Health financing and access to medicines in the Caribbean
Health financing and access to medicines in the Caribbean
## Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contents</td>
<td>iii</td>
</tr>
<tr>
<td>Foreword</td>
<td>iv</td>
</tr>
<tr>
<td>Acknowledgments</td>
<td>v</td>
</tr>
<tr>
<td>Abbreviations and acronyms</td>
<td>vi</td>
</tr>
<tr>
<td>Executive summary</td>
<td>vii</td>
</tr>
<tr>
<td>Introduction</td>
<td>1</td>
</tr>
<tr>
<td>1. Objective of this report</td>
<td>1</td>
</tr>
<tr>
<td>2. Analysis</td>
<td>2</td>
</tr>
<tr>
<td>Sources of information</td>
<td>3</td>
</tr>
<tr>
<td>3. Context</td>
<td>4</td>
</tr>
<tr>
<td>4. Case studies</td>
<td>5</td>
</tr>
<tr>
<td>Barbados</td>
<td>5</td>
</tr>
<tr>
<td>Jamaica</td>
<td>6</td>
</tr>
<tr>
<td>5. Rapid assessment and recommendations</td>
<td>7</td>
</tr>
<tr>
<td>System financing</td>
<td>7</td>
</tr>
<tr>
<td>Recommendation 1: Implement health taxes</td>
<td>7</td>
</tr>
<tr>
<td>Recommendation 2: Support movement toward dedicated taxation pools with economic evidence</td>
<td>8</td>
</tr>
<tr>
<td>Recommendation 3: Increase industry fees for regulatory reviews to support quality</td>
<td>8</td>
</tr>
<tr>
<td>Access barriers</td>
<td>9</td>
</tr>
<tr>
<td>Recommendation 4: Increase and coordinate the use of strategic pooled procurement mechanisms</td>
<td>9</td>
</tr>
<tr>
<td>Recommendation 5: Support local capacity development in forecasting and procurement</td>
<td>10</td>
</tr>
<tr>
<td>Recommendation 6: Examine lessons learned from COVID-19 medicine and technology acquisition activities</td>
<td>10</td>
</tr>
<tr>
<td>Out-of-pocket costs</td>
<td>10</td>
</tr>
<tr>
<td>Recommendation 7: Regulate drug prices</td>
<td>11</td>
</tr>
<tr>
<td>Recommendation 8: Improve the timeliness of claims reimbursement in private plans</td>
<td>11</td>
</tr>
<tr>
<td>6. Discussion</td>
<td>13</td>
</tr>
<tr>
<td>7. Conclusions</td>
<td>13</td>
</tr>
<tr>
<td>References</td>
<td>14</td>
</tr>
<tr>
<td>Appendix 1.</td>
<td>18</td>
</tr>
</tbody>
</table>
Access to essential medicines is recognized as a fundamental human right by governments worldwide. However, in low- and middle-income countries, including in the Caribbean region, millions of people continue to face significant challenges in accessing affordable and high-quality medicines. These challenges include inadequate financing for health care, affordability issues, concerns over the quality and safety of medicines, inappropriate use of essential medicines, weak or limited regulatory systems, and complex procurement and supply chain management processes.

The Caribbean region also faces a unique set of challenges, including high levels of public debt and significant informal economies. These factors constrain the capacity of governments to invest in social programs and agendas, including the provision of universal health coverage. At present, public spending on health care in the region is only 3.9% of gross domestic product, well below the 6% target identified by PAHO Member States in 2014. Consequently, many people must rely on out-of-pocket payments for health care, including medicines. This financial burden creates barriers to accessing health care and can lead to irrational or inappropriate use of prescription drugs and other medicines.

In a broader sense, the Region of the Americas still struggles with persistent inequalities, particularly concerning accessibility of health services and technologies. Dr. Jarbas Barbosa, Director of the Pan American Health Organization, emphasizes that, despite notable progress in recent decades, the aspiration for good health remains unrealized for numerous individuals. To tackle this issue, Dr. Barbosa highlights the significance of collaborative endeavors with Member States to improve access to and production of health technologies. Consequently, he has established the Department of Innovation, Access to Medicines, and Health Technologies.

This report offers an initial and concise evaluation of certain health financing aspects that are crucial for improving access to medicines in the Caribbean. The publication also provides a preliminary set of recommendations to guide national and regional efforts to improve the region’s current organization, financing, and provision of medicines. These recommendations aim to tackle the significant challenges highlighted in the report, including those related to system financing, barriers to access, and the financial burden of out-of-pocket costs.

This study is envisioned to be an integral part of a broader series of initiatives aimed at promoting equitable, affordable, and sustainable access to medicines and health technologies by strengthening regulatory frameworks and production capacities.

We hope this publication will serve as a useful resource for policymakers, health professionals, and other stakeholders in the region and beyond, as they work toward ensuring that everyone in the Caribbean has access to the medicines they need to lead healthy and productive lives, and that the region can achieve sustainable and equitable health financing. We ultimately aspire to inform policy decisions and facilitate meaningful improvements in the availability and accessibility of essential healthcare resources in the region.

Dean Chambliss
Subregional Program Director, Caribbean
Acknowledgments

This publication was jointly developed by the Caribbean Subregional Program Coordination Office, the Department of Health Systems and Services, and the Department of Innovation, Access to Medicines and Health Technologies. Support was provided by the Universal Health Coverage Partnership – supported and funded by the World Health Organization (WHO), the European Union, the Grand Duchy of Luxembourg, Irish Aid, the French Ministry for Europe and Foreign Affairs, the Government of Japan, the United Kingdom - Foreign, Commonwealth & Development Office, Belgium, Canada, and Germany.

The team responsible for the development and supervision of this report comprised Dr. Guillermo A. Sandoval, Tomas Pippo, Begoña Sagastuy, and Ivan Redini.

The field research was led by Dr. Rebecca Hancock-Howard, Adjunct Professor at the University of Toronto Institute of Health Policy, Management and Evaluation. Reviews and comments were also provided by Pan American Health Organization/World Health Organization advisors Claudia Pescetto, Juan Pablo Pagano, and Christopher Lim.

