Universal Access to Medicines in India
A precursor to Universal Health Coverage

Key Message: **Universal access to free medicines shall be the first step towards universal health coverage.**

Background

India is often referred to as the 'pharmacy of the global south', supplying affordable, life-saving, quality generic medicines to both developing as well as developed world. Ironically, fifty to sixty-five percent of people in India lack regular access to essential medicines. Further conducted a comparative analysis of the procurement and supply chain management systems followed in selected Indian states (Haryana, Jammu and Kashmir, Kerala, Karnataka, Punjab, Rajasthan, Tamil Nadu and Uttar Pradesh) to understand procurement models adopted across these states and also assessed their relative performance on standard outcome indicators. The key objectives of this study is to examine current patterns of selection, financing, procurement, prescription and dispensing essential medicines.

Methods

A multi-stage cluster sampling was adopted to select primary sampling units (health facilities) for primary data collection. Sample size was estimated using statistical software N-master. Health facilities within the district were selected in a manner to ensure both internal and external validity. We collected primary data from over 617 public health facilities spread across eight states. Medicine availability at the health facility was assessed through pre-defined 'basket of medicines'. A range of secondary data was also obtained from state level government authorities, which included tender documents, prices, procurement policy and guidelines etc. In addition, financial and non-financial data was obtained from budget document, annual reports, issue passbook details, policy and guidelines from procurement agencies of States.

Findings

Financing-The overall health expenditure in India is around 4% of the gross domestic product (GDP). Of which, government contribution is 20% and household contribute around 70% as out of pocket (OOP)-one of the highest in the world. Households' spending on medicines as a percentage of OOP for almost all states was over 70% on medicines except Kerala (62%) and Tamil Nadu (56%) (fi.g1). We also observed significant variation inter-district per capita public spending on medicines. Kerala had highest per capita expenditure on medicines across districts whereas Haryana had the lowest (fig.2).
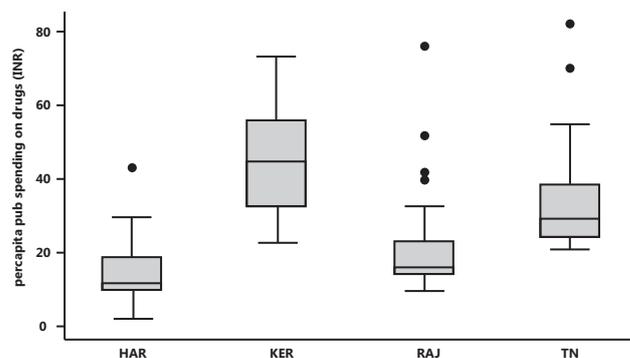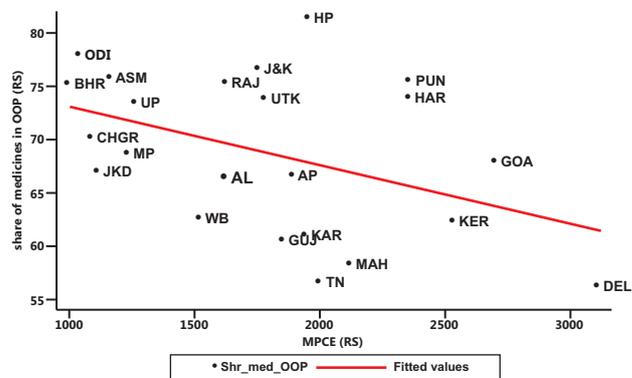

Procurement System

To assess competitiveness and trust in procurement systems, we compared the prices and number of bidders for selected common molecules from category A across three medical service corporations. We observed that all the corporations have been able to foster competition and trust that eventually resulted into lower prices and higher number of bidder for the medicines they procure (fig.3).
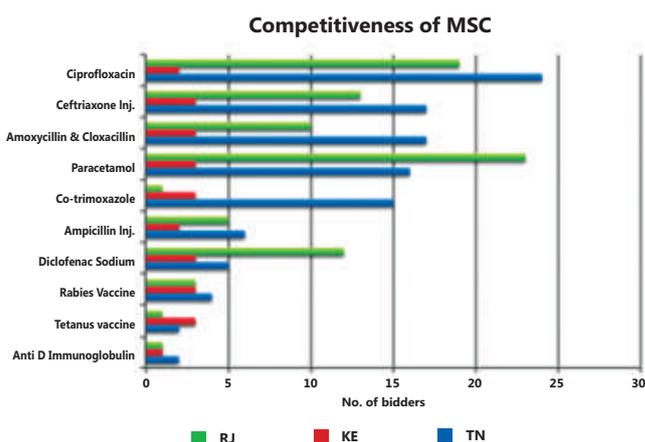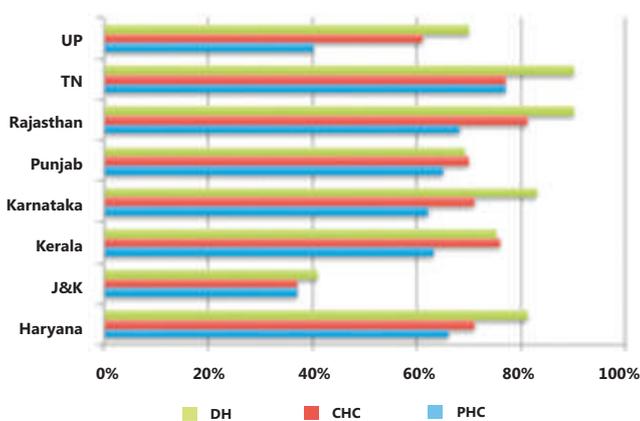
Medicine Availability

