

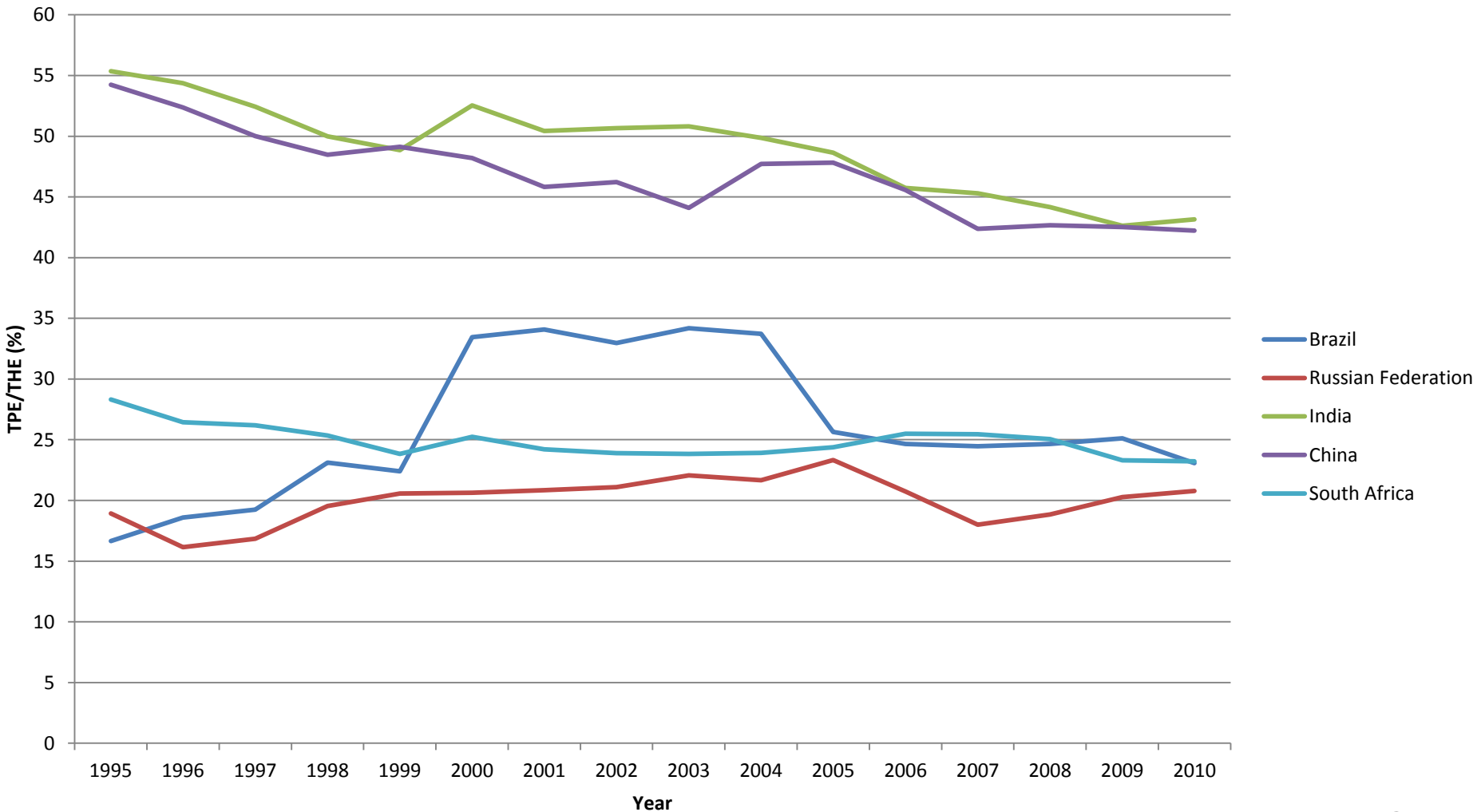
Universal Health Coverage International Pharmaceutical Perspectives