The contributions of Dean Chambliss, Director of the Caribbean Subregional Program Coordination Office, James Fitzgerald, Director of Health Systems and Services, and Hector Castro, Director (interim) of Innovation, Access to Medicines and Health Technologies, are greatly appreciated, and sincere thanks go to them for their invaluable support and guidance.
### Abbreviations and acronyms

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>BDS</td>
<td>Barbados Drug Service</td>
</tr>
<tr>
<td>CARICOM</td>
<td>Caribbean Community</td>
</tr>
<tr>
<td>CARPHA</td>
<td>Caribbean Public Health Agency</td>
</tr>
<tr>
<td>CRS</td>
<td>Caribbean Regulatory System</td>
</tr>
<tr>
<td>GDP</td>
<td>gross domestic product</td>
</tr>
<tr>
<td>HTA</td>
<td>health technology assessment</td>
</tr>
<tr>
<td>NPP</td>
<td>national pharmaceutical policy</td>
</tr>
<tr>
<td>OECS PPS</td>
<td>Organisation of Eastern Caribbean States Pharmaceutical Procurement Service</td>
</tr>
<tr>
<td>OOP</td>
<td>out-of-pocket</td>
</tr>
<tr>
<td>PAHO</td>
<td>Pan American Health Organization</td>
</tr>
<tr>
<td>SDG</td>
<td>Sustainable Development Goal</td>
</tr>
<tr>
<td>UHC</td>
<td>universal health coverage</td>
</tr>
<tr>
<td>WHO</td>
<td>World Health Organization</td>
</tr>
</tbody>
</table>
Executive summary

Medicines are an important component of health care and health systems. Lack of access to medicines adds to the disease burden and contributes to health inequities. Access to medicines in the Caribbean region is lagging targets, and improvements are needed to ensure that people have appropriate, high-quality medicines, available at the right price and in the right place.

The aim of this report is to provide a preliminary and brief assessment of some aspects of health financing considered relevant to access to medicines in the Caribbean. The report also provides a preliminary set of recommendations to guide national and regional efforts and policy discussions in relation to improving the region’s current financing and provision of medicines. While many of the recommendations reiterate what has been identified in previous research, this report helps to prioritize actions and reflects the current viewpoints of experts – who underscore the need to prioritize issues of quality and rational use of medicines.

The assessment and recommendations were guided by an analysis framework developed for the purpose of informing this report. The framework is organized under three main assessment areas: system financing, access barriers, and out-of-pocket (OOP) costs. It identifies the various aspects of health financing that need to be analyzed and understood, to address current access issues at the country level.

A total of nine recommendations are proposed.

**SYSTEM FINANCING**

The Caribbean is committed to universal health coverage, and progress has been made in many countries – although this varies. The main system financing challenges continue to be high OOP payments and public spending on health below the target of 6% of gross domestic product. There is also a shallow tax base for financing universal access and coverage. To address these challenges, the following three recommendations are proposed:

1. Strengthen and implement health taxes more consistently across the region – to increase the tax base available for financing health care.
2. Provide evidence of the importance of robust health systems for supporting economic productivity – with efficient financing typically being achieved by pooling dedicated health funding that has been automatically gathered through taxes.
3. Increase industry fees for regulatory reviews to support quality – given that an enhanced and robust regulatory presence is required in the Caribbean.

**ACCESS BARRIERS**

For the most part, primary care in the Caribbean is accessible and free at the point of service in public clinics. The main access barriers relate to the availability and, to some extent, the quality of medicines – which means that stock-outs remain a common problem across the region. To address these challenges, the following three recommendations are proposed:

1. Increase and coordinate the use of strategic pooled procurement mechanisms to address challenges related to both small populations and local capacities – the Organisation of Eastern Caribbean States Pharmaceutical Procurement Service and Pan American Health Organization Strategic Fund models of pooled procurement could be further utilized in this regard.
2. Support the development of local capacity development for forecasting and procurement – given that the lack of an appropriate understanding of needs may lead to on-demand procurement and contribute to stock-outs.
3. Examine lessons learned from acquisition coordinated efforts and activities to acquire medicines and technology during the COVID-19 pandemic – including the COVAX (vaccine) component of the Access to COVID-19 Tools Accelerator.

**OUT-OF-POCKET COSTS**

In many Caribbean countries, drugs on the World Health Organization Model List of Essential Medicines is typically publicly funded, and drugs used in public hospitals are commonly provided free at the point of service. OOP payments continue to be a main financing source for medicines in the Caribbean, which affects the rational use of prescription drugs and medicines. To address these challenges, the following three recommendations are proposed:

1. Regulate drug prices – which can have an immediate impact on OOP spending.
2. Improve the timeliness of claims reimbursement in private plans – which can also have an impact on OOP spending.
3. Address the rational use of medicines by using standard treatment guidelines and building local capacity in health technology assessment – which can help to refine the World Health Organization Essential Medicines List.

**CONCLUSIONS**

The report was developed using a methodology with limited scope. Thus, it should be considered a starting point for guiding current policy discussions and actions on health financing and access to medicines and the future development and evaluation of more comprehensive assessments. This report intends to provide a resource for policymakers, health professionals, and other stakeholders in the region and beyond, as they work toward ensuring that everyone in the Caribbean has access to the medicines they need to lead healthy and productive lives, and that the region can achieve sustainable and equitable health financing.
Introduction

Medicines are an important component of health care and health systems. Lack of access to medicines adds to the disease burden and contributes to health inequities. In the Caribbean region, access to medicines is lagging targets, and improvements are needed to ensure that people have appropriate, high-quality medicines available at the right price and in the right place (1). Access to medicines is a necessary condition for advancing toward universal health coverage (UHC). It is prioritized globally in Sustainable Development Goal (SDG) 3.8 (2) and regionally in the Pan American Health Organization (PAHO) Sustainable Health Agenda for the Americas (3). The World Health Organization (WHO) roadmap for access to medicines also highlights two strategic areas for improvement within the context of UHC: (1) equitable access; and (2) quality, safety, and efficacy of health products (4).

Progress toward UHC varies across Caribbean nations (5). On average, out-of-pocket (OOP) spending accounts for 35% of all sources of health financing, and, in some countries, it goes beyond 40%, up to as high as 55% (6). High OOP expenditure is a red flag, as it is an indication of barriers to accessing health care, including to accessing medicines, and of potential financial risks to individuals and households due to health events that may lead to impoverishment and catastrophic expenditure. Together, high OOP spending and the need for quality improvements lead to barriers to accessing medicines in the Caribbean. While the nature of some of these challenges has been addressed in previous reports, considering access to medicines in the context of health financing may reveal new insights about policymaking and implementation in this area.

Health financing is essential for supporting the development and ongoing operation of a health system. It has a direct influence on equity in resource distribution; access to and the quality of health care; efficiency in the organization, administration, and purchasing of health care; and financial protection (7). It is a PAHO priority to increase and improve financing in an equitable and efficient manner, to advance toward eliminating direct payment at the point of service (3). Adequate health financing remains a challenge in the Caribbean. There is consensus that public spending on health care is relatively low. It averages at 3.1% of gross domestic product (GDP) (6) – well below the 6% target set by Member States (8). A recent KPMG report highlights that the shallow tax base of most island countries poses a challenge to financing UHC (5).

1. Objective of this report

The aim of this report is to provide a preliminary and brief assessment of some aspects of health financing considered relevant to access to medicines in the Caribbean. The report also outlines an initial set of recommendations to inform national and regional improvements to the region’s current organization, financing, and provision of medicines. The report was developed using a methodology with limited scope. Thus, it should be considered a starting point for guiding current policy discussions and actions on health financing and access to medicines and the future development and evaluation of more comprehensive assessments.

