



Price Transparency: towards sustainable access

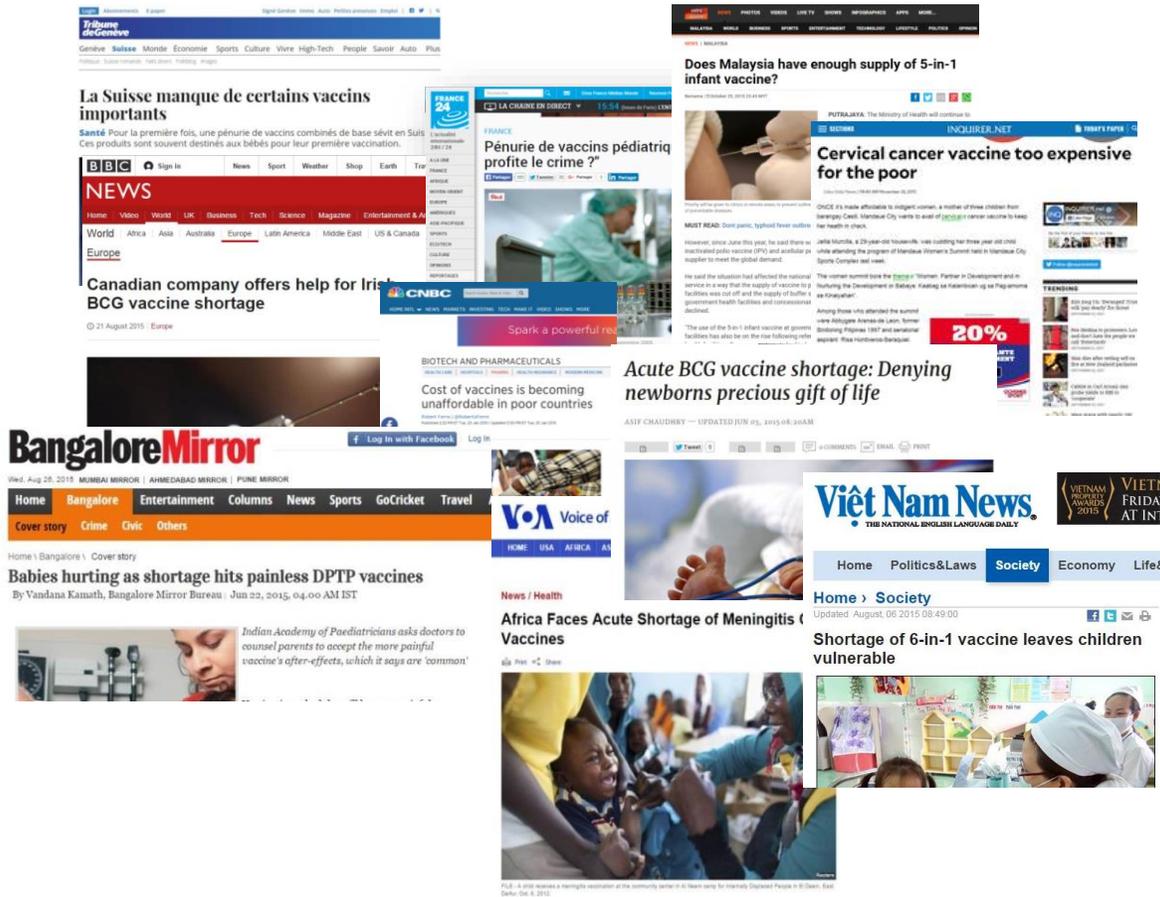
Graduate Institute – Fair Pricing of Medicine Webinar, 26 February 2020

Tania Cernuschi - WHO IVB/UHC-LC & WHE



**World Health
Organization**

The WHA has repeatedly called for action on access to vaccine supply - Several references to affordability concerns



- ❖ Total of 50 WHA Global Resolutions on access to medicines and vaccines + 45 regional Resolutions
- ❖ Over 60 member states spoke at 71st WHA on vaccine shortages, high prices, continuous need for information/support
- ❖ At WHA 72 New resolution on price transparency and Access Roadmap for Medicines and Vaccines endorsed

The 72nd WHA endorsed the **Access Roadmap for Medicines and Vaccines (2019-2023)**