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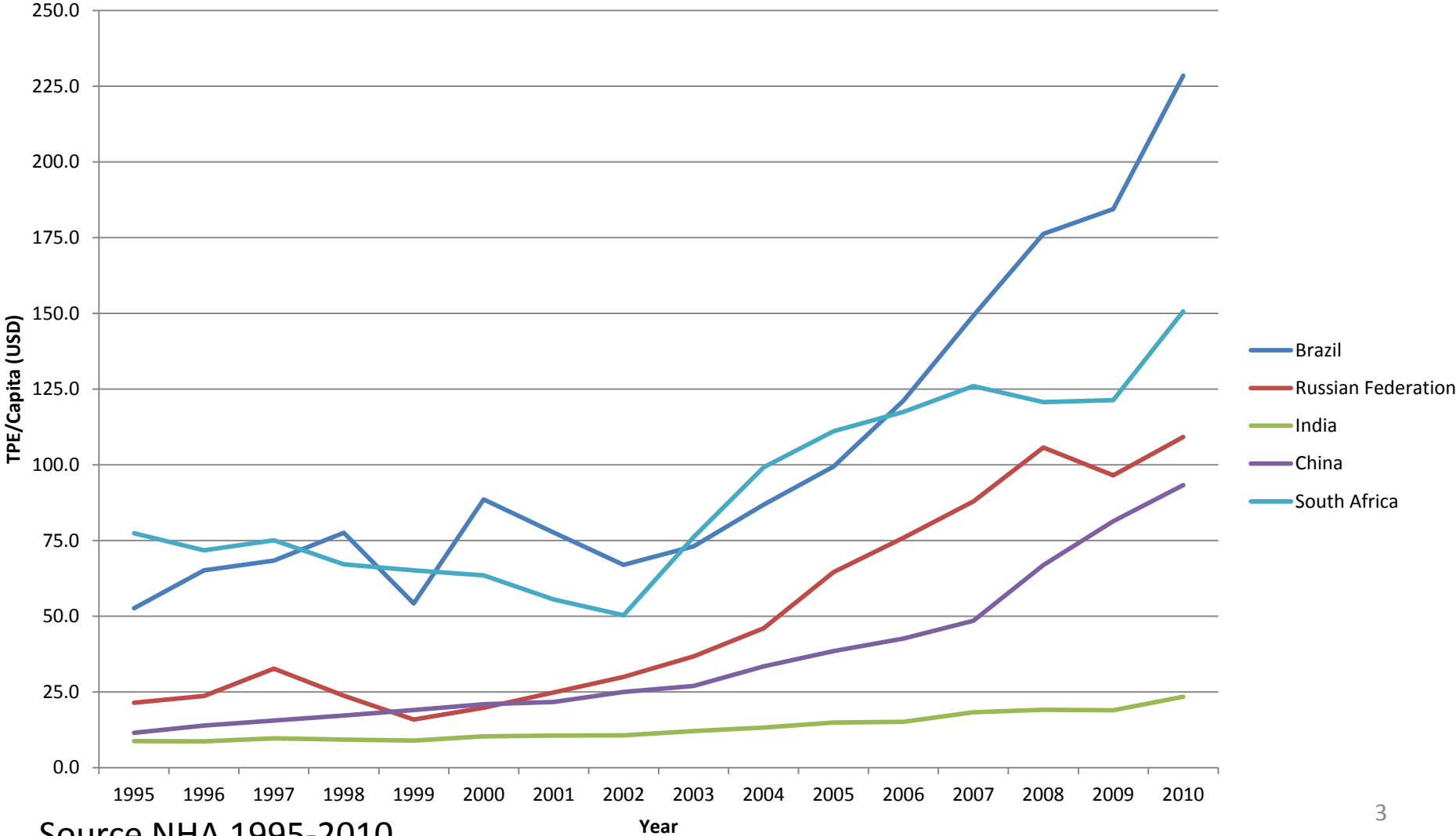
Pharmaceuticals are a major component of Total Health Expenditure

BRICS: Percentage of Total Pharmaceutical Expenditure of Total Health Expenditure Over Time



