

The price of joining the middle income country club: reduced access to medical innovation

10 Oct, 14 | by BMJ

When people think about medical humanitarian aid, the usual association is with war zones and natural disasters, and the assumption is that the most critical medical needs are concentrated in the world's poorest countries. That's mostly right, but not entirely.

While the needs of low income countries remain huge, there are large—and growing—populations excluded from access to healthcare who now live in countries classified as [middle income countries \(MIC\)](#). This shift presents enormous challenges, particularly in accessing new lifesaving drugs and vaccines for diseases that take a disproportionately high toll on poor, marginalized populations.

For us at Médecins Sans Frontières (MSF), an organization providing emergency medical aid to people in acute need, the bulk of our resources are placed in countries classified as low income economies. But over half of the countries where we now have programs are classified as middle (or high) income economies. [These programs](#) range from short term emergency responses, for example, after last year's Typhoon Haiyan in the Philippines; to aid for ongoing refugee emergencies in Iraq, Jordan, and Lebanon; to treatment programs for chronic and neglected diseases in India and South Africa.

Today more than 100 diverse economies are classified as MIC. They are home to about five billion of the world's 7.1 billion people, and hold [more than three quarters of the world's poorest people](#), who live on less than \$2 per day—largely owing to enormous and rising levels of inequality.

Yet the rising economic indicators that land a country in the MIC club in turn often exclude those countries from accessing the lowest prices for medicines and vaccines, because of tiered pricing and other market segmentation strategies employed by pharmaceutical companies—and, increasingly, by donors, governments, and international organizations too. In many MICs, healthcare costs are primarily paid out of pocket, so it follows that many poor and marginalized people have little or no access to care.

A good illustration of the problem comes from many of the newer, more expensive vaccines, such as the pneumococcal conjugate vaccine (PCV) against pneumonia, rotavirus vaccine against diarrhea, or human papillomavirus vaccine against cervical cancer. Gavi, the Vaccine Alliance, which receives substantial government and philanthropic funding to support the introduction of new vaccines in low income countries, has negotiated some of the lowest known prices for these vaccines.

However, Gavi's current policies mean these price discounts are only available to a select group of the poorest "Gavi-eligible" countries. More than 25% of Gavi-eligible countries will soon lose Gavi support when they pass the eligibility threshold of \$1570 gross national income (GNI) per capita. When these countries are no longer Gavi-eligible, according to what we consider a GAVI conservative estimate, countries will have to pay [at least sixfold more](#) for PCV when they lose access to negotiated prices. And, even more worryingly, a 2013 report concluded that many MICs are lagging behind in introducing some or all of these vaccines, and that [price was an important barrier for nine of the 15 countries](#) examined. As of September 2012, [84% and 80% of the birth cohort](#) in MICs had not benefited from PCV and rotavirus vaccine introduction, respectively.

Another example is the difficulty faced by MICs in accessing the first new medicines approved for drug resistant tuberculosis (DR-TB) in over 40 years—despite the fact that some of the countries with the highest burden of the disease are MICs, including Armenia, India, Ukraine, Uzbekistan, and South Africa, where MSF has DR-TB programs. After a decades long drought of new TB medicines, two new medicines were recently approved for treating the most severe forms of DR-TB: [bedaquiline](#) (from Janssen) and [delamanid](#) (from Otsuka).

However, [several barriers](#)—including the lack of research on using these drugs in regimens, the lack of registration in endemic countries, and high prices—mean that these two drugs are not yet routinely used outside the United States and Europe, except through compassionate use or clinical access programs. MSF [recently signed an open letter](#) from leading public health officials and civil society groups asking Janssen to lower the MIC price for bedaquiline, which is currently US\$3000 for a course of treatment.

Groundbreaking new medicines for hepatitis C are yet another example of the access challenge facing MICs. An estimated 150 million people worldwide have hepatitis C, 73% of whom live in MICs. While MSF's medical response has been limited so far, we will soon open treatment programs in several MICs, including [Egypt, India, Iran, and Ukraine](#).