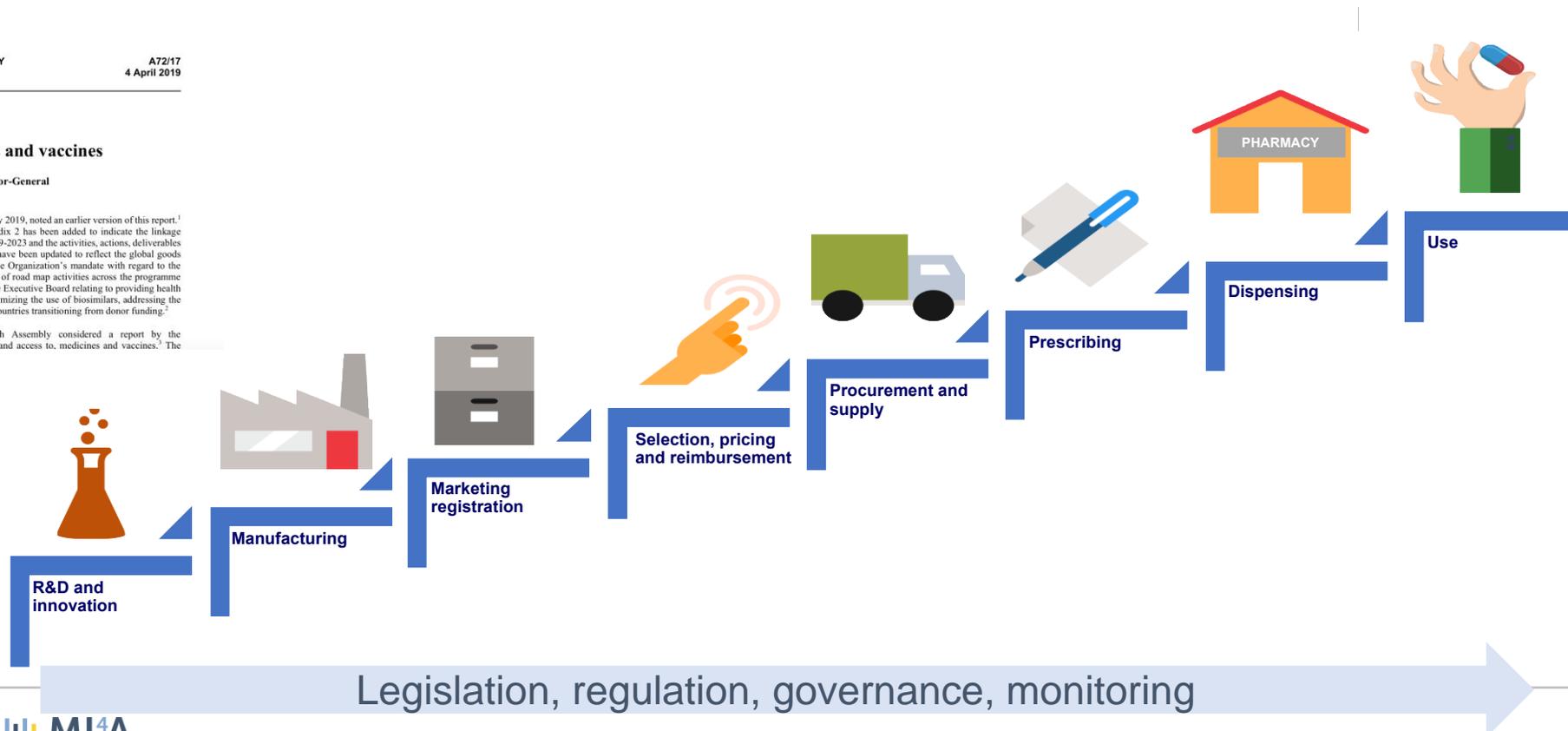
To achieve UHC through a Primary Health Care approach, WHO must provide a comprehensive and coherent package of support that includes Access to Health Products

Access to medicines and vaccines

Report by the Director-General

1. The Executive Board, at its 144th session in January 2019, noted an earlier version of this report.¹ The draft road map has been revised and a new Appendix 2 has been added to indicate the linkage between the Thirteenth General Programme of Work, 2019-2023 and the activities, actions, deliverables and milestones set out in the road map. The milestones have been updated to reflect the global goods planning process, and information has been added on the Organization's mandate with regard to the actions required by the road map and on the distribution of road map activities across the programme budget. The revised draft also reflects issues raised by the Executive Board relating to providing health products for primary health care, monitoring access, optimizing the use of biosimilars, addressing the challenges faced by small island States, and supporting countries transitioning from donor funding.²

2. In May 2018, the Seventy-first World Health Assembly considered a report by the Director-General on addressing the global shortage of, and access to, medicines and vaccines.³ The



