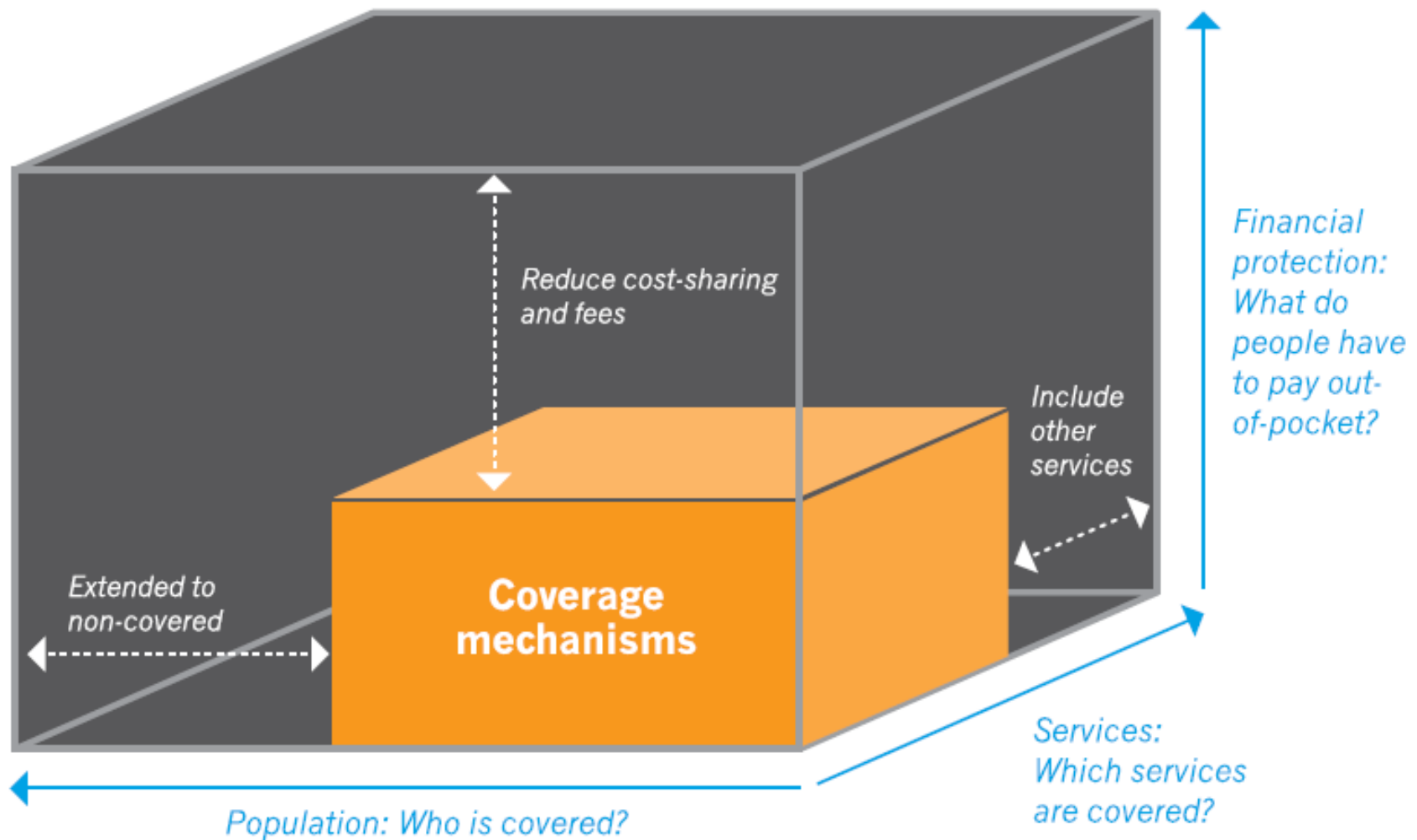
UHC implies that **all people** have **access**, without discrimination, to nationally determined sets of needed preventive, curative and rehabilitative basic health **services** and to essential, safe, **affordable**, effective and **quality medicines**, while ensuring that the use of these services does not expose the user to **financial hardship**, with special emphasis on the poor, vulnerable, and marginalized segments of the population.”

