NEWS

SARS STATEMENTS FROM WHO AND WMA

Results of WHO inquiry into SARS leave grey areas

Experts on the severe acute respiratory syndrome (SARS) virus converged on the headquarters of the World Health Organisation (WHO) in Geneva to update recommendations on the syndrome. The discussions focused on progress in developing a vaccine for the disease, improving clinical treatment, and prospects of finding the disease's natural reservoir — which still remains a mystery.

The meeting coincided with the release of a WHO report containing recently published and as yet unpublished studies into the disease, as well as the views of experts in public health, epidemiology, and clinical virology who have experience of major outbreaks of SARS in China, Hong Kong, Singapore, and Canada. The WHO report includes findings on the disease that may hold clues to understanding SARS and guarding against future outbreaks, such as that:

- Patients are most infectious at the tenth day of infection.
- Patients who were severely ill and those who experienced rapid clinical deterioration, usually in the second week of illness, were the most infectious.
- Patients who were isolated within 5 days of becoming ill rarely transmitted infection.
- Patients did not transmit infection 10 days or more after their fever dropped.
- SARS was not airborne, like measles or influenza, but was carried in droplets laden with the virus.
- Each patient with SARS infected 3 people on average.
- Children were rarely affected by SARS — just 2 cases of children infecting adults and none of children infecting other children have been reported.

According to the report, passengers on five flights may have become infected with SARS, but that after the WHO travel advisory was issued on 27 March 2003, no more such cases of transmission occurred. However, the report fails to clarify the circumstances surrounding the outbreak at Hong Kong's Metropole Hotel in late February, which triggered the outbreak of the disease outside China. Epidemiological studies suggest that a Chinese medical professor who was infected with the virus managed to transmit the virus to at least 16 people who either stayed on the same hotel floor or visited it during his one overnight stay. The only explanation offered by the experts is that of a 'hot zone' — an area which contained vomit and respiratory secretions — that was found in the hotel corridor.

Perhaps most importantly, the report confirms that health workers were particularly vulnerable to SARS infection, as some became infected despite wearing masks, eye protection, gowns, and gloves. This supports current WHO recommendations for management of contacts and for hospital discharge policies.

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Developed world warned to avoid complacency over SARS

A warning to developed countries not to allow their public health systems to be run down in the face of a possible new epidemic of SARS was issued by the president of the World Medical Association (WMA), Dr James Appleyard. He said there was no room for complacency or denial.

'A key defence against SARS is a robust public health system worldwide and an "alert" system informing primary care physicians. Any weak link in the chain may expose many to disaster. No country should be excluded from the WHO and the lessons learned. Complacency has crept in over several years in many "developed" countries, including the UK, where public health systems have been allowed to run down. It is vital that in this "pause" between the possible next wave of SARS that robust public health systems are put into place and tested'.

'With no specific treatment available, centuries-old control measures of isolation, quarantine, contact tracing, containment and follow-up were needed to control the epidemic. Many lessons are being learned. In the face of a potential global disaster, the combined resourcefulness of humans and human resources set aside commercial competition and with remarkable speed identified the causative agent, its genetic sequence and likely mode of transmission.'

Dr Appleyard said that a WMA working group was now gathering information from the WMA's 80 national medical associations to develop a public health risk alert. The group would set out recommendations on communication, preventive measures for the profession and patients, best practices in terms of diagnostic and therapeutic methods and evidence-based travel advice to the public.

The WMA was also urgently pressing the WHO to enhance its emergency response protocol to provide for the early involvement of the medical community globally, including immediate talks on how to communicate reliable information to front-line workers. This should include the provision of reliable products and materials to safeguard the health of front-line staff and their patients.

HEALTH AND FINANCE MINISTERS TO ADDRESS NEED FOR WORLDWIDE INCREASE IN HEALTH INVESTMENT

Ministers of Health, Finance and Planning from 40 developing countries came together with development partners at the World Health Organisation (WHO) headquarters from 29 to 30 October to develop plans to significantly increase investments in health. This is the first time that the WHO has hosted a meeting so widely attended by non-health officials, underlining the urgency of building national capacity to absorb increased health funding.