Pharmaceutical Expenditures are Increasing at variable rates

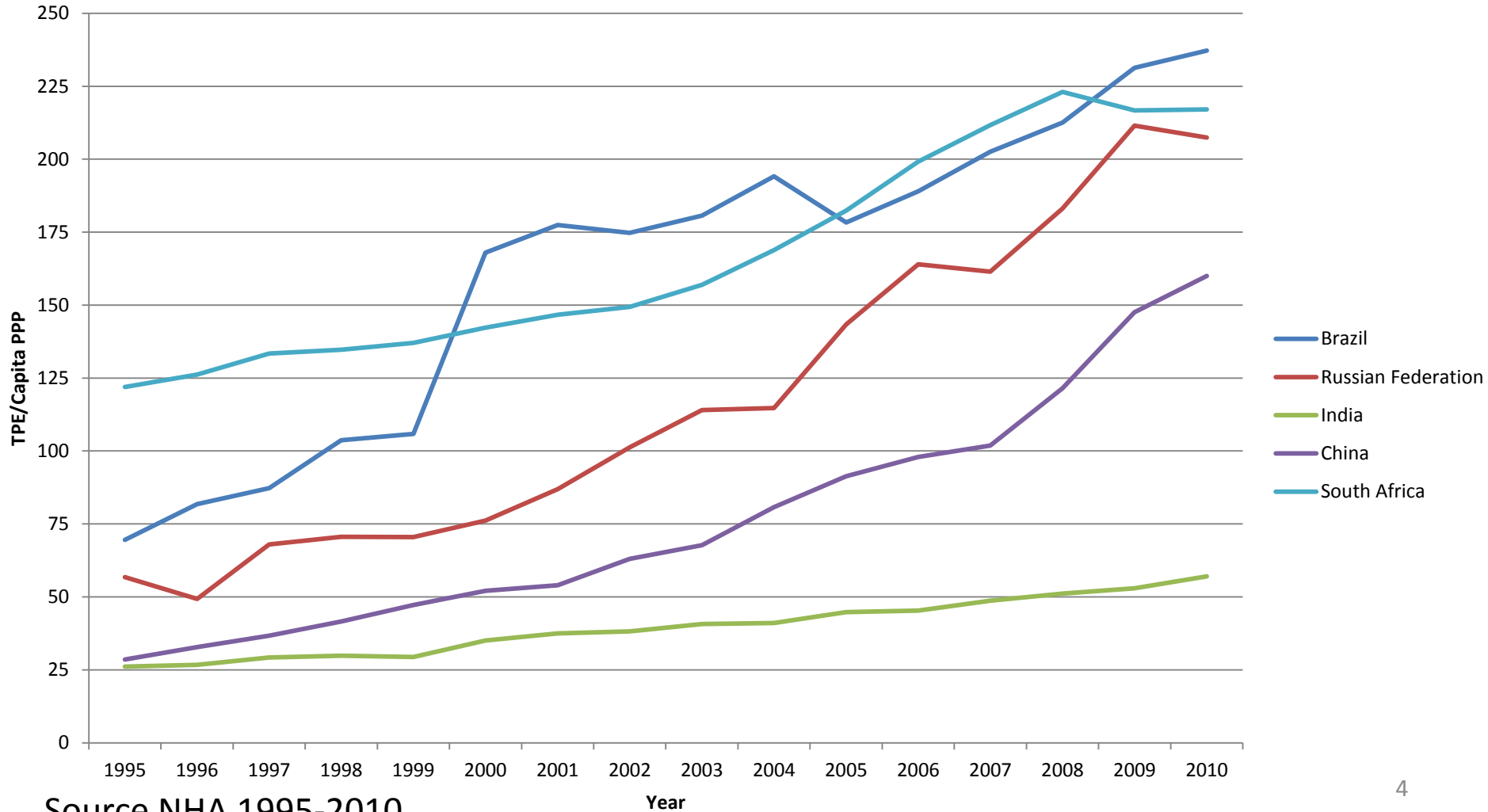
BRICS: Total Pharmaceutical Expenditure Per Capita USD



