

**76th FIP World
Congress of Pharmacy
and Pharmaceutical
Sciences**

**Buenos Aires, Argentina
28 August -
1 September 2016**

**Reducing the global burden of disease
–Rising to the challenge**



**BUENOS AIRES 2016
FIP WORLD CONGRESS**
28 August - 1 September





Analysis of medicines expenditure in Ukraine: Implications for rational selection

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E9 Short oral presentations, Part 2a (Practice & Education)
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Background

- Following the maidan revolution, Ukraine experienced spiraling economic crisis, rising medicine prices



AP Photo/Sergei Grits

- Lack of harmonization in medicines selection and procurement due to multiple medicines lists contribute to inefficiencies



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Purpose

- To highlight patterns of medicines selection and spending in Ukraine's public hospital sector
- To emphasize the need for proper selection of medicines and the rationale for a harmonized Essential Medicines List (EML)



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Scope of data*

- Data covered 3 levels of the Ukrainian hospital tender purchasing system:
 - Ministry of Health Central Tenders
 - Regional Health Authorities Tenders (all oblasts)
 - Hospital level tenders
- All data is non-extrapolated and received directly from the source, covering approximately 95% of the Ukrainian hospital sector:
 - 547 hospitals
 - 54 regional administrative bodies
- Data from donors, technical partners and international procurement agencies are not part of this analysis



Highlights of data analysis



4 285 medicines procured in 2013

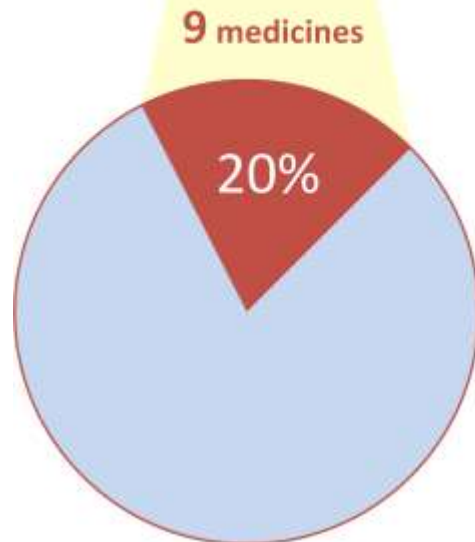
with total spending of

2 870 000 000 *uah*

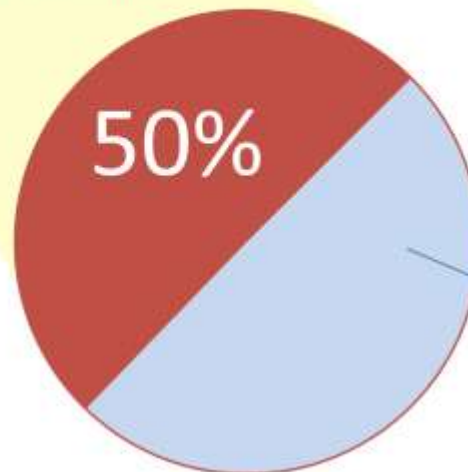
(362 million USD)

9 out of all procured medicines
account for **20%** of total spending

and **48** of them
account for **50%**



48 medicines



the remaining
4 237 medicines



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2013: Top 9 out of total 4,285 medicines procured nationwide

INN*	UAH (million)	(%) total UAH	Units	% total units
dTP, polio, HiB vaccine	139	4.84%	892,406	2.25%
lopinavir and ritonavir	124	4.34%	268,319	0.68%
dTP vaccine	72	2.51%	672,995	1.70%
Rituximab	51	1.79%	6,555	0.02%
Imatinab	45	1.59%	17,441	0.04%
human insulin semisynthetic	43	1.50%	373,811	0.94%
Insulin glargine	38	1.34%	44,111	0.11%
Tenecteplase	37	1.31%	2,679	0.01%
human coagulation factor VIII	36	1.26%	23,331	0.06%
Grand total 2.87 billion UAH (US\$ 362 million)				

*Trade names not listed in this presentation per FIP guidelines



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4 630 medicines procured in 2014