Six sections follow. Section 2 presents the main aspects of the methodology used in developing this report, including an analysis framework and sources of data and information. Section 3 describes some aspects of the global and regional context related to access to medicines and is followed by two case studies (Section 4). Section 5 presents the preliminary assessment findings and recommendations for addressing access to medicines in the Caribbean. The report concludes in Section 6 by discussing some additional recommendations for further improving access to medicines in the Caribbean.
2. Analysis

This study was guided by an analysis framework developed for the purpose of this report (Table 1). The framework aims to guide a descriptive assessment of aspects of health financing considered important for access to medicines in the Caribbean region. Discussions with the project advisory team were conducted to identify gaps in current understandings of the relationships between health financing and access to medicines. Frameworks addressing health systems, health financing, and access to medicines were reviewed to inform the development of the analysis framework used for this assessment. They include the WHO road map for access to medicines (4), the WHO health systems framework (9), Kutzin’s conceptual model on health financing and UHC (7), and a scoping review on access to medicines research in Latin America and the Caribbean (10).

Current frameworks for access to medicines have limitations for addressing the complexity of barriers and how they are interconnected. While previous frameworks cover aspects such as pricing, procurement, and rational use, they may not specifically identify financing as a domain. This overlooks the relationships between medicines and health financing, human resources, health information, and service delivery (11). A study by Bigdeli et al. (11) found that the existing frameworks for access to medicines do not adequately address these complex interconnections (11). The WHO health systems framework recognizes financing and access to medicines as distinct core components or “building blocks” of health systems, emphasizing the importance of considering them together (9). A scoping review of access to medicines research in Latin America and the Caribbean highlights the most common research domains as “leadership and governance,” “sustainable financing, affordability and price of medicines,” “medicines selection and use,” and “availability of medicines” (10).

Health financing and access to medicines encompass multiple complex domains. Based on previous research and internal discussions on project needs, a framework was developed that included domains across financing and access to medicines. The analysis framework is organized under three main assessment areas: system financing, access barriers, and OOP costs. It proposes various aspects of health financing which need to be analyzed and understood, to address current performance problems and challenges at the country level. The analysis framework also considers challenges unique to the Caribbean region, particularly those resulting from the remote geography and size of the economies and populations of small island developing states. These characteristics have a direct impact on multiple aspects of health financing, e.g., availability and price of medicines, economies of scale and efficiency, and payment and incentive mechanisms.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Describe private/public financing policies and insurance schemes for medicines</td>
<td>Assess availability of desired products</td>
<td>Quantify copayments and dispensing fees incurred by patients under different schemes</td>
</tr>
<tr>
<td>Analyze current drug expenditure</td>
<td>Describe common supply chain issues, including pricing policies and strategic purchasing mechanisms</td>
<td>Understand process for patients to purchase drugs not included in national formularies/individuals not covered under public schemes</td>
</tr>
<tr>
<td>Assess robustness of existing national formularies</td>
<td>Describe access to primary care and pharmacists</td>
<td>Describe at what points of access patients must pay (prescription, purchasing)</td>
</tr>
<tr>
<td>Address affordability and sustainability</td>
<td></td>
<td>Describe subsidy programs, including tax credits if applicable</td>
</tr>
</tbody>
</table>

Source: PAHO.
Sources of information

Three main research activities were carried out to inform this assessment: (1) a rapid literature review and desk research largely from 2012 onward; (2) expert interviews and consultations; and (3) case studies.

The literature review and desk research focused on describing the current context of access to medicines and health financing in the Caribbean region, and on supporting recommendations. The search focused on three main terms (i.e., “access to medicines”; “Caribbean”; “health financing”) and used multiple search engines, including Google, PubMed, those of the Caribbean Public Health Agency (CARPHA), WHO, PAHO, the Caribbean Community (CARICOM), and the Regional Database of Health Technology Assessment Reports of the Americas (BRISA).

A total of 10 experts were consulted between October and November 2022. The experience of the experts consulted ranged from working in nongovernmental organizations, including PAHO, to academia, industry, and health service delivery. Experts were identified from relevant papers during desk research, using the networks of the PAHO study team working in the Caribbean, and through the “snowball” method – i.e., at the conclusion of the interview, the expert was asked to recommend other experts. The majority of the interviewees were current or former PAHO employees. The PAHO Ethics Review Committee was consulted regarding this study, and it was determined that formal approval was not necessary. The interview guide can be found in Appendix 1.

Country case studies were developed to illustrate real-world issues, particularly those related to the third assessment area (OOP costs). Countries were selected based on the feasibility of gathering data remotely, i.e., the availability of data online with enough detail on national drug programs. Barbados (2022 population: 288 207) and Jamaica (2022 population: 2 991 686) were selected – both countries are considered small states (12). Case studies include a description of country demographics; health expenditures; sources of financing; drug financing, and insurance schemes; and cost scenarios for patients with public insurance, private insurance, or no insurance. Aggregate expenditure and financing data were extracted from the WHO Global Health Expenditure Database (6), and direct medicine costs were based on publicly available data and expert input.

Cost scenarios describe OOP costs and other barriers that patients may face when accessing a commonly used medicine on the WHO Essential Medicines List and a commonly used medicine on the nonessential medicines list. The essential medicine selected was amoxicillin – a broad-spectrum antimicrobial commonly used in primary care (13), and listed by WHO as an Essential Medicine (the WHO publishes and updates this list every two years based on expert advice; it contains the medicines considered to be most effective and safe to meet the health system needs (9). The nonessential medicine selected was alendronate, a bisphosphonate which is used to treat osteoporosis. Alendronate is a drug unlikely to be included in many national formularies, yet it is considered valuable in primary care – as per a review by Canadian physicians (14).

The combined findings of the literature review, case studies, and expert consultations were synthesized to generate a list of current strengths and weaknesses and recommendations relevant to the three assessment areas of the analysis framework. Key informant consultations were reviewed for common themes. Topics that were mentioned by more than one expert were explored thoroughly for inclusion as a recommendation. Where possible, local examples and initiatives are provided alongside the recommendations.
3. Context

The provision of medicines has been a focus of policy action for many decades, and increasingly in recent years in Latin America and the Caribbean (10). WHO published a framework for developing and implementing national drug policies in 2001, recommending the development of comprehensive national pharmaceutical policies (NPPs) (15). Development of NPPs in the Caribbean region has been limited. An analysis of policy approaches in Mexico found that the lack of an NPP led to the use of isolated strategies to address the availability and affordability of medicines (16). Experts urge for the adoption of a comprehensive NPP (16).

