


## MeTA Jordan Case Study on medicines Availability

<p><b>Title:</b> Jordan moves to increase availability of medicines in the public sector and tackling issues in its public Supply Chain</p>	<p><b>Date:</b> June 2010</p>
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**Jordan's context:** Jordan area in Square meters is 88,778 with a total population 5,729000 in 2008

Jordan's health system: Jordan has a mixture of public and private health provision around 87% of Jordan population has health insurance yet a significant proportion of those have multiple insurance. The largest provider of health care in Jordan is the public sector via the Ministry of Health (MoH), providing insurance to 40% of the population, followed by the Royal Medical Services (RMS), covering 27.5% of the population. The remaining 19.5% are covered by insurance companies associated with banks, professional syndicates, universities or private companies . As for the private sector, it provides primary, secondary, and tertiary services through a network of private clinics and hospitals; this includes 60 hospitals versus 43 in the public sector with a total of 3642 hospital beds versus 7401 in public hospitals (33.0%) Patients seeking treatment in the private sector purchase their drugs directly at the private health center, or at a retail pharmacy. There are around 13% of people with private insurance, which also covers drugs expenditures in retail pharmacies. Jordan has a fairly well developed high quality local pharmaceutical manufacturing sector. There are 16 companies which manufacture generics or branded generics. There is no local manufacturing capacity for certain therapeutic areas such as oncology drugs or vaccines. The local manufacturers engage in contract manufacturing for large global pharmaceutical companies but currently this contributes to less than 5% of the overall pharmaceutical sector revenue. All 16 companies are GMP certified. Referring to the WHO statistics for (2008) the total health expenditure/capita is (Intl \$, 2006) 611 US \$ that's 9.9 % of GDP. In 2003, the expenditure on pharmaceuticals in Jordan was JD 211 million (about US\$ 295 million). Over the last 7 years, the average growth rate has been about 3%, after allowing for population increases. This is due to increasing in medicine costs and consumption rates. The rate of growth is considerably lower than that of most developed countries. Finally, the Jordanian pharmaceutical market is made up of imported products (75%) and locally manufactured products (25%).

**Problem identification:**

The biggest challenge in Jordan public sector is poor availability as certain drugs are consistently out-of-stock in the public sector health centers; in 2004 a nationwide study of the price, availability and affordability of essential medicines was conducted in Jordan. The main goal of the study was to document and compare patient prices in the public and private sector, and to compare these prices with those in other countries. The study was based on a standardized methodology developed by the World Health Organization (WHO) and Health Action International (HAI). The results showed that availability in the public sector is extremely low, 28% of essential medicines are available revealing that most consumers have to buy their medicines from the more expensive private sector. Yet these generics were found to be as much as ten times more expensive in private pharmacies than in the public sector. On top of that, originator

brands cost twice as much as generics in private pharmacies. To examine and look into challenges in the public Supply Chain another study to analyze the pharmaceutical Supply Chain in Jordan and to recommend interventions to improve medicines availability took place in 2009, the study highlighted one of the problems that create logistics inefficiency in MoH which is the insufficient space in the main warehouse the problem is compounded by the fact that Joint Procurement Department orders are not spaced in time, so that twice a year the quantity of goods received often exceeds the capacity of the main warehouse. This forces the Supply Department to organize ad hoc shipments to the secondary warehouses in the North & South of the country, to use them as temporary warehousing creating logistics inefficiencies. Closely related to the previous diagnosed problem, the warehouse equipment is not adequate in terms of racks design, labor security, tooling, IT system etc. Moreover, the organization of goods and the overall warehouse layout was inherited from legacy, and it has been optimized nor for their current assortment of medicines, neither for the volumes currently being warehoused. Finally, there is poor visibility (ability to track and trace shipments) in the Supply Chain after the product is delivered to the districts, interfering with the ability to create optimal stock positioning.

### MeTA's interventions

The MeTA Council has identified medicines availability as a key issue. Within the country workplan the Council recommended major areas with number of activities under each area aiming to improve medicines availability. In order to tackle the availability problem to introduce interventions the council recommended looking into the Rational Drug List (RDL) in Jordan that all the public health institutions are referring to in order to procure through the joint procurement department , the selection of medicines in the list should be based on evidence based & pharmaco-economic concepts in order to assure that the government with the amount of money allocated for medicines is utilized in the most efficient way, another aspect is the rational use of medicine since prescribers, and their adherence to the STG, dispensers and consumers as patients are the three players here and increasing awareness in the rational use of medicines might have an impact slightly on availability, the efficiency in the Supply Chain plays a big role. The listed activities have been accomplished under the MeTA initiative in Jordan.