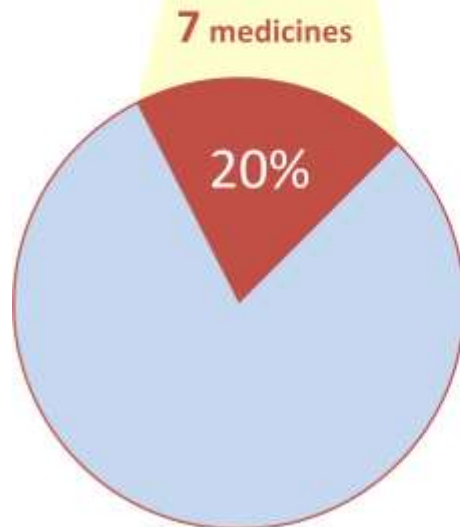
with total spending of

3 130 000 000 *uah*

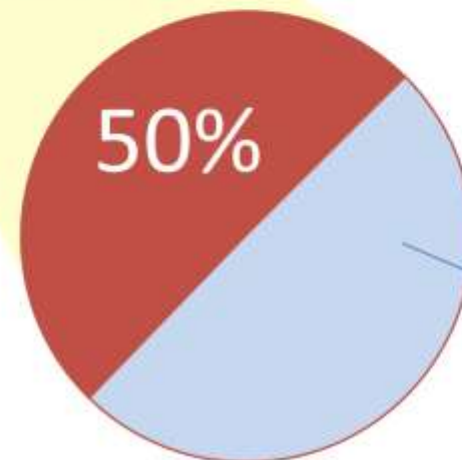
(337 million USD)

7 out of all procured medicines
account for **20%** of total spending

and **42** of them
account for **50%**



42 medicines



the remaining
4 588 medicines



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2014: Top 7 products of total 4,630 medicines procured nationwide

INN*	UAH (millions)	% total UAH	Units	% total units
peritoneal dialysis solution	193	6.17%	1,296,761	2.89%
dTP, polio, HiB vaccine	118	3.77%	471,800	1.05%
lopinavir and ritonavir	106	3.39%	182,775	0.41%
Micafungine	63	2.01%	8,391	0.02%
Insulin glargine	56	1.80%	59,813	0.13%
Imatinib	49	1.58%	2,823	0.01%
human insulin semisynthetic	46	1.49%	407,595	0.91%
Grand total 3.13 billion UAH (US \$337 million)				



