

THE CHALLENGES OF MEASURING CORRUPTION IN HEALTHCARE

ASIA PACIFIC PHARMACEUTICAL AND MEDICAL DEVICE COMPLIANCE CONGRESS
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OVERVIEW

- Corruption in the pharmaceutical sector
- Measuring corruption
- TI Pharmaceuticals & Healthcare
 - Our work

CORRUPTION & ETHICS

Corruption: the abuse of entrusted power for private gain

Ethics: moral principles that govern a person's behaviour or the conducting of an activity

CORRUPTION IS BAD FOR BUSINESS

- Corruption adds 10% to the total cost of doing business.
- High levels of corruption is the equivalent of a 20% tax on foreign business.
- Corruption adds 25% to the cost of procurement contracts.
- Anti-corruption programmes and ethical guidelines lead to 50% fewer incidents of corruption, and business is less likely to lose business opportunities.

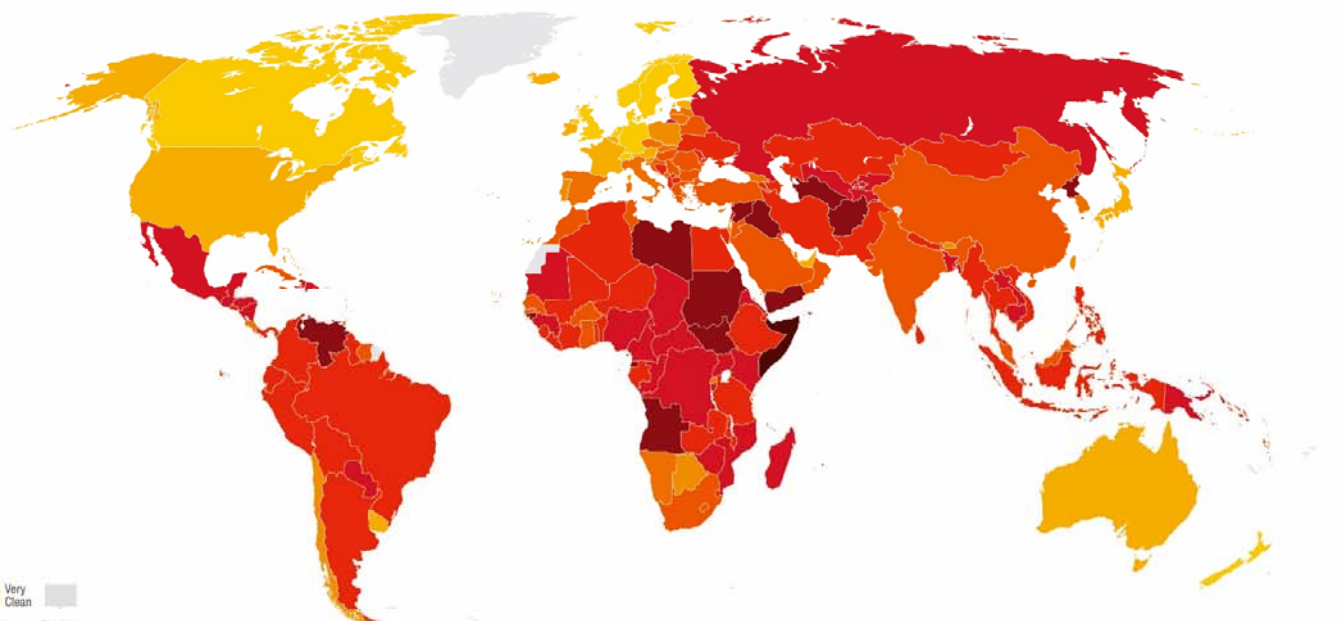
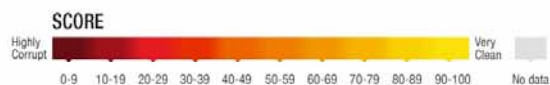
CORRUPTION IS A UNIVERSAL PROBLEM

- USD 7 trillion annual global spend
- Estimate 10-25% public procurement funds lost to corruption
- 17% of people worldwide stated they had paid a bribe when interacting with the healthcare sector

MEASURING CORRUPTION

CORRUPTION PERCEPTIONS INDEX 2017

The perceived levels of public sector corruption in 180 countries/territories around the world.