This meeting comes nearly 2 years after the launch of the 2001 Report of the Commission on Macroeconomics and Health (CMH), which recommends that by 2007 donors should increase assistance for health to US$27 billion. The Commission also calls for more budgetary resources for public health from both developed and developing countries, and more political and organisational effort than has been seen in the past decades to achieve real improvements in health.

Two years on, the world still has not shown determination to increase investment in health to the levels needed to measurably impact major diseases that affect the world's poor. A recent study by Dr Catherine Michaud, Senior Research Associate, Harvard Center for Population and Development Studies, has shown that the total development assistance for health from major selected sources increased by US$1.6 billion, from an average of US$6.1 billion (1997 - 1999) to US$7.7 billion (2001). Most of the increase in funding was allocated to fighting HIV/AIDS in sub-Saharan Africa. Although these recent increases in assistance for health are encouraging, they still fall short of meeting real needs.

During the meeting, the combined work of countries, WHO and partners will be to develop concrete plans for increased health investment in countries. Continued global leadership and follow-up from the development community, combined with inter-ministerial collaboration is needed: first, to increase resources for health from domestic resources, debt relief and development assistance for health, and second, to eliminate health system and institutional constraints, enabling greater absorption of increased resources. This will be critical for pursuing country action to reach the '3 by 5' and other health targets.

'We need country-specific blueprints for making real increases in health investment. Developing countries and their partners need to collectively and quickly do much more, for health and global stability. This meeting can identify ways to make this happen,' said Dr Jong Wook Lee, Director-General of the WHO.

All WHO press releases, fact sheets and features as well as other information on this subject can be obtained on the Internet on the WHO home page **http://www.who.int/**

MEDSCHEME STRENGTHENS MANAGED CARE

The country's largest administrator and managed health care provider, Medscheme, has appointed Dan Pienaar as MD of its Integrated Care division in November — signalling the company's intent to grow managed care as a business within the group.

Pienaar joined Medscheme 2 months ago from his role as MD of Liberty Healthcare, which ran the country's fastest growing scheme under his leadership. He takes over the reins from Dr Laubi Walters, who will focus full-time on clinical standards and quality in Medscheme.

Says Pienaar: 'Medscheme's managed care business has grown enormously in its first 10 years. Dr Walters was part of the original team which introduced Pharmacy Benefit Management into SA.'

'At a time when others were trying to impose unilateral, restrictive systems onto a resistant SA provider market, Medscheme was working with providers on scientifically-justifiable guidelines. With our acquisitions over the year, we added formidable clinical talent in the likes of Professors Alan Rothberg and Harry Seftel; and then Dr Derrick Burns.' Pienaar continues, 'More recently, we acquired Sanlam Health, with the unique skills of the Solution Risk Management team under Dr Hein Botha, which is able to underwrite health risk for schemes. They offer these services both inside and out of the Medscheme stable, the most recent being to Open Plan from January 2004.'

'Finally, we have the Aid for AIDS business which has 53% of market share, and which provides services to schemes and employers alike in seven African countries.'

'My role as the head of Medscheme's Integrated Care is to integrate the clinical, actuarial and financial components of health risk management for medical aid schemes and package our offering in third generation managed care contracts,' says Pienaar.

Pienaar concludes, 'As we move away from the flawed fee-for-service system towards risk-sharing models of reimbursement, the role of managed health care will evolve further away from confrontational thou-shalt-not models towards genuine partnerships.'

AIDS NEWS REVIEW

Landmark ruling by Competition Commission

After months of waiting upon pharmaceutical companies like GlaxoSmithKline (GSK) to save people's lives, South Africa's Competition Commission has come to their rescue, writes the AIDS Therapeutic Treatment Now/South Africa (ATTN/SA) in a press release. GlaxoSmithKline SA (PTY) LTD and its associated companies were engaged in excessive pricing of antiretrovirals (ARVs) to the detriment of consumers. Today the disenfranchised communities stand together to celebrate.