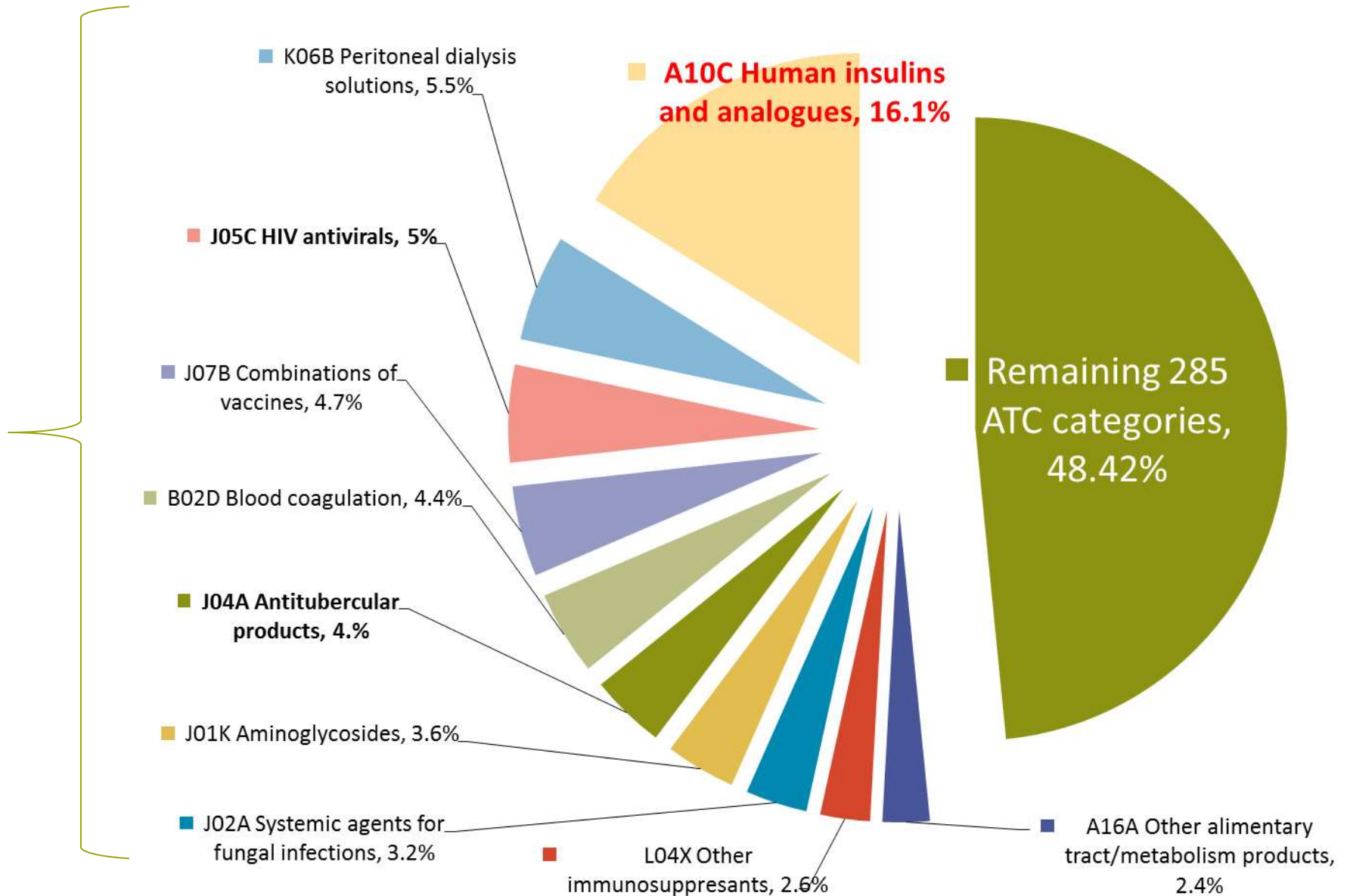
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