

Pilot programmes in Ghana and the Philippines seek to expand access to treatment through differential pricing models

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NCDs are now the leading cause of death and disability, and the poorest and most vulnerable are most affected, with equitable access to medicines a key challenge to improving health and family wellbeing. The Access and Affordability Initiative (AAI) is a work stream of a global health collaboration between pharmaceutical companies and the Gates Foundation that seeks to expand access to treatment for those most in need through differential pricing models.

The NCD challenge

Millions of people worldwide are living longer, more productive lives today thanks, in part, to better health care and access to innovative medicines and vaccines. However, progress is needed to ensure greater access to these health care advances in all countries. At the same time, NCDs have now become the leading cause of death and disability worldwide and exact a heavy and growing toll on the health and economic security of all countries. Increasingly, it is low- and middle-income countries (LMICs) and the poorest and most vulnerable populations that are hardest hit by these largely preventable diseases.

Having access to medicines to combat NCDs is a key contributor for improving health and development in communities. Diseases, such as hypertension and diabetes together, affect more than 1 billion people in LMICs. Being able to take effective medicines can help to secure stability within a family, further their education and help them to stay out of poverty.

Global health care companies have a mission first and foremost to discover and develop innovative medicines and vaccines that treat and prevent unmet medical needs. To realize the potential these medicines and vaccines have, companies also have a role to play – in partnership with other key stakeholders – in helping to ensure that their products are accessible and affordable to those in need.

Access and Affordability Initiative (AAI)

To this end, several research-based biopharmaceutical companies are participating in two pilot programs to examine the role of differential pricing and health system strengthening in helping to improve access to medicines for underserved populations, particularly low-income groups, in LMICs. The two programs, in Ghana and the Philippines, are at the core of the [Access and Affordability Initiative \(AAI\)](#), [1] a work stream of a global health collaboration that brings together pharmaceutical companies and the [Bill & Melinda Gates Foundation](#) [2]. Each of the participating companies independently and unilaterally makes decisions involving the AAI. AAI is one of the initiatives supporting [Access Accelerated](#) [3], a global partnership of a coalition of biopharmaceutical companies to address the barriers to access for NCDs in LMICs. Each of the participating companies independently and unilaterally makes decisions involving the AAI.

What is differential pricing?

Differential pricing is a system in which manufacturers price their medicines differently to reflect the socioeconomic levels of a community or population. When coupled with needed health system improvements, expanding the use of differential pricing in LMICs can play a critical role in improving access to medicines for underserved populations.

What we hope to learn

To date, studies have mainly focused on measuring the impact of differential pricing between countries. The AAI pilot programs are exploring an innovative approach which measures the ability of patients living with NCDs, in particular cardiovascular conditions and diabetes, in the same country to access medicines for these conditions when differential pricing is applied.

The goal of these two studies is to test the impact of differential pricing within a particular country (“intra-country”) as a sustainable and measurable access tool. When combined with health care strengthening efforts such as patient and provider education, supply chain management and health care capacity building to address other access barriers, differential pricing can be an effective framework to improve access to innovative and branded medicines while preserving commercial incentives for investment in future medicines.

Measuring impact

The two AAI pilots constitute the first multi-stakeholder, private sector effort to partner with governments with the explicit goal of validating intra-country differential pricing as a sustainable access tool. Approximately 3,000 people are enrolled in each pilot, which are unique in incorporating supplementary health system strengthening efforts.

Industry partners in the multi-year studies include [Merck & Co., Inc](#) [4], [4] (Kenilworth, NJ, USA), [Novartis](#) [5], [Pfizer](#) [6] and [Sanofi](#) [7]. The companies are contributing financial support and project design consultation, as well as independently- and differentially-priced medicines for use in the pilots. The governments of Ghana and the Philippines are closely involved in the pilot design and operations, and each company’s local business teams are directly engaged in the partnership. Measures are in place to prevent product diversion outside the intended target sub-population enrolled in the studies.

The [Bill & Melinda Gates Foundation](#) [2] is contributing to this effort through financial support for the development and implementation of the evaluation programs, which are being led by a team from the [Johns Hopkins Bloomberg School of Public Health](#) [8]. The evaluations, due after the conclusion of the pilots in June 2017, are expected to enhance understanding of whether or not intra-country differential pricing, coupled with complementary health systems improvements, is an effective tool to help improve access to medicines. The results of the evaluation also have a direct relevance to the [Sustainable Development Goals](#) [9], specifically *Goal 3: Ensure healthy lives and promote well-being for all at all ages*.

Looking to the future

Access to medicines is a complex, multi-faceted challenge, and reaching everyone in need will require new, collaborative and creative approaches. We are hopeful that the AAI helps us along that path.

[10]

About the Author

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Find out more about the Philippines pilot, known as the Palawan Access to Medicines Project (PAMP):

<https://www.youtube.com/watch?v=qTuNRwndJZg> [10]

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Links

[1] <http://www.accessaccelerated.org/initiative/access-and-affordability-initiative/>

[2] <http://www.gatesfoundation.org>

[3] <https://ncdalliance.org/news-events/news/ncd-alliance-welcomes-new-initiative-to-address-the-barriers-of%C2%A0access-on-ncds%C2%A0>

[4] <http://www.merck.com/index.html>

[5] <https://www.novartis.com/>

[6] <http://www.pfizer.com/>

[7] <http://en.sanofi.com/>

[8] <https://www.jhsph.edu/>

[9] <http://www.un.org/sustainabledevelopment/sustainable-development-goals/>

[10] <https://www.youtube.com/watch?v=qTuNRwndJZg>