MEDICAL ABORTION (MA) ACCESS CHANNELS AND PRICING: A LANDSCAPE ASSESSMENT FOR KENYA, UGANDA AND NIGERIA

PRESENTATION TO THE RHSC SAFE ABORTION SUPPLIES WORKSTREAM

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Objective: a landscape assessment of MA pricing, access channels, and interventions to inform design, testing and scaling of promising solutions for equitable and affordable access.

Key questions:

- What has changed since the 2018 RHSC landscaping—including in the context of the COVID-19 pandemic?
- What is the price variability of MA versus other options?
- What mechanisms or interventions exist to keep MA margins reasonable, particularly at the retailer and end-consumer side of the value chain?
- What is the user’s journey when she is not supported by interventions, versus with support?
- What opportunities for innovative MA distribution strategies should be considered for testing and/or for scale?

Limitations: This is not a comprehensive retail audit; no data was collected from end-users; there is a skew toward safe options.
INTERVIEWS: Thank you to all below who contributed to this report with their time and sharing of data and relevant studies.

<table>
<thead>
<tr>
<th>Name</th>
<th>Organization</th>
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<tr>
<td><strong>Commercial Distributors</strong></td>
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<tr>
<td>Bhavesh Kotecha</td>
<td>Sai Pharma, Kenya</td>
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<td>Thomas Anthony</td>
<td>Sun Pharma, Kenya</td>
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<td>Sachin V.M.</td>
<td>WorldWide, Nigeria</td>
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<td>Festo Mwebaze</td>
<td>Delmaw, Uganda</td>
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<td>Karim Shabuddin</td>
<td>Royal Pharma, Uganda</td>
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<tr>
<td>Kinny Nayar</td>
<td>Surgipharm, Uganda</td>
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<td><strong>Social Marketing/Intl Organizations</strong></td>
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<tr>
<td>Helen Blackholly</td>
<td>MSI</td>
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<td>Katy Footman</td>
<td>MSI</td>
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<tr>
<td>Manuelle Horwitz</td>
<td>IPPF</td>
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<td>Kartikh Srinivasan</td>
<td>IPPF</td>
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<td>Catherine Kilfedder</td>
<td>IPPF</td>
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<td>Marcel Van Valen</td>
<td>IPPF</td>
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<tr>
<td>Andrea Ferneyhough</td>
<td>PSI</td>
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<tr>
<td>Lauren Archer</td>
<td>DKT Kenya/Uganda</td>
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<tr>
<td>Chituru Alerechi</td>
<td>DKT Nigeria</td>
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<tr>
<td>Mike Enema</td>
<td>DKT Nigeria</td>
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<tr>
<td>Sophie Hodder</td>
<td>MS Kenya</td>
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<td>Winston Alemoh</td>
<td>MS Nigeria</td>
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<td>Kenneth Buyinza</td>
<td>RH Uganda (IPPF)</td>
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<td>Lawrence Were</td>
<td>CHAI Uganda</td>
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<td>Lucky Palmer</td>
<td>Ipas Nigeria</td>
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<td><strong>Community Based Organizations/Provider Networks</strong></td>
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<tr>
<td>Monica Ogutte</td>
<td>K-MET, Kenya</td>
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<td>Jade Maina</td>
<td>TICAH/Aunty Jane, Kenya</td>
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<td>Nelly Munyasia</td>
<td>RHNK, Kenya</td>
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<td>Sybil Nmezi</td>
<td>GIWYN/Miss Rosy, Nigeria</td>
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<td>Denis Kibira</td>
<td>HEPS, Uganda</td>
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<td>Moses Mulumba</td>
<td>CEHURD, Uganda</td>
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<td><strong>Global experts</strong></td>
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<tr>
<td>Steven Chapman</td>
<td>Women on Waves, DKT Foundation</td>
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<td>Rebecca Gomperts</td>
<td>Women on Waves</td>
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<td>Prashant Yadav</td>
<td>CGD</td>
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<td><strong>Innovators</strong></td>
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<tr>
<td>Ashifi Gogo</td>
<td>Sproxil</td>
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<td>Benoit Renard</td>
<td>Triggerise</td>
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<td>Steven Harsono</td>
<td>IQVIA</td>
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<td>Jonathan Jackson</td>
<td>DiMagi</td>
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First and foremost, the contributions of the Social Marketing Organisations such as DKT, MSI and PSI have been game changing for medical abortion access in the 3 countries in this assessment and many beyond. If not for the SMOs, there would not be growing quality-assured combipack MA and misoprostol availability in these countries.

The sales figures on the following slide represent a huge achievement, especially given the challenging country contexts. Comparing to the total potential need in these countries, there is more to be done.

Now that the SMOs have created markets for MA, expanded access and brought prices down, our intention is to challenge our sector to do better when it comes to the next stage of market development for MA: advancing equity, expanding rural access, and sustainability.

This abbreviated version of our assessment is for dissemination and focused on combipack MA at the request of CIFF. The full version of the report also included misoprostol, which is critical to have in these markets especially when there is risk of combipack distribution being stopped.

