

**Developing Opportunities in Pharmaceutical
Management in relation Ministry of Health
- University Clinical Centre of Kosovo**

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Abstract

Health and Health Sector is one of the most sensitive components of society.

Providing good health care services for society is very complex.

The focus of this research is particularly for the health sector of Kosovo provided in **UCCK** but with

The main issue to:

Identify those factors influencing the supply of essential medicines to patients ?

And question:

What factors holdback the supply of essential medicines at UCCK?

Introduction

Ministry of Health during the past two years has been greatly pushing toward the improvement of the Health System in Kosovo

Help is offered through free public health services and free medicaments from the Essential List of Drugs.

Definition of the WHO for the Essential List is:

“Essential medicines are those that satisfy the priority health care needs of the population. They are selected with due regard to public health relevance, evidence on efficacy and safety, and comparative cost-effectiveness”

Situation is in improvement in many fields of pharmacy but,

Distribution and Dispensing of Medicinal Products in public sector lacks to be done properly due to questionable factors which could be:

- Lack of proper infrastructure (hospital pharmacies – warehouses) Audit report for the Ministry of Health (2009)
- Lack of human resources. Audit report for the Ministry of Health (2009)
- Lack of public – private partnership?
- Lack of management?
- Sabotage???
- Corruption???

Environment analysis (external and internal)



Note: Serbia and Montenegro have asserted the formation of a joint independent state, but this entity has not been formally recognized as a state by the United States. Boundaries are not necessarily authoritative.

KOSOVO ID



area :	10,887 km ²
population:	~ 2.1 million people
languages:	Albanian, Serbian, Turkish
capital:	Prishtina (500 000 inh.)
ethnic groups :	90% Albanians , 7% Serbs, 3% others
age structure:	50% < 25 years old 70 % < 35 years old
unemployment :	45 %

Statistical Office of Kosovo (2008).

Kosovo's economy is small, highly open with imports being around 60% of GDP and with a very high level of inflows from remittances from diaspora, wages paid to locals by the donor sector and goods purchased by donor and their international employees.
Ministry of Economy and Finance (2008)

From the international resources there are a lot of investments e.g. The World Bank has committed over \$116 million to Kosovo since the end of the conflict in 1999 with all assistance provided on a grant basis, and with around €2 billion from donations for country reconstruction. World Bank (2008)

The GDP parameters in Kosovo are very low and this is shown in the table below:

Economic indicator	2005	2006	2007	2008	2009
GDP nominal (in Million Euro)	3.054	3.182	3.464	3.724	3.792
GDP real	3.90%	4%	5%	5.40%	3.80%
GDP per capita (in Euro)	1476	1515	1629	1726	1731
Consumer price index	0.70%	1.10%	10.50%	0.50%	0.10%

Source: Central Banking Authority of Kosovo: Chosen Macroeconomic Indexes
 Table 1. Economic indicators in Kosovo

PESTEL Analysis

Political –many threats with *political factors*, groups of interest linked with politics, neglecting competitiveness and the right procedures or saying better procedures.

Economical – As described above Kosovo has very fragile economy with only 2.3% of GDP for health which in comparison with neighboring countries with 6% of GDP and western countries with around 10% of GDP, plus adding here that the GDP/capita of Kosovo is very low (1300 €, this gives only 0.45€/year per person in Kosovo for health).

Sociological – People are used in socialistic system

Technological – there is lack of HIS which is a process that it is starting on 2010

Legal – 2009 was a year of legislation for Ministry of Health. There are in process 7 laws and 15 administrative instructions about processes linked with Health Sector

SWOT

Strengths – 2009 – 2010 legislation infrastructure.

