

***PUBLIC-PRIVATE PARTNERSHIP TO MANAGE
CHRONIC DISEASES: OPTIMISING THE
BENEFITS OF PRESCRIPTION DRUG
ASSISTANCE PLANS (PDAPs) IN THE CARIBBEAN***

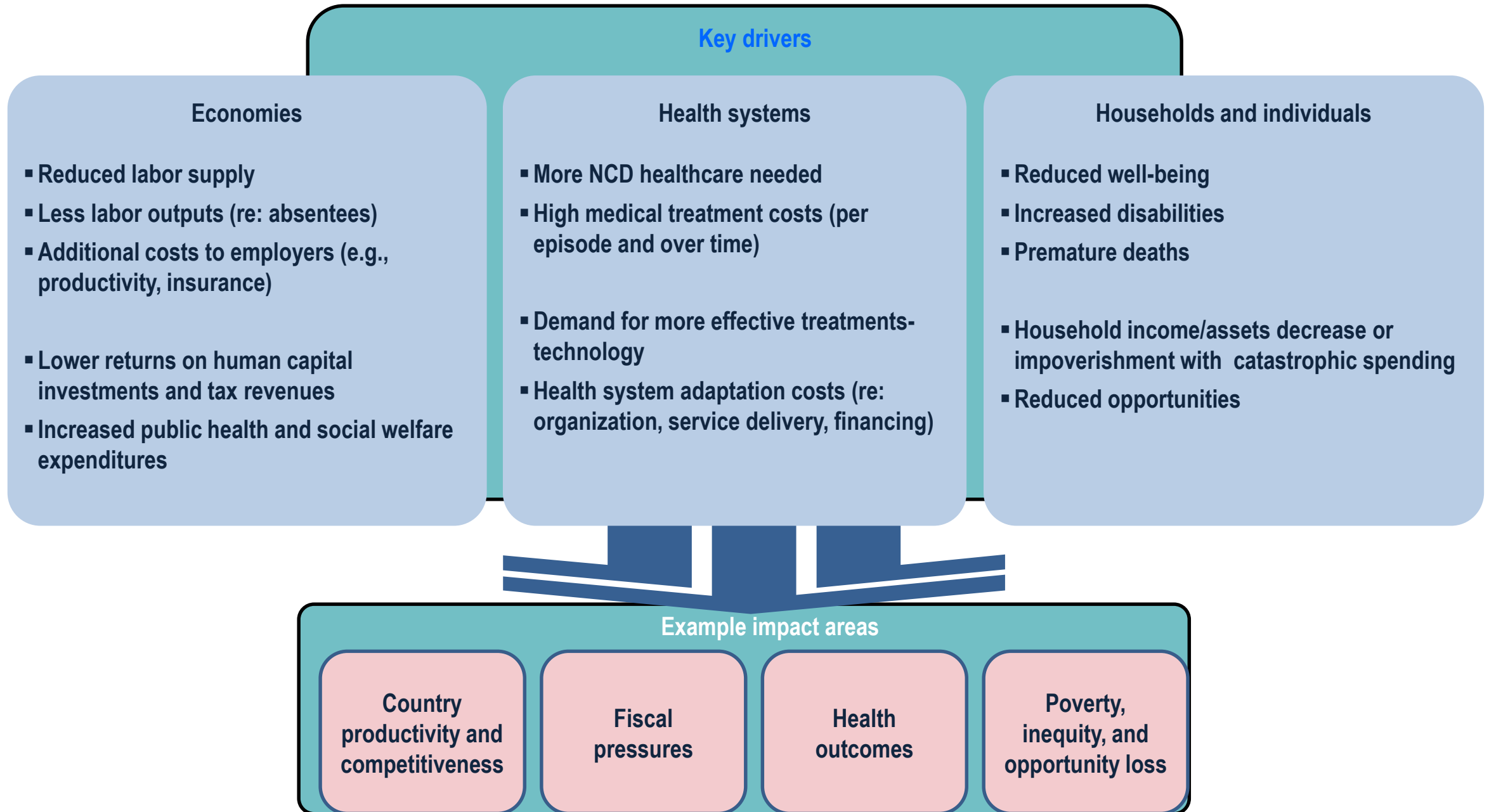
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Presented at ECLAC Seminar (Virtual) on NCDs and
Impact on Sustainable Development in the Caribbean

