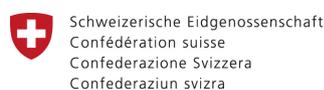


Complementing the medicines supply gap with a regional Prime Vendor System – a Public-Private-Partnership

The Jazia® Prime Vendor System is a unique Public-Private-Partnership that supplements Medical Stores Department with supplies from a single vendor, in a pooled regional approach.

Jazia® Prime Vendor System in a nutshell

- Complements Medical Stores Department (MSD)
- Public-Private-Partnership (PPP)
- Fixed prices and comparable to MSD
- Medicines of assured quality, safety and efficacy
- Funds from health facility own sources, responding to fiscal decentralization
- A system and not just a vendor
- Sustainable and not a parallel system
- Based on government policies and within regional structures
- Transparency and accountability enhanced with audits and sanctions
- Significant increase in availability of medicines
- Improved access to medicines for patients



Swiss Agency for Development
and Cooperation SDC

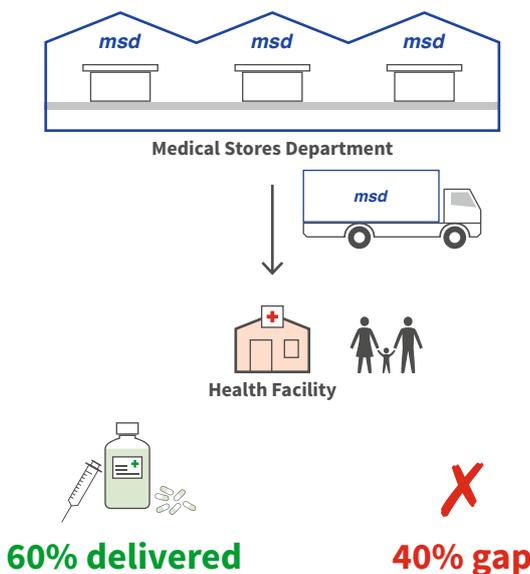


Why do we need a Prime Vendor System?

Access to health care is determined by availability of medical supplies. Clinicians depend on effective, safe and good quality medicines to provide adequate health care. Patients equate quality of care with the availability of medicines. If out of stock, patients suffer, lose confidence in health services and decline to enrol in Community Health Fund (CHF).

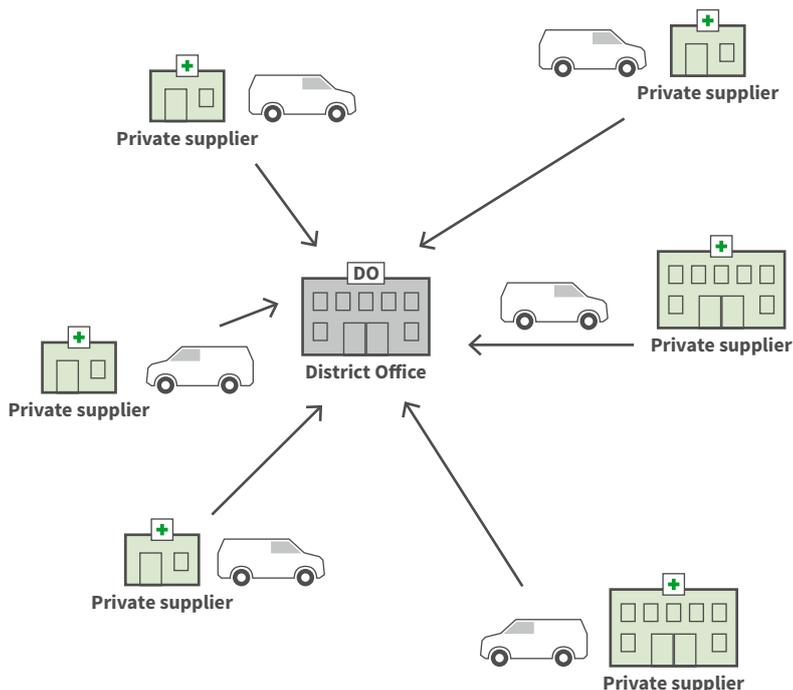
Level of medicines supply to facilities

Medical Stores Department (MSD) is the backbone for public medicines supply in Tanzania. But they face challenges in filling orders of health facilities. This supply gap has been growing and reached over 40%.



Complementary supply from private suppliers

Health facilities may procure missing medicines from the private sector through the district. But the procedure is uneconomic, bureaucratic, intransparent and lengthy, supplies are of questionable quality and it prolongs lead-time for delivery.



