



**USAID**  
FROM THE AMERICAN PEOPLE



# TECHNICAL BRIEF: MEDICINE SELECTION AND USE

## GLOBAL HEALTH SUPPLY CHAIN PROGRAM – TECHNICAL ASSISTANCE

The United States Agency for International Development (USAID)-funded Global Health Supply Chain Program – Technical Assistance (GHSC-TA) provides technical assistance to the South African government to strengthen public health systems and supply chains to advance an AIDS-free generation, increase medicine availability, and contribute to the achievement of universal health coverage.

South Africa remains at the center of the worldwide AIDS epidemic, with an estimated 5.6 million people living with the disease. In addition, the country has the third-highest burden of tuberculosis (TB) internationally.<sup>1</sup> South Africa's unique disease burden shapes the country's national health priorities, health system design, and health funding structures. The limited funds for medicines and medicine-related health technologies available under the National Health Insurance (NHI) fund must

---

<sup>1</sup> <https://www.usaid.gov/south-africa/global-health>

be allocated according to an evidence-based approach in order to provide the best quality of healthcare to all South Africans.

## OBJECTIVES

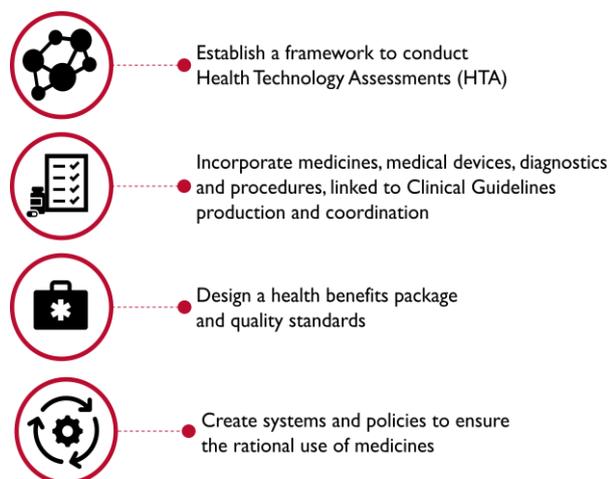
South Africa’s public health care system struggles to match the medicine selection available to patients with their use. Many South Africans who require care and treatment for HIV/AIDS, TB, and other diseases look to public health care facilities to provide the medicines they need. The Affordable Medicine Directorate (AMD), through the relevant governance bodies, is responsible for selecting which medicines patients need and making sure these medicines are accessible when and where they are needed.

As with most health care funding systems globally, the NHI will have limited funds available for servicing the health care needs of the population, including medicines and medicine-related health technologies. Therefore, Health Technology Assessments (HTAs) systems are needed to ensure efficient prioritization and evidence-based decision-making on which medicines and other health technologies to fund. HTA is defined by the World Health Organization as “the systematic evaluation of properties, effects, and/or impacts of health technology. It is a multidisciplinary process to evaluate the social, economic, organizational, and ethical issues of a health intervention or health technology.” The NHI White Papers (December 2015 and July 2017) and NHI Bill (July 2019) specify that strengthening of HTA capabilities for medicines and other health technologies will be an integral component of NHI.

## APPROACH AND KEY ACTIVITIES

GHSC-TA is working with the AMD to provide an accountable mechanism to support decision-making related to the funding, cost, and use of health interventions, technologies, and services in South Africa that will be funded under NHI. To achieve this, GHSC-TA and AMD will build upon and strengthen current processes to provide information on the optimization of health outcomes, access, equity, and financial protection from within the allocated NHI funding. In addition, they will work together to ensure transparency, efficiency, and equity in the management of formularies by Pharmaceutical and Therapeutics Committees (PTCs) across South Africa to enable the rational use of medicines and availability of safe, effective medicines for all.

GHSC-TA is supporting the AMD in working towards establishing the framework to conduct HTAs, incorporating medicines, medical devices, and diagnostics and procedures that are linked to Clinical Guidelines production and coordination, health benefits package design, and quality standards. Furthermore, GHSC-TA is also assisting the AMD with systems and policies to ensure the rational use of medicines so that patients receive medicines appropriate to their clinical needs, in doses that meet their own individual requirements, for an adequate period of time, and at the lowest cost to them and their community.



GHSC-TA is also working to improve the existing governance structures within the AMD so that the transition to NHI will have minimal impact on medicine selection and use and therefore minimal impact

on South Africans' health and wellbeing. A number of key governance documents have been developed to guide medicine selection and use, including:

- National Guideline for the Management and Use of Formularies
- National Guideline for the Establishment and Functioning of Pharmaceutical and Therapeutics Committees (PTCs) in South Africa
- Affordable Medicines Directorate Medicine Master Data Policy
- Affordable Medicines Directorate Conflict of Interest Policy
- Terms of Reference for the Health Benefits Advisory Committee and Related Expert Committees
- Terms of Reference for Health Technology Assessment Technical Work Group

In developing these policies and guidelines, GHSC-TA follows a systematic process to ensure effectiveness and buy-in from relevant stakeholders. First, the program conducts a desktop review of existing local and international literature on the topic, including a review of current legislation and related documentation. Next, the program brainstorms business requirements together with the business owners of the relevant process, including the National Department of Health (NDOH), to draft a document for review and consultation. After holding a series of stakeholder engagements and review sessions to get feedback and support from the relevant national, provincial, and district stakeholders, the program finalizes the document with the NDOH's approval and begins to support its implementation.

With the development of frameworks and implementation of evidence-based policies, guidelines, tools, and approaches to strengthen medicine selection and use, GHSC-TA aims to achieve improved public health outcomes.

## EXPECTED OUTCOMES

GHSC-TA's intervention and medicine selection and use technical assistance will result in the following improvements, strengthening the health supply chain in South Africa:

- Establishment of the framework for an agency to conduct HTAs.
- Improved capacity for conducting HTAs.
- Improved governance of existing selection structures for NHI.
- More transparency, efficiency, and equity in the management of formularies across the public health sector.
- Good governance and rational selection and use of medicine in the functioning of PTCs at all levels of care.



## **LESSONS LEARNED**

GHSC-TA has found that clear, agreed-upon policy principles for each process in the public health supply chain is necessary to ensure effectiveness and sustainability of the system. This includes effective communication and implementation of these policy principles to ensure alignment across all stakeholder groups. In addition, improved transparency and governance is essential to increase stakeholders' trust in new guidelines, policies, and procedures, improving buy-in and ensuring effective implementation.

GHSC-TA continues to lead the development of frameworks and implementation of evidence-based policies, guidelines, tools, and approaches to strengthen medicine selection and use.