Main factors influencing access to vaccine supply

SUPPLY FACTORS

1

Factors limiting availability

Production issues

Limited supplier base & production capacity

3

INCOMPLETE INFORMATION

Limited communication between supply & demand

Demand intelligence

Supply intelligence

2

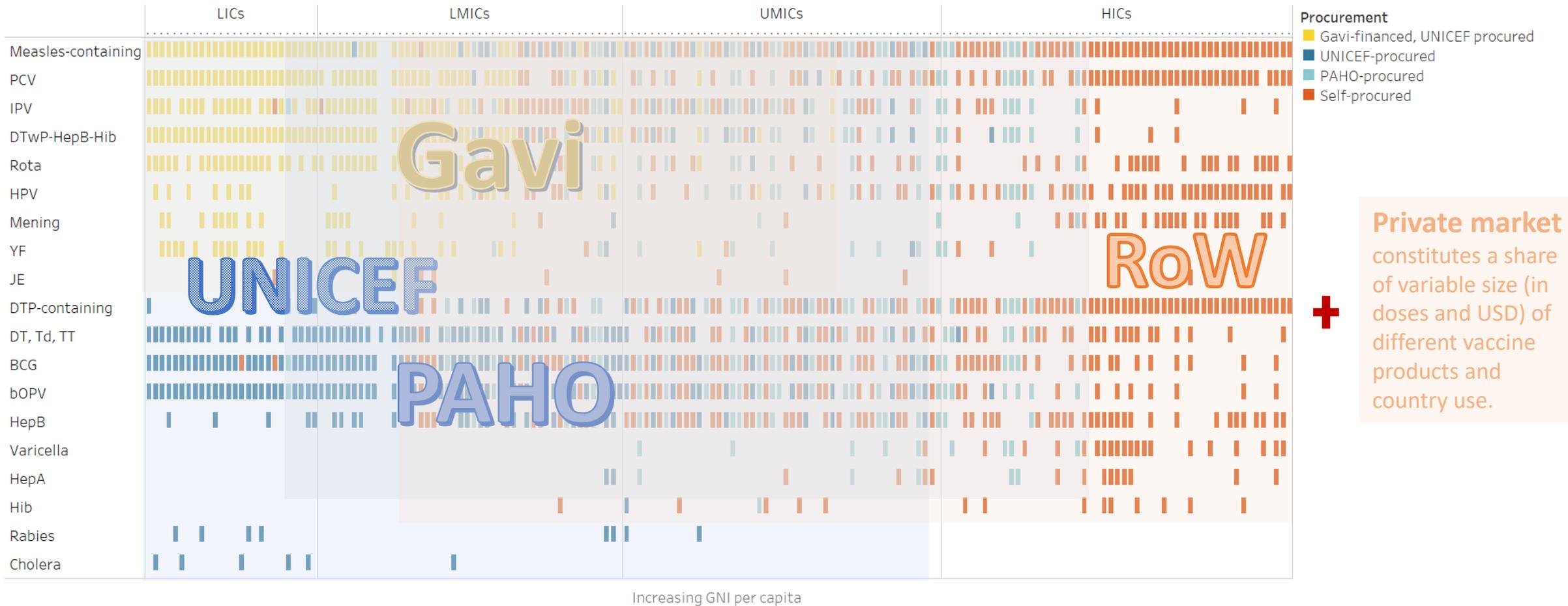
DEMAND FACTORS

Factors limiting access

Inflexible demand

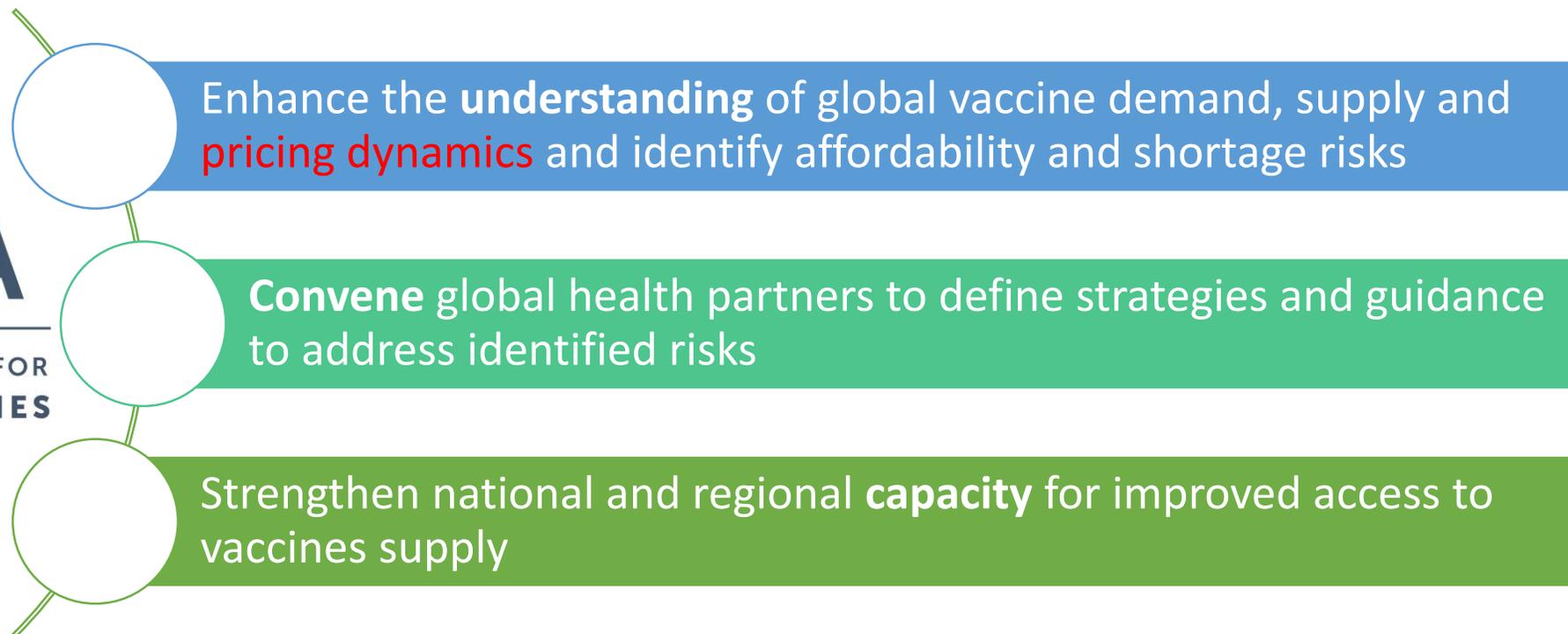
Unpredictable or unknown demand

Market Information for Access: the missing segments



Source: Developed by WHO with WHO MI4A Purchase Data, UNICEF SD, PAHO RF, Gavi, GVMM.

MI4A mission: informing global and local access strategies



MI4A expands on the WHO Vaccine Product, Price and Procurement (V3P) project and responds to identified needs under the Partner-shared strategy for Middle Income Countries.

