Overview of Supply Chain of Anti-TB Medicines

Francis Aboagye-Nyame
Program Director
USAID Systems for Improved Access to Pharmaceuticals and Services (SIAPS) Program
Improved Access. Improved Services.

Better Health Outcomes.
Is SCM important?

Source: http://www.geekyboy.com
High Budgetary Impact: Global Fund Expenditures—2012

- Health products and health equipment: $2,700,000,000
- Medicines and pharmaceutical products: $2,500,000,000
- Procurement and Supply Management Costs: $390,000,000
- Human resources: $1,900,000,000
- Training: $1,200,000,000
- Infrastructure and other equipment: $1,000,000,000
- Planning and Administration: $600,000,000
- Living support to clients: $600,000,000
- Monitoring and Evaluation: $550,000,000
- Communication materials: $510,000,000
- Overheads: $370,000,000
- TA: $230,000,000
- Other: $160,000,000

Source: GFATM Annual Report 2012

$5.59 Billion
44%
Health Care System

stock-outs
counterfeit theft
Development-Partners
human-resources
Transport
sub-standard
Governance
expired Donors
storage obsolete
Treatment Outcomes

As tuberculosis progresses, patients suffer drastic weight loss.

Supply Chain Management (SCM) Defined

• Encompasses the planning and management of all activities involved in sourcing and procurement, conversion, and all logistics management activities

• Is an integrating function with primary responsibility for linking major business functions and business processes within and across companies into a cohesive and high-performing business model

Source: Council of Supply Chain Management Professionals (CSCMP)
National TB Supply Chains: Multiple Players – Multiple levels

- **International**
  - Multinational Suppliers
  - International Procurement Agencies / GLC / GDF
  - Donors/ Global Fund, PEPFAR

- **National**
  - Regulatory Agencies
  - Local Manufacturers
  - Wholesalers
  - Government Supply Services National TB Program
  - TB Institutes
  - NGOs

- **Regional**
  - Distributors
  - Regional Facilities

- **District**
  - Shops, Pharmacies
  - District Facilities

- **Community**
  - Private Prescribers
  - Primary Care Facilities

**TB Patients (intensive / continuation phases)**
Supply Chain Functions

- Forecasting and Supply Planning
- Procurement
- Warehousing and Inventory Control
- Distribution and Transportation
- Information Management
Issues in Quantification of Anti-TB Medicines

• Changes in the recommended regimens
  – Updates in international recommendations and national standard treatment guidelines
• New medicines and novel treatment regimens in the pipeline
• Expansion of MDR-TB treatment
• Lack of appropriate tools for quantification of anti-TB medicines
• Relatively short shelf life for second-line drugs (SLD)
• Quality of information for quantification
  – e.g., stock on hand, pipeline, consumption, treatment regimens distribution data
Issues in Procurement of Anti-TB Medicines

- Global mechanisms for procurement of anti-TB medicines (Global Fund, Global Drug Facility)
- Internationally quality assured anti-TB medicines not always available on local markets
  - Not registered, domestic preferences, etc.
- Fixed-dose-combination (FDC) and pediatric anti-TB medicines rarely available on the local markets
- Financial constrains—SLDs are still expensive
- Dependence on donors for procurement of anti-TB medicines leads to concerns about sustainability
Issues in Distribution of Anti-TB Medicines

- Distribution system for anti-TB medicines often parallel and isolated from the general distribution system
- Insufficient budgets and funding for supply chain management
Adequate Infrastructure and MHE
Poor Storage
Lack of Shelves – Spilled TB Stains
Major Cracks in Store Rooms
Good Storage
Challenges—Transport Management

- Poor fleet management
- Inadequate transport resources
Finally—a Good Supply Chain should...

- Maintain a constant supply of medicines
- Keep medicines in good condition throughout the distribution process
- Minimize medicine losses caused by spoilage and expiry
- Maintain adequate inventory records
- Rationalize medicine storage points
- Use available transportation resources as efficiently and effectively as possible
- Reduce theft and fraud
- Provide information for forecasting needs
- Incorporate a quality assurance program
Access to Medicines. A Focus on Pharmaceutical Services?

- **Pharmaceutical Supply**
  - Selection of products
  - Procurement
  - Distribution
  - Repackaging
  - Compounding
  - Assuring quality

- **Dispensing and Supply to Individuals**
  - Sale or supply of pharmaceuticals with or without prescription
  - Support for self-care
  - Medication-related information and counselling

- **Safe, Appropriate, Cost-Effective Use**
  - Providing pharmaceutical care
  - Optimizing prescribing and use
  - Preserving medicine effectiveness
  - Promoting medicine safety

- **Health Promotion and Disease Prevention**
  - Information and advice to promote public health and prevent disease
  - Public health campaigns
  - Screening

Source: MSH/CPM
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For Better Health Outcomes.
Thank you for your attention