Essential medicines are a key component of access to medicine strategies, particularly in low- and middle-income countries. The WHO Model List of Essential Medicines can provide a starting point for countries to develop their own national formularies to cover the priority health needs of the population and include products that are effective and safe (17). The WHO Essential Medicines List is updated every two years by WHO experts. This also helps to address potential capacity issues and align procurement needs. Most Caribbean nations use essential medicines lists to guide formulary development; however, not all essential medicines may be listed in national formularies, and formularies may include products not deemed essential (18).


1. Inadequate financing to pay for a basket of essential medicines through UHC;
2. Affordability of essential medicines;
3. Assuring the quality and safety of essential medicines;
4. Inappropriate use of essential medicines; and
5. Developing and supplying new types of essential medicines that target unmet disease burden or offer more effective outcomes.

The Sustainable Development Goals (SDGs) were adopted by the United Nations in 2015 as a universal call to action to end poverty, protect the planet, and ensure that by 2030 all people enjoy peace and prosperity; goal 3 of the SDGs is to “ensure healthy lives and promote well-being for all at all ages” (20). Target 3.8 of SDG 3 is to “achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all” (20).

Caribbean countries have committed to providing UHC. In 2014, PAHO adopted a regional Strategy for Universal Access to Health and Universal Health Coverage, which expresses the commitment of PAHO Member States to strengthening health systems; expanding access to comprehensive, high-quality health services; providing financial protection; and adopting integrated, comprehensive policies to address the social determinants of health and health inequities (21). The transition toward UHC continues, with pressure to deliver services within tight budgets (22).

Access to medicines is considered one of the most sensitive indicators of the performance of a functional health system (9). Various indicators to measure access to medicines and progress in improving access have been proposed by global health experts, as summarized in Table 2.

Table 2. Access to medicine indicators

<table>
<thead>
<tr>
<th>Source</th>
<th>Indicator</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Lancet’s Commission on Essential Medicines Policies: Indictors to Measure Progress on Paying for a Basket of Essential Medicines&lt;sup&gt;1&lt;/sup&gt;</td>
<td>Total pharmaceutical expenditure (TPE) as a percentage of total health expenditure</td>
</tr>
<tr>
<td></td>
<td>Per capita TPE</td>
</tr>
<tr>
<td></td>
<td>Public sector expenditure on pharmaceuticals as a percentage of TPE</td>
</tr>
<tr>
<td></td>
<td>Household expenditure on pharmaceuticals as a percentage of total household expenditure&lt;sup&gt;2&lt;/sup&gt;</td>
</tr>
<tr>
<td></td>
<td>Out-of-pocket expenditure on pharmaceuticals as a percentage of TPE</td>
</tr>
<tr>
<td>SDG 3: Good health and well-being&lt;sup&gt;3&lt;/sup&gt;</td>
<td>3.8.2. Proportion of population with large household expenditures on health as a share of total household expenditure or income</td>
</tr>
<tr>
<td></td>
<td>3.b.3. Proportion of health facilities that have a core set of relevant essential medicines available and affordable on a sustainable basis</td>
</tr>
<tr>
<td>Monitoring the building blocks of health systems: a handbook of indicators and their measurement strategies (WHO)&lt;sup&gt;4&lt;/sup&gt;</td>
<td>Average availability of 14 selected essential medicines in public and private health facilities&lt;sup&gt;2&lt;/sup&gt;</td>
</tr>
<tr>
<td></td>
<td>Median consumer price ratio of 14 selected essential medicines in public and private health</td>
</tr>
<tr>
<td></td>
<td>National (or subnational when necessary) surveys of medicine price and availability conducted using a standard methodology developed by WHO and Health Action International</td>
</tr>
</tbody>
</table>

Several other transitions are occurring in the Caribbean region that have implications for access to medicines and health financing. As countries transition from low- to middle-income status, there is also a transition away from donor aid. The demographic profiles of countries are changing, with populations aging, and burdens of disease are shifting from communicable diseases to noncommunicable diseases. Innovative drug prices continue to be high, posing budgetary challenges in many jurisdictions globally. In addition, countries continue to manage, adapt to, and recover from the COVID-19 pandemic – which has forced governments to increase public debts to levels not seen before in recent history.

4. Case studies

The two case studies presented below are based largely on publicly available data and information, and were limited by a lack of consultations with stakeholders or experts working directly in governments. They do provide, however, a starting point for understanding the multiple aspects of health financing that need to be analyzed to guide improvement strategies relevant to access to medicines.

Barbados

Barbados is the easternmost island in the West Indies. It is a former British colony and a popular tourist destination. Its capital city is Bridgetown (population 110 000). The World Bank classifies it as a high-income economy, with a gross national income per capita in excess of USD 13 205 (23). While Barbados is considered one of the wealthiest nations in the Caribbean, poverty rates are still high, at 14% (24). Life expectancy in Barbados is high: in 2020 it was 79 years at birth (25). Barbados is listed as 66th out of 151 countries on the Inequality-adjusted Human Development Index (26).

Barbados has a publicly funded healthcare system. Primary care is mainly provided at polyclinics. Barbados has a publicly funded tertiary care hospital (the Queen Elizabeth Hospital) and one smaller private hospital. Primary care and hospital care are provided free at the point of service. The public healthcare system also covers some dental care and drugs for specific populations (27).

However, a significant portion of health spending still occurs out of pocket. A total of USD 328 million was spent on health care in Barbados in 2019, and OOP spending accounted for USD 153 million of this total. Government-financed schemes accounted for USD 149 million (obtained from general taxation) and voluntary healthcare payment schemes accounted for USD 26 million. This equates to per capita spending of approximately USD 1138, of which 47% was out of pocket (6). World Bank data show that, in 2016, 4% of households in Barbados spent out of pocket more than 25% of their income (25). Barbados does not appear to offer medical tax credits or catastrophic cost coverage.

Medicines in Barbados

The Barbados Drug Service (BDS) provides drugs listed in the national formulary through public and private pharmacies. Residents with national identification cards with prescriptions for listed drugs are eligible for coverage, with dispensing fees dependent on whether the pharmacy is public or private (28). Specific chronic diseases covered include hypertension, diabetes, cancer, epilepsy, glaucoma, and asthma. For people over 65 and under 16 years of age, drugs are free and there are no dispensing fees in public pharmacies. In 2016–2017 there were 92 private pharmacies (28).

The National Drug Formulary is based on an essential medicines list developed by the National Drug Formulary Committee through the formulary development programme of the BDS (29). The BDS has been operating since 1980 (30). The National Drug Formulary lists medicines for use in the public and private sectors of Barbados, and the BDS is responsible for procurement and distribution of the medicines nationwide. Currently, the formulary includes treatments for some noncommunicable diseases (30). A comparison of products listed in the BDS formulary, the WHO Essential Medicines List, the PAHO Strategic Fund Medicine List, and medicines lists of other countries in the Americas found that the Barbados formulary had significant dissimilarities with these lists, with some opportunities for improvement, e.g., de-listing products that have been discontinued (18).