November 4, 2021

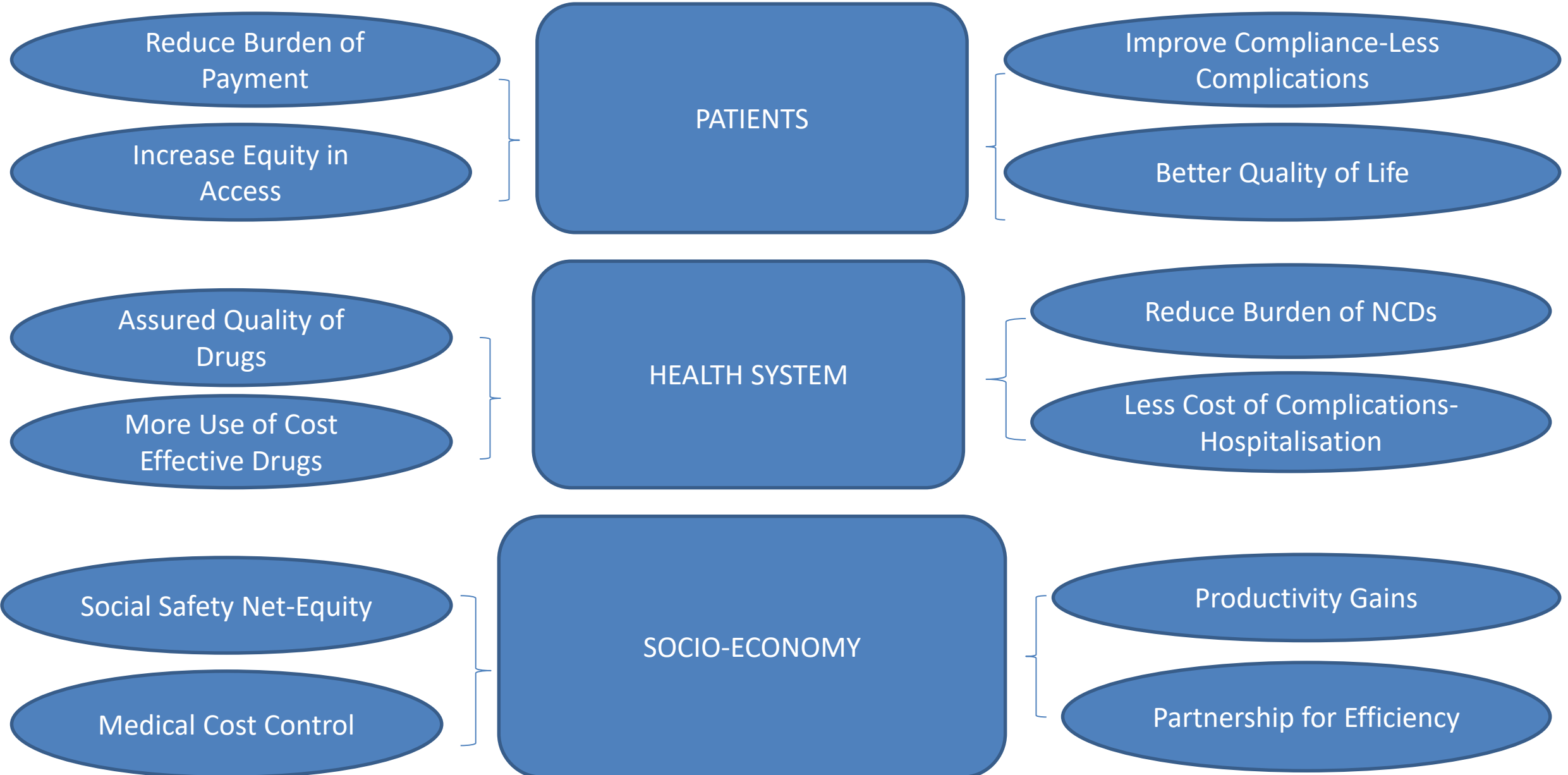
NCDs: Impact on Economies, Health Systems, and Households