Weighing potential upside and downside of price transparency

❖ Potential positive impact

- ❖ Informed decision making on immunization policies
- ❖ More favourable prices from enhanced negotiation position of better informed procurement agents
- ❖ Cost savings from reduced search costs
- ❖ Lower pricing thanks to benchmarking against others
- ❖ Increased competition leading to price decrease in long run

❖ Potential negative impact

- ❖ Medicine supplier may adapt price strategies: possible negative impact on price tiering and on poorest
- ❖ Potential negative effects on manufacturers affecting availability in poorest countries
- ❖ Varying market behavior: possible incentives for collusion driving prices up

➤ **Published evidence is inconclusive**

Data Collection (2019) - global

182 MS reported market information in 2019

Figure 1.1: Countries reporting price data

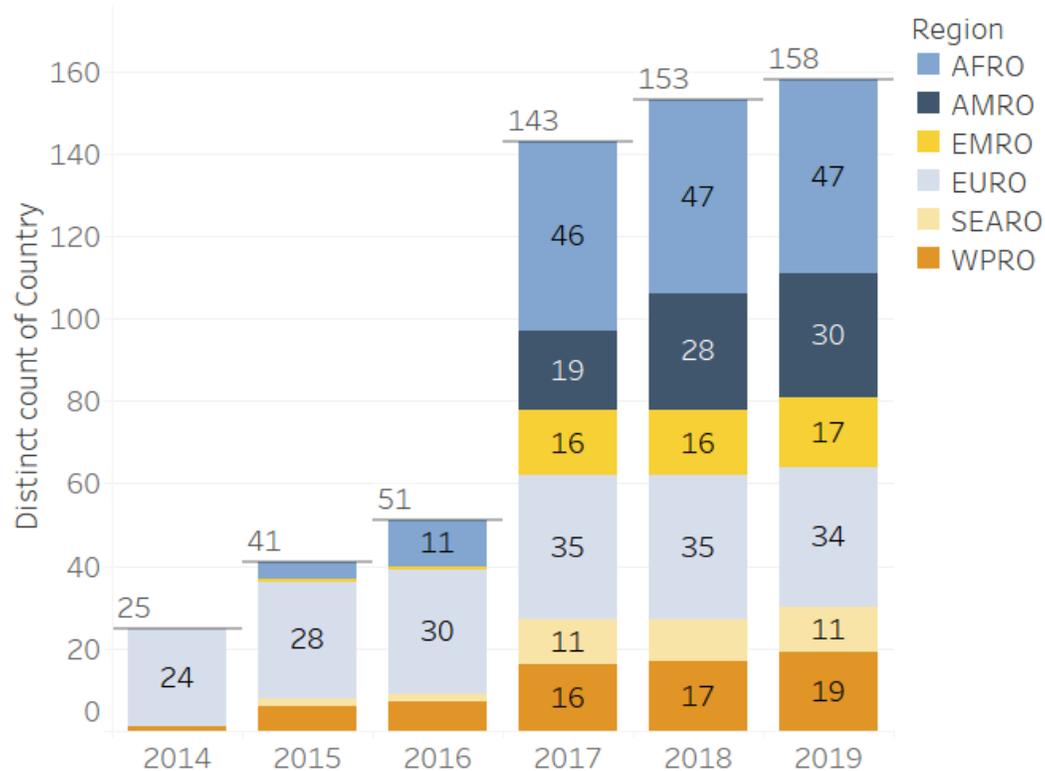
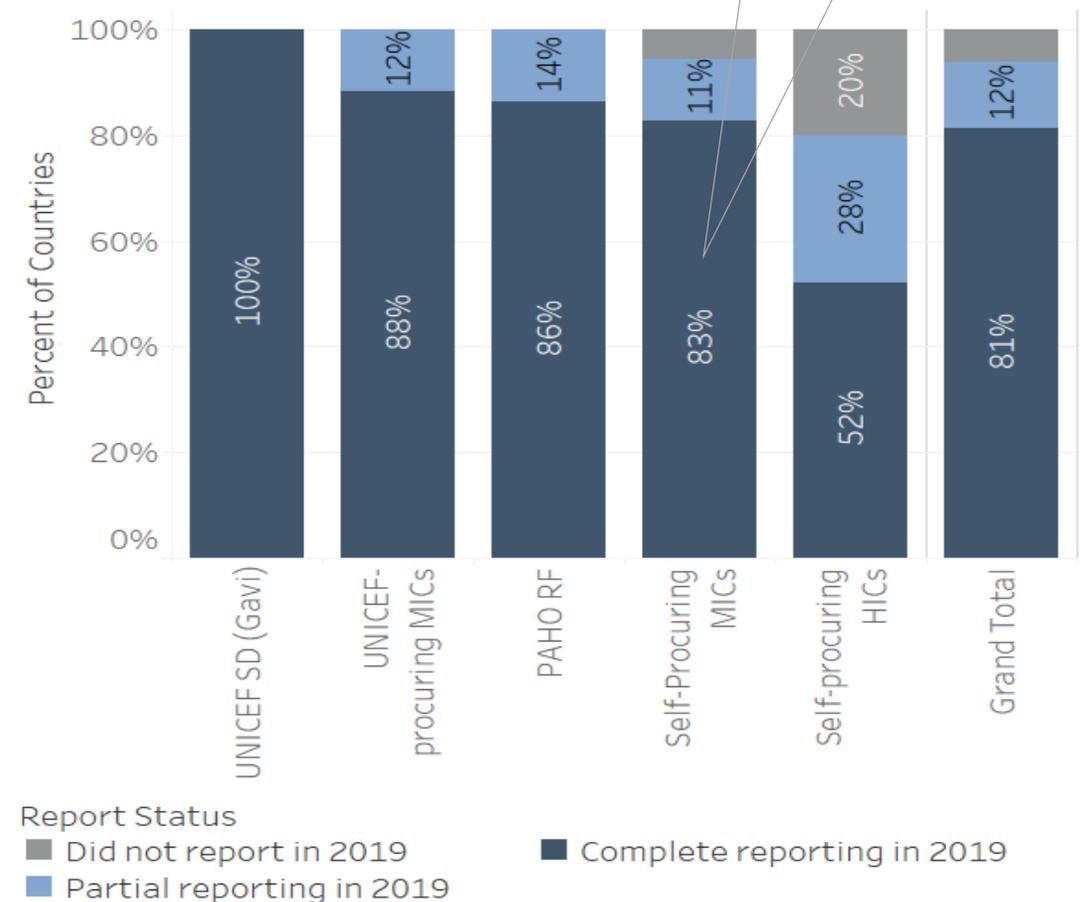