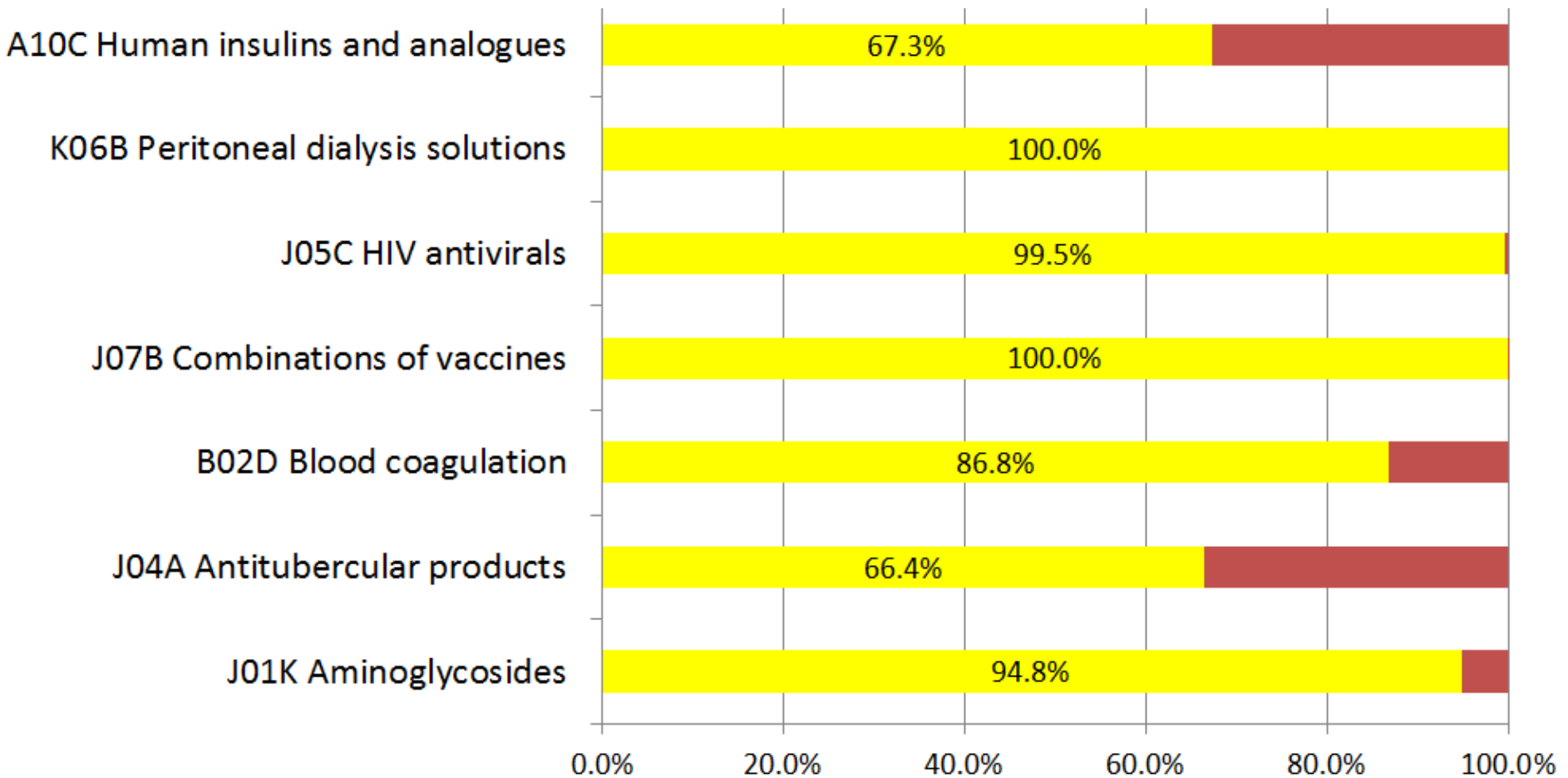
*Trade names not listed in this presentation per FIP guidelines