RATIONALE FOR NCDs-PDAPs

- **DESIGN:-**Unique State-sponsored plans dedicated to assist NCDs patients in managing their condition through improved access to quality prescription drugs in participating pharmacies without facing financial distress.
- **RATIONALE:-**
 - Reduce high burden of NCDs in Caribbean—health, economic, social
 - Unmet need ('Tip of iceberg' —re: Jamaica Health & Lifestyle Survey, 2003; STEPS Surveys)
 - 40% of those with NCDs not aware of condition;
 - 36% aware but not treating;
 - 24% aware and treating
 - (19%)? treating and fully compliant (Hennis, 2002)
 - 90% +++ of NCDs patients require drug therapy. But Inequity in access and payments
 - Drug (un-) availability & access issues (waiting-return visits etc) in public dispensaries
 - Ready availability of drugs but Cost burden in private pharmacies
 - Physicians tend to prescribe higher cost 'branded medicines'.

Role of PDAPs



PDAPs--KEY DESIGN FEATURES (1)

FEATURES	Barbados Drug Service (BDS)	Jamaica National Health Fund (NHF)	T&T Chronic Diseases Assistance Program (CDAP)	Bahamas National Drug Plan (NDP)
Start-up	1980	2003	2003	2010
Legislated	Yes	Yes	No	Yes
Administration.	Dep't of Min. of Health	New statutory body— National Health Fund	Joint MOH-Social Security	Dep't of Social Security Board
Diseases Covered	6++	17	12	16
Eligibility	Residents with national ID Cards with Prescriptions for Listed Drugs	Registered Residents (unique member cards) with Listed Diseases	Residents with national ID Cards with Prescriptions for Listed Drugs	Registered Residents (unique member cards) with Listed Diseases

CHRONIC DISEASES COVERED

BDS	JAM	T&T	BAH
Asthma	Arthritis	Arthritis	Arthritis
Cancers	Asthma	Asthma	Asthma
Diabetes	Benign Prostate Hyperplasia	Benign Prostate Hyperplasia	Breast Cancer
Epilepsy	Breast Cancer	Cardiac diseases.	Benign Prostate Hyperplasia
Hypertension	Major Depression	Major Depression	Diabetes
Glaucoma	Diabetes	Diabetes	Glaucoma
	Epilepsy	Epilepsy	High Cholesterol
	Glaucoma	Glaucoma	Hypertension
	High Cholesterol.	High Cholesterol.	Ischaemic Heart Disease
	Hypertension	Hypertension	Prostate Cancer
	Ischaemic Heart Disease	Parkinson's Disease	Psychiatric Illnesses
	Prost. Cancer	Thyroid disease	Sickle Cell Anaemia
	Psychosis		Thyroid conditions
	Rheumatic Heart Disease		Epilepsy
	Vascular Disease		Lupus
	Sickle Cell Anaemia		Thyroid disease
	Lupus		

PDAP's—KEY DESIGN FEATURES (2)