Weaknesses – low budget, lack of insurance fund, lack of HIS

Opportunities – proper infrastructure, continuous education of health professionals

Threats – External influence of groups of interests linked with political factors

COMPETITIVE FORCES

Threat of new entrants- there's no chance of new entrants for doing essential list management

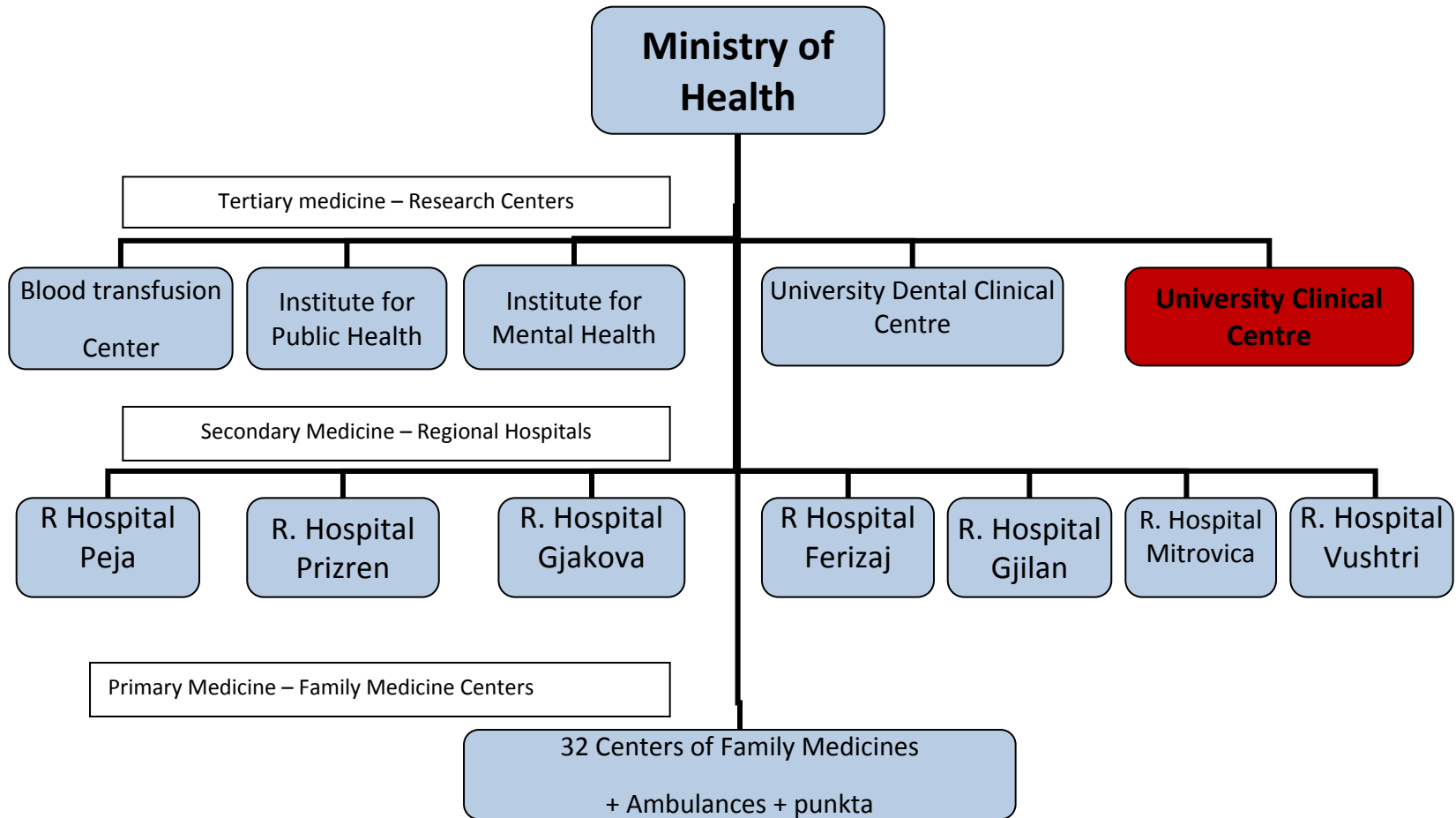
Bargain power of buyers –In absence of law requirements for setting the prices and margins for pharmaceutical products means that the bargain power is very weak and limited, in this case only competitiveness among firms creates the bargaining

Bargain power of suppliers- tender procedures are set up in the announcement of the tender, the competition within companies in the tenders is very strong what brings the bargain power to be very weak