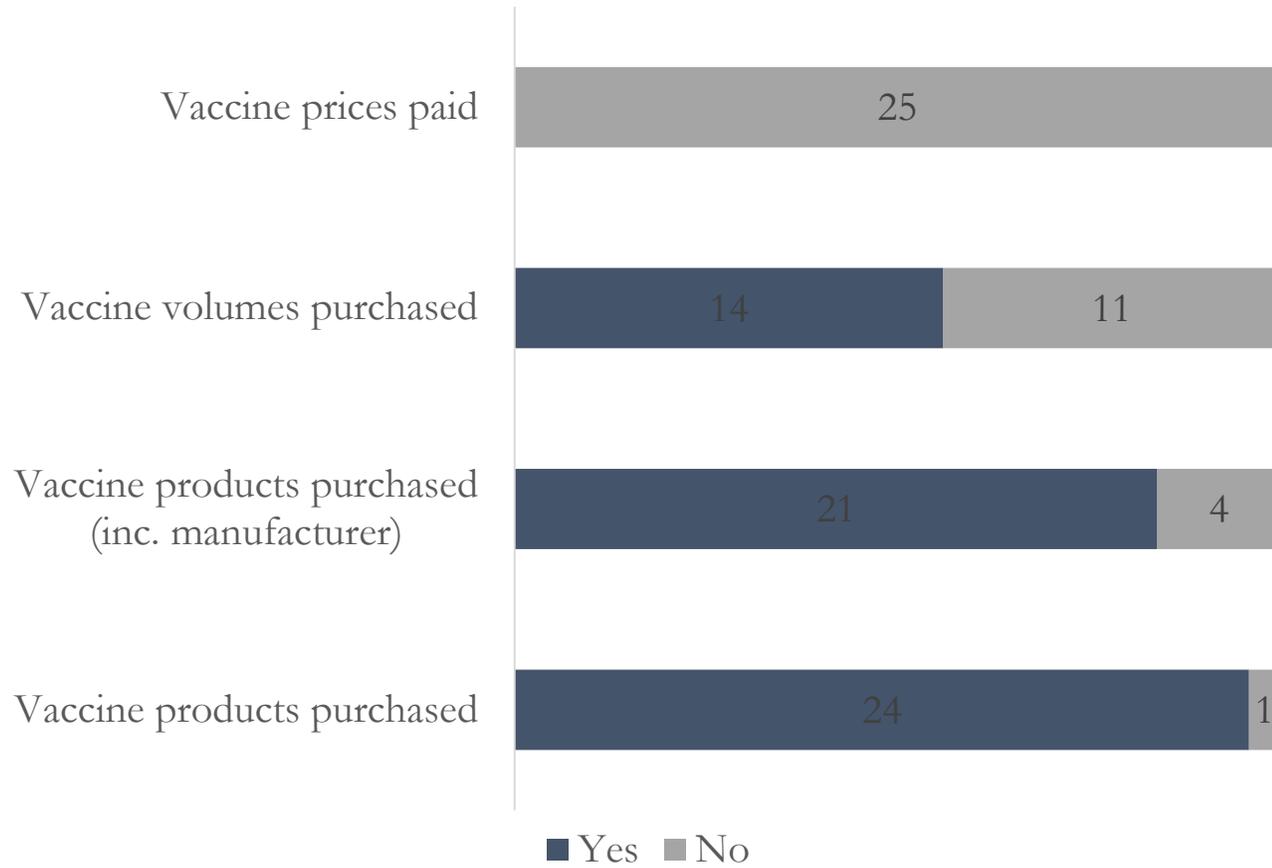
Figure 1.2: Proportion of countries reporting (2019)



72nd WHA - May 2019 – adopted a Resolution on improving the transparency of markets for medicines, vaccines, and other health products