10 ATC categories account for 52% of expenditures

(UAH 10.4 billion; USD 853 million – 2013-2015 data)



Imported products account for a large proportion among top ATC categories by public spending



■ Imported ■ Local



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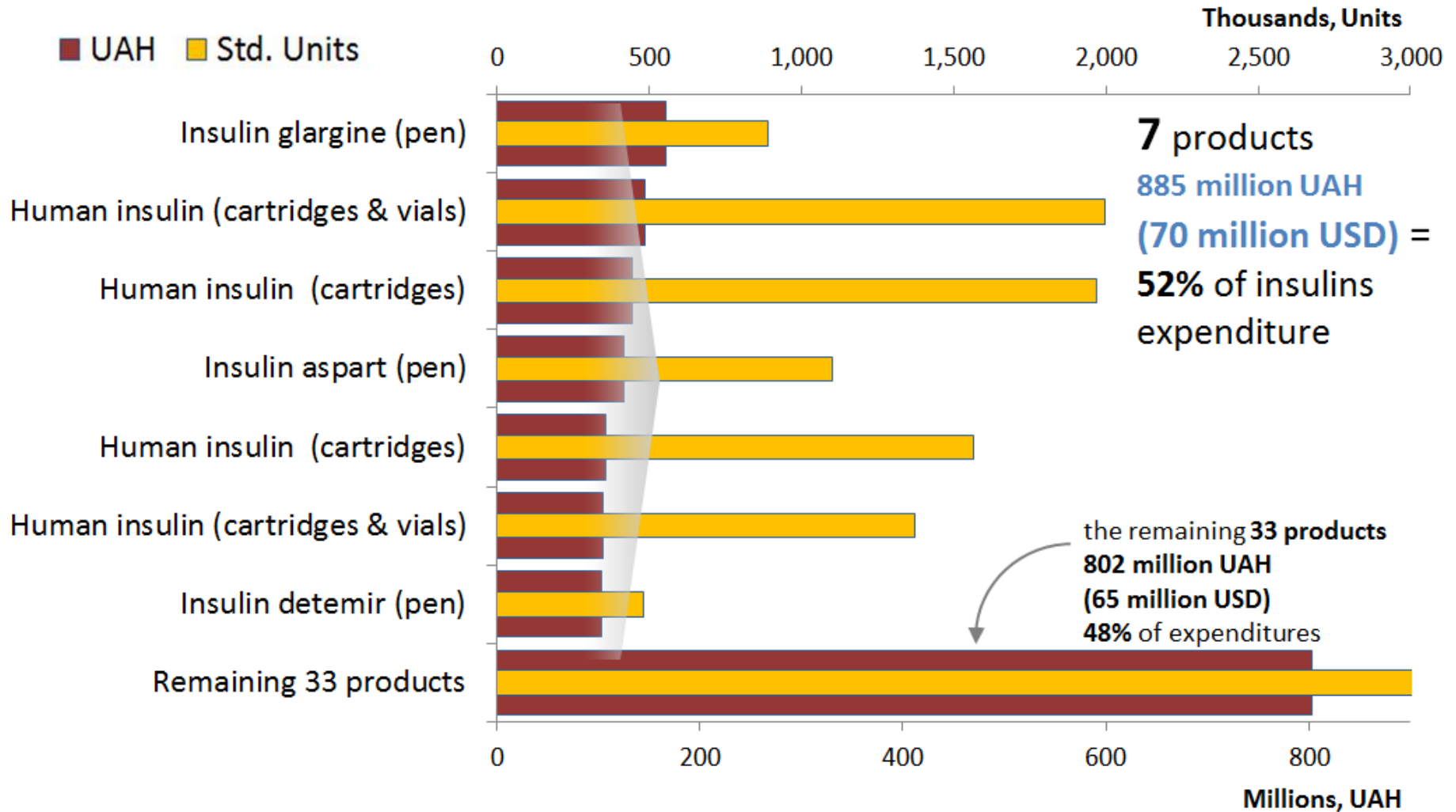


Why did insulins, both fast-acting and intermediate acting consume 16.1% (USD 135 million) of total UAH 10.4 billion (853 million USD) in Ukraine's hospital sector for medicines?

What are the cost drivers?



Just 7 of 40 products account for 52% total insulins expenditure dominated by analogue insulin pens*



