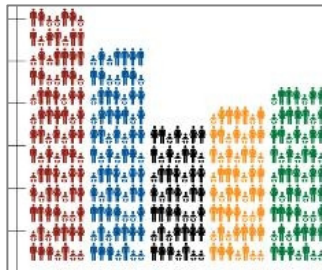


Paying the Price

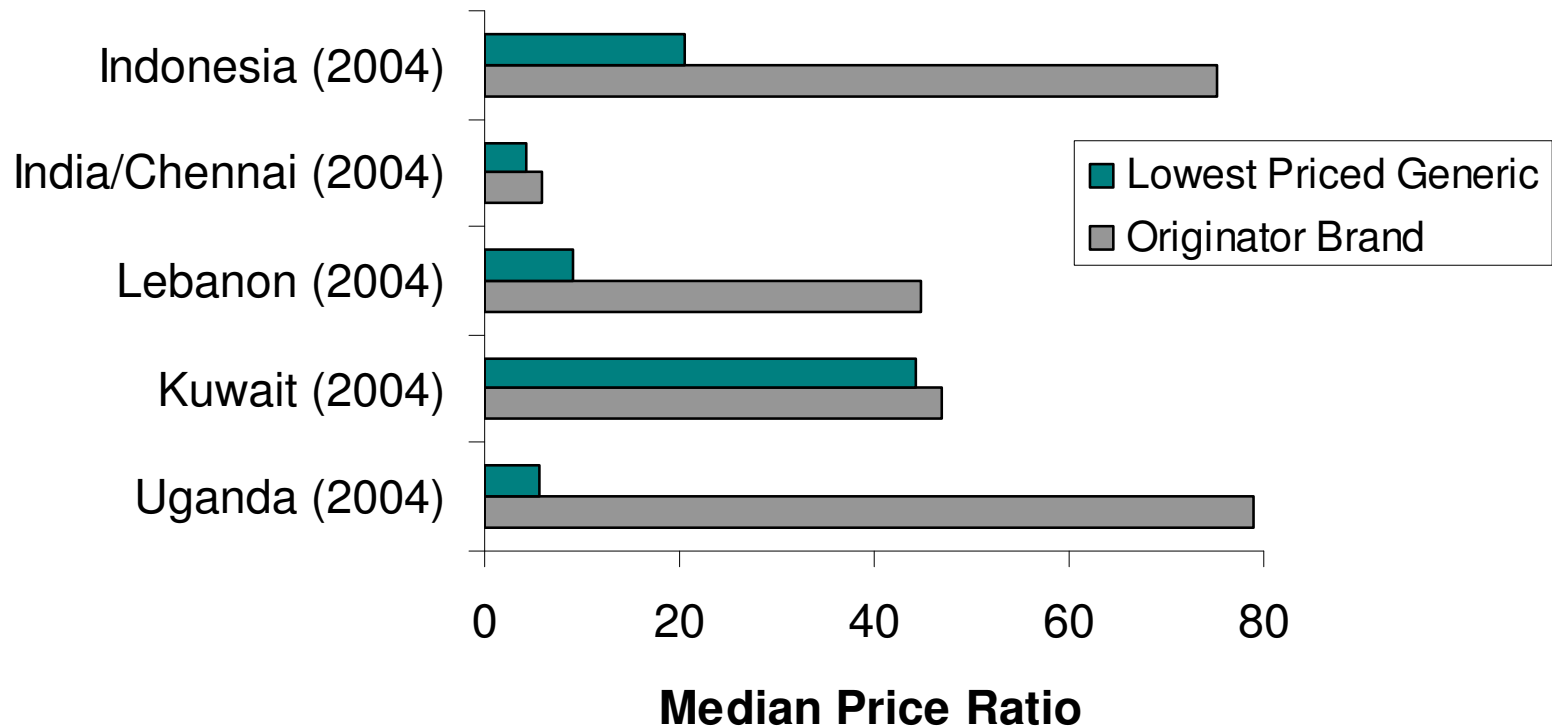
Margaret Ewen
Health Action International Europe



