



Expanding Contraceptive Choice Through Increasing Access to Contraceptive Implants

Alan Staple & Maryjane Lacoste

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CHAI & BMGF have supported the development of access programs that unlock the revenue potential of emerging markets & meet countries' public health goals

Key Considerations for Access Programs

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Access Programs should not focus on donations but rather approach the public health sector and its donors as a commercial opportunity

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Access Programs need to be constructed with full awareness of the funding and market environment in LMICs not as an after thought to the commercial launch program

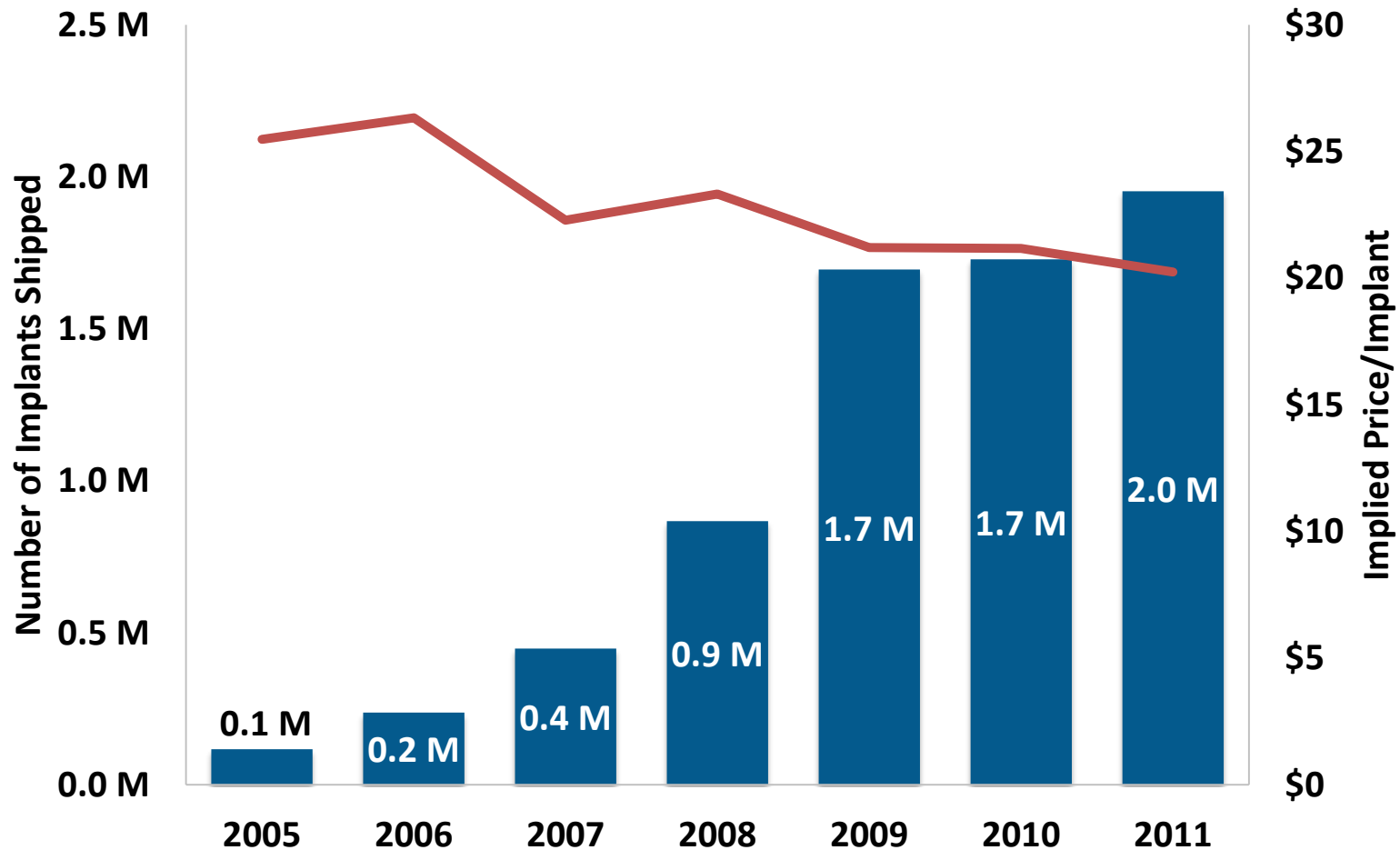
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The Access Program requires the following:

- **Strong LMIC market analytics**
- **Understanding of the price points that will trigger funded demand**
- **Understanding and ability to influence stakeholder politics funding and priorities**
- **Production and COGs strategy designed for LMICs**
- **Regulatory plan**

Despite increasing consumption, implants were expensive on a CYP basis & prices were not impacted by increasing volumes

Implant Shipments and Price per Implant for LMICs, 2005-2011



In 2012, following on RHSC's implant price reduction initiative, CHAI & BMGF began working with countries, donors, partners, & suppliers to develop additional strategies to increase access to contraceptive implants

Problem

Despite rapid growth of implant purchases and consumption, national family planning programs suggested a significant unmet need.

Identifying Barriers to Access

The contraceptive implant market was characterized by a high price/low volume trap.

High Prices

High prices on a CYP basis forced MOHs and other purchasers to constrain implant order volumes and focus on other methods



Low Volumes

Suppliers keep prices high due to uncertain ordering patterns that lead to sub-optimal management of production costs

CHAI & BMGF evaluated both demand & supply side factors to determine the scope for reducing prices & expanding uptake of implants

Demand-Side Barriers	Approach and Strategy
<p>Limited Demand Visibility</p>	<ul style="list-style-type: none"> Assembled market intelligence to forecast implant demand and confirm the market's growth potential Concluded that global demand could reach 9M units by 2015 and expand to 11M by 2020
Supply-Side Barriers	Approach and Strategy
<p>Sub-optimal Production Costs</p>	<ul style="list-style-type: none"> Conducted cost studies and concluded costs would be reduced to support low prices with sufficient volume Identified steps to reduce costs through standardizing product configurations and coordinating purchases
<p>Limited number of suppliers of LARCs</p>	<ul style="list-style-type: none"> Assessed the likelihood of WHO quality-assured supplier entry into implant market Determined new competition needed but unlikely to emerge for several years

The VG Partners negotiated a 50% price reduction of implants, resulting in procurement savings & making implants one of the most cost-effective methods on a CYP basis