'As over 600 South Africans continue to die from AIDS every day, we are very pleased that the Competition Commission has done the right thing and ruled against GSK and Boehringer Ingelheim (BI) on their drug pricing and patent enforcement policies,' said Swazi Hlubi, a founding member and coalition partner of ATTN/SA and the Executive Director of the Network of AIDS Communities of South Africa (NetCom SA). 'We now demand that GSK and BI must also follow suit and do the right thing and save lives by acting quickly to license the manufacturing of their life-saving AIDS drugs to generic companies here in South Africa. Our free AIDS treatment clinic in Umlazi is known as 'Ithembalabantu' — the people's hope. With this ruling, we now see more hope of access to ARV treatments truly becoming a reality for thousands and thousands of South Africans.' (See below.)

Musa Ntsibande, a legal representative for ATTN/SA and the US-based AIDS Healthcare Foundation (AHF), said 'This is a momentous victory not only for the Netcom/AHF partnership and Aids activists in the fight against the monopolisation of essential medication by dominant drug companies, but also belongs to the ordinary HIV-positive person who will now have access to a variety of life-saving drugs at affordable prices.'

The recent stepped-up international commitment to fund the global fight against HIV/AIDS in Africa and the Caribbean has reinvigorated many South African AIDS advocates. Over the past several months, AIDS advocates from ATTN/SA and its coalition partners from around the world have urged GSK and BI to lower their prices so that all people living with AIDS could be saved.

WHO welcomes research showing effectiveness of AIDS treatment

The World Health Organisation (WHO) welcomes the research published in the *Lancet*, highlighting the substantial increased survival for people with HIV/AIDS who have access to highly active antiretroviral therapy (HAART). The new report focuses on findings in rich countries, but the experience of WHO and public health workers in clinics around the world shows that antiretroviral therapy (ART) can be delivered effectively and with equally dramatic results in poor countries.

This research and the new evidence that ART is extremely effective give added backing to WHO in its push to deliver antiretrovirals (ARVs) to 3 million people in developing countries by the end of 2005 (the '3 by 5' target).

WHO expects survival gains to be as good or even better in resource-poor settings over a similar period of time. 'Treatment with ARVs works for everyone — rich and poor,' said Dr Charlie Gilks, head of WHO's '3 by 5' team. 'We are determined to simplify treatments and to ensure that affordable, quality drugs reach those in need as quickly as possible.' Currently, only 1 of every 100 people in Africa who need ART has access.

Day-to-day experience of treatment programmes in Malawi, Haiti, Brazil and South Africa clearly demonstrates that ART works in resource-poor settings. Although the price of treatment has fallen from around US$10 000 per patient per year to under US$300 per patient per year, there is not enough funding. For too many countries the cost remains too high, and the numbers of trained staff able to deliver ART is too low. Consequently, few can start on treatment or begin to enjoy the benefits seen in wealthy countries. By World AIDS Day on 1 December 2003 WHO will produce a comprehensive strategy to reach the '3 by 5' target, including developing simplified treatment guidelines and establishing an AIDS Drugs and Diagnostics Facility to assist countries and partners to purchase and distribute affordable quality medicines.

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Aspen to manufacture AIDS drugs for Clinton Foundation

Aspen Pharmacare, Africa's largest pharmaceutical manufacturer, has entered into an agreement with the US-based Clinton Foundation for the manufacture of antiretroviral (ARV) medicines.

Former US President Bill Clinton announced in New York that his Foundation has reached an agreement with Aspen Pharmacare and other leading multinational generic drug manufacturers to achieve a major reduction in the price of HIV/AIDS medicine. As a result, it will be easier to make life-saving drugs widely available to people with HIV/AIDS in the developing world. ARVs supplied by these companies have been certified to be of high quality by the World Health Organisation (WHO) and the Medicines Control Council of South Africa (MCC).