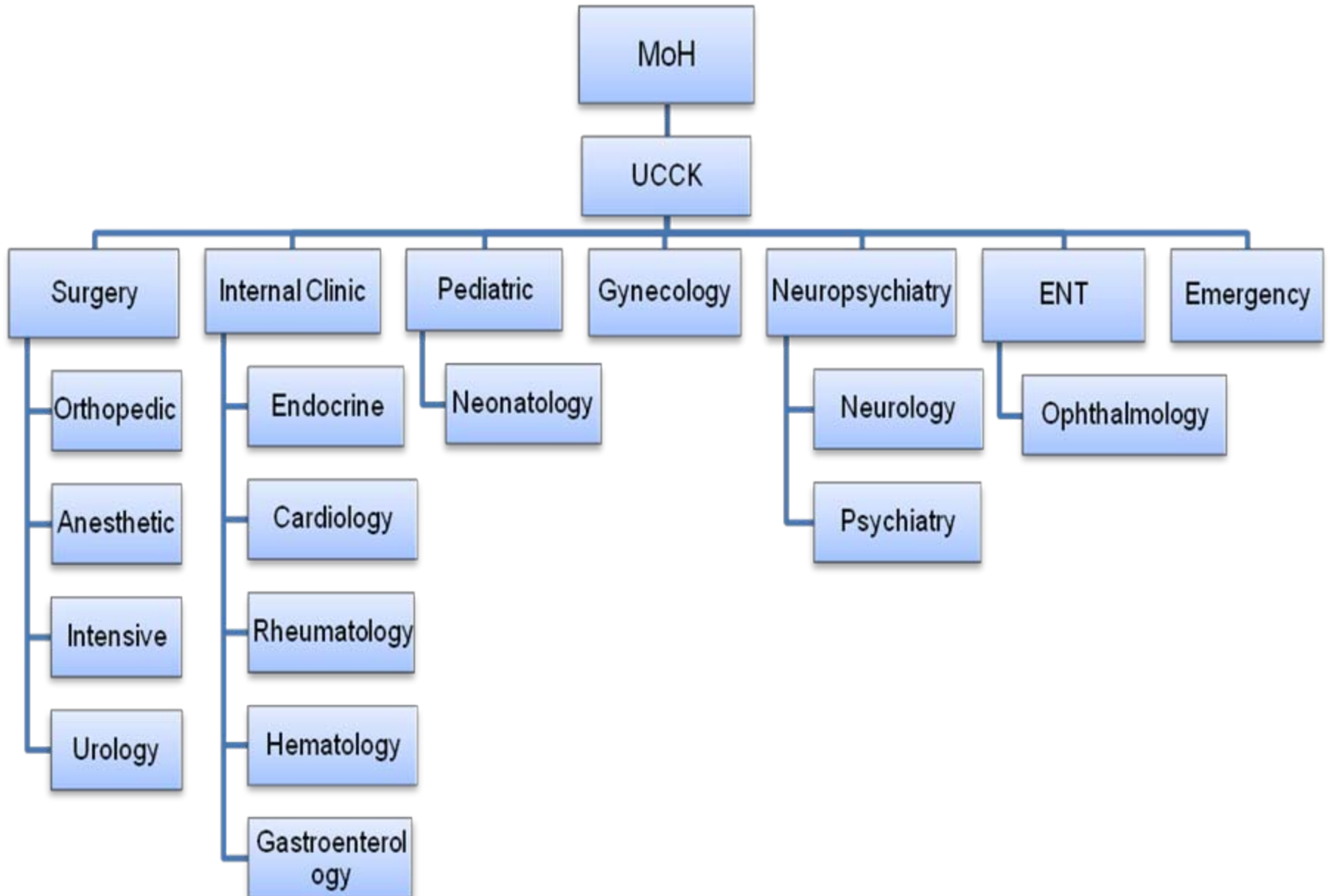
Threat of substitute products - importance of having the products does not mean the source of getting that product, the criteria are set in the tender than the supply is made with the winner product for which the procedures are set prior to tender announcement but there are question marks about the procurement law and its interpretation

Rivalry among firms – this is the case which is very strong among the suppliers but for the ministry this is important only in the sense of getting the best medicine for the better price