Reasons for partial or non reporting

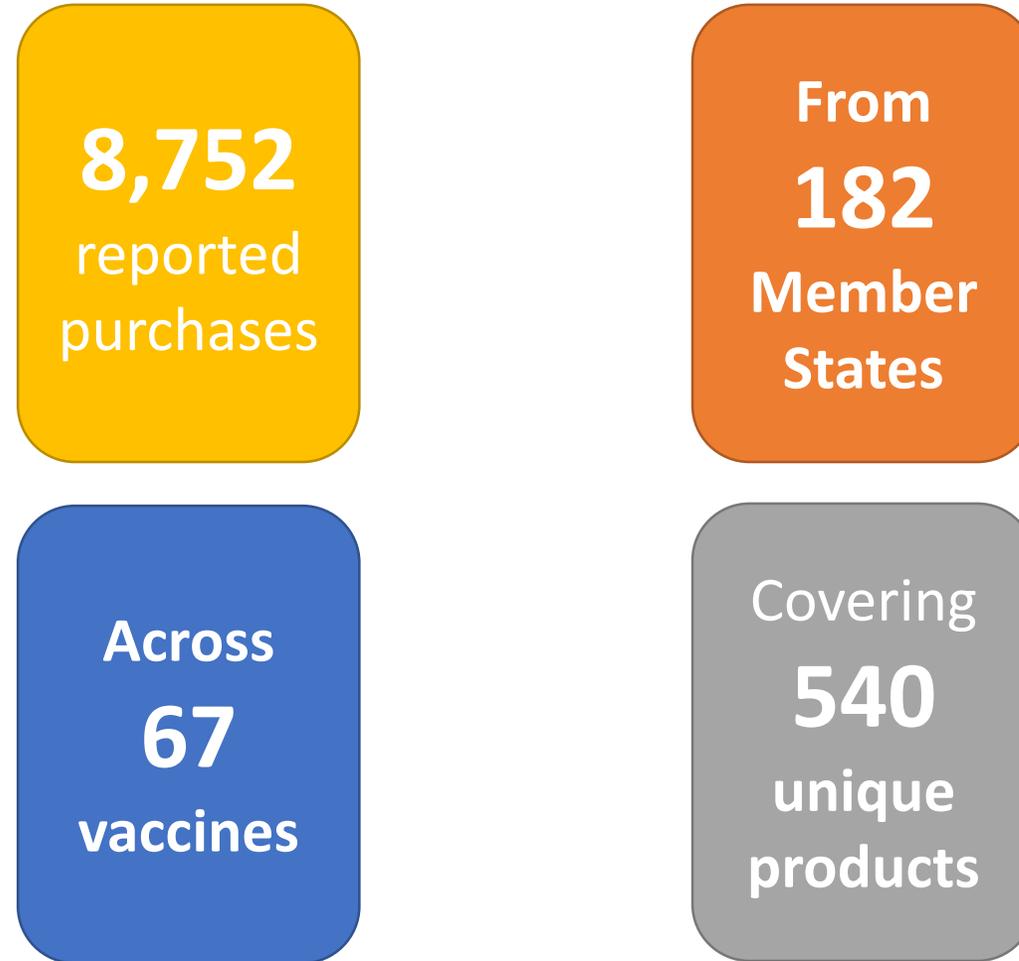
Types of partial data reported by countries (2019)



Reasons for non-reporting or partial reporting:

- **Confidentiality issues** (e.g. Austria, Canada, Israel)
- **Decentralised system** (e.g. Germany, Italy)

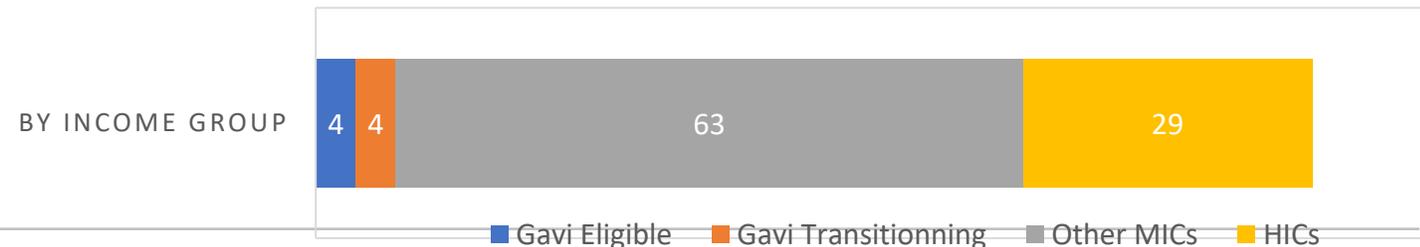
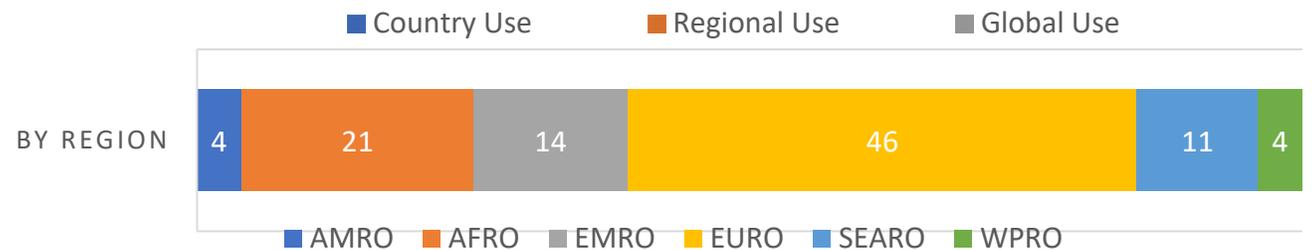
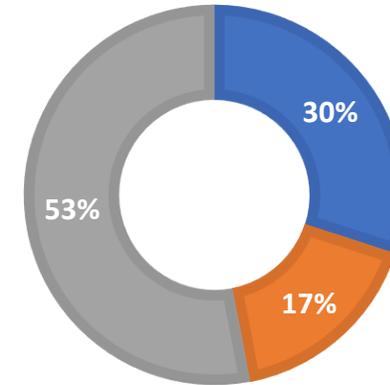
The MI4A vaccine purchase database contains



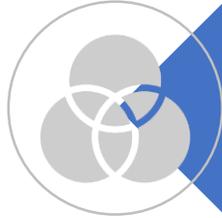


Market Intelligence Data Use (logged over 2016-2019)

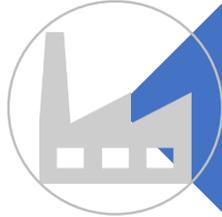
- Primary use at global and country level
- Use at country level is increasing over time – mainly by MICs and EURO countries
- Purposes of use:
 - Optimization of EPI schedule
 - Price negotiations
 - Analysis of budget impact for new intro
 - Informing tender strategies
 - Inform policy/strategy work



Experience has shown that MI4A can:



Inform Global & regional Policy /Strategy: In which market context are decisions taken? What will be the market impact?