Stephen Saad, Aspen Group Chief Executive, said that Aspen has continually stated its commitment to contributing toward the fight against the HIV/AIDS pandemic, and this was recently evidenced by the launch of Aspen stavudine — the first generic ARV developed and manufactured in Africa. Further, Aspen is currently in the process of enhancing its manufacturing facilities with the addition of a new multi-million rand oral solid dosage manufacturing facility to service both domestic and offshore markets.

The agreement covers ARVs delivered to people in Africa and the Caribbean, where the William J Clinton Foundation is working with governments and organisations to set up country-wide integrated care, treatment and prevention programmes.

'Under the Clinton Foundation agreement, the price of one of the commonly used triple drug therapy combinations will be available for less than $140 per person per year. This means that these drugs will be available for as little as 36 - 38 cents per person per day. This represents a reduction of one-third to one-half in the current price of drugs in the developing world', said Clinton.

Saad said Aspen's ARV offering should be bolstered shortly by the addition of didanosine, lamivudine, zidovudine, the lamivudine/zidovudine combination and nevirapine, which have been submitted to the MCC for registration. These additional licences were made available to Aspen through arrangements with Bristol-Myers Squibb, GlaxoSmithKline and Boehringer Ingelheim. As a result of the voluntary licences secured, Aspen infringes no patent regulations.
'The crisis of AIDS in the developing world requires an emergency response from the global community,' President Clinton said. 'I applaud these manufacturers for doing the right thing.' Worldwide, from 5 to 6 million people with AIDS currently need treatment to save their lives, with more than 40 million people infected with HIV; that number will rise substantially in just a few years. However, only about 300 000 people in the developing world are receiving ARVs, most of them in Brazil. In sub-Saharan Africa, only about 50 000 people are on ARVs, with 4 million in need of the medicine today.

RESOLUTION HEALTH STOPS SPIRALLING COSTS

With every passing year, members of medical schemes experience escalations in contribution rates. Medical scheme rates increase annually, and in some instances offer less value in return. Annual price increases and double-digit consumer inflation have become the norm in the industry.

Resolution Health Medical Scheme has 'taken the bull by the horns' with dedicated hands-on administration and effective risk control. 'With the above controls in place, the average contribution escalation for Resolution Health for 2004 is only 12.81%' says Jannie Kotze, Chairman of Resolution Health Medical Scheme.

The cost of medical services increasing annually to such an extent, may have the effect that health insurance will at some stage come to a crossroad. 'At Resolution Health Medical Scheme, we try to break this spiral with various management styles. The costs charged by the hospitals, other service providers and pharmacies are however out of the hands of the Medical Scheme. Medical Schemes and administrators can only curb the non-health expenses such as administration costs etc. This is where the administrator of Resolution Health played a major role in not charging excessively high administration fees.'

'Interim increases mid-year have also become a norm in the medical scheme industry. A lot of medical schemes had interim increases during 2003. This must be added to the contribution escalations for 2004.

Resolution Health has, in the 3 years of existence, never implemented an interim increase. This is an indication of the control as well as the correct pricing per year,' states Kotze. 'The good control and affordable contributions may be one of the reasons why Resolution Health Medical Scheme has had such a huge inflow of members. We estimate to have just under 30 000 principal members (approximately 80 000 beneficiaries) at yearend,' says Kotze.

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PRACTICE MANAGEMENT

EXTERNAL ENVIRONMENTAL ANALYSIS

The process of evaluating the external and internal environments is also referred to as a SWOT analysis: Strengths, Weaknesses, Opportunities, and Threats. You should identify opportunities and threats to the practice in the external environment through a PEST analysis (see below), and then identify strengths and weaknesses in your internal environment. Weaknesses and threats will become action points in your plan of things that need attention.

Trend analysis

This step involves a careful examination of the factors that impact upon your practice. Conduct this using the PEST analysis as a guideline:

- Politico-legal environment
- Economic environment
- Social environment
- Technological environment.