



COMPETITIVE ELECTRONIC POOLED PROCUREMENT OF MEDICINES FOR THE PUBLIC HEALTH SYSTEM

ECUADOR 2016

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CONTENTS

- Past experiences
- Planning and design
- Main results
- IP

Note: all data is publicly available at sercop.gob.ec

SNAPSHOT

- Background:
 - Population of Ecuador = 17 million (2018)
 - Total health budget = USD 3.9 billion, 3.9% GDP (2016)
- 800 types of medicine
- For delivery at 3000+ healthcare facilities
- 2-year budget = USD 733 million
- Saved USD 423 million

PAST EXPERIENCES (2011)

High Prices: Collusion and exclusion of international participants.

Inefficiencies: Bureaucratic and paper-based tender exposed to wrongdoing.

Dispersion: Chaotic atomization of tender specifications

PLANNING AND DESIGN: KEY CONCEPTS

Aggregate demand + long-term contracts (2+ years)

Public sector market power

True competition with simplified registry for foreign bidders

Zero papers: lowest-price only documentation review

Second-best options without new auction

Possibility for post-bidding marketing authorization

Blind reverse-auction bidding process.

PLANNING AND DESIGN: KEY CONCEPTS

Permanent and open consultations

Standardization of specifications to generic versions

Global study of unit prices for each medicine

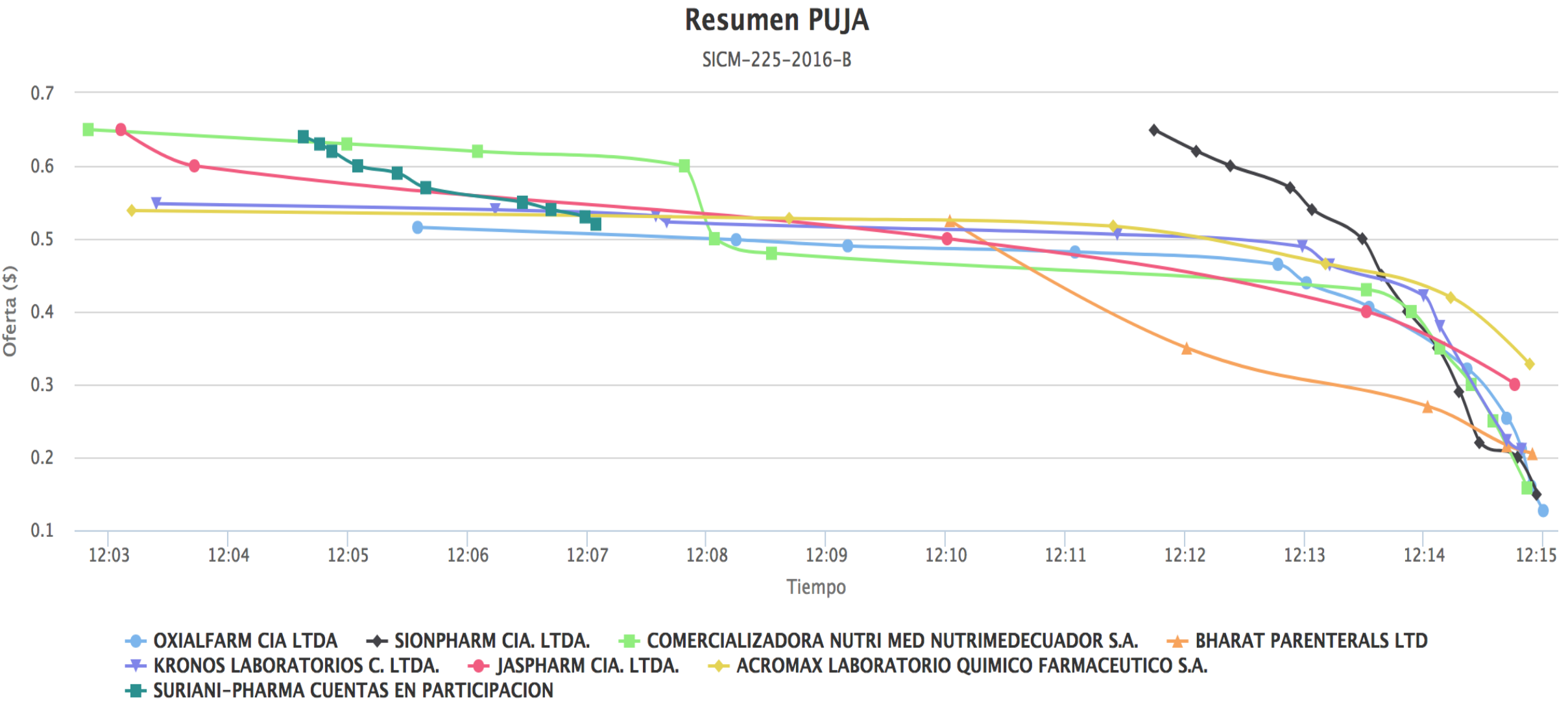
No criminogenic environment

Automatic interoperable controls to avoid collusion

Procurement order that facilitated compulsory licenses

POOLED PROCUREMENT OF MEDICINES 2016: Gentamicine Sulfate

Gráfico Resumen Puja



POOLED PROCUREMENT OF MEDICINES 2016: RESULTS



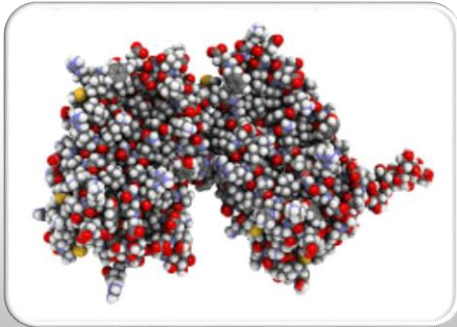
**EL DERECHO DE LA POBLACIÓN POR ENCIMA DEL
NEGOCIO MULTIMILLONARIO**

**TOTAL SAVINGS
AS OF
SEPTEMBER 2018:**

**USD 423
MILLION**

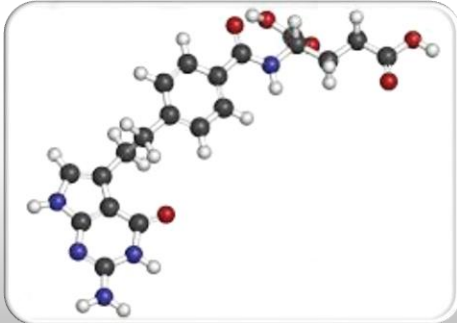
0.4% OF GDP

POOLED PROCUREMENT OF MEDICINES 2016: RESULTS



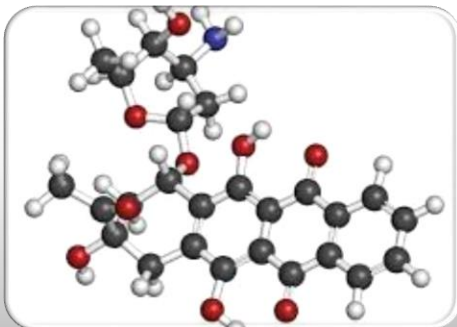
Interferon beta -1A

- Market Price: **USD 1865 per unit.**
- Awarded Price at PProcurement: **USD 305 per unit.**
- **83% less than market price**



Pemetrexed

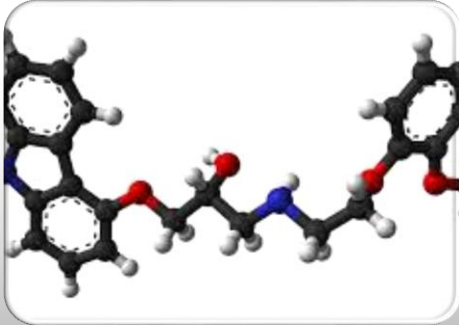
- Market Price: **USD 655 per unit.**
- Awarded Price at PProcurement: **USD 24 per unit.**
- **96% less than market price**



