# DFID approach to Access to Medicines: Medicines Transparency Alliance (MeTA)

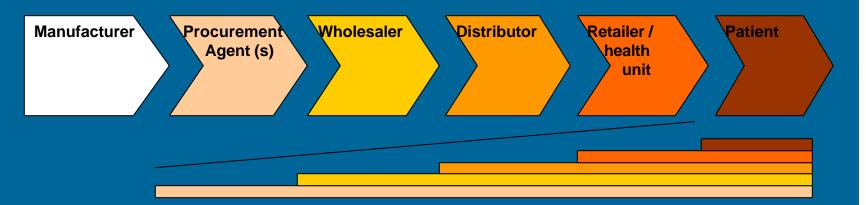
Michael Borowitz/Charles Clift Policy and Research Division, DFID April 12, 2008

# What is the problem?

#### Globally, evidence shows that:

- Poor people lack access to essential medicines
- Prices are too high (private sector)
- Products are not available (public sector)
- Quality of products variable (public and private)

Need to focus on distribution from 'port to patient'.



# What are we proposing in MeTA?

An alliance of countries, companies, civil society and others to:

- Increase transparency over key price, quality, procurement and availability data
- Build accountability to address inefficiencies and reduce excessive pricing
- Total market approach: look at both public and private sector
- Governance perspective

### MeTA Model

#### Three levels:

- Country level secure political commitment, form multistakeholder group, disclose data into the public domain, support reform efforts
- International level multistakeholder group (countries, civil society, companies and other private sector, donors and others) plus international secretariat
- Research Network repository for key data and analysis, active research agenda, monitoring and evaluation

## **Common dimensions**

# Make a high level political commitment to MeTA

- Form a multi-stakeholder group
- Support civil society and others to engage

# Progressively disclose common data on:

- Core
  - Price
  - Quality
  - Availability
- Context
  - Supply chain
  - Affordability
  - Equity of access
  - Rational use of medicines

# Phase I pilot countries for MeTA

- Covering all regions:
  - Latin America: Peru
  - East Asia: Philippines
  - EE/fSU: Kyrgyzstan
  - Middle East: Jordan
  - Africa: Uganda, Ghana
- 24 month duration
- Share learning across countries
- Fine tune approach and aspirations

# MeTA implications for India

- Greater use of information on price/availability
- Public Procurement prices could be made publicly
  - Low procurement prices < MRP
- IMS price monitoring made available
- Need to use the information
  - Role of civil society
  - Active dissemination of price information

## **Role of Market Structure**

- What determines high prices?
  - Lack of competition in supply chain
  - Understand the supply chain
    - Manufacturers, wholesalers, retailers
    - Problem may be in different parts of the supply chain
- Intervene where supply chain is not competitive
- There is no/limited competition for patented medicines.
  - Potential role of NPPA

## Multi-stakeholder process

- Need to involve all stakeholders in the supply chain.
  - Producers
  - Wholesalers
  - Retailers
  - Consumers
- Civil society capacity building to support disclosure and accountability
- Create environment/incentives for regulations to be self-enforcing

## The increasing role of fiscal intermediaries

- India dominated by out of pocket spending without intermediary
- In many countries, insurers drive changes in medicines prices
  - Market power
  - Interest in controlling prices
  - Internalize medicine prices into broader payment systems
  - Intermediary is often health insurer, but can be govt.