## UHC MOVEMENT IS ACCELERATING

50 countries near/at UHC + 50 countries on the way



## MECHANISMS TO ACHIEVING UHC





9 **UHC COUNTRY APPROACH:**  
from core principles to national implementation



### Common Core Principles

- Pre-Payment**
  - Domestic-plus financing
  - Limited out-of-pocket fees
- Risk Pooling**
  - Rich and poor
  - Healthy and sick
- Basic Health Needs**
  - Prevention
  - Early detection
  - Care and treatment

### Country Variations

- Financing**
  - Tax-based
  - Social health insurance
  - Community insurance
  - Employer-based
- Delivery**
  - Public sector
  - Private sector
  - Local/NGO services
  - Hybrid
- Creation**
  - Progressive
  - “Big Bang”



## ACCESS TO MEDICINES THROUGH UHC: Golden Ring or Trojan Horse?



### The Golden Ring

- Increased access to medicines with improved health outcomes
- Greater financing equity with reduced medical impoverishment
- Increased UHC acceptance



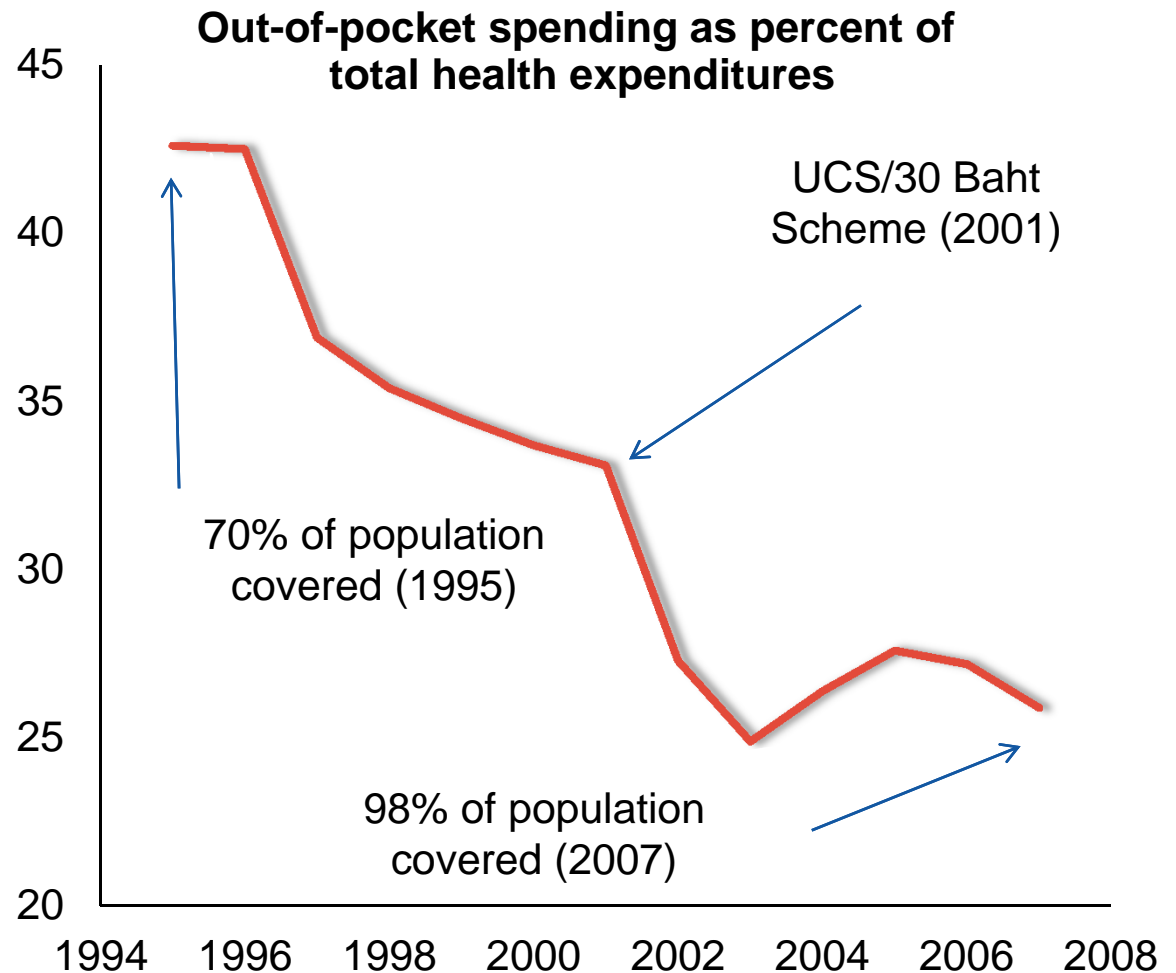
### The Trojan Horse

- Adverse impacts of cost controls that reduce health impact
- Excess demand, more fraud and abuse
- Rising costs that threaten UHC program viability

## THAILAND: EVOLVING EXPANSION OF COVERAGE



- 1963 - Civil Servants Medical Benefits Scheme - 8%
- 1992 – 1995 - Compulsory Social Security Scheme - 13%, Free care for children and elderly
- 2001 – Universal Coverage Scheme (UCS/"30-Baht") - 75%
- 2007 - Private Health Insurance



Sources: [www.jointlearningnetwork.org/](http://www.jointlearningnetwork.org/) and McKinsey Co 2010

