



Being sick and needing medicines is a costly misfortune in many countries

Mis en forme : Niveau 1

– A one day snapshot of a medicine's price across 93 countries including 22 countries in WHO/AFRO

When you are sick the price of a medicine matters – especially if you are one of the millions of people living in poverty in many countries around the world. Medicines are inaccessible for many people; they are either unavailable in the public sector, or patients cannot afford to be covered by a medical reimbursement scheme. People who face this dilemma are either forced to purchase medicines at full price in the private sector, go without, or buy a partial course of treatment.

To illustrate the issue of high prices, Health Action International (HAI) in collaboration with WHO Regional and country offices undertook a one day global 'snapshot' of the price of ciprofloxacin. Ciprofloxacin is a broad spectrum antibacterial used to treat various common infections, with a usual adult dose of 250-750mg twice daily for up to 14 days. The medicine has been off-patent in the USⁱ, Europe and elsewhere for at least than 5 years and numerous generic versions are manufactured throughout the world.

In addition, Individuals from HAI's extended network collected the price which a patient would have to pay if they paid the full price (as opposed to a co-payment amount where reimbursement systems exist) for ciprofloxacin 500mg tabletsⁱⁱ in their nearest private retail pharmacy on 30 November 2009. Prices were collected for both the originator brand product manufactured by Bayerⁱⁱⁱ and the lowest priced generic equivalent in the pharmacy.

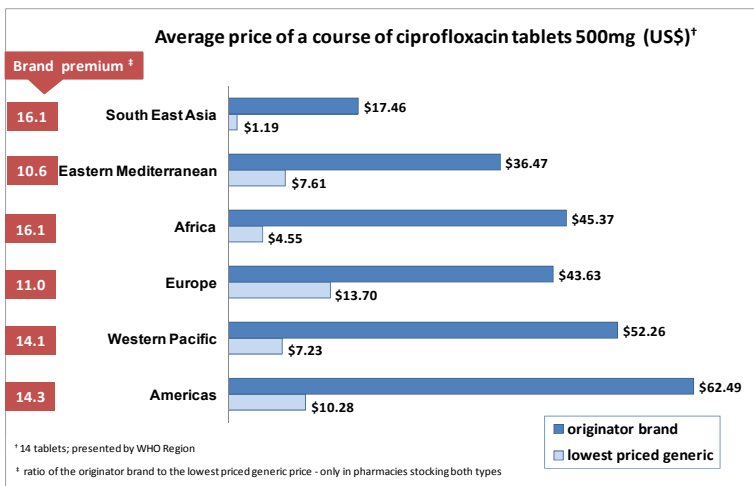
The map below shows the price for a 7 day treatment course (14 tablets) in US\$ using the exchange rate of 30 November 2009 for the Bayer originator product in each location where data was collected^{iv} - the larger the 'bubble', the higher the price. An interactive form of this map is on HAI's website (www.haiweb.org/medicineprices), where prices of the lowest priced generics can also be viewed. These prices should not be considered representative of the situation in a given country, since great price variation exists within some countries, and they only report the final stage of the supply chain^v. However, they are indicative of what patients would have to pay, if paying the full retail price, in those pharmacies on that day.

Prices in Africa are higher than in some other regions

As shown in the chart, the average price a patient would pay for a course of treatment with ciprofloxacin varies greatly across regions. In Africa, the average price for the originator brand (US\$45.37) was higher than in South East Asia (US\$17.46), the WHO Eastern Mediterranean region (US\$36.47) and the WHO European region (US\$43.63).^{vi}



In the African Region, the originator brand was 16 times the price of the lowest priced generic (as found in South East Asia). In other regions, the originator brand was about 11-14 times the price of the lowest priced generic.^{vii}



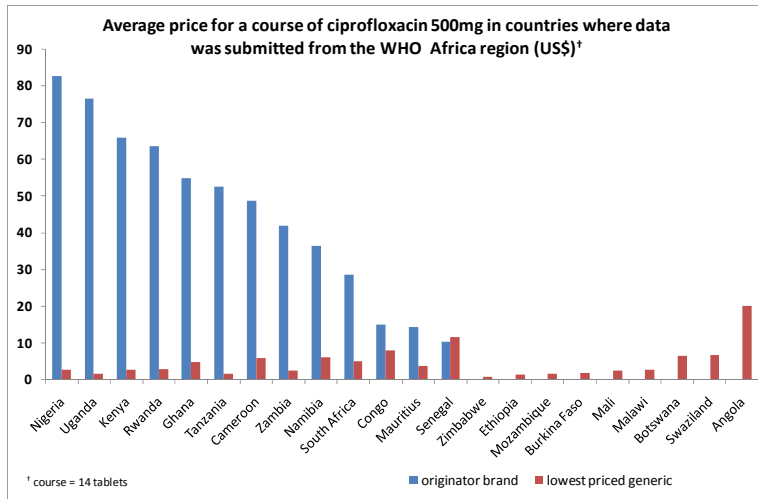
Prices vary greatly within the region

Prices in countries within the region were also highly variable; the chart shows average prices for the originator brand and lowest price generics in African countries. The price for a course of treatment varied from US\$82.57 for the originator brand in Nigeria to US\$0.64 for a generic in Zimbabwe.