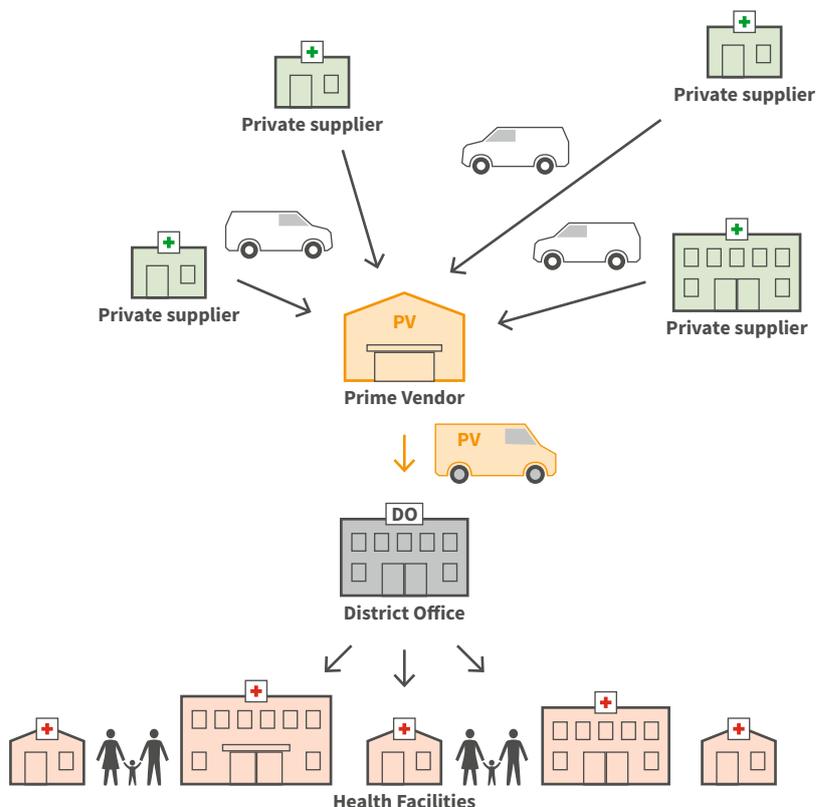
Filling the gap: a strategy to complement the MSD supply

To tackle the problem of medicine stock-outs, the Dodoma Regional Administration and Local Government (RALG) decided to pilot a new strategy establishing a Public-Private Partnership (PPP) with a private sector pharmaceutical supplier. Procedures to procure complementary supplies from a single vendor in a pooled regional approach were developed.

Complementary supply through Prime Vendor

This PPP supplements the regular government supply with additional supplies from a single vendor in a pooled regional approach.

Prime Vendor (PV) supplies are of assured efficacy, safety and quality in accordance with Ministry of Health (MoHCDGEC) and Tanzania Food and Drug Authority (TFDA) standards.



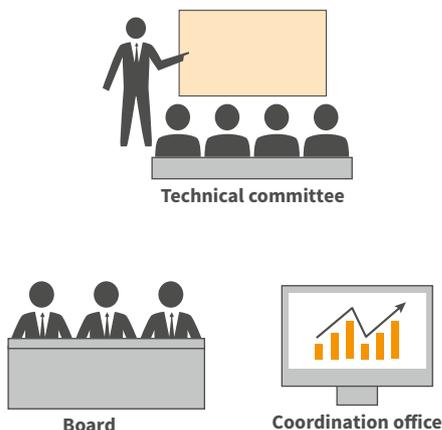
The Prime Vendor System

A local, capable and approved private supplier is selected based on Good Procurement Practice.

The region operates a Prime Vendor office represented by a Prime Vendor coordinator, dedicated pharmacists and support staff. The system is closely managed and supported by mandated administrative structures, appointed by the regional authorities: A Technical Committee and a Board.

Operations of the PV System are managed and driven by Standard Operating Procedures (SOPs). An M&E handbook provides the framework for evaluating the performance.

The PV system was registered as Jazia® Prime Vendor System.



The Jazia[®] Prime Vendor System

Jazia[®] Prime Vendor System is described under the bilateral governmental agreement between the Governments of Tanzania and Switzerland, signed by MoHCDGEC and PO-RALG. It does not replace MSD but serves as a complementary source for medicines and supplies out of stock at MSD without compromising quality or price.