# THAILAND: MEDICINE COST ESCALATION & RESPONSE

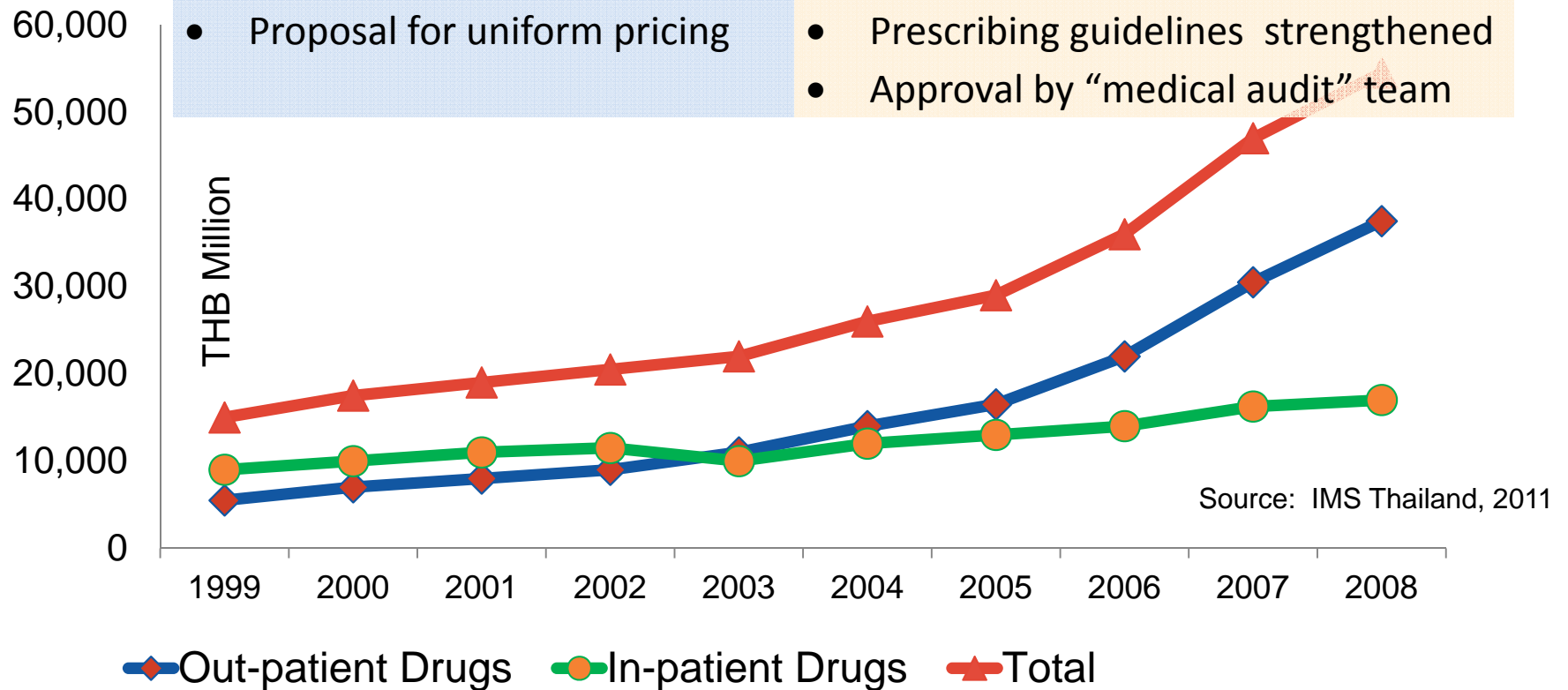


## 2009 Measures

- Drug use audits , 14 hospitals
- Generic substitution
- Prescribing restrictions
- Proposal for uniform pricing