Idarubicine

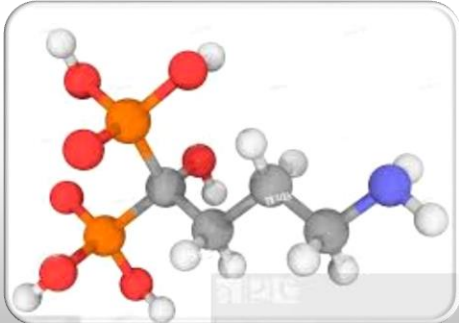
- Market Price: **USD 354 per unit.**
- Awarded Price at PProcurement: **USD 50 per unit.**
- **85% less than market price**

POOLED PROCUREMENT OF MEDICINES 2016: RESULTS



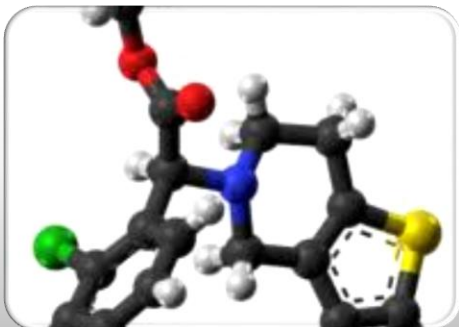
Carvedilol

- Market Price: **USD 2.86 per unit.**
- Awarded Price at PProcurement: **USD 0.02 per unit.**
- **100% less than market price.**



Alendronic Acid

- Market Price: **USD 2.28 per unit.**
- Awarded Price at PProcurement: **USD 0.029 per unit.**
- **99% less than market price.**



Clopidrogel

- Market Price: **USD 1.30 per unit.**
- Awarded Price at PProcurement: **USD 0.023 per unit.**
- **99% less than market price.**

POOLED PROCUREMENT OF MEDICINES 2016: ACCESS



Nicolás Coto Infante de Vines, provincia de Los Ríos. Foto: Servicio Nacional de



bato, provincia de Tungurahua.



rmacia del Hospital Martín Icaza de Babahoyo, provincia de Los Ríos.

**230% MORE
ACCESS TO
MEDICINES
WITH THE
SAME
BUDGET**

POOLED PROCUREMENT OF MEDICINES 2016: ACCESS

Losartan

- Access at market prices: **5.3 million units.**
- Access at PProcurement prices: **35 million units.**

Metformin

- Access at market prices: **3.7 million units.**
- Access at PProcurement prices: **60 million units.**

Simvastatin

- Access at market prices: **1.6 million units.**
- Access at PProcurement prices: **41 million units.**

POOLED PROCUREMENT OF MEDICINES 2016: ACCESS

Enalapril

- Access at market prices: **3.2 million units.**
- Access at PProcurement prices: **33 million units.**

Prednisone

- Access at market prices: **334 thousand units.**
- Access at PProcurement prices: **3.8 million units.**

Imatinib

- Access at market prices: **3.3 thousand units.**
- Access at PProcurement prices: **40.5 thousand units.**

POOLED PROCUREMENT OF MEDICINES and COMPULSORY LICENSES

Abacavir sulfate/
Lamivudin

From USD 9.17 per
unit to
USD 0.77 per unit

Mycophenolate

From USD 390 per
unit to
USD 0.07 per unit

POOLED PROCUREMENT OF MEDICINES and COMPULSORY LICENSES

Sunitinib

From USD 7318
per unit to
USD 93 per unit

Lopinavir/
Ritonavir

From USD 10.28
per unit to
USD 0.18 per unit

POOLED PROCUREMENT OF MEDICINES and BIOSIMILARS

Bevacizumab

- Ecuador **won** against BigPharma
- Results: **USD 20 million in savings per year.**
- **60% more access for patients.**

