

***Roundtable on Access to Multi-disease Molecular  
Diagnostics***  
June 2022



# There are several common challenges countries face when procuring diagnostic instruments and commodities

## Complex supply chains

The large variety of testing equipment and consumables can make supply chain management difficult and can result in stock outs and service interruptions



## Suboptimal service & maintenance

Instrument service and maintenance can be of poor or inconsistent speed and quality. Mechanisms to hold suppliers accountable may also be limited.



## High or hidden costs

Countries often pay separate fees for instruments, consumables, distribution, etc. making the full cost of procurement expensive or unknown. Country negotiating power can also be limited.



## Fragmented or inflexible contracts

It can also be challenging to optimize lab networks when instruments are purchased not placed. Procurement contracts can also be difficult to manage since specific terms can vary by assay, supplier, and/or funder.



# Key features of well structured all-inclusive supply agreements address many of the challenges associated with procuring diagnostic instruments and commodities

## Key Features

## Programmatic Benefits

**Instrument placed, not purchased**



- ✓ **No upfront costs for the program**
- ✓ **Reduces switching costs**; easier to shift to newer, more competitive offerings

**Service level agreement with robust KPIs**



- ✓ **Reduces instrument downtime**
- ✓ **Reduces unexpected servicing costs**

**Bundled supplies & direct delivery to the lab**



- ✓ **Reduces supply planning complexity**
- ✓ **Reduces number of stock-outs**
- ✓ **No unexpected mark-ups**

**All-inclusive price with no hidden costs**



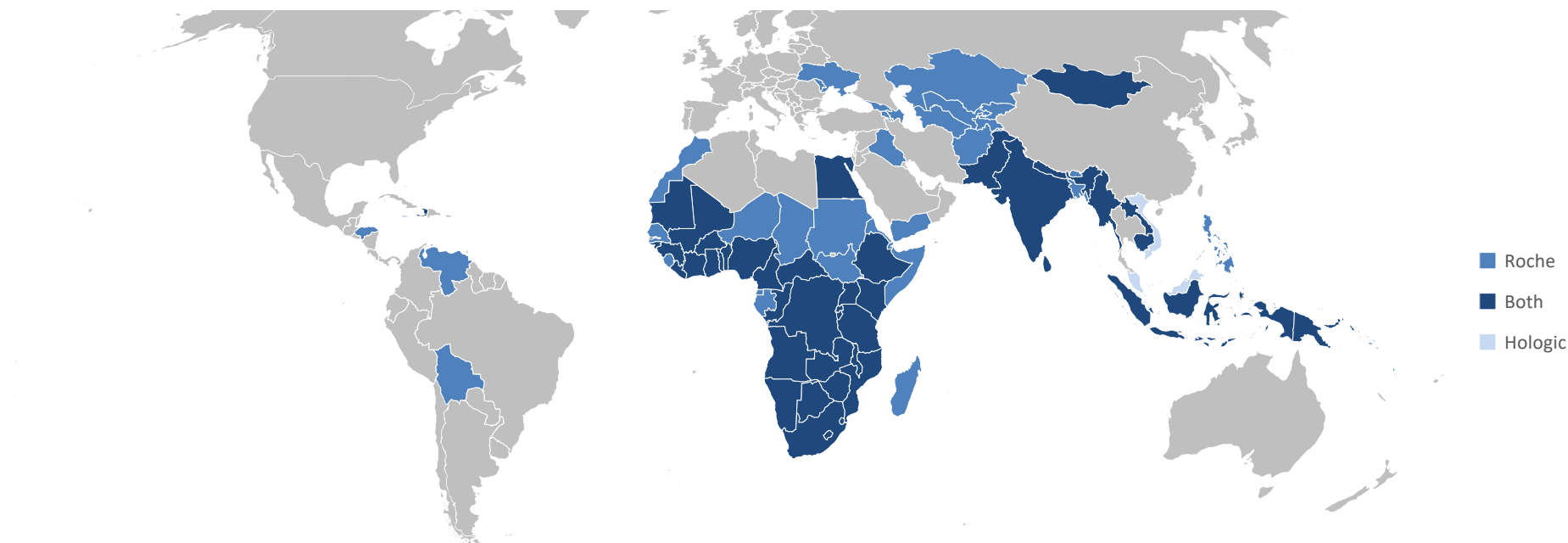
- ✓ **Allows countries to more easily compare bids and undertake competitive tendering and procurement process**

**Single, MoH-managed contract per country**



- ✓ **Reduces procurement fragmentation**; single SLA to cover the complete installed base regardless of funding source

# Between Roche and Hologic, global access pricing is available to 92 countries, with coverage of over 90% of people living with HIV/AIDS and on ART in LMICs



## Eligible Countries for Global Access Pricing from Roche, Hologic, or Both

Afghanistan	Comoros	Haiti	Mali	Samoa	Togo
Angola	Congo	Honduras	Mauritania	São Tomé and Príncipe	Tonga
Armenia	Ivory Coast	India	Micronesia	Senegal	Turkmenistan
Azerbaijan	DRC	Indonesia	Moldova	Sierra Leone	Tuvalu
Bangladesh	Djibouti	Iraq	Mongolia	Solomon Islands	Uganda
Benin	Egypt	Jamaica	Morocco	Somalia	Ukraine
Bhutan	Equatorial Guinea	Kazakhstan	Mozambique	South Africa	Uzbekistan
Bolivia	Eritrea	Kenya	Myanmar	South Sudan	Vanuatu
Botswana	Swaziland	Kiribati	Namibia	Sri Lanka	Venezuela
Burkina Faso	Ethiopia	Kyrgyzstan	Nepal	St. Lucia	Vietnam
Burundi	Gabon	Laos	Niger	St. Vincent and the Grenadines	Yemen
Cambodia	Gambia	Lesotho	Nigeria	Sudan	Zambia
Cameroon	Georgia	Liberia	Pakistan	Tajikistan	Zimbabwe
Cape Verde	Ghana	Madagascar	Papua New Guinea	Tanzania	
Central African Republic	Guinea	Malawi	Philippines	Timor-Leste	
Chad	Guinea-Bissau	Malaysia	Rwanda		

# Future of All-Inclusive Pricing Agreements

- Greater coverage of molecular instruments where assays are financed by PEPFAR and the Global Fund
- Incorporation of additional assays such as HPV and COVID-19 into agreements
- Shift of responsibility for some contract management and monitoring of KPIs from central procurement teams to country-based lab system managers
- Expansion of volume related and all-inclusive pricing agreements to clinical chemistry and hematology assays

# Enabling factors for successful agreements

- Retaining the advantages (lower prices, high quality suppliers, leading edge technology) of the total volumes of assays financed by leading bi-lateral and multilateral donors
- Successful sample transport and lab optimization e.g. instruments are placed where they can achieve >60% capacity utilization
- Collaborative relationships with vendors