## 2010 Measures

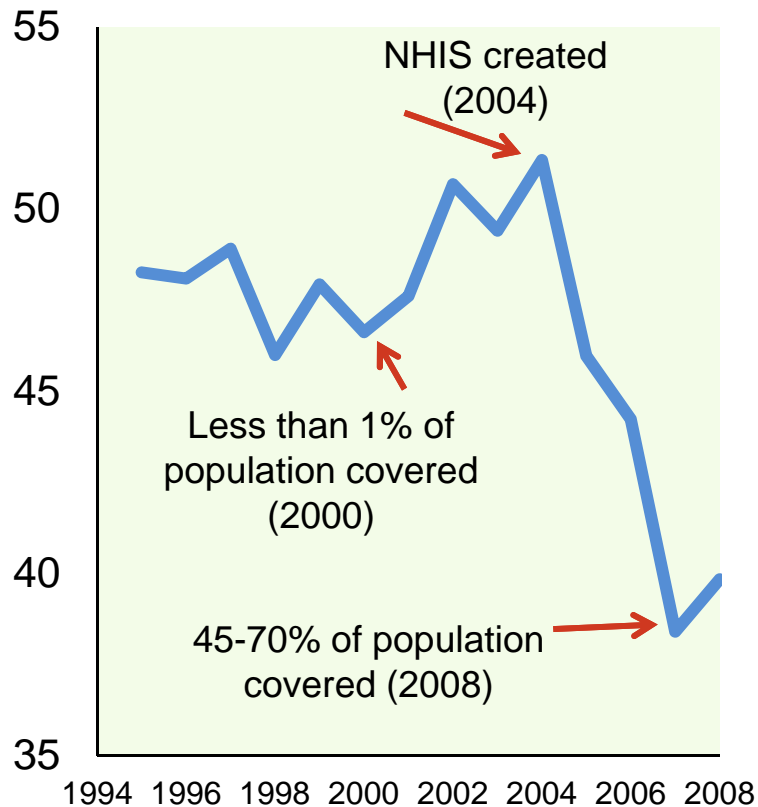
- Audits expanded to 34 hospitals
- Stronger generic substitution
- Prescribing further restricted
- Prescribing guidelines strengthened
- Approval by “medical audit” team