Barbados has a public-private partnership scheme that allows patients on the public insurance scheme to have their prescriptions filled at private pharmacies, which are contracted by the government to provide services to BDS beneficiaries (31). Private insurance is provided by companies such as Sagicor Caricare and Guardian Life of the Caribbean. It is difficult to determine the terms of their health insurance schemes based on publicly available information. Expatriates residing in Barbados typically purchase private health insurance.

Patients with public drug insurance can obtain formulary medicines from public pharmacies with no dispensing fee and no medication cost. At private pharmacies, dispensing fees vary based on the prices of the drug. The dispensing fees are as follows: if the drug costs between BBD 0.01 and BBD 2 (BBD 1 = USD 0.50), the dispensing fee is BBD 5 minus the cost of the drug; for medication priced over BBD 2 and up to BBD 10, the dispensing fee is BBD 7; if the drug costs more than BBD 10 but no more than BBD 20, the dispensing fee is BBD 12. If the drug costs more than BBD 40, the dispensing fee will be 30% of the cost of the drug (30). Patients with private insurance also pay the dispensing fee, and drug costs may depend upon the terms of the scheme. A web search determined that a 12-day course of amoxicillin purchased in Bridgetown costs...
USD 26 (32). The price paid by the BDS for amoxicillin was not publicly available. Prices for alendronate were not identifiable. It was not possible to complete the cost scenario exercise for Barbados based on publicly available information.

**Jamaica**

Jamaica is the third-largest island in the Caribbean and the largest English-speaking island. Its capital city is Kingston (population 661,862). The World Bank classifies it as an upper-middle-income economy, with a gross national income per capita of USD 9,702 (23). Poverty rates have been estimated at 23%. In 2020, life expectancy in Jamaica was 75 years at birth (25). Jamaica is listed as 83rd out of 151 countries on the Inequality-adjusted Human Development Index (6).

The health system in Jamaica includes public facilities that are free at the point of service, and private facilities that charge users a fee (33). In 2008, Jamaica abolished user fees for all in the public health sector (33). Jamaica does not appear to offer medical tax credits or catastrophic cost coverage.

A total of USD 966 million was spent on health care in Jamaica in 2019, with USD 641 million (66%) coming from government, USD 166 million (17%) from voluntary health payment schemes, and USD 159 million OOP spending (16%) (6). This equates to per capita spending of approximately USD 321 (6). World Bank data show that, in 2004, 3% of households in Jamaica spent more than 25% of their income on OOP health expenditure; however, this statistic predates the introduction of UHC (25).

**Medicines in Jamaica**

National Health Fund drug subsidy cards cover the full cost of medicines that are on a list of subsidized medicines in public pharmacies, and part of the cost in some private pharmacies. As in Barbados, the WHO Model List of Essential Medicines is used to inform the selection of drugs for the national formulary. Eligible Jamaicans receive a National Health Fund card that allows them to obtain subsidized medicines from private pharmacies. Patients are charged a co-payment based on the pharmacy markup. Elderly Jamaicans (aged over 60 years) are enrolled in the Jamaica Drug for the Elderly Programme and are not charged a co-pay, only a dispensing fee. Co-pays are JMD 40 per item on the prescription up to a maximum of JMD 240 (six items) (JMD 1 = USD 0.0065; JMD 40 = USD 0.26) (34).

A web search determined that a 12-day course of amoxicillin purchased in Montego Bay costs USD 13.74 (32). The price paid by the National Health Fund for amoxicillin was not publicly available. Prices for alendronate were not identifiable.

It was not possible to complete the cost scenario exercise for Jamaica based on publicly available information. Past PAHO research found that, to treat common conditions using standard regimens, the lowest paid government worker in Jamaica would need between 0.1 (diabetes) and 0.8 (hypertension) days’ wages to purchase the lowest priced generic medicines from the private sector (35). If brand-name medicines are chosen, costs are higher and the number of days’ wages necessary to purchase treatment varies from 0.4 (worm infestation) to 5.2 (hypertension).
5. Rapid assessment and recommendations

This section provides a preliminary and brief assessment of some aspects of health financing considered relevant to access to medicines in the Caribbean. Its structure follows the three assessment areas of the analysis framework, and it outlines major strengths and weaknesses of the current organization, financing, and provision of medicines in the region. The assessment also proposes nine recommendations to address the weaknesses and build on the strengths identified – with the objective of informing and guiding current policy discussions and actions at both the country and regional levels.

Although the assessment guided by the analysis framework is intended to be country specific, recommendations can be implemented either at the country level or as part of a regional program, policy, or strategy – e.g., the use of strategic pooled procurement mechanisms.

Table 3. Strengths and weaknesses of system financing in the Caribbean

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Universal health coverage (UHC) has been agreed to in principle, and is the focus of several resolutions, initiatives, and agendas</td>
<td>There is a shallow tax base for financing UHC</td>
</tr>
<tr>
<td>Progress toward achieving UHC varies</td>
<td>Caribbean nation populations and economies are typically small – which leads to a host of challenges that limit progress toward UHC</td>
</tr>
<tr>
<td></td>
<td>It is challenging to separate the financing of medicines from broader UHC financing issues</td>
</tr>
<tr>
<td></td>
<td>CARICOM countries are lagging the target of public spending on health being 6% of gross domestic product</td>
</tr>
<tr>
<td></td>
<td>Private insurance schemes and out-of-pocket payments still generally account for a significant portion of medicine expenditures</td>
</tr>
</tbody>
</table>

Source: PAHO.

Recommendation 1: Implement health taxes

To increase the tax base available for financing health care, health taxes can be more consistently applied across the region. Health taxes are excise taxes that are applied to potentially harmful goods, typically alcohol, tobacco, and sugar products (mainly beverages) (36). A recent systematic literature review on the effectiveness of health taxes in Latin American countries found that health taxes were effective in reducing harmful consumption, improving health outcomes, and generating revenues (35, 36).

Increasing health taxes has been previously recommended by PAHO, as current health taxes are typically low in the Caribbean region (37). Of the 14 PAHO countries in the region, 11 have excise taxes on tobacco; 11 have excise taxes on alcohol; and 2 countries, Barbados and Dominica, have recently implemented sugar taxation. However, of the 11 countries that have taxes on tobacco, in none does this tax reach the level recommended by WHO of more than 70% of the final sale price (37). Raising taxes of any sort can be politically sensitive; however, it is possible that raising health taxes would be more politically palatable than raising income taxes, and it has the added benefit of reducing noncommunicable disease risk factors. Research has shown that earmarking
revenues from health taxes for health spending may increase public support (38). PAHO/WHO could support local governments with health tax initiatives by helping them to develop modeling scenarios that would enable them to gain an understanding of price impacts and revenues. Recent experience with increasing health taxes in Aruba, where taxes were raised in 2019, could be examined for lessons learned (39).