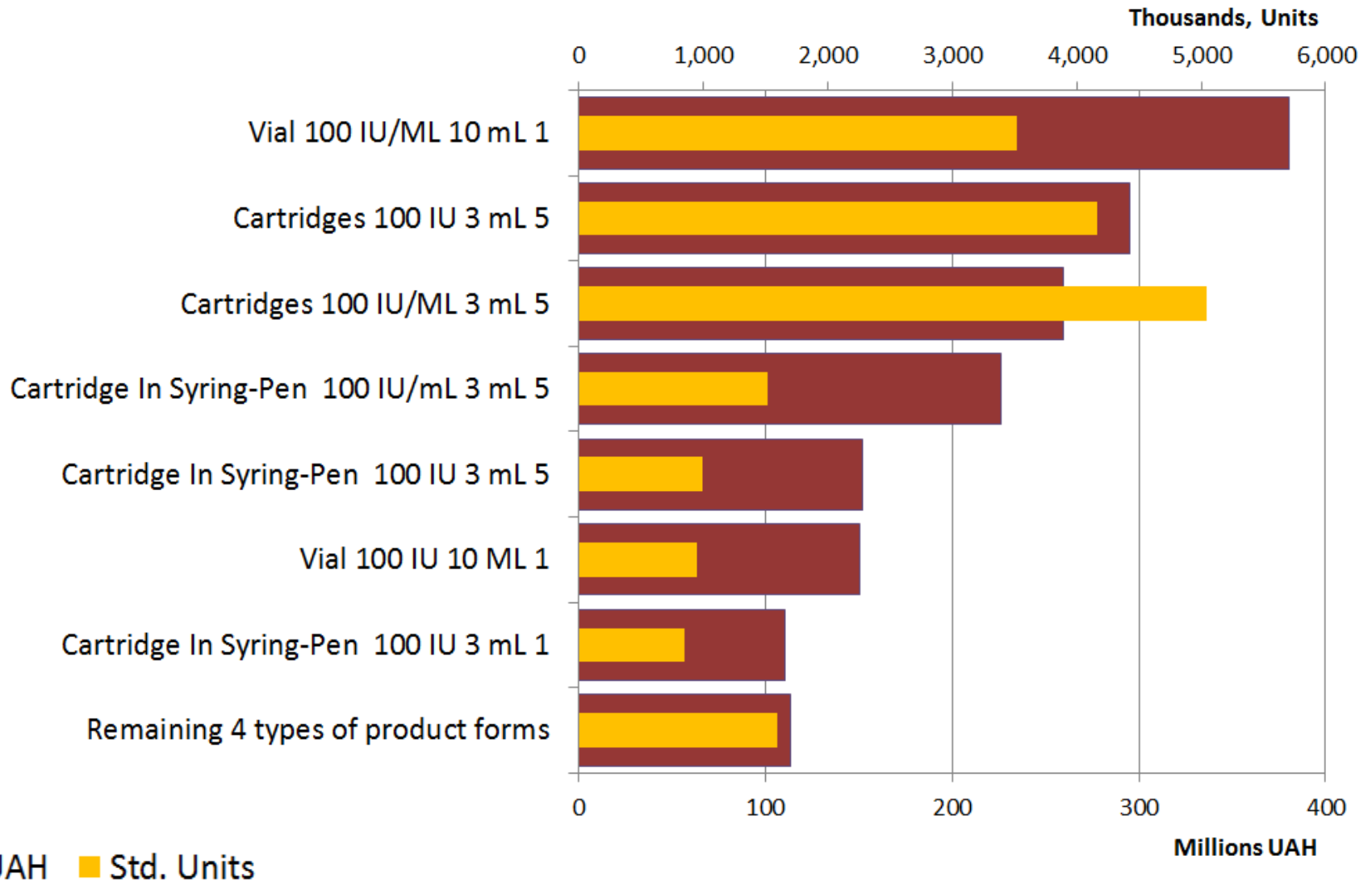
*Trade names not listed in this presentation per FIP guidelines;
 2013-2015 cumulative data



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Of 11 product forms, insulin cartridges and pens account for 65% of total spending on insulins*



* 2013-2015 cumulative data



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Analogue insulins v/s human insulins

- WHO, Cochrane, and European Association for Study of Diabetes has found no evidence of significant clinical benefit of analogue insulins over human insulins
- In 2010, Germany stopped reimbursing insulin analogues on economic grounds alone due to significant budgetary impact
- The U.K. was concerned that its National Health Service could be “bankrupted” because spending on diabetes medicines had reached 10% of its total pharmaceutical budget

http://www.who.int/selection_medicines/committees/expert/18/applications/Insulin_review.pdf

http://www.cochrane.org/CD005613/ENDOC_long-acting-insulin-analogues-versus-nph-insulin-human-isophane-insulin-for-type-2-diabetes-mellitus



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The need for rational selection of medicines: Improving governance and increasing transparency

USAID/SIAPS technical assistance resulted in Ministry of Health approved decree:

- ✓ Process for competitive selection of members for EML committee (12 selected out of 31 candidates)
- ✓ Selection methodology of medicines for the National EML (Ministry of Justice approval pending)

First phase training on Health Technology Assessment methodologies provided (second phase in September-2016)

EML = Essential Medicines List



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Concluding remarks:

- Ukraine has the opportunity to rationalize limited public funds and choose only safe and effective medicines that offer the best value for money
- There is need for a robust national medicines policy that includes multifaceted measures, particularly on pricing and promotion of generic policies
- Political will to address corruption and regulations to promote good governance is essential to improve efficiencies



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The SIAPS logo consists of the letters "SIAPS" in a bold, green, sans-serif font, followed by a stylized blue and white graphic of a person in motion, possibly representing a runner or a person in a dynamic pose.