The BMJ
Helping doctors make better decisions. Visit site



Tags

AIDS alcohol [bmj](#) Cancer climate change death depression developing countries Diabetes ethics exercise [general practice](#) global health GP commissioning HIV Human Rights India Israel JAMA journalology Junior doctors Lancet mental health MSF NCDs NEJM [NHS](#) NHS reform [NHS reforms](#) obesity palliative care peer review pregnancy Primary Care public health publishing [research](#) social media sports medicine surgery Swine flu technology twitter US healthcare WHO

Categories

10:10 campaign / Andrew Brunskill / Andrew Burd / Anita Jain / Art and medicine / Billy Boland / BMJ covers get everywhere / BMJ Group awards / BMJ in the news / BMJ investigations blog / BMJ Journals research highlights / Carbon / Careering Around / Cheryl Rofer / China / Chiva Africa / Christmas appeal / Christmas appeal 2013 / climate change / Comment / conferences and talks / Credit crunch / Daniel Palazuelos / David Kerr / David Lock / David Oliver / David Payne / Desmond O'Neill / Developments to [bmj.com](#) / Digital media / Domhnall MacAuley / Douglas Noble / Editors at large / Edzard Ernst / Emily Spry / European health / European Health Forum Gastein / Fiona Godlee / Fiona Pathiraja / Flu pandemic updates / Fran Baum / From the BMJ archive / From the other side / From the rapid responses editor / Georg Röggl / global health / Guest bloggers / Harry Brown / India / Israel / James Raftery's NICE blogs / Jim Murray / Joe Collier / Julian Sheather / Juliet Dobson / Junior doctors / Kieran Walsh / King's fund / Liz Wager / Louise Kenny / Making a Difference / Marge Berer / Martin McShane / Mary E Black / Medical ethics / Mid Staffs / MSF / MTAS / Muir Gray / Muza Gondwe / Neal Maskrey / NHS / NHS at 60 / NHS reform / Non-communicable diseases / Olympics / Open data / Patient perspectives / Paul Glasziou / peer review / Penny Campling / Pensions strike / Peter Lapsley / Pritpal S Tamber / Quality forum / Readers' editor / Research highlights / Richard Cook / Richard Feinmann / Richard Lehman's weekly review of medical journals / Richard Smith / Sally Carter / Salzburg global seminar / Sandra Lako / Save the children / Siddhartha Yadav / Simon Chapman /

Latest from The BMJ

- News: Less than a 10th of China's couples apply to have second child (23 Jan 2015)
- News: Ebola vaccine to be tested on 30 000 volunteers (23 Jan 2015)
- News: NHS needs another (£pound)65bn by 2030-31, think tank says (23 Jan 2015)
- Feature: Going gently into that good night: what is the best death? (23 Jan 2015)
- News: University silenced student's concerns about research, memo suggests (23 Jan 2015)

Latest from BMJ podcasts

- Managing multimorbidity in primary care (23 Jan 2015)
- WHO needs exercise? (22 Jan 2015)
- Rabies in humans (16 Jan 2015)

Blogs linking here

[Blogs linking here](#)

COMING SOON

RMD Open
Rheumatic & Musculoskeletal Diseases

OPEN ACCESS

•

PEER-REVIEWED

•

LEARN MORE...

EDITOR-IN-CHIEF:
Professor Bernard Combe

eular
BMJ

The introduction of new oral direct-acting antivirals (DAAs) has the potential to substantially simplify and improve treatment of the disease, but high prices threaten to restrict scale-up.

Very recently, Gilead signed [voluntary license agreements](#) with several Indian generic manufacturers to produce affordable versions of a DAA, sofosbuvir, and another new hepatitis C drug (ledipasvir). But the agreement excludes 51 MICs, which collectively have more than 50 million people estimated to be living with hepatitis C. Among them, China, Thailand, and Ukraine account for approximately [30 million](#), [1.5 million](#), and [1.9 million people](#) with hepatitis C, respectively.

What can be done to reduce these barriers for people in MICs whose lives depend on access to these and other lifesaving medical innovations? Countries, patients, and treatment providers should be empowered to use a range of legal and policy tools, including the promotion of robust generic competition.