Health taxes can play a role in bolstering fiscal capacity, providing additional financial resources to support healthcare systems. However, to make an impact, it is important to couple fiscal capacity with a strong fiscal priority for health. This entails not only allocating adequate financial resources, but also prioritizing health within the broader fiscal framework. When governments designate health as a fiscal priority, it signifies their commitment to ensuring accessible, affordable, and high-quality healthcare services for all citizens, as well as efficiency in the allocation and use of resources. Such prioritization empowers the development and maintenance of resilient healthcare systems capable of effectively addressing emerging challenges, safeguarding public health, and, ultimately, enhancing overall societal well-being.

Furthermore, engaging in dialogue with ministries of finance is essential for overcoming the challenge posed by the principle of fungibility of public resources, which hinders the earmarking of funds for specific purposes. This dialogue serves as a critical mechanism for advocating the importance of directing funds toward healthcare initiatives, and it enables the development of strategies to maximize the impact of these resources on improving healthcare systems and delivering high-quality health care to the population.

**Recommendation 2: Support movement toward dedicated taxation pools with economic evidence**

Efficient health financing is typically achieved by pooling dedicated funding that has been automatically gathered through taxation (8, 40). It is well established that financing health systems through user fees and direct OOP payments is inefficient, with high overhead costs and negative effects on access and equity (8). Making progress toward dedicated pooled funding is challenging, however, and appropriate taxation levels are a contentious political topic in all nations. The Caribbean setting is particularly challenging, as many jurisdictions do not apply income tax, and many residents do not participate in the formal economy (5).

Evidence of the relationship between robust health systems and economic productivity could be generated for the Caribbean region, to inform policy development in the movement toward pooled dedicated taxation for health financing and to foster political and public support. The importance of health to human capital has been well studied in upper-income countries (41), yet specific evidence in the Caribbean is limited, despite an understanding that productivity lags other regions (42). An analysis in Jamaica after it introduced UHC in 2008 found that on average, this action added approximately two hours of labor per week by reducing lost workdays, adding an estimated USD 26 million to the economy annually (43). Building return-on-investment models specific to Caribbean nations may support transitions to dedicated public funding for medicines under UHC.

**Recommendation 3: Increase industry fees for regulatory reviews to support quality**

An enhanced regulatory presence is required to address quality. Strengthening regulatory systems in the Caribbean can be challenging given the small populations and economies of the countries in the region (44). Steps toward addressing this issue through the regionalization of regulatory systems have been taken by the Caribbean Regulatory System (CRS), managed by CARPHA. There are many potential benefits to regionalization: increased market size, reduced fragmentation of standards, and collectivized regulatory functions (44). The CRS now offers a single point of entry to the region, encompassing 17 million people within the 26 member states of CARPHA.

The user fees that the CRS currently charges industry for the regulatory review process are nominal. The unit was originally funded by a grant from the Bill & Melinda Gates Foundation, with a plan to move toward a sustainable user-fee system in the future (45). Experts suggested that increasing the fees charged to industry for regulatory reviews could provide additional funds for essential regulatory functions. It is not known how the levels of user fees currently charged by the CRS were determined. A review of this process and benchmarking against the fees charged by other regulatory bodies, along with discussions with industry, are recommended.
Access barriers

Table 4 shows the main strengths and weaknesses in relation to access identified in this assessment. For the most part, primary care in the Caribbean is accessible and free at the point of service in public clinics. The main access barriers relate importantly to availability and, to some extent, the quality of medicines – which means that stock-outs remain a common problem across the region. To address these challenges, three recommendations are proposed: increase and coordinate the use of strategic pooled procurement mechanisms, support local capacity development in forecasting and procurement, and examine lessons learned from COVID-19 medicine and technology acquisition activities.

Table 4. Strengths and weaknesses in relation to access in the Caribbean

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>With some variability, primary care is accessible and free at the point of service in public clinics</td>
<td>Stock-outs remain a common problem</td>
</tr>
<tr>
<td>Stakeholders reported that vaccine and HIV treatment programs are working well</td>
<td>Availability of desired products may be particularly limited in rural areas</td>
</tr>
<tr>
<td>The Organisation of Eastern Caribbean States Pharmaceutical Procurement Service and the PAHO Strategic Fund are providing effective strategic pooled procurement activities in the region</td>
<td>Forecasting of demand is not routinely performed, which leads to less effective procurement and a higher risk of stock-outs</td>
</tr>
<tr>
<td></td>
<td>Low-quality and counterfeit products are still challenges within the medicine supply chain</td>
</tr>
</tbody>
</table>

Source: PAHO.

Recommendation 4: Increase and coordinate the use of strategic pooled procurement mechanisms

Previous research has underlined the critical nature of effective strategic pooled procurement for addressing challenges related to both small populations and local capacities (3). Achieving value for money with health product procurement practices will be essential for ensuring the sustainability of UHC (22). The Organisation of Eastern Caribbean States Pharmaceutical Procurement Scheme (OECS PPS) and the PAHO Strategic Fund both provide pooled procurement services to the Caribbean region that could be further utilized.

The OECS PPS has been providing pooled procurement for essential medicines from a standardized list, and other services, to nine small Caribbean states since 1986 (46). Suppliers are identified through a restricted international e-tender process and enter into 18-month framework agreements during which they can ship medicines directly to OECS Member States at fixed prices (47). Other functions include quality assurance, performance assessment of supply systems, and training and other technical support. Member States pay a surcharge of 9%, which finances operations.

The PAHO Strategic Fund was established in 2000 to improve access to quality-assured, safe, and effective medicines and supplies, and to strengthen the efficiency and sustainability of public health systems across the Americas (48). It focuses on five key areas: technical cooperation, pooled procurement, capacity-building, quality assurance, and innovative financing (49). The 2021 annual report of the Strategic Fund stated that, as part of the HEARTS initiative (described further in Recommendation 9), newly negotiated agreements for 15 antihypertensive drugs resulted in competitive pricing and cost savings for participating countries (48). The price negotiated by the Strategic Fund for amlodipine 5 mg was USD 0.004, while other countries were reported to pay USD 0.005–0.209 for the same product, with one outlier paying USD 0.819. This example demonstrates the cost-saving potential of using the Strategic Fund and the importance of price and procurement transparency.