Median price ratios, public sector

	<i>Public sector Procurement price</i>		<i>Public sector Patient price</i>	
	Originator	Generic	Originator	Generic
captopril 25mg tab				
Kenya (2001)	12	4.17		
Morocco (2004)	37.65	12.80	free	free
Indonesia (2004)	-	1.35	21.80	1.69
Mongolia (2004)	-	1.58	-	2.89
phenytoin 100mg cap				
Indonesia (2004)	-	2.19	-	21.46
glibenclamide 5mg tab				
Chad (2004)	-	1.29	-	4.49

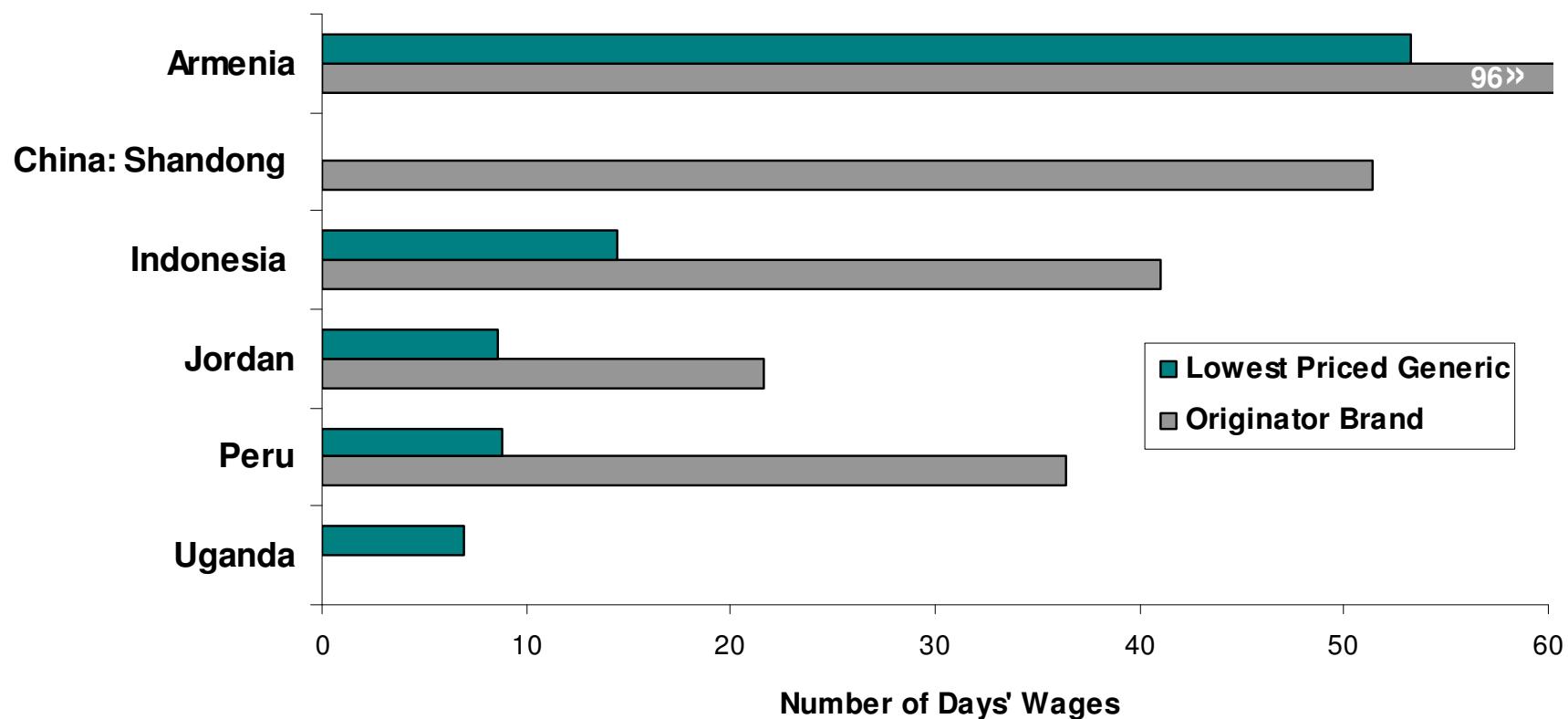
Median price ratios, atenolol 50mg tab, private retail pharmacies