Our recommendations are intended to be additive to the foundation built in these countries in order to generate market data to guide decision making across the value chain, provide timely and correct information to users, and ultimately increase equitable access to affordable, quality-assured MA products.
There is a fragmented importer and distributor landscape, despite a modest—when compared to need—MA market in each country. Sales are divided by the SMOs. This needs to be assessed: pros are commodity security and market competition, while cons are potential inefficiencies of scale and barriers to entry for commercial brands.

Combipack distribution has been increasing steadily, especially in Nigeria, due to highly commendable SMO efforts, and continuing despite the pandemic.

Note: 2020 sales are projections from when this assessment was conducted in autumn of 2020.
KEY INSIGHTS

- **QA products** are typically **more expensive**
  - IPPF survey: QA combipacks were $0.76 higher than non-QA

- Lack of easy mechanisms to access **QA products**

- **No mechanism to track market share** of QA drugs over time

- “**End users don’t care about PQ**” so providers/vendors can sell what makes the most margins; This won’t change until consumers know what to look and ask for. Pharmacists care about quality but not QA standards.

- Misoprostol **not packaged for correct MA dosage** (which is a regulatory barrier, and not necessarily a negative as it provides cover for MA use); **poor storage and sold in wrong dosage by retailers**

- **Preference for misoprostol** due to lower price/ higher volume potential and lower risk, though detailing helps
KEY INSIGHTS

- More product launches → more competition → more choice for women and girls → drives prices down

- Highly fragmented supply chains, limited efforts to disintermediate and offer value-added B2B services
  - **SMOs continue to fight for market share**, especially in urban areas; this has intensified. This is not necessarily a negative as it has a downward pressure on prices. The question is how long this takes, and to what extent it is being subsidised.
  - **Commercial distributors and wholesalers** see no point in entering a small value, subsidized market. While some distributors may not have interest in combipacks for abortion, we heard from several who would be, provided there was a business case. While less likely for combipack, commercial distributors have entered the market for misoprostol and EC once volumes increased in many countries.
  - **Distributors can't go direct to drug shops**, even if these shops are licensed

- **Provider/retailer bias and judgment**: assess clients on personal story, appearance; different prices for same product at same outlet

- **Lack of prescription → higher price or refusal to dispense → delayed care seeking, especially for adolescents**
  - Difficult to obtain prescriptions
  - Can lead to treatment delay until 2nd trimester

- Awareness of safe abortion law and where to access safe products still low; a **climate of fear persists**

- **CBOs and hotlines keep a low profile and are usually small scale**, e.g. RHK and Miss Rosy
Retail-level price gouging widely prevalent: high prices are seen as the “cost of doing (risky) business”

Lack of comparable, consistently collected pricing and margins data

SMOs benchmark prices against competitors and/or affordability thresholds
  - Intermittent approaches to verify price, e.g. mystery client surveys but no MA

Some CBOs ask about price in follow up calls; not well documented

Lack of creative thinking to use existing price verification methods and technologies

Trade margins are high across all levels of the supply chain, especially for combipack

Poor efficiencies of scale. Lack of a business incentive to address affordability.

In-person detailing adds significant costs for SMOs
  - COVID sparked some remote detailing approaches, e.g. DKT Nigeria

Lack of awareness of RRP disempowers consumers, hits adolescent girls hardest

Major gap in scalable affordability mechanisms
We found wide variability in pricing for MA. The lower end pricing in pharmacies is reasonable, but CBOs are reporting the higher end prices. More investigation is necessary to determine how common the highest prices are.

<table>
<thead>
<tr>
<th>Method</th>
<th>Kenya</th>
<th>Nigeria</th>
<th>Uganda</th>
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<tbody>
<tr>
<td></td>
<td>Pharmacy</td>
<td>Provider</td>
<td>Pharmacy</td>
</tr>
<tr>
<td><strong>Misoprostol</strong> (assumption: 12 tabs; often sold in smaller quantities)</td>
<td>$2.76-13.32$&lt;sup&gt;1&lt;/sup&gt;</td>
<td>$100&lt;sup&gt;1&lt;/sup&gt;</td>
<td>$2.16-31.08$&lt;sup&gt;1&lt;/sup&gt;</td>
</tr>
<tr>
<td><strong>Combipack</strong></td>
<td>$7.29-50$&lt;sup&gt;1,2&lt;/sup&gt;</td>
<td>$100&lt;sup&gt;1&lt;/sup&gt;</td>
<td>$5.22-30$&lt;sup&gt;1,2&lt;/sup&gt;</td>
</tr>
<tr>
<td><strong>Simple PAC or surgical abortion</strong></td>
<td>-</td>
<td>~$45-182&lt;sup&gt;2&lt;/sup&gt;</td>
<td>-</td>
</tr>
<tr>
<td>(MVA is typically cheaper than D&amp;C)</td>
<td></td>
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<tr>
<td><strong>PAC with complications</strong></td>
<td>-</td>
<td>Mild: $31&lt;sup&gt;5&lt;/sup&gt;</td>
<td>-</td>
</tr>
<tr>
<td>(Assumption: many cases stem from unsafe abortions or not taking full MA dosage)</td>
<td></td>
<td>Moderate: $41&lt;sup&gt;5&lt;/sup&gt;</td>
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<tr>
<td></td>
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<td>Severe: $94&lt;sup&gt;5&lt;/sup&gt;</td>
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Note: This data comes from our key informant interviews; data provided by SMOs; and safe abortion studies/websites; Not a retail audit.
UGANDA TRADE MARGINS: COMBIPACK