Experts agreed that the conceptualization and goals of the PAHO Strategic Fund were needed and appropriate. They discussed the fact that the fund has not yet reached a magnitude at which it can solve the regional challenges currently faced. Experts said that the fund is not being used as much as it could be. Barriers to participation in these available schemes should be identified and addressed. Overlap between the OECS PPS and PAHO Strategic Fund activities was described as being an area for potential improvement—i.e., local governments could benefit from understanding the alignment and gaps between the two programs.
**Recommendation 5: Support local capacity development in forecasting and procurement**

Local capacity development in forecasting and procurement should be supported. Experts said that data-driven activities aimed at understanding medication needs are not routinely or thoroughly performed, and that the lack of an appropriate understanding of these needs may lead to on-demand procurement; this can also contribute to stock-outs (50). Some resources are available to address these issues, but further work to support Member States could be undertaken. In 2006, PAHO published “A Practical Guide for Procurement Planning and Management of Strategic Public Health Supplies” (51). As the digitization of medical records progresses, an update to this guide could be warranted. The PAHO Strategic Fund also provides technical cooperation support to Member States for planning and forecasting, which filled a particularly important gap in supply chain management during the COVID-19 pandemic (48). Understanding barriers to Member States participating in this program could be further addressed. Both increasing participation in the Strategic Fund and incorporating evidence-based forecasting into cancer drug procurement were recommended policy options in a recent analysis of childhood cancer medicines in four Caribbean countries (including Barbados and Jamaica) by Boateng et al., published in *Lancet Global Health* (50).

**Recommendation 6: Examine lessons learned from COVID-19 medicine and technology acquisition activities**

The COVID-19 pandemic resulted in some success in coordinated efforts to obtain medicines and supplies. Lessons learned from collaborations such as the COVAX component of the WHO Access to COVID-19 Tools Accelerator (52) should be examined. This message was shared by the experts interviewed and noted in recent reports. The 14th Caribbean Conference on National Health Financing Initiatives, held in October 2022 by the University of the West Indies, saw attendees report that the COVID-19 response led to health system strengthening and increased intersectoral collaboration, as well as bilateral and multilateral cooperation (53). The 2022 annual report of the Access to Medicine Foundation, an independent nonprofit organization that compiles and publishes an index measuring the pharmaceutical industry’s efforts to improve access to medicines in low- and middle-income countries, stated that “lessons learned from the pandemic can prove pivotal in finding solutions to bridge long-standing gaps in access to medicine in low- and middle-income countries” (54).

**Out-of-pocket costs**

Table 5 shows the main strengths and weaknesses related to OOP costs identified in this assessment. In many countries, the WHO Essential Medicines List is typically publicly funded, and drugs used in public hospitals are commonly provided free at the point of service. OOP spending continues to be a main financing source for medicines in the Caribbean, which, in turn, impacts the rational use of prescription drugs and medicines. To address these challenges, three recommendations are proposed: regulate drug prices, improve the timeliness of claims reimbursement in private plans, and address the rational use of medicines through standard treatment guidelines and health technology assessment.

**Table 5. Strengths and weaknesses related to out-of-pocket costs in the Caribbean**

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>The WHO Essential Medicines List is typically publicly funded across the region</td>
<td>Private insurance and out-of-pocket spending continue to constitute a large portion of overall spending on drugs</td>
</tr>
<tr>
<td>Drugs used in public hospitals are typically provided free at the point of service</td>
<td>Branded and nonessential drugs are largely not reimbursed publicly and almost entirely financed out of pocket</td>
</tr>
<tr>
<td></td>
<td>Out-of-pocket purchasing leads to the less rational use of medicines</td>
</tr>
<tr>
<td></td>
<td>Rational use can also be hindered by the common availability of over-the-counter drug products</td>
</tr>
</tbody>
</table>

Source: PAHO.
Recommendation 7: Regulate drug prices

Regulating drug prices can have an immediate impact on OOP spending while public coverage expands. OOP spending continues to account for a major portion of drug spending in the region. While the impact may be quick, implementing drug price regulation can be a lengthy and complicated process, which also relies on strong regulatory and quality control systems. Experts reported recent experiences in El Salvador as an important potential example for the region.

In 2012, El Salvador passed the Medicines Law, in which Article 58 sets a maximum price for the sale of prescription drugs to the public (55). The legislation stipulates multiple activities with respect to drug pricing. Drug prices must be based on an international reference price (also called “external reference pricing”), and prices are capped. The legislation also states that the price of generic drugs should be 30–40% lower than the price of innovator drugs. The new pricing directorate was launched in 2017, after a period of reviewing prices and organizing processes to enable these activities. Prior to this action, El Salvador experienced many of the challenges facing the Caribbean: consumers used price as a proxy for quality, physicians had perverse incentives to prescribe more expensive drugs, and conflicts of interest between industry and healthcare providers were common (55). Research found that, not only did price regulation save the Salvadoran healthcare system millions of United States dollars (with average drug prices falling by approximately one-third), it did not affect the supply and imports of prescription drugs (55). Import volumes rose by 25% after price regulation was introduced. While the Medicines Law initially met with resistance from the pharmaceutical industry, it quickly led to visible and significant improvements in the system, while also supporting the country’s movement toward UHC (56).

Introducing external reference pricing in the Caribbean would likely require leadership from CARPHA, with potential implementation by the CRS. However, the legal and political actions required to bring this about would require further in-depth consideration.

Recommendation 8: Improve the timeliness of claims reimbursement in private plans

According to experts, there can be significant delays in claims reimbursement from employer-based health plans, with some cases taking up to a year to be processed. Exploring effective strategies to improve reimbursement timeliness is crucial for mitigating the burden of OOP expenses on patients. This approach would not only alleviate the financial impact of healthcare expenditures but also benefit individuals with sufficient insurance coverage. Unfortunately, specific details regarding these delays and related processes are not readily available in gray literature or from online sources. Obtaining local insights and input would be necessary to fully comprehend the extent of the problem and devise appropriate solutions.

In a broader context, there is limited coordination between benefit plans and coverage across public and private healthcare schemes in the Caribbean. This lack of coordination negatively impacts the efficiency and effectiveness of service delivery, compromising factors such as accessibility and optimal financing from a system-wide perspective.
Recommendation 9: Address the rational use of medicines through standard treatment guidelines and health technology assessment

The rational use of medicines may be improved by developing standard treatment guidelines that refine the WHO Essential Medicines List, and by building capacity for local health technology assessment (HTA). Experts stated that the rational use of medicines remains an important problem in the Caribbean, and multipronged efforts to address this need to be taken alongside financing reforms. There are several potential methods to improve rational use of medicines. In 2002, WHO identified 12 core policies to promote the rational use of medicines (57). One of these core policies is developing standard treatment guidelines. Experts described the HEARTS initiative as a recent example of a successful program for improving prescribing, costs, and outcomes for a common chronic condition using a standard treatment protocol. The HEARTS initiative is PAHO's flagship initiative for hypertension control and cardiovascular secondary prevention. It is currently being implemented in 2095 centers in 24 countries (58). In addition to developing a standard treatment protocol, the PAHO Strategic Fund successfully completed an international competitive bidding process and established long-term agreements for 15 antihypertension medicines. These medicines have already been included in the national treatment protocols of most HEARTS-implementing countries and have been recommended by WHO. Experts described this work as refining the WHO Essential Medicines List: the protocol reduced the number of hypertension medicines from the available 50 to a core group of eight (58), which will not only improve quality but also facilitate effective procurement, as the PAHO Strategic Fund now handles procurement of the eight medicines in the HEARTS protocol. As described in Recommendation 4, price negotiations for medicines used in the standardized HEARTS protocol led to cost savings. The HEARTS initiative highlights the synergies that can be realized through both the rational use of medicines and effective procurement.