Source NHA 1995-2010

Increase is occurring even correcting for Purchasing Power Parity

BRICS: Total Pharmaceutical Expenditure Per Capita PPP



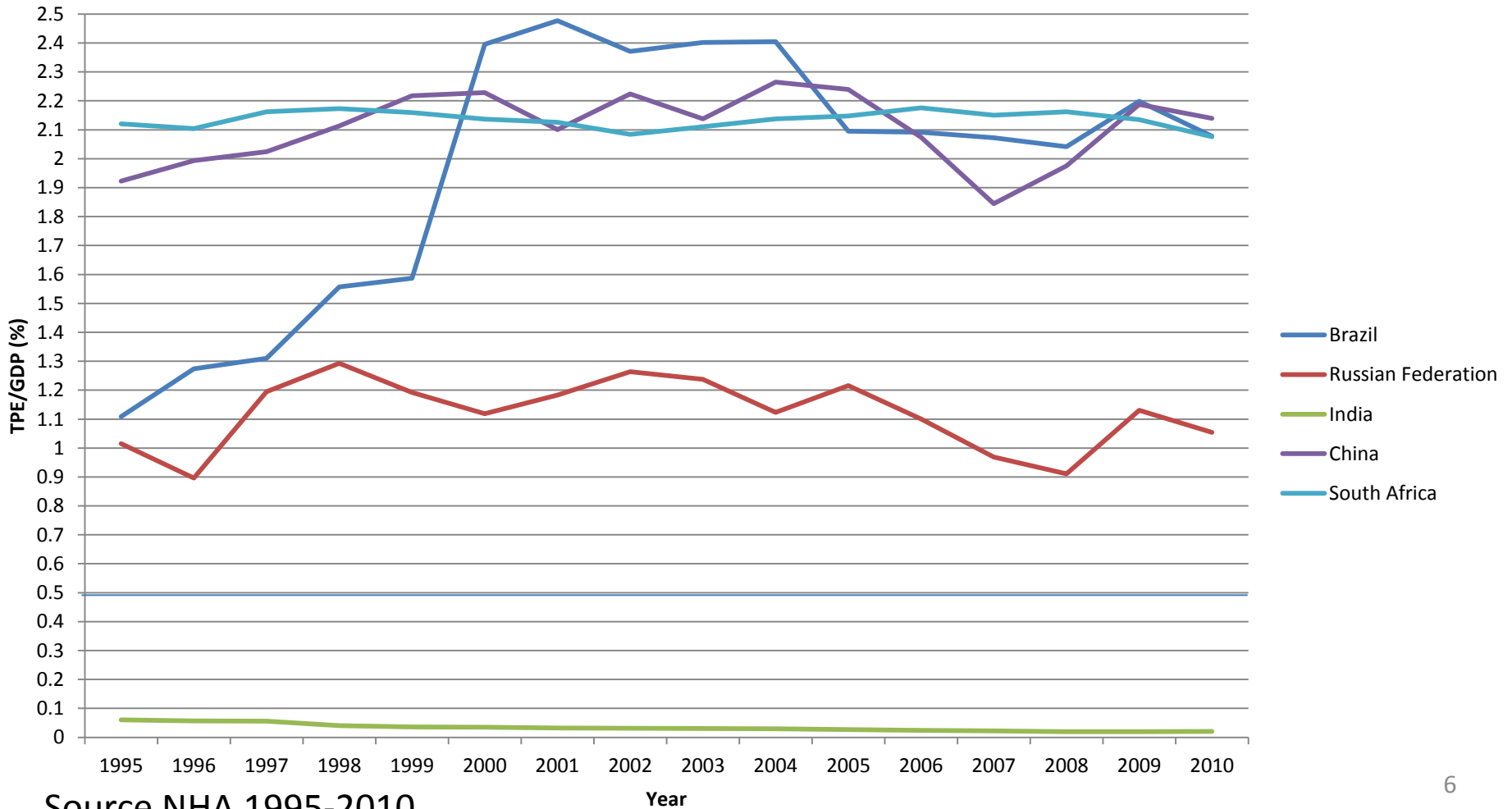
Source NHA 1995-2010

Role of Private Sector in Pharmaceutical Expenditures (2010)

- Brazil 79%
- Russia 82%
- India 94%
- China 62%
- South Africa 82%

Other BRICS countries spend between 1% and 2% of GDP on pharmaceuticals

BRICS: Total Pharmaceutical Expenditure of Gross Domestic Product (GDP) (%)



Source NHA 1995-2010

Lessons from BRICS Experiences with Universal Access to Medicines

- China
 - Long process requiring involvement of politicians, many Ministries and Commissions
 - Eventually decision made that this national health reform should be coordinated by the National Development and Reform Commission a supra cabinet body that also regulated medicine prices
 - Key elements of reform were universal financing through health insurance AND Essential Medicines at national and province level
 - Considerable use of large scale field tests and evaluation activities
 - Initial results impressive at PHC level and in Essential Medicines Lists BUT hospitals still remain a challenge for next phase

Lessons from Brazil

- Recent constitution provides a Right to Health
- History of treating all AIDS patients with a UHC approach is well known
- Less well known is the Farmacia Populares programme that provides INN Generic medicines to all chronic disease patients including diabetes, heart disease, epilepsy and depression for free through public and private sector facilities.
- Actively promote INN generics

Farmacia Populares

- Marketed in street by private pharmacy
- Patients with NCD prescriptions do not pay
- Pharmacies reimbursed at profitable rate



