Essential medicines pricing—reform needed

In The Lancet today, Alexandra Cameron and colleagues' report on the price, availability, and relative affordability of a series of essential medicines in the six WHO administrative regions, in a secondary analysis of data collected in WHO/Health Action International (HAI) surveys. This new report builds on their previous work outlining drug prices in the WHO/HAI database and their relation to daily wages in six low-income and middle-income nations. These studies are an important contribution to a field that has been plagued by a troubling lack of transparency. There are few data available on what donors, governments, and other implementing organisations are actually paying for the medicines they procure—let alone whether these drugs are actually available in the health system.

With the rapid expansion of global health initiatives—from US$300 million in 1996 to $10 billion in 2007 for HIV/AIDS alone—the availability of medicines and diagnostics in resource-poor settings has rightfully received much public attention. Pressure for price reductions is thus focused on products for HIV/AIDS, tuberculosis, and malaria, often to great effect. Unfortunately, this precedent has not yet benefitted the markets for other essential medicines. We believe it is crucial to parlay the momentum generated by investment in the world’s leading infectious killers into substantial and durable reductions in drug prices in poor countries more broadly.

Cameron and colleagues try to open this window of opportunity by reporting on real transaction prices for 15 essential medicines that address several important illnesses. These disorders include chronic conditions, such as asthma, diabetes, hypertension, and heart disease, that are growing epidemics in developing countries. Despite their high incidence, the price and availability of associated diagnostics and treatments have received little attention. The researchers acknowledge the need to address access to medicines for several conditions that more closely reflect epidemiology in resource-poor settings (especially in middle-income countries and emerging economies), and reaffirm the importance of comprehensive primary health care. By publishing an analysis of real procurement prices for a broad formulary, the investigators also reinforce that use of transactional data is the most accurate method to examine these issues. This approach is a notable shift in a field that has previously relied on quoted prices or limited, class-specific studies that use actual procurement prices.

The WHO/HAI database is crucial for fostering increased transparency on essential drug and product pricing. It also includes end-user impact indicators, detailing the facility-level availability and affordability of these medicines relative to the lowest daily public-sector wage. In this way, the database attempts to provide information that reflects on-ground realities, thereby enhancing bulk-pricing information that can at times seem remote from the concerns of the patient.

As an instrument to promote the long-term evolution of the drug market in poor countries towards affordability, the WHO/HAI database should be protected and given strong institutional support by WHO and partners. This support must be matched with robust funding. Data must be published on an annual basis to avoid failures in the global drug market that lead to inconsistencies in the pricing and delivery of essential medicines. Incomplete or inaccurate reference information on prices has been lucrative for some parties who now have a vested interest in perpetuating the status quo—a point that only reinforces the value of the database. The database should be harmonised with parallel efforts to compile procurement data for HIV, tuberculosis, malaria, and other infectious diseases.
The study by Cameron and co-workers offers a stark description of the gaps that remain between the policies and practices aimed at lowering prices and actual improvement of access to essential medicines in the developing world. We are reminded not only of the need for a transparent market to promote evidence-based price negotiations, but also (as in previous work by the researchers) about obstacles in downstream regulatory systems, supply chains, and logistics management information systems, and training of health-care workers to dispense and deliver medications appropriately. As efforts accelerate to implement systems for managing chronic HIV disease, we know more about these hurdles than ever.

The shift in focus to chronic-care delivery systems should galvanise the global public-health community to reprioritise access to general essential medicines. As championed by WHO Director-General Margaret Chan and many others, comprehensive primary health care is now the only appropriate global health goal. If we can match our efforts in HIV, tuberculosis, and malaria with a robust effort to make all essential medicines affordable and accessible, that goal may just be in reach.

*Ashwin Vasan, Jim Yong Kim
Partners In Health, Boston, MA, USA (AV, JYK); Infectious Disease Epidemiology Unit, Department of Epidemiology and Population Health, London School of Hygiene and Tropical Medicine, London WC1E 7HT, UK (AV); FXB Center for Health and Human Rights, Harvard School of Public Health, Boston, MA, USA (JYK); and Division of Global Health Equity, Brigham and Women’s Hospital, Boston, MA, USA (JYK)
ashwin.vasan@lshtm.ac.uk

We declare that we have no conflict of interest.