



**USAID**  
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SAFEMed

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## MONTHLY NEWS DIGEST

### ADVANCING IMPLEMENTATION OF MANAGED ENTRY AGREEMENTS IN UKRAINE

On 22 October 2020, the Ukrainian Ministry of Health, with support from the USAID's SAFEMed project, hosted an online roundtable to advance dialogue and action on the introduction of managed entry agreements (MEAs) in Ukraine. High-level policy makers, international experts, representatives from the patients' community, and pharmaceutical industry groups participated in the roundtable discussion.



MEAs are an increasingly implemented strategy to improve access to medicines for non-communicable diseases, which remain a key challenge for many low-and middle-income countries including Ukraine. MEAs involve negotiated agreements between pharmaceutical companies and public or private payers aimed at sharing the financial risk with respect to the introduction of new pharmaceutical technologies. MEAs bring an opportunity for policy action<sup>1</sup> as they are designed to promote access to medicines and technologies for which their cost-effectiveness, real-life clinical benefit, and potential impact on health sector expenditure remains uncertain, allowing stakeholders to explore different types of instruments and a more collaborative environment to address context-specific needs. As of 2019, MEAs were used in 28 of the 41 member countries of the Organization for Economic Cooperation and Development<sup>2</sup>.

**Ukraine's Minister of Health, Dr. Maksym Stepanov**, provided a keynote address to highlight that introduction of MEAs in Ukraine is an absolutely timely and necessary step within the budget constraints and scarce funding. He said:



*The Ministry of Health of Ukraine is working on the introduction of the Managed Entry Agreements tool at the level of state regulation. This involves the development and approval of regulations to determine MEA, the detailed procedure for negotiations with technology owners, a standard form of contract and a package of changes to be made to existing regulations.*

The Deputy Minister of Health, Svitlana Shatalova, addressed the participants with the explanation of MEA model and MEA procedure in Ukraine. The next stage in the procedure of MEA implementation is amendments and support on the legislative level.

**Mr. Mykhaylo Radutskiy**, Chairman of the Committee of the Verkhovna Rada of Ukraine on National Health, Medical Care, and Medical Insurance, said:



*The Health Care Committee is ready to cooperate with the Ministry of Health and patient organizations to develop and introduce the necessary legislative initiatives for the full launch of the MEA mechanisms into the healthcare system of Ukraine.*

1. <https://journals.sagepub.com/doi/full/10.1177/2399202619834246>  
2. <https://www.oecd.org/>

Dr. Hector Castro, international expert and MSH's Global Lead of Health Financing and Technology provided an overview of the international experience using MEAs and the reasonable impact towards costs optimization to address significant and critical patients' needs. Dr. Hector Castro:



**“ Managed Entry Agreements or risk sharing agreements used when there are uncertainty of managerial benefits versus of marginal cost of new drugs, budget constraints, population transition towards more chronic conditions. ”**

Subsequent to the speakers' remarks, an expert panel including representatives of patients and innovative drugs industry continued the discussion to expand on proposals.

## USAID'S SAFEMED PROJECT EXPANDS ITS INTERNATIONAL EXPERT POOL

The SAFEMed family is thrilled to welcome Ahmed Zayan as Senior Technical Advisor for USAID's SAFEMed Activity. Ahmed brings over 10 years of experience in medical public procurement. He is a certified member of the Chartered Institute of Procurement and Supply (CIPS) and has served as the Head of Procurement for a Canadian municipality, where he led the transformation and modernization of procurement services for over 20 departments. Ahmed's Zayan expertise will be of great value to enhancing the pharmaceutical procurement system in Ukraine.



## CENTRAL PROCUREMENT AGENCY OF UKRAINE – 2-YEAR JOURNEY TOWARDS CHANGES

On October 25th, 2020 the Medical Central Procurement Agency in Ukraine turned 2. It has become the time of rapid development and changes in the area of medicines public procurement. With support from SAFEMed and other donors, the Central Procurement Agency has been adopting the best practices of the world's specialized procurement agencies, carried out preparatory work with the market, prepared proposals for the regulatory framework, approached the preparation of tender documents, created an information and analytical system MedData. The young but ambitious CPA experts are changing the field of medical procurement in Ukraine. These changes are the social value that this team creates every day. First two years brought many wins that volumes on how much has been achieved. Much work is yet to come for the benefits of Ukrainian patients.

### 2-YEAR WINS OF THE CENTRAL PROCUREMENT AGENCY OF UKRAINE



#### 01 MARKET COMPETITION

- The average number of CPA-led Prozorro tenders participants is **3-4** suppliers.
- Some CPA-led tenders had up to **9** qualified participants which contributed to a healthy competition, and demonstrated Ukrainian market readiness to work with the CPA.

#### 04 DEMAND VERIFICATION

With support from CPA's application called MedData, COVID-19-related data on the availability of personal protective equipment and other medical items, and bed occupancy was collected:

- Every day** from **458** 1<sup>st</sup> wave hospitals
- Every day** from **114** 2<sup>nd</sup> wave hospitals
- Every 3 days** from **29** laboratory centers and **25** primary healthcare centers



#### 02 SAVINGS

- As of October 2020, the CPA estimated **1,029 billion UAH** in savings in the CPA-led central procurement of medicines and other commodities out of budgeted **2.9 billion UAH**.
- Savings were demonstrated in **158 (37%)** out of **430** tender procedures.
- CPA successfully announced and currently holds procedures for the **100%** of goods planned to be procured under the central programs.

#### 03 ANTICORRUPTION

- To assure transparent and corruption free procurement processes, CPA:
  - Conducted **10** anti-corruption training with **10** follow up tests
  - Made **1,038** background verifications of the tender participants in **164** procurement procedures
  - Verified qualifications of **55** tender winners
  - Led **50** background checks for CPA's staff and consultancy positions

## Stay Tuned for the Next Digest

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