A course of the originator brand varied in price from US\$82.57 in Nigeria to US\$10.12 in Senegal. Generic prices showed less variability. They ranged from US\$0.66 in Zimbabwe to US\$19.95 in Angola.

Tanzania had the largest brand premium with the originator brand priced at over 42 times the price of the lowest priced generic.^{vii} In Senegal, the originator brand price found in one pharmacy (about US\$10) was

half the price as generics in two other pharmacies (about US\$21), however, generic prices were highly variable ranging from about US\$3 –US\$22.

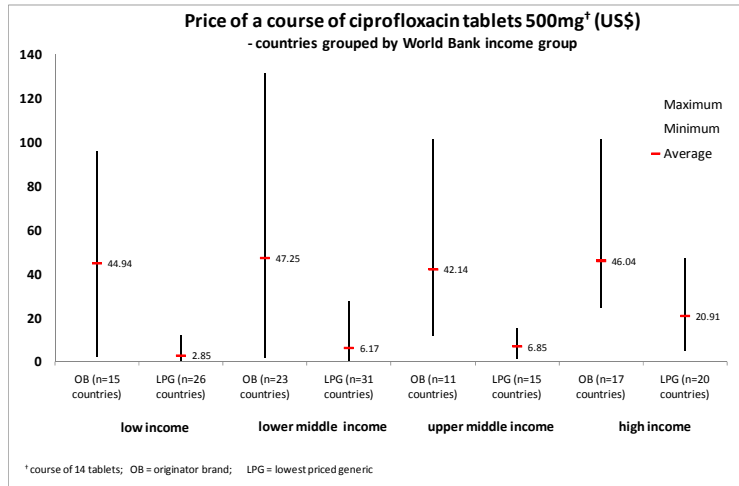


Inequitable pricing –originator brand price is unrelated to the income level of the country

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The chart below shows the price a patient would pay for a course of treatment in countries grouped by World Bank income level. For the originator brand (OB), the average price (indicated in red) showed very little variation across the different income levels. A different picture is seen for lowest priced generics (LPG) where the average price (also indicated in red) decreased as the wealth of the country decreased (from about US\$ 20 in high income countries to about US\$ 3 in low income countries).

The variation in price across countries within each income level was greater for the originator brand compared to the generics. For example, in lower middle-income countries the originator brand price varied from US\$ 2 to US\$ 131 whereas generics ranged from less than US\$ 1 to US\$ 27.

