Civil Society mobilisation in Jordan and their engagement in medicine pricing policies

Rania Bader
Consultant
WHO/HAI Project on Medicine Prices & Availability
Jordan
Jordan’s pharmaceutical sector

- Sectors: public (MOH, RMS, University hospitals) & private sector
- Health Insurance: 68% insured, 32% not insured
  Insured: MOH and RMS (55%), Refugee’s Mission (18%), private insurance (8%)
  Some of the population has multiple insurance coverage
- Medicine prices for the private sector are set by the Jordan Food & Drug Administration (JFDA) using a median across 7 countries
- Medicine prices in the public sector are set through negotiation by the Joint Procurement Department
- 16 pharmaceutical manufacturers producing generics are export oriented (export 70% of their production)
- Qualified laboratories ensure the quality of products on the market

Survey undertaken in 2004 by the JFDA using the WHO/HAI methodology
Findings of Jordan survey 2004: Availability

For the 29 medicines in the survey, overall availability was poor in the public sector, but better in the private sector.

- **Public sector:** Originator Brand 0%
  Lowest priced generic 27.8%

- **Private sector:** Originator Brand 60%
  Lowest priced generic 80%
<table>
<thead>
<tr>
<th></th>
<th>Procurement</th>
<th>Public</th>
<th>Private</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>OB</td>
<td>LPG</td>
<td>OB</td>
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<tr>
<td>Median MPR</td>
<td>1.38</td>
<td>0.57</td>
<td>5.95</td>
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<tr>
<td>Ciprofloxacin</td>
<td></td>
<td></td>
<td>0.66</td>
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<tr>
<td>Phenytoin</td>
<td>6.53</td>
<td></td>
<td>5.95</td>
</tr>
<tr>
<td>Fluconazole 150mg</td>
<td>2.25</td>
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</table>
Findings of Jordan survey 2004: Affordability

days’ wages needed by the lowest paid unskilled government worker to purchase 30 days treatment

<table>
<thead>
<tr>
<th>Daily wage</th>
<th>Public sector</th>
<th>Private sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 JD</td>
<td>OB LPG</td>
<td>OB LPG</td>
</tr>
<tr>
<td>3 JD</td>
<td>0.2 8.6 4.6</td>
<td>4.6 2.1</td>
</tr>
<tr>
<td>Ranitidine, Peptic Ulcer 150mg tab twice daily x 30 days</td>
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<tr>
<td>Diclofenac, Arthritis 25mg tab twice daily x 30 days</td>
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<tr>
<td>Fluoxetine, Depression 20mg tab twice daily x 30 days</td>
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Daily wage = US $ 4.225/day
Price components

Cumulative mark-ups in the private sector 62-70%

In the public sector, patient prices were similar to government procurement prices

Import fees (5%) charged for most medicines
Sales tax (4%) charged for all medicines
Workshop: Towards Equitable & Affordable Medicine Prices Policies December 2007, Dead Sea

- Approximately 90 participants from the Ministry of Health, Royal Medical Services, government agencies, academics, pharmacist and physician associations, NGOs, pharmaceutical industry, and donor organisations met to discuss medicines availability and affordability.

The objectives of the workshop were to:

- Disseminate the findings of the Jordan price survey.
- Identify policies and programmes to improve the availability of medicines in the public sector and lower prices in the private sector.
Outcomes and recommendations

- Sales tax and custom duties on medicines should be abolished
- Increased efficiency is needed in the procurement process and supply chain management
- Apply regressive mark-ups for both wholesalers and retailers
- Pro-generics policies included:
  - Improve perception of generics and their quality with the general public and health care professionals
  - Permit generic substitution by pharmacists
  - Prices for generics should be set from the procurement price although some felt it should remain as a % reduction of the originator brand price

- There is a need to evaluate the mandate of both the JFDA and the MOH. The JFDA’s authority is broader than that of most medicines regulatory authorities.
In order to enhance the role of CSOs in making medicines more available and affordable, we started with mapping CSOs then we assured that numerous CSOs groups met to discuss medicine prices, availability and affordability.

The objectives for this meeting were to:

- Bring civil society groups together
- Share the findings of the survey conducted (2004) and recommendations made during multi stakeholder meeting (2007) with CSOs
- Reflect and discuss the role of CSOs in health and access to medicines in Jordan
- Make a decision as a group regarding the formation of a ‘CSOs alliance on medicines’
- Jointly develop a draft activity plan for the alliance
Formation of CSOs Alliance on Medicines and the development of an advocacy plan

- Ensure CSO representation in decision making that is relevant to medicine prices, availability and affordability

- Abolishment of taxes on medicines (4% sales tax and 5% import tax)

- Improvement efficiency of procurement and supply chain (so that essential medicines availability reaches 100% in public sector)

- To promote generic substitution in policies and practices (increase trust in local medicines, make results of quality testing available to the public)
Thank You!