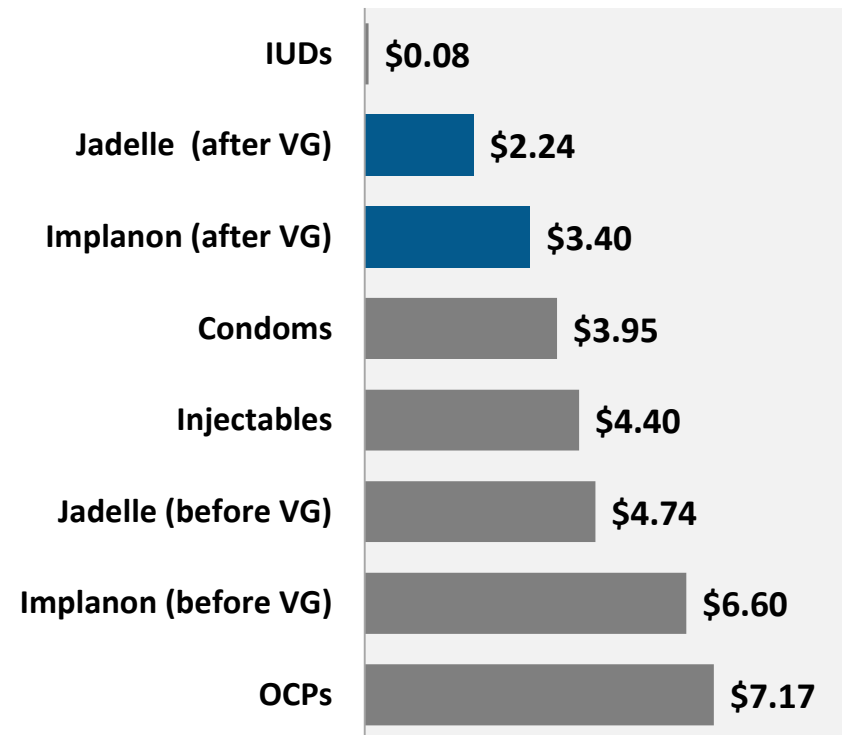
Implant Access Program Impact

\$8.50 | 50% reduction in price of Jadelle & Implanon

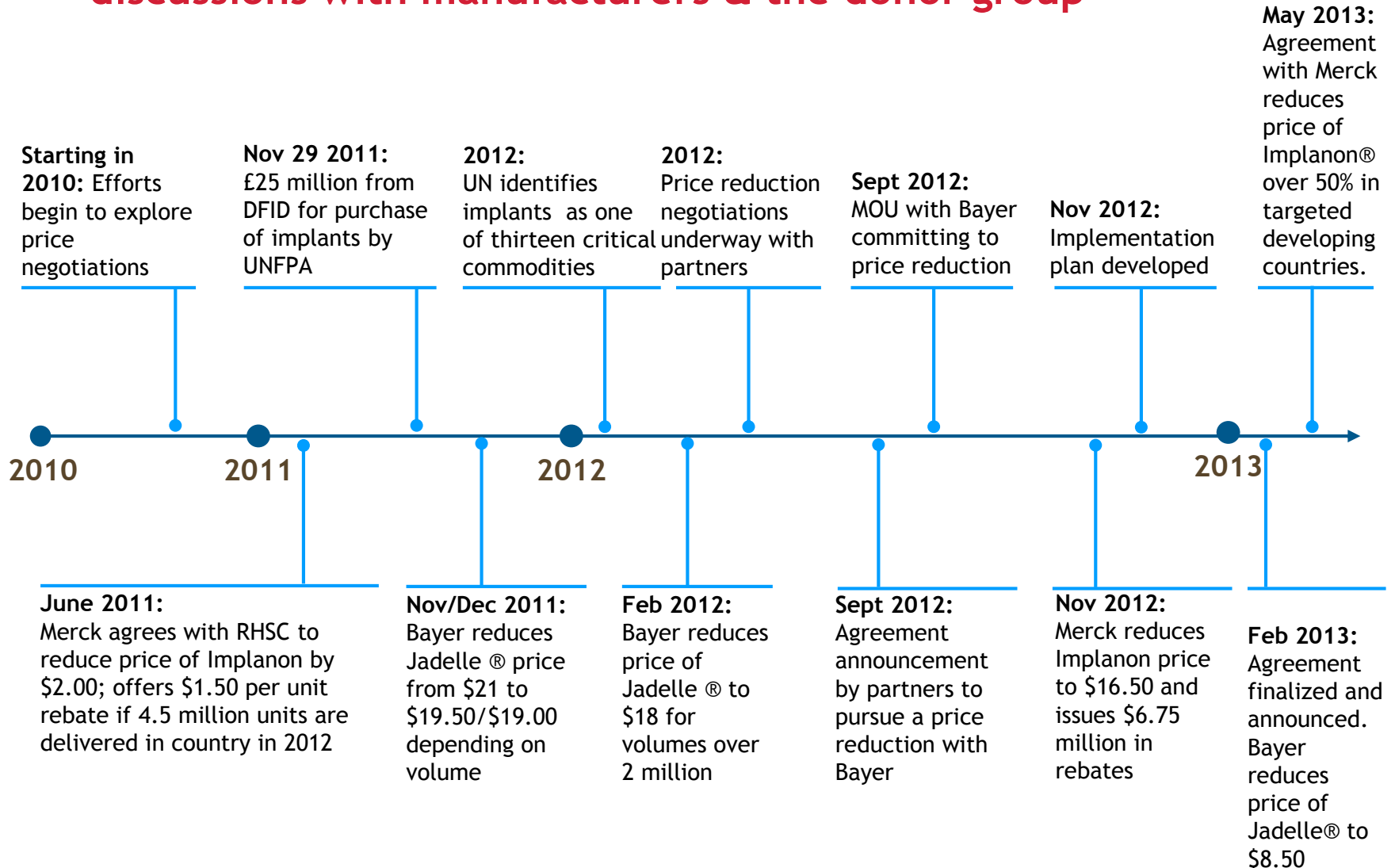
\$300M | Procurement savings over 6 years of agreement