#### **Pharmaco-economic, evidence-based medicine (EBM) in the RDL:**

1. Organize a national workshop to raise awareness on the concepts of pharmacy and therapeutic committees (PTC), evidence-based medicine (EBM), pharmaco-economics and transparency and accountability
2. Review the classification of drugs (restricted, unrestricted, authorized) in the RDL and to suggest detailed evidence based regulations for the implementation of the classification of drugs
3. Review TORs and SOPs of the various (disease-related) committees involved in the selection of drugs to be included in the RDL (COI declaration, and development COI guidelines)
4. Review criteria for adding and deleting drugs to and from the RDL
5. Workshop to promote adherence to the RDL by prescribers in the public health institutions
6. Workshop on use of cost effectiveness tools to Local Industry and Generic Importers pharmacists and to the MoH Pharmacists in Clinical Pharmacy Department & Hospitals

#### **Rational Drug Use:**

Poor adherence to standard treatment protocols and irrational drug use makes supply planning very difficult at the health center and at national level. Demand for particular drugs becomes much more variable and more difficult to predict. This leads to stock-outs, supply imbalances, and ultimately, to lower availability and higher total cost. Accordingly the council recommended working on:

- 1- Gap analysis and situation analysis for the availability and use of standard treatment guidelines in different health facilities in Jordan has been performed
- 2- Develop Hypertension standard treatment guidelines (based on best available evidence adapted from Jordanian setting) this was accomplished with technical help from NICE
- 3- Develop and implement a strategy to stimulate the acceptance and use of the STG
- 4- Organize workshop to promote rational use of medicines among prescribers, dispensers and consumers
- 5- Organize workshop to promote ethical promotion guidelines

**Perform a Supply Chain Mapping Study** Recommendations listed below:

1. Improving Procurement Efficiency through a Decision Support Tool
2. Improving Information Availability for Forecasting and Quantification
3. Incentive for Adherence to Standard Treatment Protocols
4. Better Warehouse Layout Planning and Stocking
5. Re-examine the Feasibility of Minor Changes to Pricing Regulation

∞ On Progress:

Organizing a workshop to promote the concept of transparency and accountability in pharmaceutical Supply Chain among staff

**Procurement:**

Worked with JPD and its stakeholders/ Public health institutions to review procurement guidelines and to promote adherence to good procurement guidelines and procedures

**Outputs:**

- 1- The council decided to Update the 2004 WHO/HAI pricing and availability Survey and to conduct WHO level 2 Pharmaceutical situation assessment and monitoring study , in order to measure the specific results and outputs of the interventions.

\*\*Both surveys are completed and pending for results and analysis in order to measure mainly availability improvement.

- 2- The newly developed Hypertension Standard Treatment Guidelines (based on best available evidence adapted from Jordanian setting) with technical help from NICE. \*\* Under process of getting official approval from the RDU Steering Committee headed by the minister of ealth to start the implementation plan.
- 3- Approved good procurement practices by JPD stakeholders

**Impact and significance:**

The impact of the interventions and outputs should be measured and tackled once we get the results from the WHO/HAI survey and the WHIO level II survey. Results will be presented to the Minister of Health where we found that he is keen to tackle this problem and discuss with eth MeTA Council interventions that can help solving this problem, the Minister of Health again, has already asked the MeTA Consultant to brief him about pricing criteria in Jordan and how medications are priced for the private sector and if this pricing structure has an impact on the prices of medications in the public sector tenders.

Also as a matter of fact it is worth mentioning that national workshop to build consensus and get feedback from all governorates partners decision makers, prescribers and dispensers will be held soon on the final

draft of the specific drug class (Hypertension) standard treatment guidelines, that is after official approval from the Rational Drug Use Steering Committee, and implementation plan will be set after and a measurable indicators should be set prior the Use of the STG and after to tackle impact on availability of medications

### What lessons can be drawn from this experience?

What we have learned that base line data should have been set and available prior starting improving and deciding on interventions to solve the main problem, the delay in time in measuring the impact and significance of the interventions is because of the short time frame when the MeTA process has started in Jordan and from when the MeTA Council start tackling the problem, time is crucial in order to measure impact of interventions for improving

### Links to useful publications/websites/contact details of key people involved etc.

[1] <http://wwwlive.who.ch/countries/jor/en/>

[2] HAI/WHO Medicine prices, availability, affordability & price components in Jordan (2007) Rania Bader

[3] <https://www.cia.gov/library/publications/the-world-factbook/geos/jo.html>

[4] Analysis of the Pharmaceutical Supply Chain in Jordan, Prashant Yadav, Simon Conesa, Rania Bader