# GHANA – EXPANDING COVERAGE, RISING TOTAL CLAIMS, INCREASING DRUG COSTS

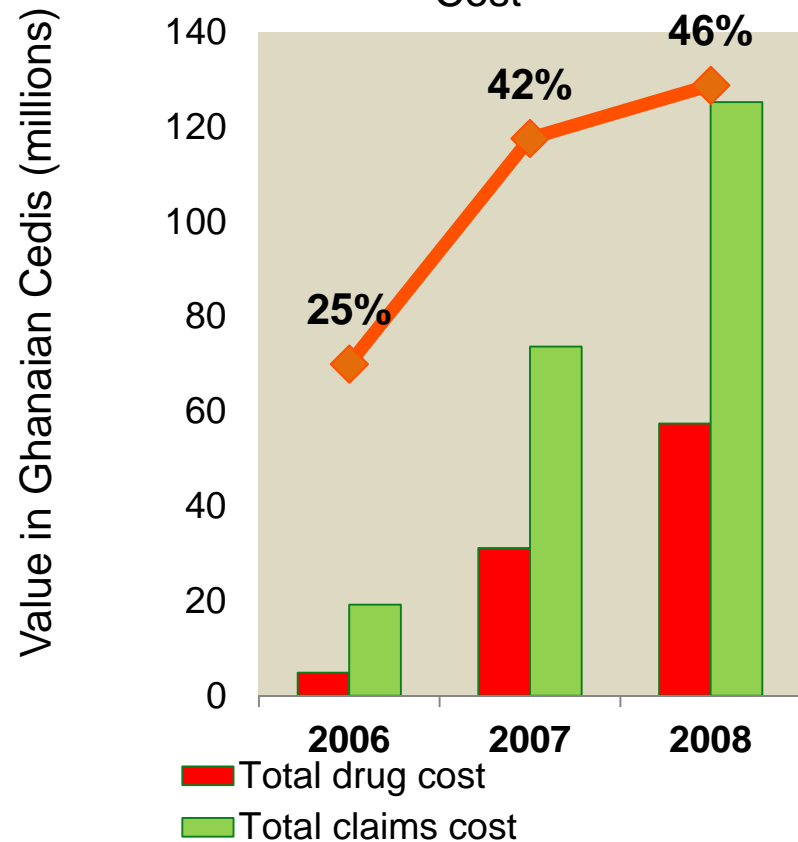


Out of pocket spending as % of total health expenditure



Source: McKinsey Co 2010

Drug Costs as a % of Total National Health Insurance Claims Cost



Source: Roberts and Reich, 2011, data from Mensah and Acheampong 2009

# PHARMACEUTICAL MANAGEMENT STRATEGIES FOR VALUE IN UHC

## Ensuring Availability of Quality Generic and Innovative Products

- Monitoring product quality
- Prequalifying suppliers, products
- Negotiating prices, quality, volume, supply chain security
- Promoting fair competition
- Engaging in risk sharing agreements
- Establishing patient assistance programs

## Encouraging Appropriate Use

- Implementing & updating standard treatment guidelines (STG)
- Matching essential medicines and reimbursements lists to STG
- Assessing provider performance
- Managing care comprehensively
- Implementing and monitoring policies to encourage clinically appropriate and cost-effective use



## Improving Equitable Access

- Understanding socioeconomic and geographic disease and utilization profiles
- Assessing household care seeking and barriers to care
- Expanding provider networks
- Targeting policies and programs to improve access for vulnerable populations