But MICs are increasingly the target of [intense pressure](#) to move in the opposite direction by increasing intellectual property protection in ways that [keep medicine prices high](#)—and in line with multinational pharmaceutical company ambitions, which seek to tap into profitable, rapidly growing market segments within MICs. This makes it even more important for governments, global health institutions, and organizations like MSF to work towards overcoming these barriers. For example, by preventing the adoption of harmful rules that would stifle generic competition (through trade deals, such as the [Trans-Pacific Partnership](#)), and by supporting important efforts to reform patent law, such as those underway in [South Africa](#) and Brazil.

Today, millions of people can't benefit from groundbreaking new treatments and vaccines. We need solutions and strategies that promote affordable access for all people based on medical need, rather than their country's macroeconomic classification, because innovation without access cannot truly be counted as innovation.

[Sports medicine](#) / [Stephen Ginn](#) / [Steve Yentis](#) / [Students](#) / [Susannah Baron](#) / [Sustainable healthcare](#) / [Sustainable healthcare series](#) / [Swine flu](#) / [technology](#) / [TED](#) / [Tessa Richards](#) / [The BMJ today](#) / [The patient's voice](#) / [Tiago Villanueva](#) / [Tom Nolan](#) / [Tony Waterston](#) / [Too much medicine](#) / [Tracey Koehlmoos](#) / [Uncategorized](#) / [US healthcare](#) / [US highlights](#) / [Vasiliy Vlassov](#) / [Venkat Narayan](#) / [Vidhya Alakeson](#) / [What we are reading](#)

BMJ blogs

[ADC Archimedes](#) / [BMJ Case Reports blog](#) / [BMJ editors' at large](#) / [BMJ Open blog](#) / [BMJ Supportive & Palliative Care blog](#) / [BMJ Web Development blog](#) / [British Journal of Sports Medicine Blogs](#) / [Careering around](#) / [Evidence-Based Medicine blog](#) / [Heart JournalScan](#) / [Injury Prevention blog](#) / [JNNP blog](#) / [Journal of Family Planning blog](#) / [Journal of Medical Ethics blog](#) / [Journal of Medical Genetics Contact blog](#) / [Junior doctors' blogs](#) / [Medical Humanities](#) / [MTAS](#) / [Occupational and Environmental Medicine blog](#) / [Richard Lehman's weekly review of journals](#) / [Sexually Transmitted Infections blog](#) / [Tobacco Control blog](#)



Judit Rius Sanjuan, a lawyer from Barcelona, Spain, is US manager and legal policy advisor of the Access Campaign at Médecins Sans Frontières/Doctors Without Borders in New York.

Competing interests: Nothing to declare.



Rohit Malpani, also a lawyer, serves as director of policy and analysis at the Access Campaign and is based in Paris.

Competing interests: Nothing to declare.

Editor's note: The World Health Organization (WHO), World Intellectual Property Organization (WIPO), and World Trade Organization (WTO) will hold a technical symposium on "[Innovation and access to medical technologies: challenges and opportunities for middle income countries](#)" on 5 November 2014 at the WTO in Geneva.

You may leave a response but pinging is currently not allowed.

Posted in [global health](#), [MSF](#).

Respond

Print page

Share this post [What's this?](#)

[Rights and permissions](#)

Facebook Digg Reddit Del.icio.us Stumble Upon

By submitting your comment you agree to adhere to these [terms and conditions](#)

0 Comments

BMJ blogs

Login

Sort by Best

Share Favorite



Start the discussion...

Be the first to comment.

Subscribe

Add Disqus to your site

Privacy

DISQUS

You can follow any responses to this entry through the RSS 2.0 feed.

« Vinitha Soundararajan and Alisha Patel: Sustainable Healthcare

Sian Falder: Burns care overseas—the forgotten health crisis »

[Contact us](#) | [Website terms & conditions](#) | [Privacy policy](#) | [Revenue sources](#) | [Home](#) | [Top](#)

© BMJ Publishing Group Limited 2015. All rights reserved.