Funds and medicines supply

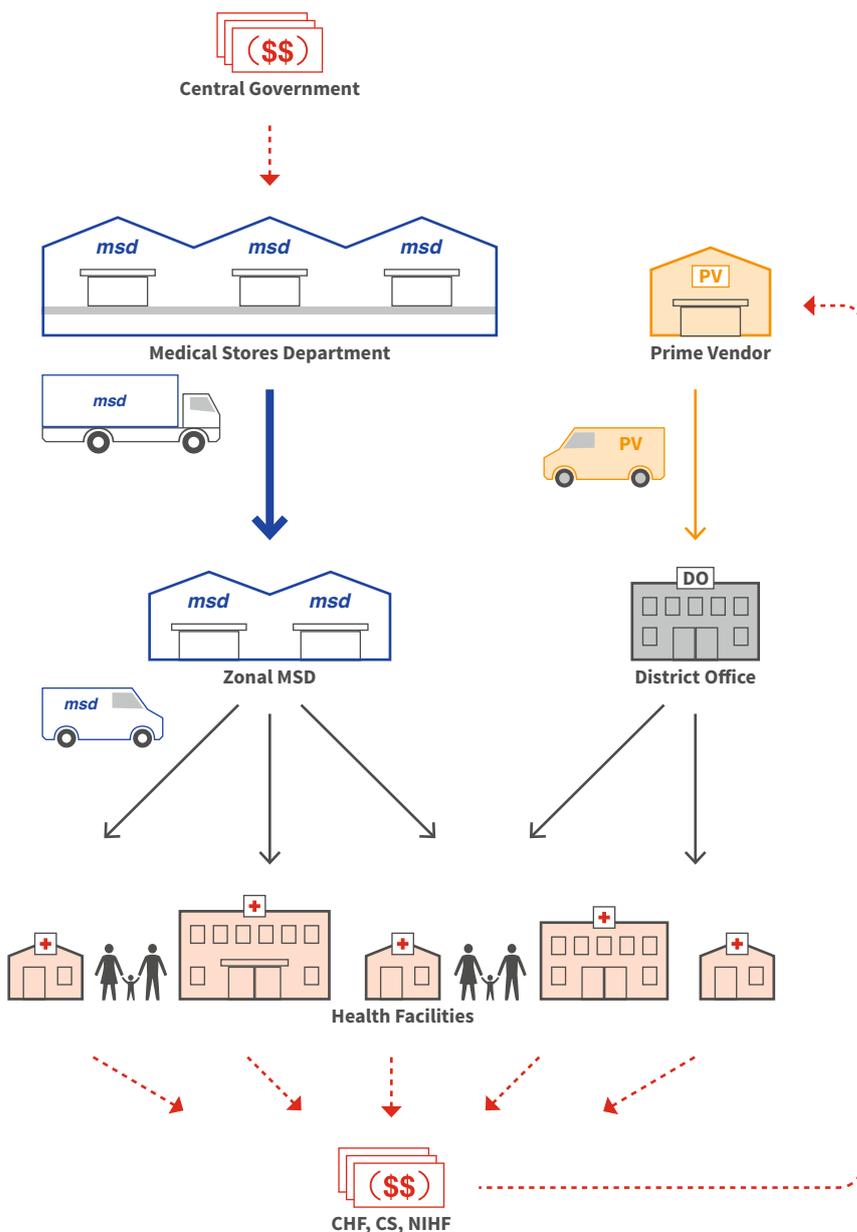
Centrally, the MoHCDGEC allocates defined sums for medical supplies for each health facility directly to MSD. At health facility level, complementary funds from CHF, NHIF and cost-sharing are generated and managed by the Health Facility Governing Committee (HFGC).

67% of CHF revenue is dedicated to the purchase of supplementary medicines by health facilities- now exclusively from the contracted Prime Vendor (PV). This is in line with the government policy of empowering health facilities to respond to community needs.

When MSD notifies out of stock, districts pool their demand for supplementary medicines at regional level, benefitting from economy of scale. Prices from the contracted PV are fixed and comparable to MSD prices.

The PV supplies are of assured quality, safety and efficacy.

Patients have improved access to medicines and health care workers can offer better health care.