Inform Industry: what types of investments and terms are needed and when to meet global public health needs?



Inform countries: how can countries leverage market information to inform introduction decisions, product selection, planning, budgeting, price negotiation?



Inform WHO's work on access: What can WHO do, in collaboration with partners, to enhance access?

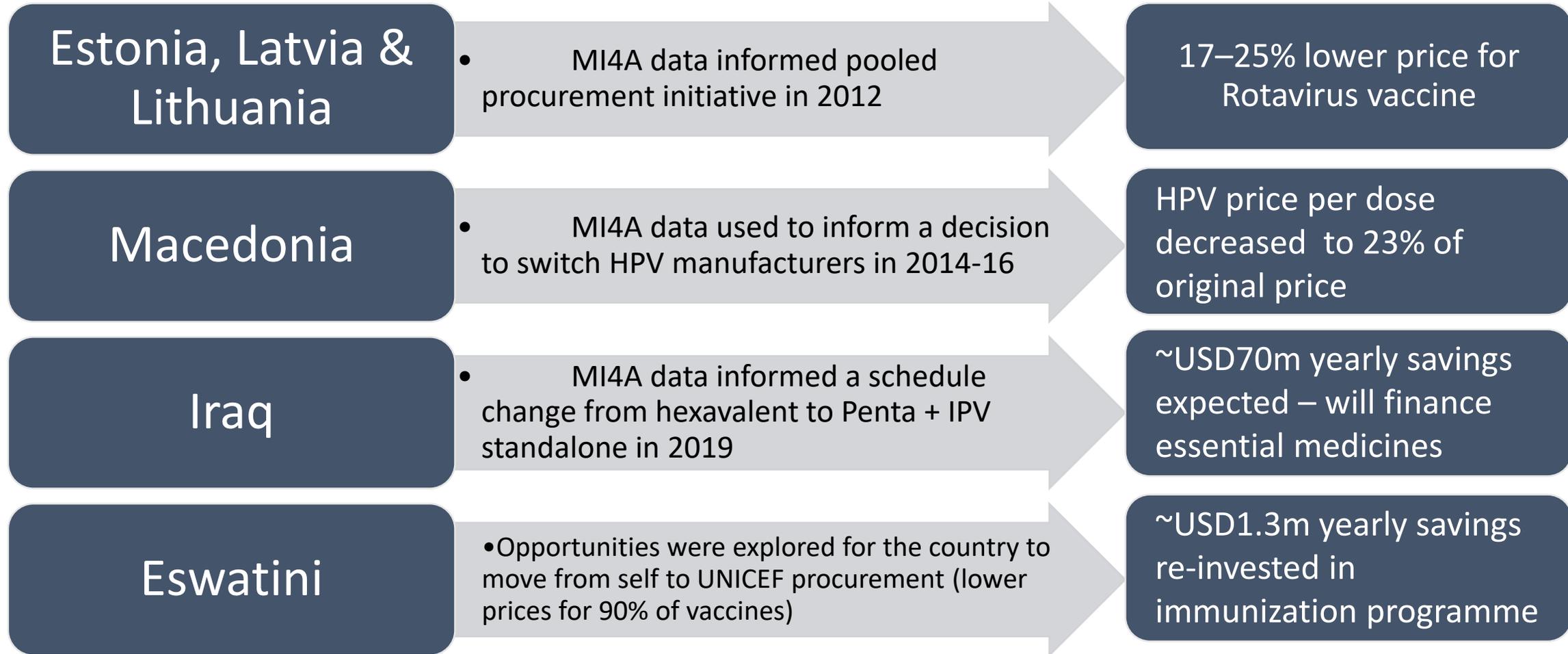
MI4A informs policy process: some examples

- How are higher and lower profit market segments for HPV vaccines interacting? What policy recommendation could lead to more equitable distribution of scarce supply towards public health needs?
 - MI4A guided SAGE recommendation (October 2019) towards temporary pausing of adult, boys and MACs and considering of 1+1 schedules and older age targets for HPV vaccines
- Is there sufficient supply of Td vaccines worldwide to launch the global TT to Td replacement?
 - MI4A guided a WHO & UNICEF joint recommendation in 2018 to stop procurement of TT vaccines

MI4A informs investment decisions: examples

- Industry is asking WHO to size the global need of multivalent meningococcal vaccines, including in presentations of interest to low income settings. This information is needed to drive ongoing investment decisions
- Pipeline manufacturers would like to better understand potential global demand for RSV vaccines
- Beyond current shortages, suppliers are asking if WHO is likely to consider a recommendation for HPV use in boys so decisions on manufacturing capacity can be guided

MI4A informs countries: some examples



MI4A informs WHO work on access: the affordability example

	Albania	Algeria	Angola	Azerbaijan	Cabo Verde	Egypt	Eswatini	Indonesia	Iran	Lebanon	Maldives	Mongolia	Morocco	Namibia	Russia	Samoa	Sri Lanka	Thailand	Tonga	Tunisia	Turkmenistan	Tuvalu	Vanuatu
PCV				X	X			X		X					X		X	X				X	X
HPV	X	X	X	X	X	X	X		X	X		X	X	X	X	X			X	X		X	X
Rota	X			X	X	X		X	X	X	X	X			X	X	X	X	X	X	X	X	X

- Which countries are struggling to introduce PCV, HPV & Rota?
- Is the disease burden in the country recognised and a policy decision to introduce made?
- Do they have access to any price scheme?
- Have they demonstrated political will towards immunization?
- What other vaccine choices have they made (e.g. expensive aP vaccines)?
- How is their price of traditional vaccines comparing with peer countries?
- What would be the budget impact of introducing new vaccines at the current median price of peers?