INN Generics receive pride of place in private pharmacies



Young pharmacist strongly supported INN Generics and Farmacia Populares

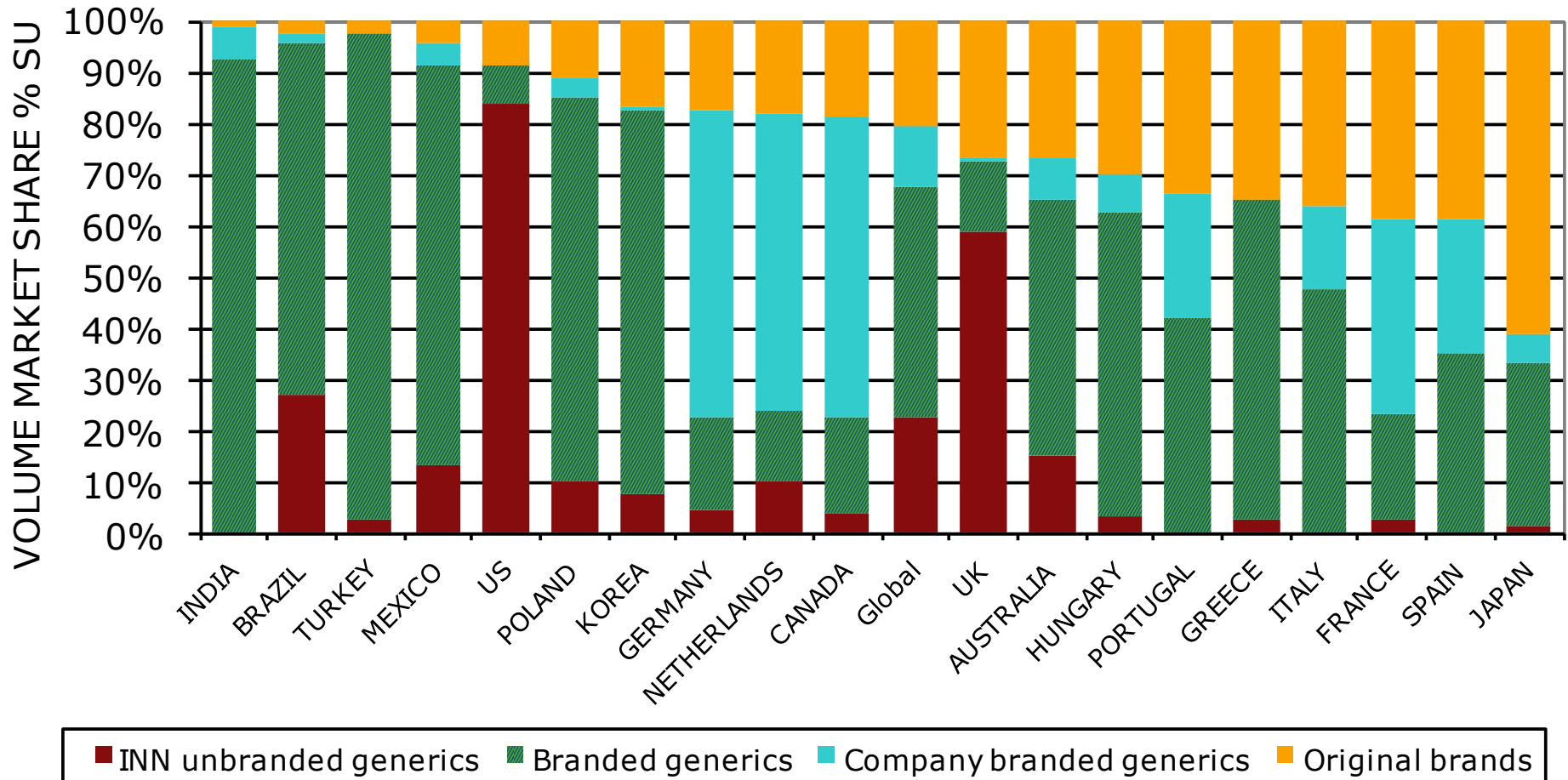


Even at the Brasilia Airport Generics are promoted



Generic penetration varies across world

UNPROTECTED MARKET SEGMENTATION VOLUME (SU)



Source: IMS Health, MIDAS, Market Segmentation, MAT Dec 2010, Rx only. *Market Segmentation universe

WHO's Position on Generic Medicines



- "WHO not only supports generic products. We aggressively promote them, whether through guidelines for conducting bioequivalence studies or through the prequalification programme.
- Generic products serve public health in multiple ways. In terms of improving access to medicines, price and quality go hand in hand.
- Generic products are considerably less expensive than originator products, and competition among generic manufacturers reduces prices even further.
- Generics serve the logic of the pocket. An affordable price encourages good patient compliance, which improves treatment outcome and also protects against the emergence of drug resistance."

Dr Margaret Chan
28 February 2011