Across states, we observed that mean availability for 'basket of medicine' on the day of the survey across the eight states was lowest (38%) for Jammu and Kashmir (J&K) followed by UP (57%) whereas it was highest for TN (81%) followed by Rajasthan (79%), Haryana (73%), Karnataka (72%), Kerala (71%) and Punjab (68%) (fig.3). However, the mean availability of medicines was generally low at PHC's while it increases with level of care from CHC's to District Hospitals across all the states.
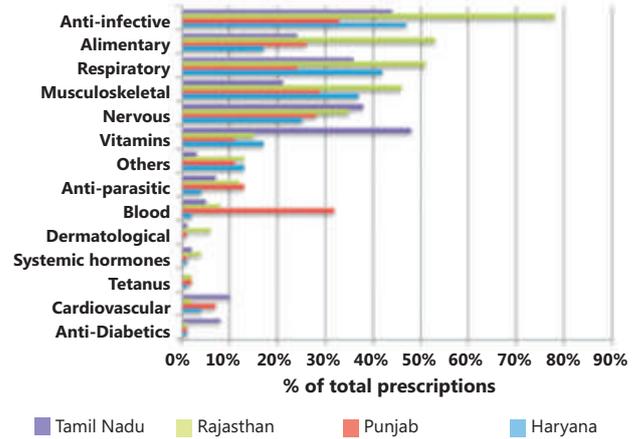

▮ Hariyana	▮ Punjab
▮ Jammu & Kashmir	▮ Rajasthan
▮ Kerala	▮ Tamil Nadu
▮ Karnataka	▮ Uttar Pradesh
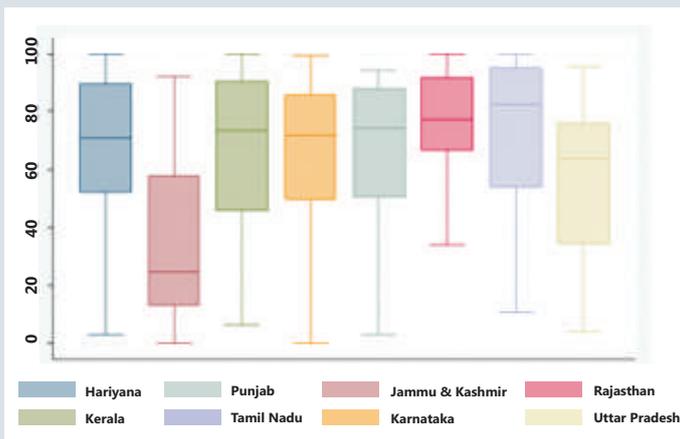
Mean availability by level of care

▮ DH   ▮ CHC   ▮ PHC

Prescription Practices

We observed that at the PHC level anti-infective were most commonly prescribed therapeutic category across the majority of study states (Haryana (47%), Rajasthan (78%)) except Tamil Nadu (48%) whereas prescription for non-communicable disease medicines (especially Anti-Diabetics & Cardio-Vascular System) were significantly low across all states (Punjab-1% & 4%, Haryana-1% & 7%, and Rajasthan-1% & 2%) except Tamil Nadu (8% & 10%). In addition, we observed that though prescription pattern by therapeutic groups does not vary across the level of care (PHC, CHC and DH) and states, the medicines prescribed from therapeutic group does vary significantly.

Prescription Pattern at PHC's

Anti-infective
Alimentary
Respiratory
Musculoskeletal
Nervous
Vitamins
Others
Anti-parasitic
Blood
Dermatological
Systemic hormones
Tetanus
Cardiovascular
Anti-Diabetics

% of total prescriptions

▮ Tamil Nadu   ▮ Rajasthan   ▮ Punjab   ▮ Haryana

Conclusion

The availability of most essential drugs in India is not a serious concern; it is rather that access to drugs in the public health system has been poor. The government needs to scale up public spending on drug procurement and provide free essential medicines to all. It is recommended that state and central governments establish a centralised procurement mechanism for procuring drugs, vaccines and medical devices. They may follow an open, transparent two-bid tendering system. Such drugs should be procured based on the Essential Drug List (EDL), which are generic in nature and rational in content. In addition, Standard Treatment Guidelines should be implemented and should include medicines only from EDL.

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