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

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UNFAIR HEALTH FINANCING

High out-of-pocket spending where total health spending is lowest
WHERE DOES HOUSEHOLD SPENDING IN HEALTH GO?

Percent of household out-of-pocket health spending on medicines

- Bangladesh
- China
- India
- Malaysia
- Philippines
- Viet Nam

- All households
- Poor households
% respondents with recent acute illness receiving prescribed medicines, Tanzania, 2002

Tanzania, 2002, WHO essential medicines project
“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

* WHO, 2005
SOURCE OF DATA:
Results for Development
Rockefeller Foundation

Formal health coverage 95-100% (dark) & 70-95% (light)
Implementing (dark) or interested in (light) UHC reforms
No data
MECHANISMS TO ACHIEVING UHC

Financial protection: What do people have to pay out-of-pocket?

Coverage mechanisms

Services: Which services are covered?

Population: Who is covered?

Extended to non-covered

Reduce cost-sharing and fees

Include other services
### UHC COUNTRY APPROACH:
from core principles to national implementation

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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%
- 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

Source: IMS Thailand, 2011

15th General Membership Meeting of the Reproductive Health Supplies Coalition
GHANA – EXPANDING COVERAGE, RISING TOTAL CLAIMS, INCREASING DRUG COSTS

Out of pocket spending as % of total health expenditure

Less than 1% of population covered (2000)
45-70% of population covered (2008)

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

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

Source: McKinsey Co 2010
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

**DR Congo**
- Stronger Regulatory Systems
- 200 medicines registered in 2010
- Improved governance and transparency through a new medicines registration process
- 1,999 medicines registered in 2014

**Colombia**
- Increased Availability of Medicines
- 56% of surveyed facilities in Chocó had antimalarials on hand in 2012
- Developed knowledge and skills among primary health care workers to manage the supply of antimalarial medicines
- 100% of surveyed facilities in Chocó had antimalarials on hand in 2013

**Guinea**
- Better Data for Decision Making and Planning
- 30% of facilities reported on stock status and use of malaria medicines in 2012
- Implemented a standardized monthly reporting system to improve data quality
- 85% of facilities reported on stock status and use of malaria medicines in 2013
APPLYING UHC PRINCIPLES - STRENGTHENING SUPPLY CHAIN MANAGEMENT

- Quantification (Forecasting & Supply Planning)
- Procurement
- Warehousing & Inventory Management
- Distribution
- Service Delivery & Utilization

Internal Connections:
- Data Management
- Human Resources
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
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