The formal use of HTA is included in the SDGs and has been highlighted as a necessary action by the World Health Assembly resolution on UHC and The Lancet's Commission on Essential Medicines Policies (19). Currently, Latin American countries have developed some capacity in HTA, with the Health Technology Assessment Network of the Americas (RedETSA) recently marking its 10th anniversary. PAHO has resolved to incorporate HTA into health systems, but local HTA capacities and adoption in the Caribbean remain limited. Experts expressed mixed opinions on the prioritization of HTA activities in the Caribbean. Some believed that it was more important to focus on promoting the rational use of essential medicines, as HTA typically focuses on new, branded products. Others felt that building HTA capacity is a key component of creating efficient and effective health systems that support the rational use of regulated medicines. While HTA is important for supporting the rational use of medicines, widespread adoption is likely to be a more long-term goal.
6. Discussion

Some limitations to this report are important to highlight. It was difficult to find data to inform the case study cost scenarios. The aim was to identify total costs paid by a range of patients for essential and nonessential medicines. However, specific cost data for individual products were not readily available. Individuals with public insurance coverage in the two case study countries may typically pay a small dispensing fee for listed products. However, the availability and appropriateness of medicines continue to pose challenges. It appears that no coverage for catastrophic drug costs (i.e., additional financial support once an OOP spending threshold is reached) is available.

In the health financing literature, OOP spending tends to decrease when public spending increases, along with improvements in coverage. While increased public funding is a necessary component of decreasing OOP spending, this alone is not sufficient. Additional policy responses, such as revising the national essential list of medicines, may be required as complementary measures. Conducting case studies that delve into the underlying reasons behind OOP spending on medicines can contribute to the development of more effective policy responses. It is important to distinguish between cases where OOP spending occurs because of issues such as stock-outs at the health services level, and cases where medicines are not included in the national list of essential medicines. The former indicates a problem of inadequate provision despite the presence of the necessary services, while the latter points to insufficient coverage resulting from the characteristics of the health financing scheme.

The case studies and recommendations were limited by a lack of consultations with stakeholders or experts working directly in the governments of the case study countries. Case studies could be enhanced by gathering data on the access to medicines indicators summarized in Table 2. Conducting similar case studies in additional countries with different characteristics could also be informative. Proposed future case study countries are Antigua and Barbuda, whose efforts to dedicate pooled taxation financing to health care was highlighted by experts, and Suriname, the only country in CARICOM to exceed the 6% GDP public spending target.

It was not possible to address some topics within the project scope. These include governance on the granting of intellectual property rights for medicines. Regulatory systems for medicines were not considered in depth, but other analyses have provided insights and recommendations on strengthening regulatory systems (44). Enhancing efficiency in financing poses an ongoing and complex challenge that has yet to be fully resolved. Caribbean health systems persistently grapple with fragmented and uncoordinated financing and service delivery, resulting in substantial inefficiencies. To effectively address this issue, a comprehensive and holistic approach may be necessary, encompassing a transformative overhaul of the entire health system. This approach should strive to address the multiple deficits prevalent in the Caribbean specifically related to the key functions of health financing, namely revenue generation, pooling of resources, strategic service purchasing and procurement, and optimized benefits design.

The report was developed using a methodology with limited scope. Thus, it should be considered a starting point for guiding current policy discussions and actions on health financing and access to medicines and the future development and evaluation of more comprehensive assessments. Despite this limitation, this publication does provide a useful resource for policymakers, health professionals, and other stakeholders in the region and beyond, as they work toward ensuring that everyone in the Caribbean has access to the medicines they need to lead healthy and productive lives, and that the region can achieve sustainable and equitable health financing.

7. Conclusions

This report presents recommendations for improving access to medicines by assessing some aspects of health financing. While many of these recommendations reiterate what has been identified in previous research, this report helps to prioritize actions and reflects the current viewpoints of experts – who underscore the need to address issues of quality and rational use before increasing funding for medicines.

Many of these recommendations align with the policy options presented in a recent study on system-level barriers to accessing childhood cancer medicines (50). Areas of alignment include enhanced forecasting, wider participation in the Strategic Fund, increased regulatory quality, and the adoption of standard treatment guidelines. The full set of policy levers and options identified by Boateng et al. (50) highlight the range of system levels involved (global, regional, national, institutional, and provider) and why this makes improving access to medicines so complex.
References


Appendix 1.

Interview guide used in stakeholder discussions

1. What challenges do you see in access to medicines in your region/role?

2. What successes have you seen in recent years to improve access to medicine?

3. Is the public medical formulary in your region well-resourced/funded?

4. Are you concerned about sustainability of health costs in your region? Overall or for medicines in particular?

5. What solutions exist to address sustainability of healthsystem funding for medicines?

6. What barriers exist for members of the public to use and purchase medicine?

7. Are these barriers within or external to the drug formulary? (e.g., access to primary care providers for diagnosis and treatment prescriptions)

8. What recommendations do you have to improve healthsystem financing for medicines in your region?

9. What policy actions would support access to medicines in your region? To what bodies would you make these recommendations?
For millions of people, including those in the Caribbean region, accessing affordable and high-quality medicines poses significant challenges. These include affordability issues, concerns over the quality and safety of medicines, and inadequate financing for health care, as well as the inappropriate use of essential medicines, weak or limited regulatory systems, and complex procurement and supply chain management processes.

The Caribbean region also faces a unique set of challenges, including high levels of public debt and significant informal economies. These factors constrain the capacity of governments to invest in social programs and agendas, including the provision of universal health coverage. At present, public spending on health care in the region is only 3.9% of gross domestic product, well below the 6% target. Consequently, many people must rely on out-of-pocket payments for health care, including medicines. This financial burden creates barriers to accessing health care and can lead to the irrational use of prescription drugs and other medicines.

This report offers an initial and concise evaluation of certain health-financing aspects that are crucial for accessing medicines in the Caribbean. It also provides a preliminary set of recommendations to guide national and regional efforts to improve the region’s current organization, financing, and provision of medicines. These recommendations aim to tackle the significant challenges highlighted in the report, including those related to system financing, barriers to access, and the financial burden of out-of-pocket costs.

Envisioned as an integral part of a broader series of initiatives, this study aims to promote equitable, affordable, and sustainable access to medicines and health technologies by strengthening regulatory frameworks and production capacities, as well as by promoting the rational use of medicines. The publication also aims to be a useful resource for policymakers, health professionals, and other stakeholders in the region and beyond, as they work toward ensuring that everyone in the Caribbean has access to the medicines they need to lead healthy and productive lives, and that the region can achieve sustainable and equitable health financing.