



Abbott

life. to the fullest.®

Abbott Laboratories South Africa
Presentation to Portfolio Committee on Health- NHI Bill

29 June 2021

Abbott in South Africa

Established in South Africa in

1940

with over 80 years operating in Healthcare.

160+

Operating Countries
Globally

54

Countries we operate in
Africa

5

Level 5 Compliance BBBEE
YES program participation

6

Focused Divisions reaching
all ends of the Healthcare
System

We help people live fuller, healthier lives, maximizing all ages and stages of life.

RAPID DIAGNOSTICS

Giving healthcare practitioners the insights they need – in just minutes – to deliver the right care at the right time in any environment.



CORE DIAGNOSTICS

Providing accurate, timely information, so you and your doctor can make better decisions for your health



MOLECULAR

Abbott Molecular is committed to advancing molecular testing solutions that guide treatment decisions for improved patient outcomes.



BRANDED GENERIC MEDICINES

Helping people get and stay healthy with quality medicines they can trust



DIABETES CARE

Giving people with diabetes the freedom to monitor and track their glucose levels continuously without the pain of finger sticks



NUTRITION

Using the latest science to create better ways to nourish your body from infancy to adulthood



Our Priority: Innovate for Access and Affordability

A young girl with braided hair is kissing a woman on the cheek. The woman is smiling broadly and looking upwards. They are outdoors, with a blurred background of greenery and a blue sky.

- Make **access** and **affordability** core to new product **innovation**
- Transform **care** for chronic disease, malnutrition and infectious diseases
- Advance health equity through **partnership**

A SUSTAINABLE FUTURE
STARTS WITH HEALTH

Universal Healthcare Coverage



-
- SOCIAL PARTNERSHIP
-
- ACCESS & AFFORDABILITY
-
- QUALITY
-

At Abbott, we understand that we can help create stronger, more resilient, and healthier communities by focusing on areas where we can drive positive social and environmental impact.

NHI Deliverables

AN ABBOTT PERSPECTIVE - THE BUILDING BLOCKS FOR A COMPREHENSIVE HEALTHCARE SYSTEM

-
- COMPREHENSIVE HEALTHCARE SERVICE - BENEFITS
-
- VALUE BASED ASSESSMENTS & OUTCOMES
-
- ACCESS TO HEALTH PRODUCTS IN NHI
-
- SERVICE DELIVERY
-
- GOVERNANCE
-

Comprehensive Healthcare Service - Benefits



DETERMINED BY QUALITY AND VALUE: EVIDENCE BASED MEDICINE (EBM)

A comprehensive service benefit informed by evidence-based medicine (EBM) and value-based care principles.

- Integration of clinical expertise
- Patient's values
- Best available evidence in process of decision making related to patient's health care.

GUIDELINES DESIGNED ACCORDING TO EBM

- Ensure an on-going consultative approach with all stakeholders.

MEDICAL NECESSITY

- The Bill limits care to what is “medically necessary” – EBM, health promotion and prevention go beyond what is “necessary”.

ROLE OF BENEFITS ADVISORY COMMITTEE (BAC)

- BAC requires a clear mandate informed by EBM.
- EBM to be defined in the Bill.

Value Based Assessments & Outcomes

A man with short dark hair, wearing a white lab coat over a dark shirt, is holding a white, round pill between his fingers. He is looking directly at the camera with a slight smile. The background is a blurred laboratory or clinical setting with blue and white tones.

ROLE OF THE HEALTH TECHNOLOGY ASSESSMENT AGENCY

- We propose the establishment of an **independent** health technology assessment agency to ensure value-based assessments and quality outcomes to inform benefit design.
- This was also recommendation the HMI, in preparing the private sector for NHI - an independent entity tasked with Value Assessment and Outcomes Measurements.

MAKING **ACCESS AND AFFORDABILITY** TO NEW PRODUCT INNOVATION

Access to Health Products in NHI

BLENDED APPROACH

- Ensuring a blended way of pricing and procurement to stimulate competition, innovation, value and benefit.
- To not only base the benefit on price but ensure consideration of multiple factors that is MCDA.

MULTI CRITERIA DECISION ANALYSIS (MCDA)

- MCDA approach is suggested for helping purchasers in an evidence-based assessment of multi source pharmaceuticals.
- This mitigates potential adverse consequences of price-based decision only.
- A well designed and collaborative framework for MCDA based purchasing, will enable healthcare stakeholders to maximally benefit in terms of quality and effectiveness of care and access for patients.