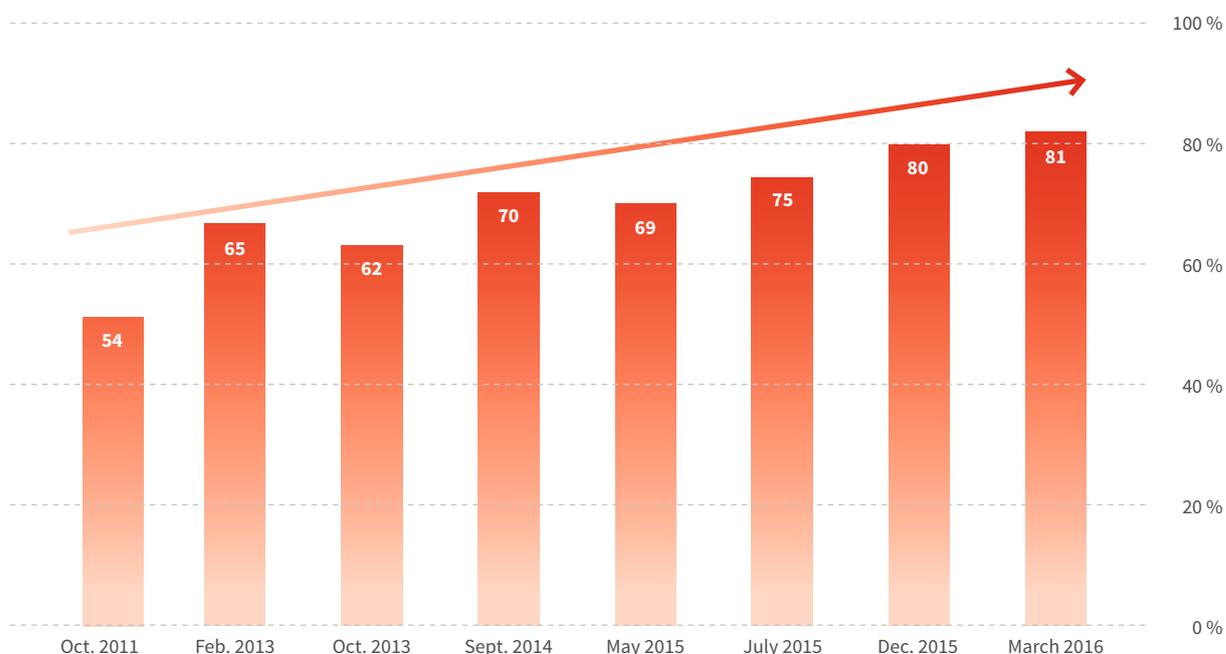


Convincing results

Medicines availability at health facilities is monitored. Operational indicators measure the performance of the Jazia® Prime Vendor System and the Prime Vendor (as a supplier). The Jazia® Prime Vendor System is available to all districts in the region, with option of expanding coverage to other regions in the country.

Medicines availability

Due to the innovative Jazia® Prime Vendor System and additive measures such as auditing and coaching, mean medicine availability in the region **increased by over 40% between 2011 and 2016**



Delivery time

Average delivery time:
**MSD 1 month or more vs
Prime Vendor 10 working days**



Purchase value

Regional purchases from the
Prime Vendor are estimated at:
TSh 1.5 billion annually

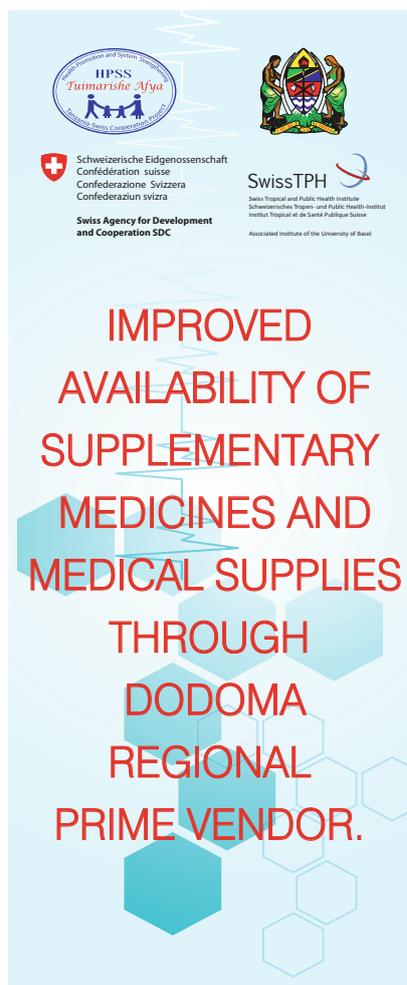


Performance

High performance rating of the
Prime Vendor (delivery time, fill rate,
quality, communication):
Performance score 92 %

Dodoma Health Project Tanzania – Background

Health Promotion and System Strengthening (HPSS) or Tuimarishie Afya Project is part of the development cooperation between Tanzania and Switzerland. The HPSS project was launched in 2011 supporting Dodoma Region in the areas of health insurance, pharmaceutical management, community health promotion and management of maintenance and repair services for a period of 10 years. In 2015 the HPSS project was expanded to Morogoro and Shinyanga region. The project is funded by the Swiss Agency for Development and Cooperation (SDC) and implemented by the Swiss Tropical and Public Health Institute (Swiss TPH).

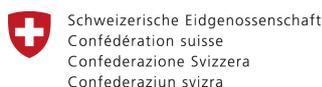


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