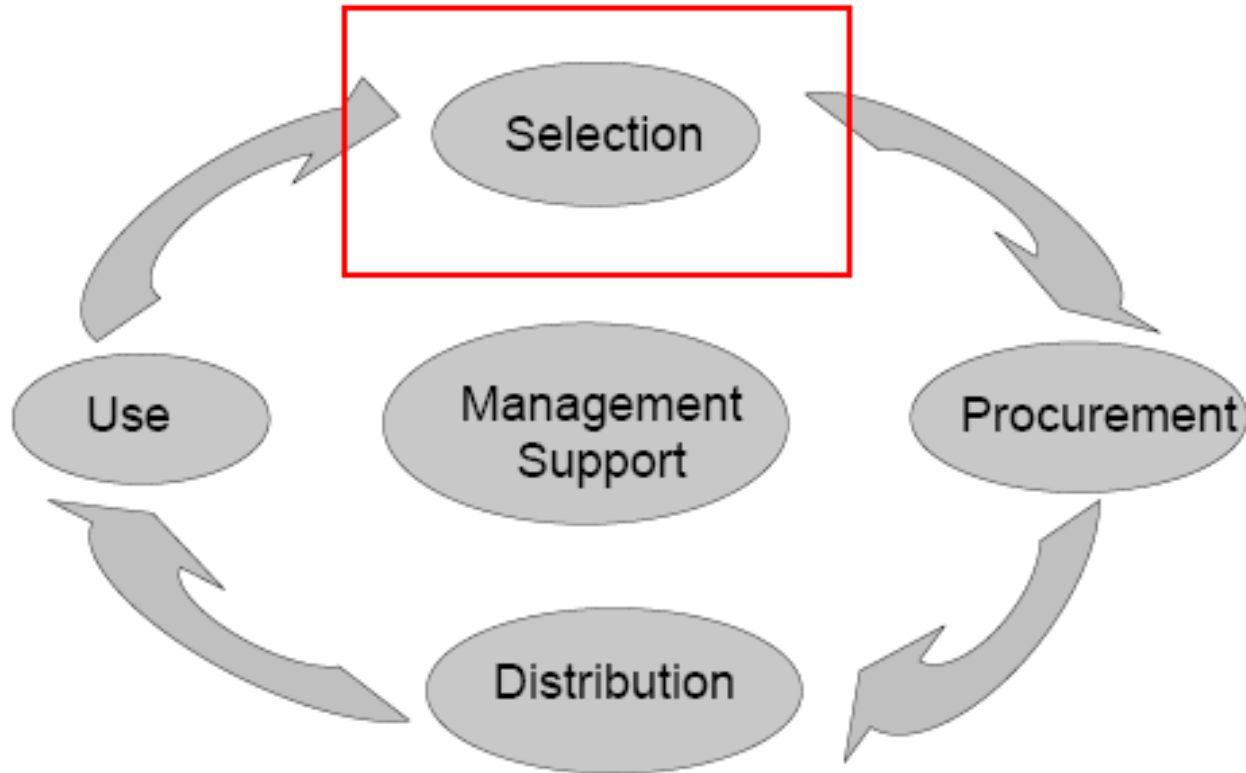
Drug management for public sector in Kosovo



Drug distribution in UCCK



Drug management cycle



Source: Managing Drug Supply (1997)

Literature Review

- Availability, supply chain and budget
- Access, price, expenses
- Appropriate use, Rational use, public awareness
- Changing culture in organization
- Communicating more for changes and

Key factors related to each of these subcategories

- **Strategic and risk management**

Developing management framework needs an action because that would be the first step towards achieving the strategy

According to Enyinda Ch. & Szmerekovsky J. (2008)

“succeeding in today’s ultracompetitive environment requires agile and adaptable value chain networks that are ready to sense and respond in real time to a changing global business environment”.

Ataran A. (2004), Hogerzeil H. et al. (2006), Leisinger K.(2009) stress out that “in around 60 countries live approximately 4 billion people with low or middle income the percentage of the availability of the who essential list of medicines is very low – under 30%”

Nobrega O. et al. (2007) saying that

“Competition alone is not enough to guarantee the affordable pricing of essential drugs”.

Hogerzeil et al (2006) came in a conclusion that access to essential medicines is a part of fulfillment of human rights for health

While, Leisinger K. (2009) concludes that

“Sustainable improvements in access to medicines for the poor necessitate ***complex systemic changes and political reforms***”,

Mitroff, I. & Pauchant, T. (1988) conclude that culture is to an organization what personality is to an individual, and as a result organizations are unaware of some of important forces influencing their actions.

