



The Affordable Medicines Facility — malaria (AMFm) has been an initiative designed by the Roll Back Malaria Partnership, hosted by the Global Fund to Fight AIDS, Tuberculosis, and Malaria (Global Fund), and was piloted in 2010–2012. Its objective was to look at the impact of a manufacturer–level co–payment system on the accessibility and affordability of effective antimalarials in both the public and private sectors.

## Background

The Affordable Medicines Facility – malaria (AMFm) was designed to overcome three main challenges to the effective use of Artemisinin–containing Combination Therapies (ACTs).

# Accessibility

In many countries, the private retail sector (including informal outlets) is an important source of anti-malarials, being the most convenient place to buy drugs. Before AMFm, the high price of ACTs and regulatory restrictions meant that they were unavailable in the retail sector.

## Affordability

The high cost of manufacture of ACTs meant that the price to patients was unaffordable to most, especially the most vulnerable and those living in remote areas.

# Sub-standard therapies & Counterfeits

Sub-standard & counterfeit drugs are a major concern because they lead both to ineffective treatment and to the development of drug resistance. If high quality antimalarials can be made more widely available at affordable prices, then they could drive out the poor quality products.

## **AMFm** Design

- **1. Negotiated ex-manufacturer prices**: to reduce prices as low as possible and make these prices available to both public and private sectors.
- 2. Co-payments: to make ACTs affordable, "first-line buyers" (FLBs) purchase ACTs at 5% of the negotiated ex-manufacturer prices. The difference was made up by a co-payment from a central AMFm Fund paid directly to the manufacturers.

# 3. Supporting Interventions:

- Regulatory changes to make the changes necessary so that ACTs could be available in all outlets where other antimalarials were accessed.
- → Recommended retail prices (RRPs) RRPs were set so that patients know what prices to expect for ACTs and to minimise profiteering in the supply chain.
- → Advocacy & behaviour communications to inform the public of the availability of ACTs, their effectiveness, RRPs (where set), and other messages to create demand.
- → Supplier training at different levels in the supply chain about ACTs and the working of the AMFm system.
- → Quality logo all ACTs supplied under AMFm were distinguished by the "Green Leaf" logo, as a guarantee of quality.

# Summary of Key learnings for malaria programme managers from AMFm Phase I



## Key Learnings from AMFm

#### Impact on the Private Sector

AMFmresulted for ACTs in large increases in availability, decreases in prices, and increases in market share. This was achieved in a few months, tapping into the power of the private sector's distribution systems.

#### Impact on the Public Sector

Fewer fundamental changes were expected in the private sector. In most countries drugs were supplied free so the AMFm model was not as relevant to greater access as for the private sector.

#### Impact on Pricing

Under AMFm, ACT prices fell rapidly and significantly during the Phase 1 programme.

#### Impact on Availability

ACT availability increased significantly in most situations and there was no real difference between urban and rural areas.

## Impact on Drug Supply

The centralised administration of AMFm by the Global Fund worked well and delivered economies of scale. The need for diagnostic testing to ensure that, in future, expensive ACTs are only used to treat malaria was identified as an important improvement.

#### Importance of Supporting Interventions

Without the Supporting Interventions (SIs), demand could not be created. Communication and training programmes were found to be crucial to the success of AMFm in participating countries.

RRPs were also important in ensuring that the prices paid by patients were similar to those of older and ineffective drugs, and to reduce the risk of profiteering in the distribution system.

## Incorporating into country programmes

#### Role of Private Sector

Where the private sector is a major source of antimalarial drug treatment, country programmes need to consider how best to incorporate it into their national malaria control strategy.

# **Incorporating Diagnosis**

To avoid wasting expensive ACTs on treating non-malarial fevers, country programmes should investigate practical ways to include diagnostic testing in their private sector strategies. WHO's "Test- Treat – Track" approach emphasises this.

## Role of Co-payments

Co-payments on the AMFm model to reduce the price of high quality ACTs should be considered where the private retail sector is a major source of antimalarials.

#### Managing the Supply Chain

It may be more efficient and ensure better prices can be negotiated with manufacturers if countries pool their procurement through the Global Fund or another procurement agency.

# Country-level Customisation

Countries should customise any co-payment scheme they decide to introduce to reflect their local priorities, the balance between public and private sectors as places to access treatment, and the relative need to target different at risk groups.

#### Recommended Retail Pricing

The legal framework for setting RRPs may not be in place in all countries. Countries should investigate if this is a viable way to ensure prices paid by patients reflect the target to be achieved through a co-payment system. RRPs should be set in consultation with a wide range of stakeholders.