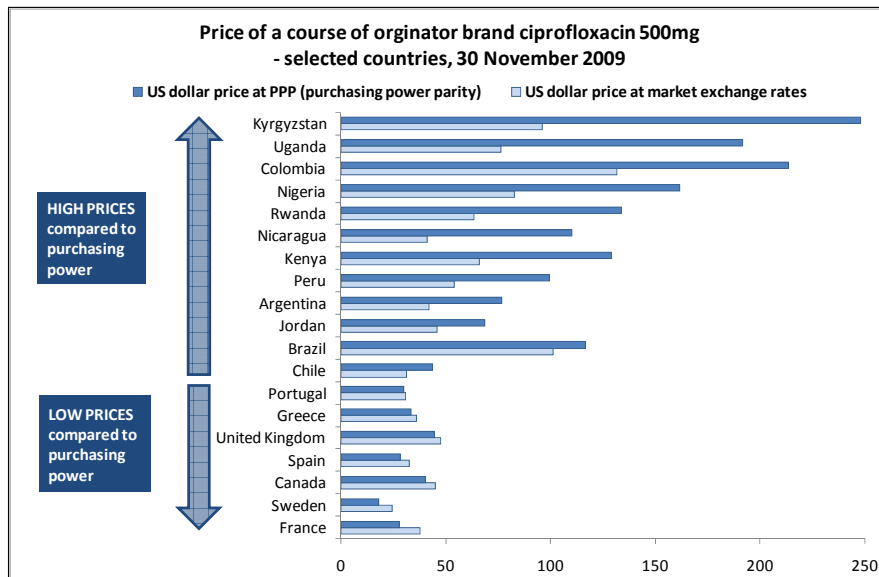


Purchasing power: ciprofloxacin can be considered as expensive in many countries

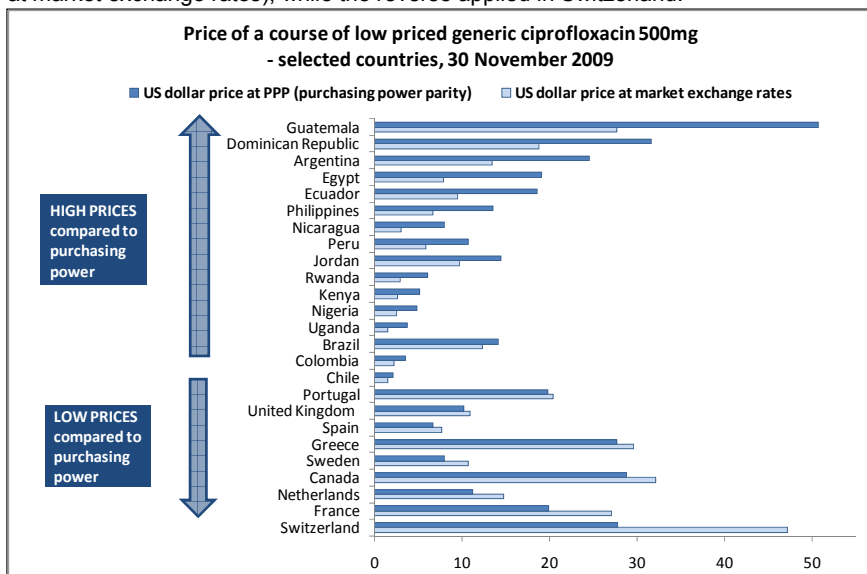
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Since theoretically currencies should trade at the rate that would make the price of goods the same in each country, purchasing power is a good indicator of how expensive goods are. Where the price in terms of purchasing-power parity is greater than the price at market exchange rates, the goods can be considered as expensive in that country. Likewise where the price in terms of purchasing-power parity is less than the price at market exchange rates, the goods can be considered to be low priced.

The price for the originator brand in Kyrgyzstan was extremely high at US\$ 248 at purchasing-power parity (and a much lower price at market exchange rates), whereas it was low in France at only US\$ 28 (with a similar price at market rates), illustrating that in some countries the prices are too high.



Similarly for generics, the prices at purchasing-power parity were expensive in a number of countries. In Guatemala, the price of a course of a generic was high, at US\$ 51 at purchasing power parity (and US\$28 at market exchange rates), while the reverse applied in Switzerland.



Conclusions

- Generic ciprofloxacin is available at much lower prices than the originator brand product
- In many countries, the price of the generic versions could be much lower and more affordable
- The average price for the Bayer originator brand product was consistent across countries of different income levels

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Recommendations

To improve treatment affordability, interventions are needed to **increase the use of low priced generics**. Member States in Africa should:

- Ensure only good quality medicines are on the market
- Mandate generic substitution and create incentives for the dispensing of low priced generics
- Ensure the public has easy access to information about the price they should pay for a medicine
- Encourage active involvement of consumer and health professional organisations in education initiatives about the use of generic medicines
- Remove taxes and duties on medicines, and regulate margins in the supply chain

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For patients who cannot afford even the lowest priced generics purchased in the private sector, Member States should establish alternative financing mechanisms (eg. Social Health insurance) and ensure adequate financing and efficient supply systems to prevent stock-outs.

This snapshot of the price of ciprofloxacin is useful in illustrating prices across the world including 22 countries in AFRO. However, Member States need to continuously monitor prices, as well as availability and affordability, in various sectors and regions within their country. More important is to act on the findings to develop policies and strategies to improve medicine affordability and availability, monitor the outcomes and adapt to the continuously changing environment.

WHO/HAI has a tool available to survey medicine prices and availability, and is developing in-depth reviews on pricing policy options (see www.haiweb.org/medicineprices).

ⁱ In the US, the FDA granted the German pharmaceutical company Bayer AG marketing authorisation for its brand of ciprofloxacin in the US, Cipro[®] in 1987; the US patent expired in late 2003; the patent expired in Germany around 2000.

ⁱⁱ or capsules.

ⁱⁱⁱ Bayer markets ciprofloxacin under the following trade names Cipro[®], Ciproxin[®], Ciproxine[®], Ciprobay[®], Baycip[®], Ciflox[®]

^{iv} Exchange rates accessed on 30th November 2009 at <http://www.oanda.com/currency/converter/>

^v The final patient price is composed of the manufacturer's selling price plus mark-ups and other charges in the supply chain

^{vi} Price of originator brand in Colombia = 131.47 US\$; price of generics in Indonesia (US\$ 0.66), Laos (US\$ 0.59), Myanmar (US\$ 0.42), Sri Lanka (US\$ 0.57), Vietnam (US\$ 0.66)

^{vii} Ratios of brand premium calculated based on an analysis of only those pharmacies stocking the originator brand and a generic product