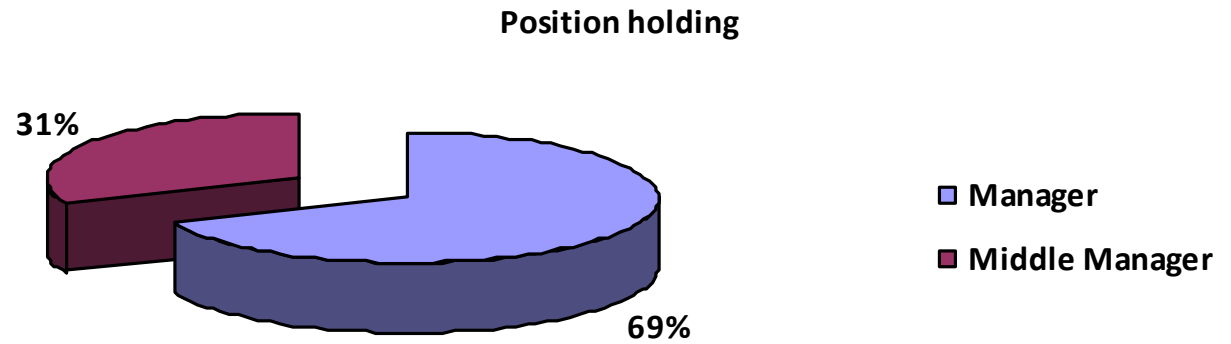
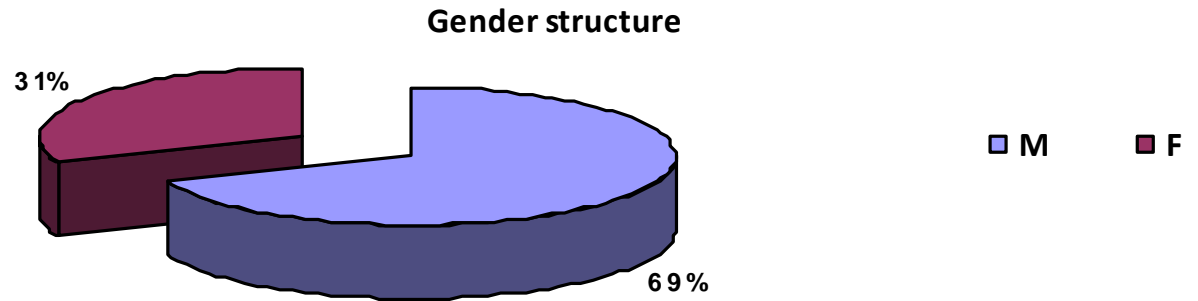
Methodology

Methodology based on qualitative methods and mainly interviews

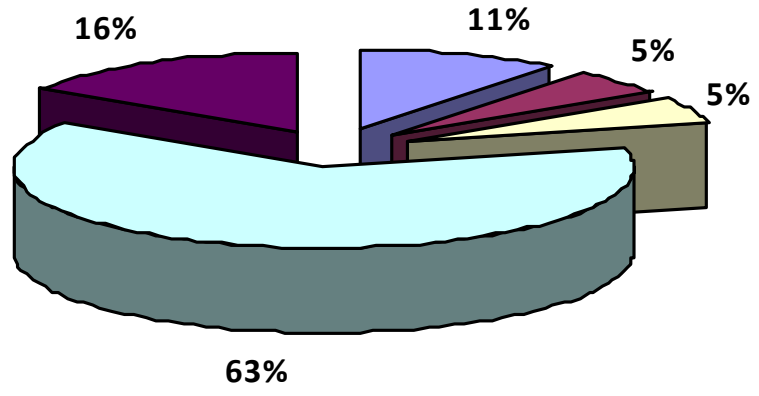
The reason is that the answers are not needed on rigid way but on flexible, open ended and semi-structured or maybe unstructured in a way for getting more in depth answers from those that are key players in the program.