Access to Health Products in NHI

DEVELOPMENT OF THE NATIONAL HEALTH PRODUCTS LIST

OFFICE OF HEALTH PRODUCTS PROCUREMENT (OHPP)

- As per the NHI Bill “OHPP supports BAC in the **development** and **maintenance** of the formulary”

FORMULARY - ESSENTIAL MEDICINE AND ESSENTIAL EQUIPMENT LIST

- *As per the Bill “Formulary consists of the Essential Medicine List and Essential Equipment List as well as a list of health-related products used in the delivery of health care services as approved”.*
 - Product lists must be on basis of EBM and go beyond EML & EEL in order to provide quality and value.

STAKEHOLDER ENGAGEMENT

- Ensure an on-going consultative approach with all stakeholders.

PATHOLOGY SERVICES

Access to Health Products in NHI

PROVISION OF PATHOLOGY SERVICES

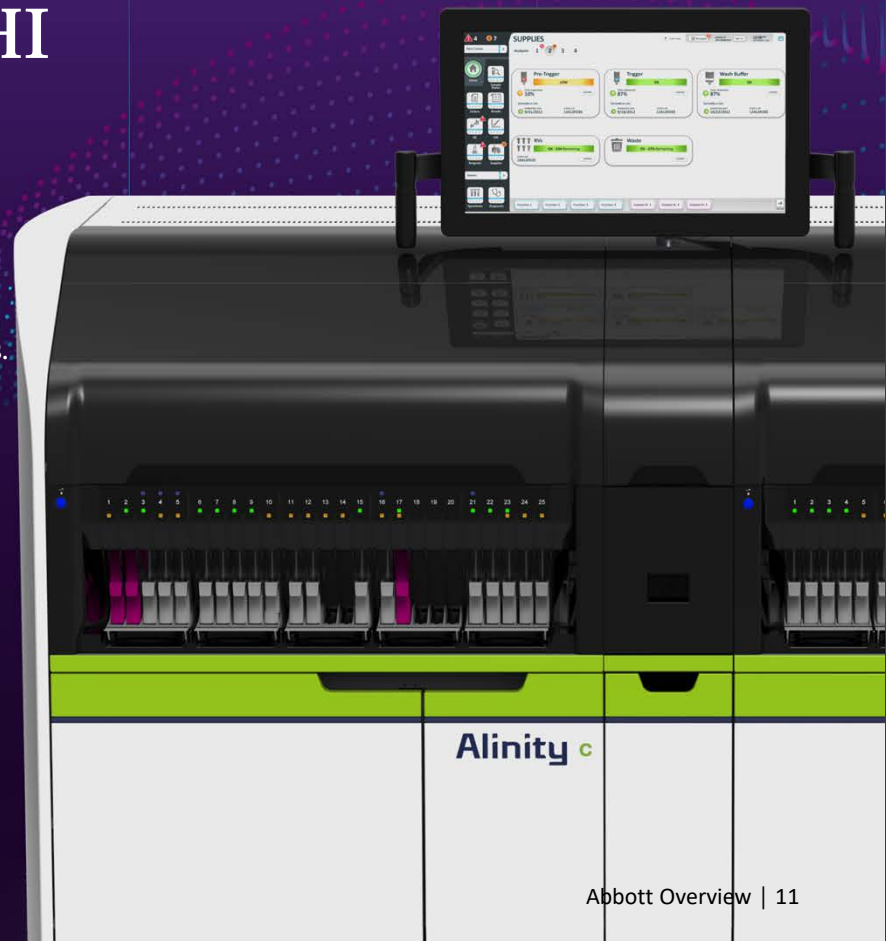
- Pathology Services need to be responsive to the needs of the population.

PATIENT IMPACT

- 60-70% of critical clinical decisions are influenced by diagnostic test results.
- We look to In-vitro Diagnostics to promote preventative, screening and monitoring of disease which could impact the overall cost to the healthcare system.
- Community Health with Point of Care.
- Informed therapeutic choices.

ADDITIONAL CONSIDERATION

- There are further diagnostic challenges which could require unforeseen expenditure in terms of instrument service and maintenance.
- The diagnostic algorithms vary between screening, confirmatory and differentiating tests.



Service Delivery

REACHING KEY SERVICE OBJECTIVES

- Strategic purchasing is a fundamental shift to ensure optimization of supply chain practices.
- Direct delivery to accredited and contracted health service providers and health establishments could be limiting for both suppliers and providers - Administration and Logistics.



Governance

A young child in a blue hospital gown is lying in a bed, looking up. An adult's hand is visible, holding the child's hand. The background is a blurred hospital room.

- **Sustainability, Transparency, Accountability and Legal certainty across all organs of state from the Provinces to National Treasury.**
- **Build a healthcare system to meet its deliverables based on Governance best practice.**

**GUIDING LIFE'S MOST
IMPORTANT DECISIONS**



Abbott



We continue our commitment to deliver breakthrough products and innovations to help people live healthier, fuller lives.

Thank you
Q&A



life. to the fullest.®

Abbott