FEATURE	BDS	JAM-NHF	TT-CDAP	BAH-NDP
1. Source of Funds	Diverse (1)	Diverse (1)	Single (2)	Single (2)
2. Drugs Procurement	Tender (1)	Market (2)	Tender (1)	Tender (1)
3. Drug Formulary	Defined (1)	Defined (1)	Defined (1)	Defined (1)
4. Prescribing Protocols	Open (2)	Defined (1)	Open (2)	Defined (1)
5. Provider Network	Contracted (1)	Contracted (1)	Contracted (1)	Contracted (1)
6. Database/Claims Processing	Manual (2)	Online (1)	Manual (2)	Online (1)
7. Co-payments	Some (1)	Some (1)	None (2)	None (2)
8. Reimbursement	Graduated Scale (1)	Reference Price (2)	Fixed amount (1)	Graduated Scale (1)
9. Health Promotion	Excluded (2)	Included (1)	Excluded (2)	Included (1)
10. Audits and Reviews	Regular (1)	Regular (1)	Periodic (2)	Periodic (2)
AVERAGE (informal rating)	1.3	1.2	1.6	1.3

PAYMENT TERMS IN BARBADOS (similar approach in Bahamas)

ACQUISITION COST OF DRUG (\$\$)	MID-POINT COST OF DRUG (\$\$)	REIMBURSEMENT FORMULA (Patient pays 'plus' dispensing fee)	MIDPOINT MARGIN (%)
0.01—2.00	1.00	\$5.00	400
2.01—10.00	6.00	Cost plus \$5.00	85
10.01—20.00	15.00	Cost plus \$7.00	47
20.01—40.00	30.00	Cost plus \$12.00	40
Over 40.00	60.00	Cost plus 30%	30

PAYMENT TERMS IN JAMAICA

- **Reference drug pricing based on best available price of bio-equivalent (Formulary) drug in marketplace.**
- **NHF pays up to 95% of price of reference drug. Co-pay of 5%.**
- **Choice of drug by member-doctor leads to other co-pays above 5% i.e difference between NHF payment and price charged by pharmacy.**

PAYMENT TERMS IN T'DAD & T'BGO

- **Tender and Procurement of drugs and distribution to pharmacies (based on replenishment requests) handled by State owned NIPDEC.**
- **Single fixed payment of TT\$10.00 (US1.60) to Pharmacies as dispensing/administrative fee per drug filled from consigned stock. Sales of CDAP drugs to non-CDAP patients not allowed.**
- **No copayments.**

Key Findings/Observations

- Improved **AVAILABILITY & EQUITY** in access to essential medicines
- Reduced waiting time and burden of **PAYMENT**
- **QUALITY** control of medications
- Overall **COST** control is reasonable—defined Formulary; procurement by tender; defined contracts with private providers; reimbursement methods
- Boost to **EFFICIENCY** from online real-time electronic systems in Jamaica and Bahamas
- Key aspect of national **SOCIAL** protection/safety net
- Evidence of viable Public-Private **PARTNERSHIP** in health

Emerging Best Practices and Optimisation Options (1)

- 1. Strengthen gaps in 'End to end' COST CONTROL i.e defined membership; procurement practices; prescribing protocols; auditing of prescribing/dispensing behaviour; reimbursement formula.**
- 2. Enhance Online ELECTRONIC data management systems:-**
 - **Membership**
 - **drug tender/procurement**
 - **claims processing and electronic payments**
 - **audits of prescribing; dispensing; and utilisation behaviour (over-and under-utilisation)**
 - **M-health linkages:-Follow-up messages-advice to members**
- 3. Vary sources of FUNDING beyond budget transfers only eg dedicated 'sin' taxes or % social security deductions along with equitable cost-sharing arrangements.**

Emerging Best Practices and Optimisation Options (2)

4. Earmark funds or closer collaboration with other agencies for results-based HEALTH PROMOTION-education components (re: diet and lifestyles) to complement drug therapy and slow down increase of new patients.

5. Inter-country/agency collaboration in POOLING of drug procurement operations eg. PAHO's Revolving Fund and sharing information on best practices

6. More impact RESEARCH on :-

- Drug Effectiveness re: disease control; less complications-hospitalisation**
- Patient Compliance behaviour in utilisation and role of incentives;**
- Economic benefits--Savings to patients/families and health system; employers; private insurers;**
- Incremental expansion of PDAPs to include select screening and diagnostic tests; consultations; medical devices.**



Just because we are islands...
Does not mean we have to operate as islands