640K | Estimated lives saved over the course of the agreement

Cost per CYP by Method

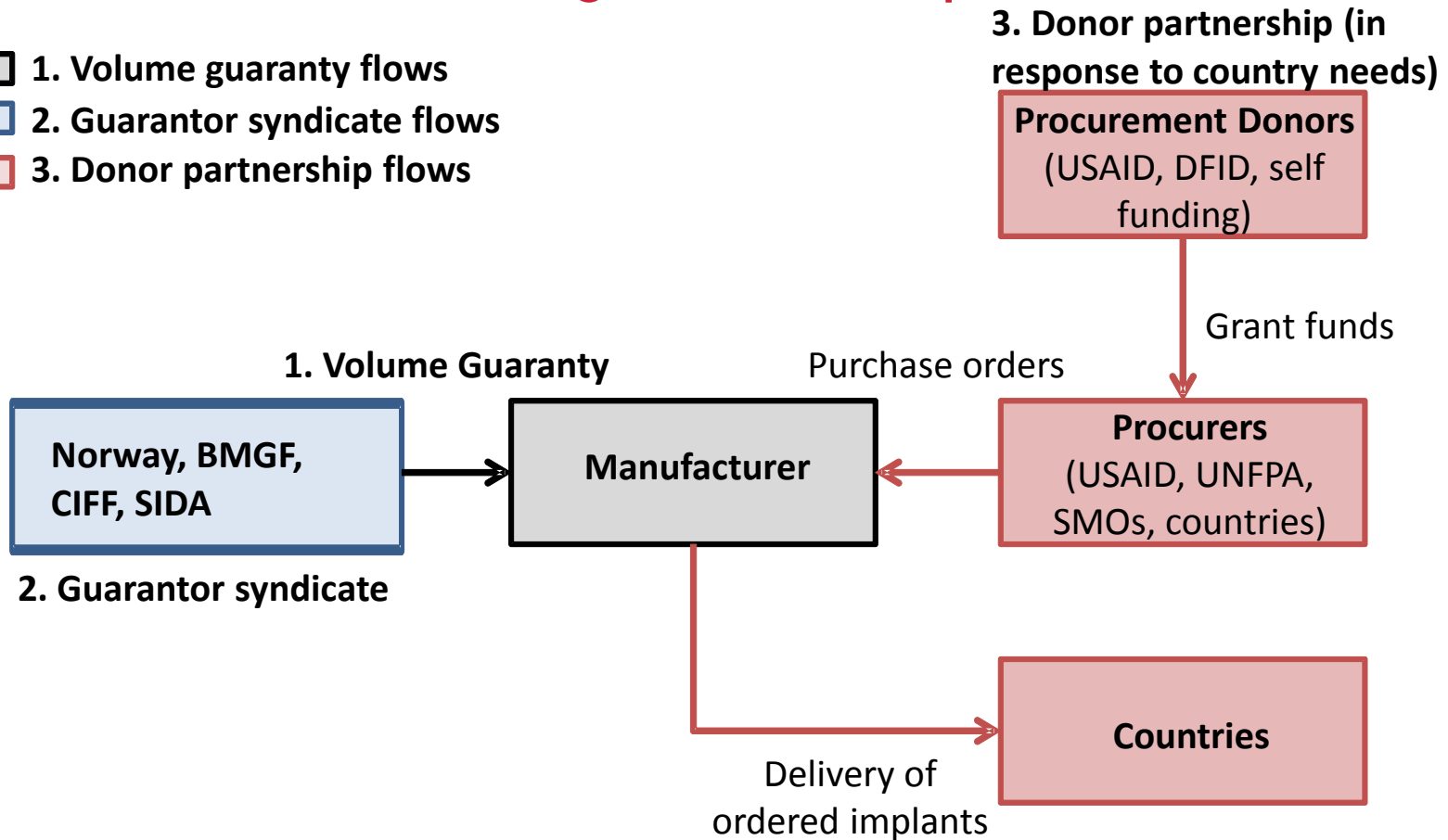


These price reductions are the culmination of two years of discussions with manufacturers & the donor group