Availability: beclometasone inhaler 50mcg/dose

	<i>Public sector</i>		<i>Private sector</i>	
	Originator	Generic	Originator	Generic
Chad (2004)	4%	0%	18%	0%
Maharashtra (2005)	0%	0%	0%	10%
Mongolia (2004)	0%	0%	0%	4%
Philippines (2002)	15%	0%	9%	1%
Indonesia (2004)	0%	0%	2%	0%
Morocco (2004)	25%	65%	5%	50%

Affordability: fluoxetine 40mg tab/day 30 days treatment, private retail pharmacies



salbutamol inhaler 0.1mg/dose: availability vs affordability

	EML	Availability Public sector facilities		Affordability Private retail pharmacies	
		Originator	Generic	Originator	Generic
Uganda (2004)	yes	0%	0%	5.6 days	2.0 days
Mali (2004)	yes	0%	0%	4.2 days	2.7 days
Indonesia (2004)	no	13%	0%	4.1 days	-

Taxes on Medicines

Tajikistan (private sector, imported medicine)

VAT 20% Customs duty 5% Tax 1-5%

+ transport charges, wholesale & retail mark-ups

Eliminate taxes: cumulative mark-up 123% → 74%

Peru (private sector, imported medicine)

VAT 12%, IGV 19%, Municipal promotion tax 2%

+ insurance, import, wholesale & retail mark-ups

Eliminate taxes: cumulative mark-up 238% → 149%

Indonesia

VAT 10% - charged twice

Public sector component costs

Chad (official rates for generics)

- Statistics tax 2%
- Central Medical Store mark-up 16%
- Regional Medical Store mark-up 25%
- Health facility mark-up 30%

Cumulative mark-up: 92%

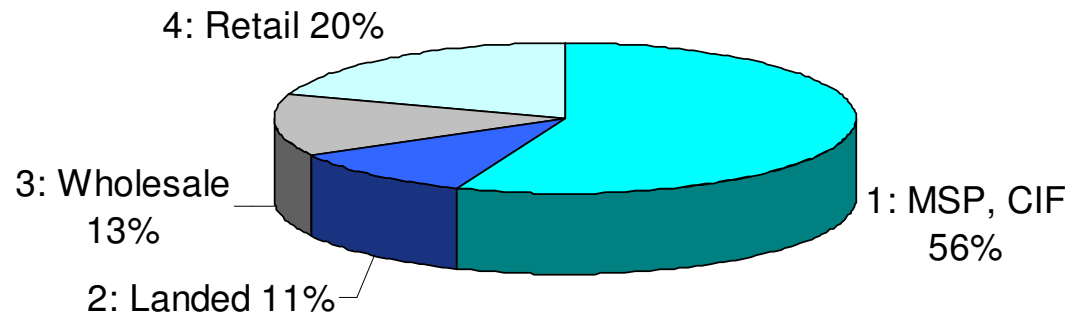
Peru

- VAT 12%, IGV 19%, Municipal promotion tax 2%
- Insurance 2%
- Importers mark-up 20%
- Health facility mark-up 25%