Trastuzumab

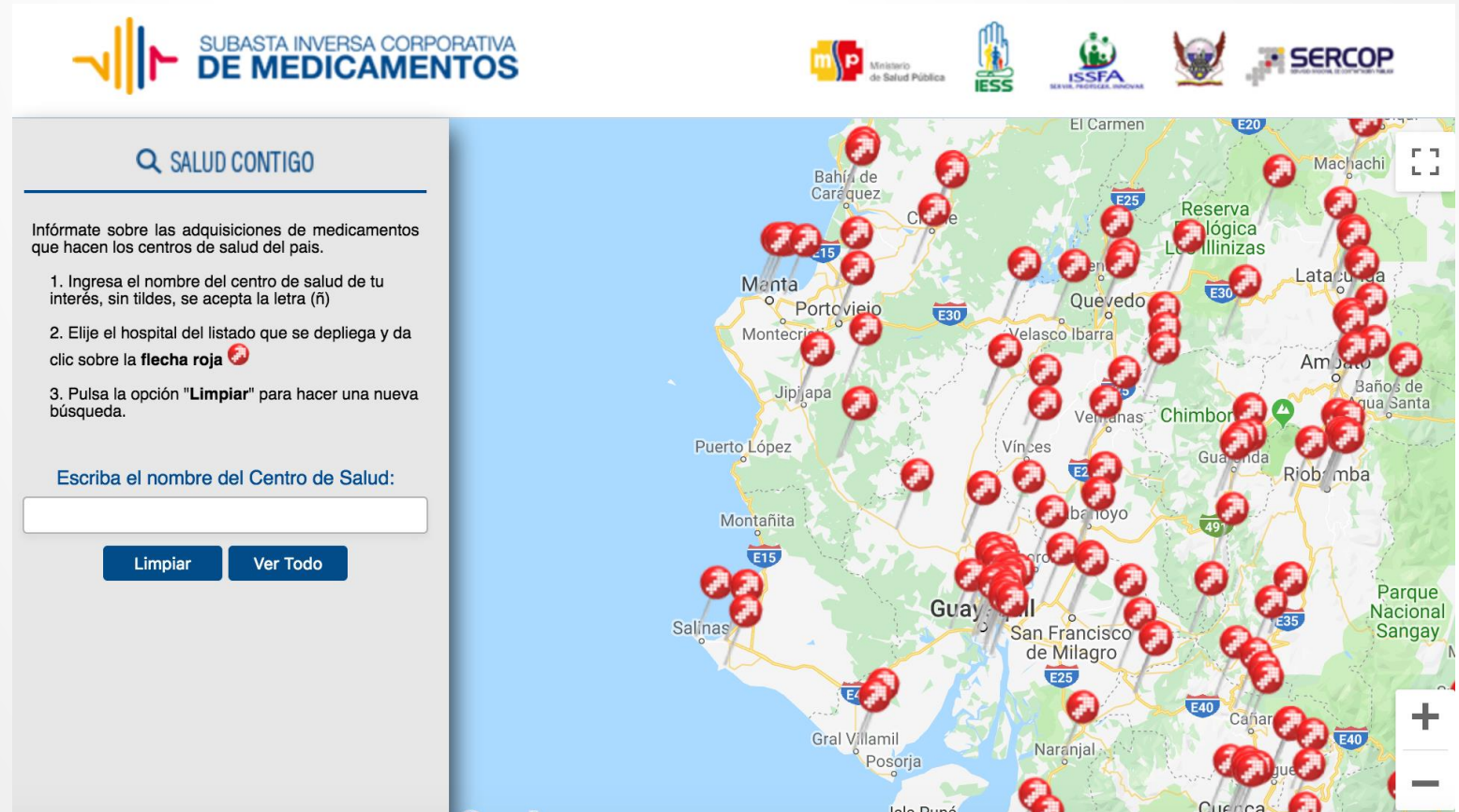
- Ecuador **lost** against BigPharma
- Results: **Price remained at USD 1928 per unit.**
- **Restricted access for patients**

BIG DIFFERENCE

- Price of Bevacizumab at PProcurement: **USD 172 per unit.**
- Price of Trastuzumab at PProcurement: **USD 1928 per unit.**

THANK YOU

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More info:

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