

Observation on the evaluation and opportunities for the future - AMFm perspective

AMFm Review and the Financing of Febrile
Illness Management, Washington, DC
17-18 September 2012

Basis for AMFm

IOM Report

- **Saving lives:** increase access to affordable ACTs
- **Buying time:** delay resistance to artemisinin

Since the IOM Report...

- Malaria burden has reduced over the years
- Focus has shifted to the use of diagnostics and case management **but...**
- Access to antimalarial still remains a key consideration

The AMFm Business Model

- AMFm is an innovative financing mechanism with three pillars:
 - Manufacturer Negotiation
 - Co-payment on behalf of public, private for profit and not for-profit channels
 - Supporting Interventions
- AMFm innovation is centered mainly around the private sector
- AMFm is a package and not a subsidy only model

The Private Sector

- The IE concluded that AMFm has been a “**game changer**” in the private for-profit sector for all pilots except Niger and Madagascar.
- This shows:
 - Highly efficient urban/rural distribution ability
 - Untapped potential of the private sector
- NGO uptake was not significant
- Starting principles and risks:
 - The principle to use pre-existing, domestic distribution channels for antimalarials
 - An initial risk of price gorging and diversion
- What was the incentive?

The Public Sector

- The IE concluded that AMFm led to fewer fundamental changes to public sector antimalarial supply, where QAACT supply continued to be hindered by problems with procurement and grant requirements leading to substantial delays in ordering.
- Implementation challenges:
 - Structural issues
 - Operational challenges
 - Grant management challenges
- There is still a gap in the public sector service delivery

The Role of Government

- Prior to AMFm, many governments' public sector were suspicious of and had limited experience engaging with the private sector
- Strong political will and support for AMFm in the countries
- Policy shifts were made to support AMFm goals:
 - Provided tax waiver on importation of ACTs
 - Re-classified ACTs from prescription-only medicines to OTC medicines
 - Allowed importation of ACTs by manufacturers and FLBs
- Role of government is key in providing the enabling environment

Countries as Case Studies



- No aggregate score by the IE
- Countries are unique
- Implementation challenges
 - Developmental goals are different
 - Structures (public and private sectors) are different
 - Governance and policy making processes are different
 - Responses and flexibilities are different
- One size fits all model
- Application template – ? not flexible enough

Mid-stream Changes



- In a resource constrained environment
 - Rationing lever was introduced in August 2011
 - Rationing is likely to have separate implications for the two goals of the model
- Shift from a demand driven model to a demand shaping model is likely to have some implications for the private sector

General Observations

- Strong political support and ownership of the AMFm at the country level
- Buy in and commitment from stakeholders at the country level
- Innovation called for “learning by doing”
- Increased access to quality and affordable antimalarials – linked to the green leaf logo in spite of the implementation challenges encountered and short time frame of Phase 1

Consideration for the future

- Concept\technical designs vs. implementation
- Pilot vs. long term sustainable solutions
- Project objectives vs. alignment with national objectives
- Financing environment - resource constraint
- Policy and regulatory environment
- One size fits all vs. country tailored solutions
- Flexibility and adaptability
- Incentive structure

Opportunities for the future



- AMFm is a financing (not a service delivery) mechanism with potentials and can be adapted
- AMFm has fostered relationships between the public and the private sector
- Further leverage the private sector where it plays a significant role in health care delivery
- Emphasis on diagnosis and treatment where possible
- Diagnosis in the private sector requires some caution

The future...

...an **effective** public private
partnership.