Illustrative

Where can you find the data and our studies?

www.who.int/immunization/MI4A

MI4A: Market Information for Access to Vaccines



MARKET INFORMATION FOR ACCESS TO VACCINES

↓ MI4A project overview
pdf, 630kb

Building on existing efforts, MI4A provides a global perspective on vaccine markets, responding to WHA Resolutions and WHO SAGE requests for action. In particular, MI4A aims to identify and address affordability and shortage issues for self-funding and self-procuring countries that are mostly excluded from international support. MI4A leverages the success of the WHO Vaccine Product, Price and Procurement (V3P) project.

The collage features four study reports from the World Health Organization and MI4A:

- GLOBAL MARKET STUDY BCG VACCINE** (Yellow vertical label)
- GLOBAL MARKET STUDY DIPHThERIA AND TETANUS-CONTAINING VACCINES** (Purple vertical label)
- GLOBAL MARKET STUDY HPV** (Teal vertical label)
- GLOBAL MARKET STUDY MENINGOCOCCAL MENINGITIS VACCINES** (Green vertical label)

On the left, a 'Key' section lists: BCG is vaccine and first high inc; Historic availability limited to 11 countries and was Since 2 re-entry; Over 10 of BCG regions 2015.

At the bottom, a 'QUICK STATS' section for Meningococcal Meningitis lists: NUMBER OF TYPES: 12 vaccine types, 29 distinct products.

Four blue arrows point from the reports towards the data and studies box on the right.



Vaccine Purchase Data

The price database contains information on vaccine prices and procurement modalities as reported by participating countries and partners, including PAHO revolving fund and UNICEF.



Market Studies

MI4A produces a range of market analyses and vaccine-specific reports. These aim to strengthen understanding of global vaccine supply-demand dynamics, identifying affordability and shortage risks.



Middle Income Countries

Middle-income countries (MICs) face the greatest challenge of ensuring sustainable access to vaccine supply, given their limited external assistance and national resources.

WHO & Partners' Middle Income Country Strategy

Goal	Enhance sustainable access to vaccines for populations in middle-income countries to meet GVAP targets			
Driving Principles	<ul style="list-style-type: none"> Uphold GVAP principles of country ownership, shared responsibility, integration, sustainability and innovation. Address inequities within and among countries Maximize health impact Consider technical and political feasibility Maximize value for money by complementing existing and planned efforts <p style="text-align: right;">(MIC Task Force Secretariat)</p>			
Geography	All MICs not supported through the Gavi Alliance			
Objective	Raise and sustain high and equitable immunization coverage and enable new vaccine introductions			
Focus areas	<p>① Strengthened decision-making for timely and evidence-based immunization policy and programmatic choices</p>	<p>② Increased political commitment and financial sustainability of immunization programmes</p>	<p>③ Enhanced demand for and equitable delivery of immunization services</p>	<p>④ Improved access to affordable and timely supply</p>
Strategic enablers	<ul style="list-style-type: none"> Country commitment and cost sharing Coordination among international and local partners International and national advocacy and country-to-country peer learning Strong monitoring and evaluation efforts 			



Looking ahead

Additional years of data and analyses are needed to develop a better understanding of market dynamics and contribute to promote sustainable access
For now, this effort shows that systematic collection of purchase data is possible and may serve as a model for other health interventions

Thank You



**World Health
Organization**

Data Collection (2019) – 36 Countries with incomplete data

	Never reported (n=9)	Stopped reporting (n=2)	Partially reported (n=25)
HIC (25)	<p>EURO (n=7): Germany, Italy, Monaco, Switzerland, Austria, Greece, Luxembourg</p> <p>EMRO (n=2): UAE, Kuwait*</p>	<p>EURO (n=1): <i>Finland</i></p>	<p>AMRO (n=2): Canada, <i>Uruguay</i></p> <p>EURO (n=10): UK, <i>Netherlands</i>, Israel, Belgium, Sweden, <i>Czech Rep.</i>, Norway, Denmark, Ireland, <i>Malta</i></p> <p>WPRO (n=3): Japan, Australia, Singapore</p>
UMI C (10)		<p>EURO (n=1): <i>Turkey</i></p>	<p>AMRO (n=3): Colombia, <i>Peru</i>, <i>Paraguay</i></p> <p>EMRO (n=2): <i>Iraq</i>, <i>Libya</i></p> <p>WPRO (n=4): <i>China</i>, <i>Samoa</i>, <i>Tonga</i>, Marshall Islands</p>

1 LMIC: WPRO Micronesia

Definitions:

- **Never reported**= No JRF 2019, blank sheet 2B 2019, never submitted data in 2014-19
- **Stopped reporting** = No JRF 2019, blank sheet 2B 2019, submitted data at least once in 2014-19
- **Partial reporters** = filled but no price in 2019 – of which 12 countries (*in italic*) reported price in the past
- Note: Countries listed in birth cohort size order (largest to smallest)
- * *Submitted JRF after the deadline*
- *Italics denotes countries have EVER submitted price data*