The organizational structure for the investment allows for continued communications between manufacturers & other partners as needed & through formal touchpoints

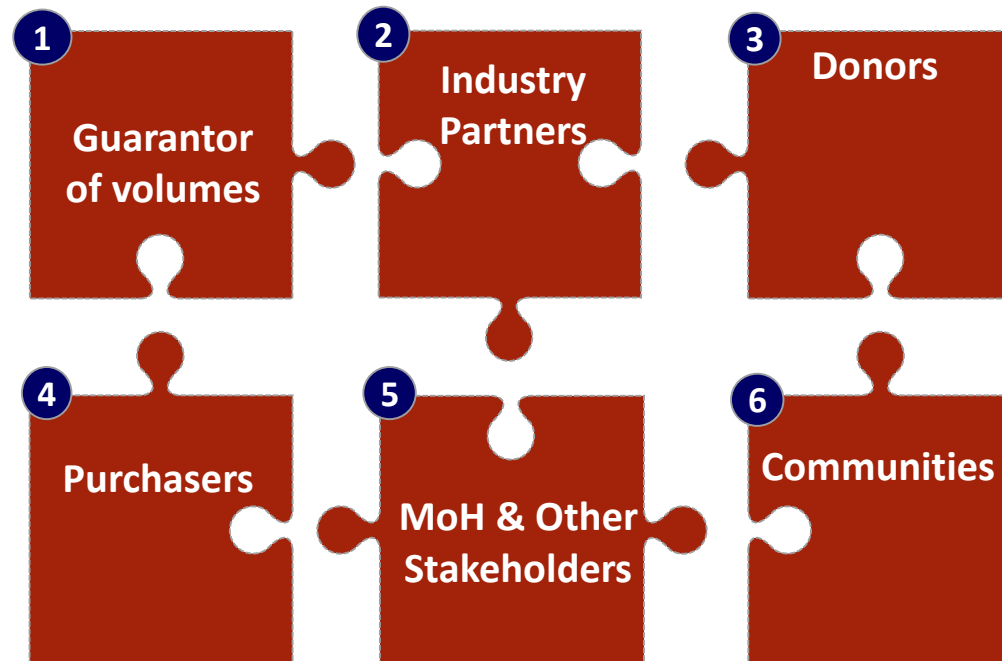
- 1. Volume guaranty flows
- ▣ 2. Guarantor syndicate flows
- ▣ 3. Donor partnership flows



VG partners continue to support the monitoring & strategic oversight of the VGs as well as addressing outstanding barriers to access to contraceptives

Partnerships & Projects	Involvement
Implant Access Program Oversight Boards	<ul style="list-style-type: none"> • Support the monitoring and strategic oversight of the volume guarantee
FP2020 Market Dynamics Working Group	<ul style="list-style-type: none"> • Published first family planning market report using shipment data directly from RH suppliers • Conduct costing of service delivery of RH products
Coordinated Supply Planning Working Group	<ul style="list-style-type: none"> • Develop rigorous demand forecast for implants • Generate dynamic supply planning tool for CSP members to validate country commodity requests
Implant Access Program Operations Group	<ul style="list-style-type: none"> • Create greater visibility into service delivery efforts and client uptake at country-level • Resolve country-level implant-specific service delivery issues
Ensuring Continued Innovation & Access to Implants	<ul style="list-style-type: none"> • Identify opportunities to secure sufficient low-cost, quality assured implant production capacity to meet forecasted demand with suppliers and partners

Additional support for implementation of the price reductions draw from a wide range of partners & stakeholders



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For most women, including women who want to have children, contraception is not an option; it is a basic health care necessity.

-- Louise Slaughter

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Implant Access Program Operations Group	<ul style="list-style-type: none"> • Create greater visibility into service delivery efforts and client uptake at country-level • Work with partners to resolve country-level implant-specific service delivery issues as they arise, including regular liaising with the CSP around issues of commodity availability
Ensuring Continued Innovation & Access to Implants	<ul style="list-style-type: none"> • Identify opportunities to secure sufficient low-cost, quality assured implant production capacity to meet forecasted demand with suppliers and partners