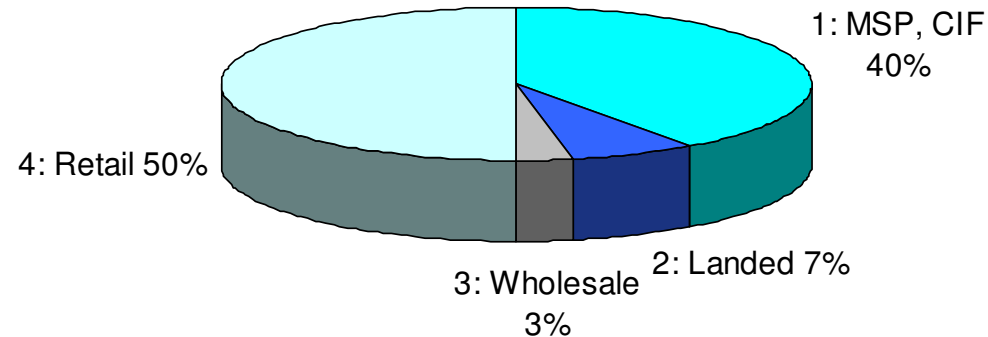
Cumulative mark-up: 108% (some medicines/programmes 40%)

Malaysia: atenolol 50mg tab private retail pharmacies

Originator (patient price: 72 RM)

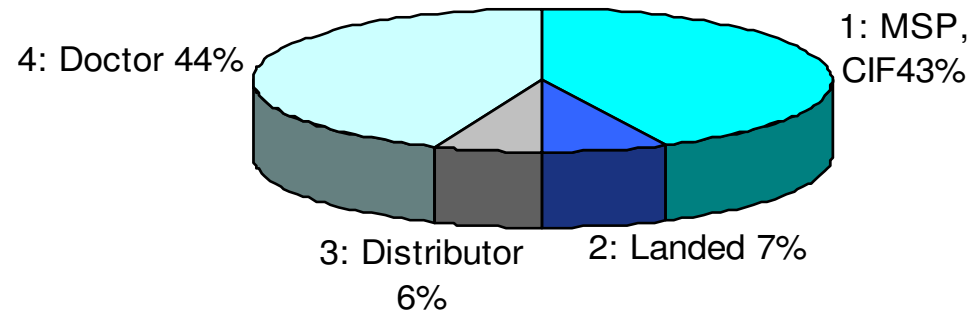


Generic (patient price: 24 RM)

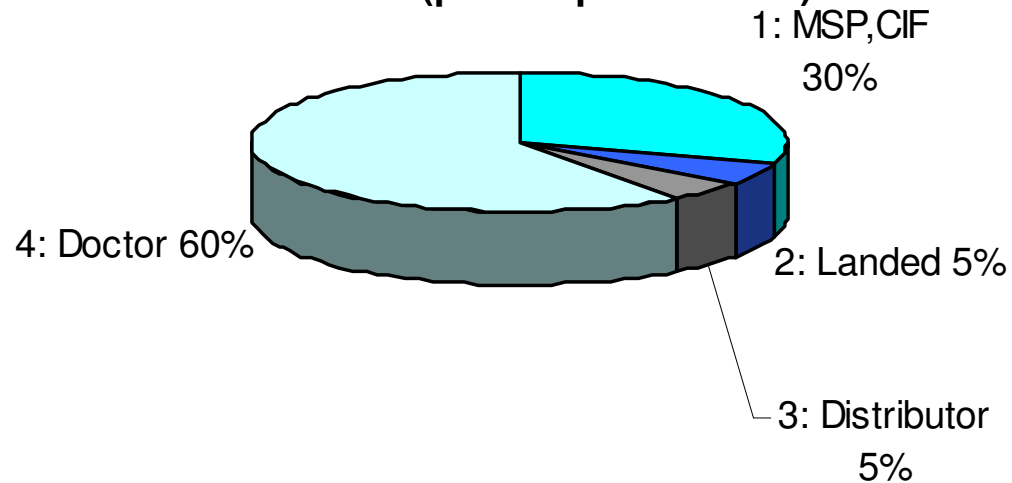


Malaysia: atenolol 50mg tab dispensing doctors

Originator (patient price 94.29 RM)



Generic (patient price 32 RM)



Pills, Politics and Practice



25 YEARS OF PROMOTING PEOPLE-CENTRED MEDICINES POLICY

1981 – 2006

HAI
HEALTH ACTION INTERNATIONAL
EUROPE