And that is why in total are made 16 semi structured interviews in 7 different places with 7 types of open ended questions. Each interview had from 20 – 30 open ended questions

Sample

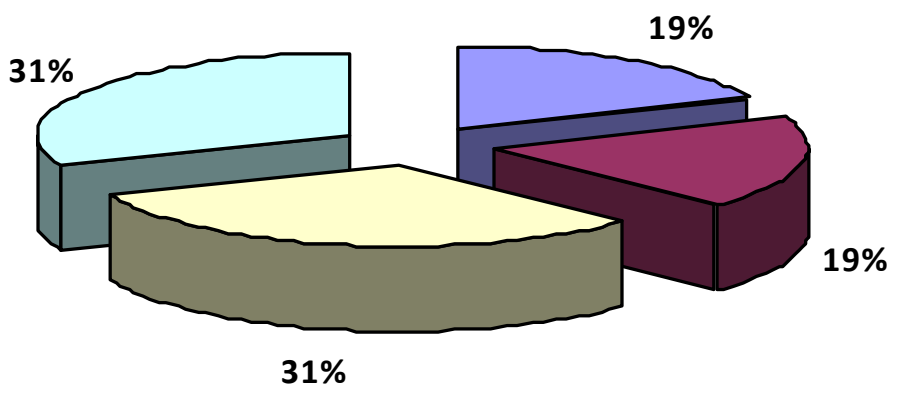


Education structure



- MD, Msc
- Mpharm, MSc
- Ecc
- M.pharm
- High School

Working Experience



- 1-5 y
- 6-10y
- 11-20 y
- 21-20 y

Analyzes of interviews are done using grounded theory analysis (Glaser and Strauss 1967; Strauss 1987; Strauss and Corbin 1990)

First the **main category** of the research is **Essential list**, which than as a category has it s **substantial codes** which are the most important things related to essential list and which are also identified during interviews like:

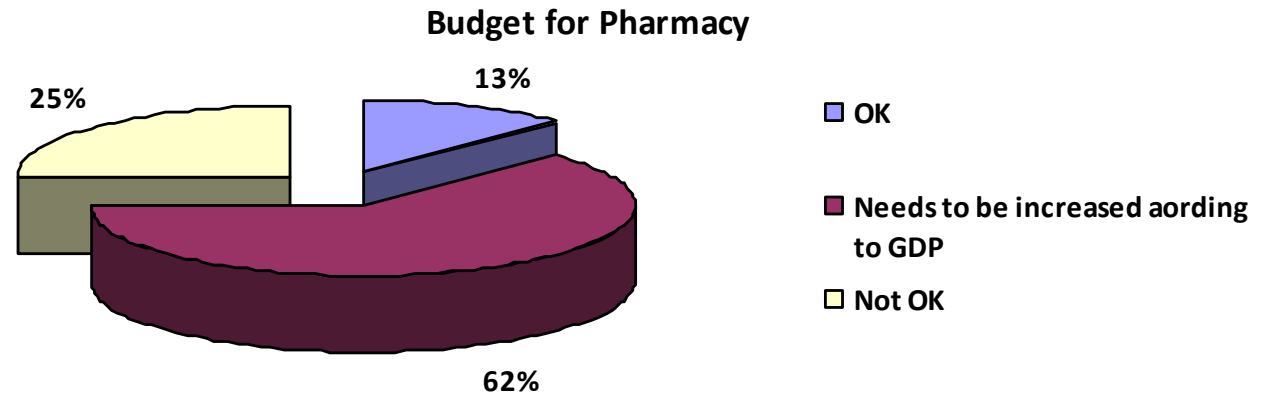
- essential list and planning,
- essential list and selection,
- essential list and procurement,
- essential list and distribution,
- essential list and use,
- essential list and responsibility.

- **essential list and planning,**

One of the first questions after the basic ones for their department is related to the **planning way and the budget** allocated for essential medicines