## Keeping Costs Affordable

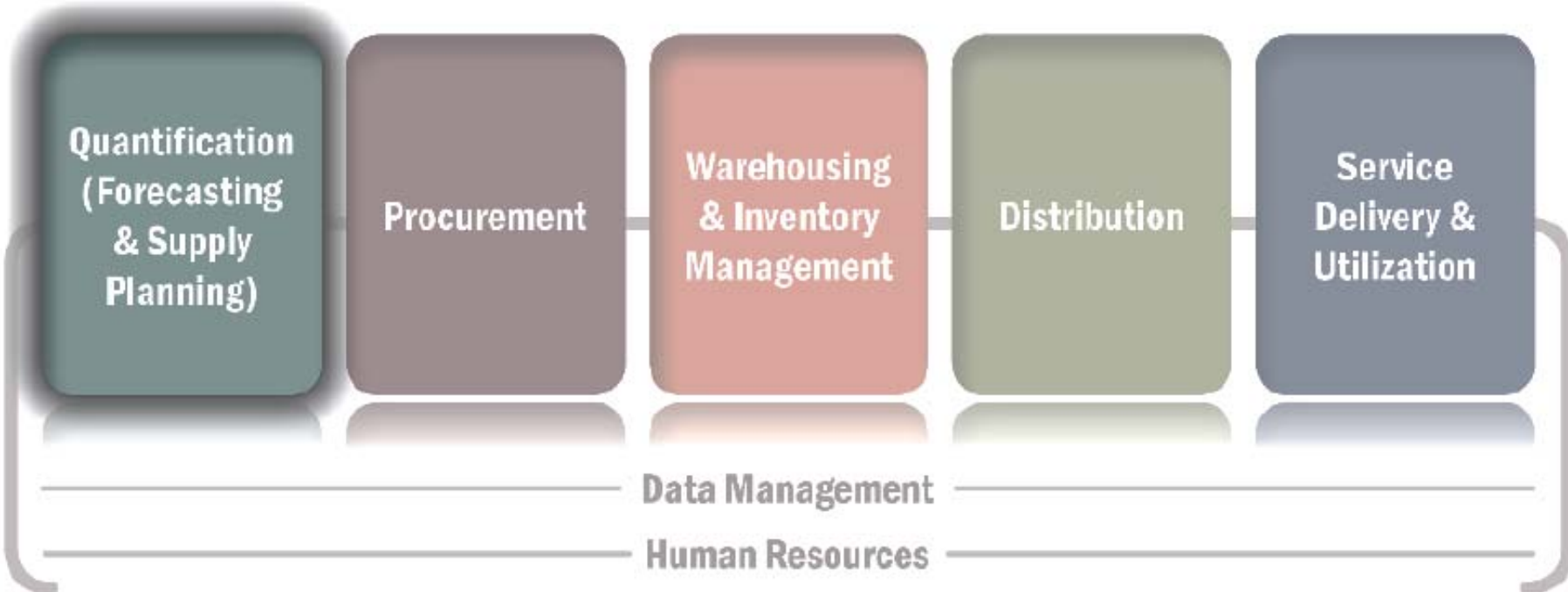
- Monitoring routine medicines expenditures by therapeutic area
- Evaluating health technologies, budget impact drivers
- Assessing household medicines expenditure burden
- Implementing and monitoring policies and programs to reduce waste, inappropriate use

Figure 1 Competing objectives in the medicines sector and selected approaches to balance them.

# APPLYING UHC PRINCIPLES - STRENGTHENING HEALTH SYSTEMS AND ACCESS TO MEDICINES



# APPLYING UHC PRINCIPLES - STRENGTHENING SUPPLY CHAIN MANAGEMENT





## MAXIMIZING HEALTH IMPACT AND VALUE WITH UHC & ACCESS TO MEDICINES

- Stakeholder engagement and communication
- “Smart” therapeutics
- Value-based policy design
- Increased efficiency
- Reliable partners
- Performance management
- Culture of adaption

BEST  
PRACTICE



## CONCLUSIONS – UHC & EXPANDING ACCESS TO MEDICINES



### **Out-of-pocket spending**

- Too often the largest source of national health financing
- A major source of impoverishment
- Has both favorable and adverse health consequences

### **Universal health coverage**

- Emphasizes reorganizing domestic financing
- Proving feasible through many national variations
- Offers great promise to expand access to medicines

### **Success in expanding medicine access depends on**

- Strong policies and governance
- Informed pharmaceutical management strategies
- Managing goals of health impact and program viability

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