

# CPSU Annual Conference 2023 - The Edge

## TITLE

### **ACCESSIBILITY AND AFFORDABILITY OF PHARMACEUTICALS:A FINANCIAL PERSPECTIVE**

Josef Borg, Alison Anastasi, Karl Farrugia  
Central Procurement Supplies Unit, Ministry for Health, Malta

To assess the local medicinal and medical devices expenditure throughout the years vis-à-vis market accessibility and sustainability, from a financial perspective.

## OBJECTIVES

- To review the factors contributing to access disparities, focusing on the impact of pricing, insurance coverage, regulatory frameworks, and the influence of pharmaceutical companies on market dynamics.
- To explore the evolving landscape of healthcare financing and policymaking in response to the pandemic, highlighting innovative approaches to enhance access while ensuring financial sustainability.

## METHOD AND DESIGN

A quantitative analytical retrospective review on accounting data available within the Central Procurement Supplies Unit (CPSU) was undertaken throughout the last 5 years (2019-2023). The reviewed data involved the 8,345 stock items within the CPSU inventory. The analysis focused on the typical and erratic surges in expenditure.

## RESULTS

It emerged that 1,270 items (15%) registered surges in price costs throughout the period reviewed. The highest increase was experienced in year 2020; when COVID19 global pandemic kicked in. The government made all efforts to ensure that stocks of COVID19 related supplies be adequately stocked, and hence additional expenditure increased drastically to support pandemic preparedness, response, and recovery. Over the past five years the overall expenditure cumulatively amounted to circa Euro 29M (22%). Pre-2019 stock holding data; indicated scoring 4-6 times as stock turnover to keep 2 months stockpile. Following COVID19 to manage market accessibility strategy changed to hold six months thereby closer to 2 times stock turnover in recent years.

In 2022, since the operational throughput increased back to its normality of pre-covid19; the stock levels were depleted increasing the stock turns to 3.7. This is also another sign of accessibility issues to top up stock holding of pharmaceuticals in view of the evolved markets. Throughout the 5-year period despite the hefty and sporadic changes a streamlined approach to all the creditors terms and payment terms was maintained.

## CONCLUSION

CPSU needs resources to be able to cope with upcoming emerging trends that are changing the pharmaceutical industry. Financial affordability and accessibility of pharmaceuticals are integral components of public health policy and social justice to ensure equitable access regardless of socioeconomic status or geographic location.

## REFERENCES

1.Lee KS, Kassab YW, Taha NA, Zainal ZA. Factors Impacting Pharmaceutical Prices and Affordability: Narrative Review. Pharmacy (Basel). 2020 Dec 23;9(1):1. doi: 10.3390/pharmacy9010001. PMID: 33374493; PMCID: PMC7838942.