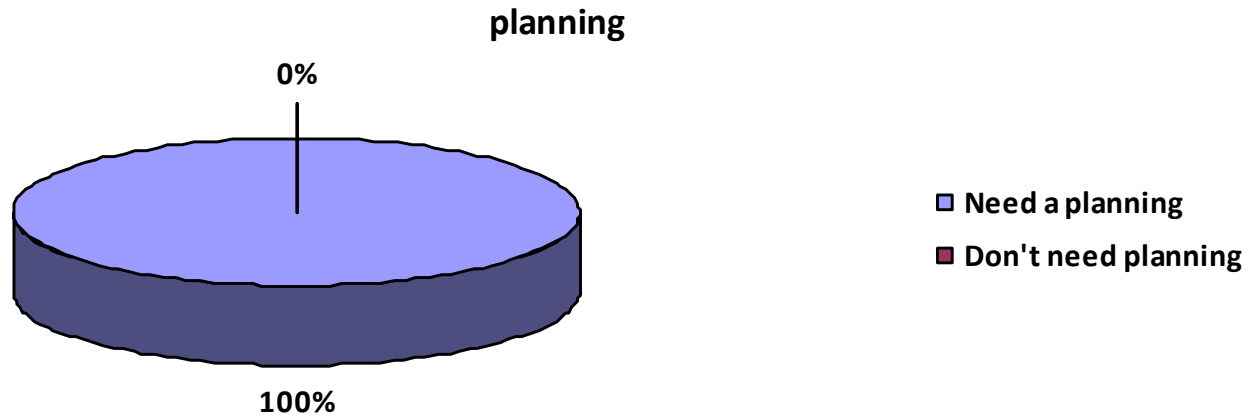
“even with the increase of these last two years the budget for pharmacy for essential list is catastrophically low”

“the budget is increased and in comparison with the past is much better now in order to fulfill the most essential needs, but the budget is not enough to cover essential list in total and for this to be better it is needed that the budget to be allocated as percentage of a GDP compared to the region”

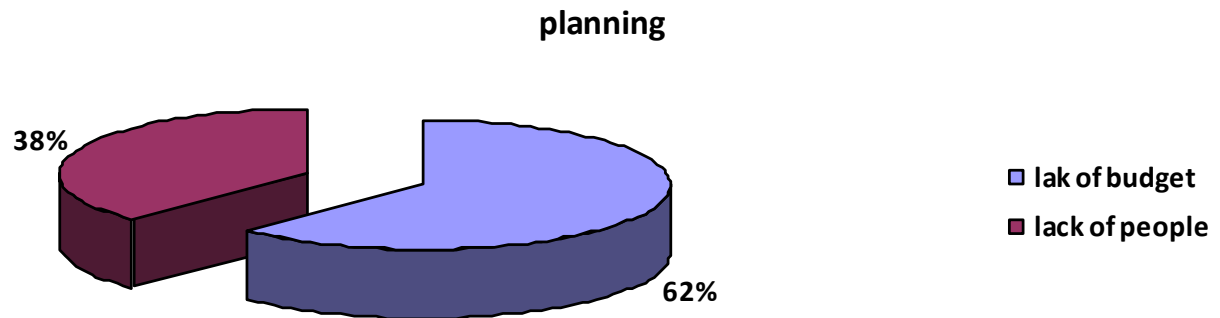


Asking about planning it is very interesting that is a question that had a response of 100% from participants that there is an urgent need to do a strategic planning which will include even the smallest details.

Planning means a system of work that will include analysis, rationality, methodology, well defined action plan while in the mean time to have also set the responsibilities.



“no doubt that the lack of people in the system brings un satisfaction and not proper planning”



Discussion

Lack of proper planning

As a crucial part of **strategic management adequate planning** is the first thing from where it should be started (literature) for having a clear objective and an orientation for strategic development in order to have also a stable functionality

One of starting point of any project is planning

Doing this research I did some analyses about the process of essential list of Kosovo

a difference of +- 500%

Having a working plan would create the possibility to ask for performance (Bayyurt 2007)

Analyses from interviews showed that the lack of planning is an important indicator for actual management and its problems.

Conclusion

The well being of the population is also one of the priorities of the Health Sector Strategy 2009 – 2014 as a first objective. In order to achieve this, one of the requirements is the supply with medicinal products from the Essential List of Medicines for free.

Starting from strategy and with all the set ups of it managers have to start to change their attitude toward work and toward people

Communication showing a resistance to change

Conclusion

Lack of strategic planning and its components resulting in shortages in essential products or not doing the required work in a particular way for an adequate supply with essential products is an indicator that tells us that for doing these things right is not needed only having the budget but there are needed a chain of processes that would have been established beforehand.

Thus not only budget is enough for a proper strategic management but also managerial communication, culture in organization, standard operating procedures etc are components of a strategy.

People should have responsibilities defined well, duties also, and they should follow and implement the strategy and the plan that is approved. After these are approved and implemented as it is required than we will have the possibility to analyze the low budget.

As a conclusion as soon as it we start to make a strategy and implement it that will open the new possibilities.

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