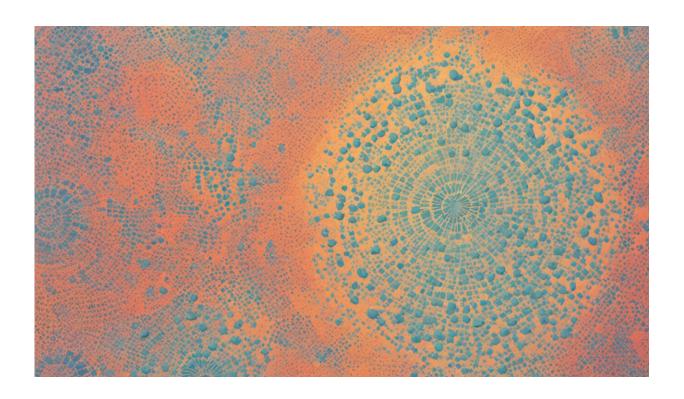


Funding a set of essential medicines for lowand middle-income countries

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As the world moves toward universal health coverage, the question arises: How can governments ensure equitable access to essential medicines in low- and middle-income countries?

A section of The Lancet Commission on Essential Medicines Policies



report, released today, finds that funding for a "basket" of these essential medicines may pose a challenge, but not necessarily an insurmountable one, for the global health community. The section, intended to inform decision-making and co-written by Corrina Moucheraud, assistant professor of health policy and management at the UCLA Fielding School of Public Health, provides the first comprehensive model estimating the cost to provide essential medicines for all people in these countries.

"As universal coverage is increasingly recognized as central to the right to health, the global community must figure out how to implement it," Moucheraud said. "Estimates like this one are important to assist policymakers, to mobilize funds and ensure that everyone has access to the medicines they need."

The commission comprises 21 independent experts from a variety of disciplines to, in part, develop a plan for institutional, regional, national and global policies on essential medicines and other health technologies for the next 20 years.

Moucheraud's section looked at the cost of providing a package of about 200 essential medicines, for all people in low- and middle-income countries.

They used 2015 <u>World Bank income groupings</u> for countries to define "low-income" and "middle-income," including lower-middle and upper-middle income.

The set of medicines was based on the World Health Organization list of essential medicines, and included only those that can be administered in primary and secondary care environments and did not require very specialized tertiary care. Examples of conditions that could be treated with medicines from the model include HIV/AIDS, diabetes,



cardiovascular diseases, several major mental health disorders, and respiratory conditions.

They created a model that enters information about the burden of disease—that is, how many people in low- and middle-income countries are affected by each health condition addressed by a medicine in the set; and coverage estimates that reflected the percentage of people with each condition that would receive pharmaceutical treatment. They used this information to estimate how many people in low- and middle-income countries should receive each medicine. Then they referred to international cost data to calculate the total price tag for the set of medicines.

Moucheraud's team found that it would cost \$77 billion to \$152 billion each year, depending on the exact set of data entries and assumptions, to ensure access to these medicines for all the people in these countries. This amounts to \$13 to \$25 per capita annually.

"In 2010, 28 of 31 low-income countries and 13 of 47 middle-income countries spent less than this on pharmaceuticals, which in some cases may include drugs not included in the model, Moucheraud said. "This suggests that there may be room to improve the equity and efficiency of financing to ensure access to these essential medicines to all populations."

The commission suggests these steps to address what it calls a "surmountable challenge" for financing essential medicines:

• Governments and national health systems must provide adequate financing to ensure the inclusion of essential medicines in benefit packages provided by the public sector and all health insurance schemes. The model by Moucheraud and her team can serve as a starting point to determine financing needs.



- Governments and national health systems must implement policies that reduce the amount of out-of-pocket spending on medicines. More than half of all spending on medicines in lowand <u>middle-income countries</u> comes from out-of-pocket expenditures.
- The international community must fulfill its human rights obligations to support governments of low-income countries in financing a basic package of essential medicines for all, if they are unable to do so domestically.
- Governments and national health systems must invest in the capacity to accurately track expenditures on medicines, especially essential medicines, in both the public and private sectors.

Provided by University of California, Los Angeles

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