MA Combipack Retail Trade Margins: Uganda

- **Low Price**
  - Ex factory price: 2.50
  - Landed price: 2.65
  - Price to Wholesaler: 3.12
  - Price to Retailer: 3.67
  - Pharmacy Price to Customer: 7.00

- **High Price**
  - Ex factory price: 2.50
  - Landed price: 2.70
  - Price to Wholesaler: 4.60
  - Price to Retailer: 6.26
  - Pharmacy Price to Customer: 13.50

*This typically includes provider service fee, pregnancy test, and sometimes ultrasound costs*

**Sources:**
How can we focus interventions to enhance her journey and reduce price?

- Get information
  - Reduce likelihood of refusal and potential for treatment delay
  - Avoid price gouging
- Get prescription
  - Ensure QA supply
  - Reduce trade margins
  - Improve affordability
- Buy MA
  - Targeted link sent to customer/ CBO/ SMO
  - Barcode scan for QA
  - GIS mapping of MA outlets
- Price Verification

Interventions: In person
- CBO Community Resource
- Adolescent-friendly provider

Interventions: Virtual
- Hotline: Aunty Jane
  - Website: Safe2Choose.org
  - App: Hesperian
- Telemedicine: MSK
  - Network provider: email/ SMS/ WhatsApp
- D2C if permitted:
  - MyDawa reduces trade margins by 40%, retail price by 20%
- E.g., Triggerize, Premise

MaishaMeds supply to:
- Provider/ Pharmacy
- Smart Locker location
**Defragment and coordinate regional/national markets; strengthen market data**

**Disintermediate across the value chain and test innovative distribution models.**

**Apply behavioral economics and test innovative delivery models.**

**Inform and go direct to consumers**
At the upstream level, defragment and coordinate regional/national markets; strengthen market data

- **One SMO or other organization per country** to play an upstream market facilitation role that is coordinated across safe abortion funders. (This does not mean that there should be only 1 SMO per country.)

- **Reduce data gaps**: Require any beneficiary of donor funding or preferential pricing to report data to a control tower.
**KEY OPPORTUNITIES: DISTRIBUTORS AND WHOLESALERS**

Disintermediate across the value chain and test innovative distribution models.

Test the relative efficiency, coverage, scalability, and cost-effectiveness of disintermediation and related B2B interventions.

**Reduce data gaps:** Consider IQVIA or similar retail supply chain/prescription audit approach.

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Context

Pharmacies lack an easy-to-use tool that allows them to understand sales, margins, and stock-levels. The lack of basic business and logistical insights can lead to stock-outs of essential medicines and limits their ability to generate information needed to apply for business loans.

**The Solution**

Maisha Meds works with pharmacies to manage their businesses with a point-of-sale system. Our software works in a clinic, pharmacy, or drug shop and supports business and inventory management. The system was designed to support given to patients. Most pharmacies we work with report inventory management as valuable – this helps them see what is low in stock and reorder based on prior sales. 93% of pharmacies report the system improves their business.

**Plan for Scale**

In 2019, our point-of-sale software was being used by 300 pharmacies across one million patient encounters. In 2019, we began the painful process of rewriting our entire technical infrastructure to ready it for scale, which slowed our growth in the second half of the year. In 2020, Maisha Meds plans to expand to 500 pharmacies and Uganda and continue expanding our reports for health facilities to give them real-time intelligence about their businesses.

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"Maisha Meds app has greatly simplified my work. I can easily manage my inventory and monitor sales of my shop without interfering with my productivity at work. I also love the app’s user interface, it is straightforward and user-friendly."

CLETUS ODHIAMBO OTIENO, BPHARM
Habemus Pharmacy
Apply behavioral economics and test innovative delivery models

Consider a preferred retailer approach

Reduce data gaps: Use price verification solutions that are being used for other product categories.
KEY OPPORTUNITIES: CONSUMERS

Inform and go direct to consumers

Educate CBOs on RRP and which are QA products as if they are consumers.

Link CBOs more effectively and more widely to provider networks and telemedicine.

D2C distribution where permitted.
To move to more affordable pricing (e.g. $7) and increased accessibility for QA combipacks, we will need to:

- **Change the status quo**: Now that SMOs are building healthier MA markets, can they focus more on market coordination?

- **Invest in market data**: Don’t wait for perfect data collection system- use existing solutions to get a baseline and measure change.

- **Scale promising innovative distribution models**: Several already exist.
Thank you to CIFF for sponsoring this important work, and to the RHSC SAS Workstream for dissemination.

For any questions, please email Nora Miller
nora@mannglobalhealth.com