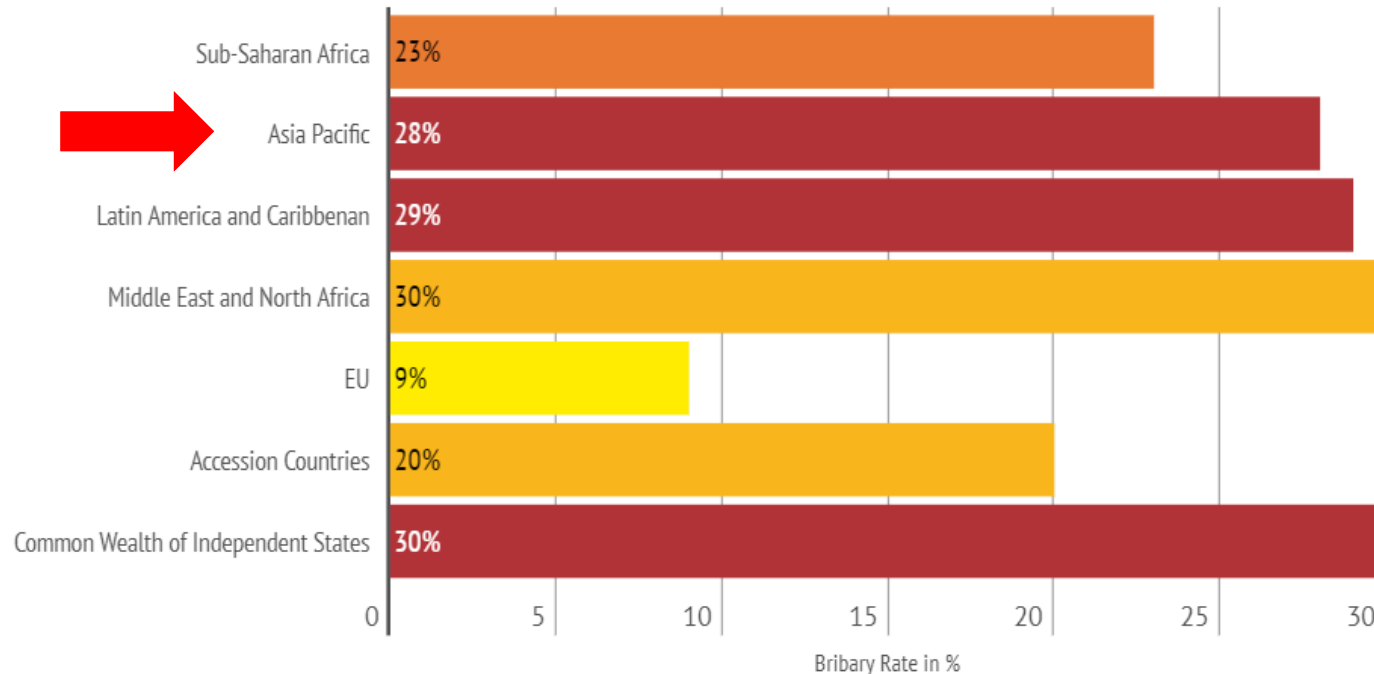
RANK	COUNTRY/TERRITORY	SCORE	RANK	COUNTRY/TERRITORY	SCORE	RANK	COUNTRY/TERRITORY	SCORE	RANK	COUNTRY/TERRITORY	SCORE	RANK	COUNTRY/TERRITORY	SCORE	RANK	COUNTRY/TERRITORY	SCORE
1	New Zealand	89	21	Estonia	71	59	Romania	48	98	Thailand	37	135	Russia	29	161	Congo	21
2	Denmark	88	21	United Arab Emirates	71	62	Cuba	47	98	Zambia	37	143	Bangladesh	28	161	Democratic Republic of Congo	21
3	Finland	85	23	France	70	62	Malaysia	47	103	Bahrain	36	122	Guatemala	28	143	Kenya	28
3	Norway	85	23	Uruguay	70	64	Montenegro	46	103	Côte D'Ivoire	36	122	Kazakhstan	31	143	Lebanon	28
3	Switzerland	85	25	Barbados	68	64	Sao Tome and Principe	46	103	Mongolia	36	122	Liberia	31	143	Mauritania	28
6	Singapore	84	26	Bhutan	67	66	Hungary	45	107	Armenia	35	122	Malawi	31	148	Comoros	27
6	Sweden	84	26	Chile	67	66	Senegal	45	107	Ethiopia	35	122	Mali	31	148	Guinea	27
8	Canada	82	28	Bahamas	65	68	Belarus	44	107	Macedonia	35	122	Nepal	31	148	Nigeria	27
8	Luxembourg	82	29	Portugal	63	68	Jamaica	44	107	Vietnam	35	130	Gambia	30	151	Nicaragua	26
8	Netherlands	82	29	Qatar	63	71	Bulgaria	43	111	Philippines	34	130	Iran	30	151	Uganda	26
8	United Kingdom	82	29	Taiwan	63	71	South Africa	43	112	Algeria	33	130	Myanmar	30	153	Cameroon	25
12	Germany	81	32	Brunei Darussalam	62	71	Vanuatu	43	112	Bolivia	33	130	Sierra Leone	30	153	Mozambique	25
13	Australia	77	32	Israel	62	74	Burkina Faso	42	112	El Salvador	33	130	Ukraine	30	155	Madagascar	24
13	Hong Kong	77	34	Botswana	61	74	Lesotho	42	112	Maldives	33	135	Dominican Republic	29	156	Central African Republic	23
13	Iceland	77	34	Slovenia	61	74	Tunisia	42	117	Niger	33	135	Honduras	29	157	Burundi	22
16	Austria	75	36	Poland	60	77	China	41	117	Ecuador	32	135	Kyrgyzstan	29	157	Haiti	22
16	Belgium	75	36	Seychelles	60	77	Serbia	41	117	Egypt	32	135	Laos	29	157	Uzbekistan	22
16	United States	75	38	Costa Rica	59	77	Suriname	41	117	Gabon	32	135	Mexico	29	157	Zimbabwe	22
19	Ireland	74	38	Lithuania	59	77	Trinidad and Tobago	41	117	Pakistan	32	135	Papua New Guinea	29	161	Cambodia	21
20	Japan	73	40	Latvia	58	59	Jordan	48	96	Peru	37	135	Paraguay	29			

THE GLOBAL CORRUPTION BAROMETER

- The Global Corruption Barometer surveys the experiences of everyday people confronting corruption around the world.

VARIATIONS IN BRIBERY ACROSS REGIONS

Global Corruption Barometer



MEASURING CORRUPTION IN HEALTH



Access to Medicine Index

- Access to Vaccines Index
- AllTrials Transparency Index
- Good Governance for Medicine
- European Union Study on Corruption in Health



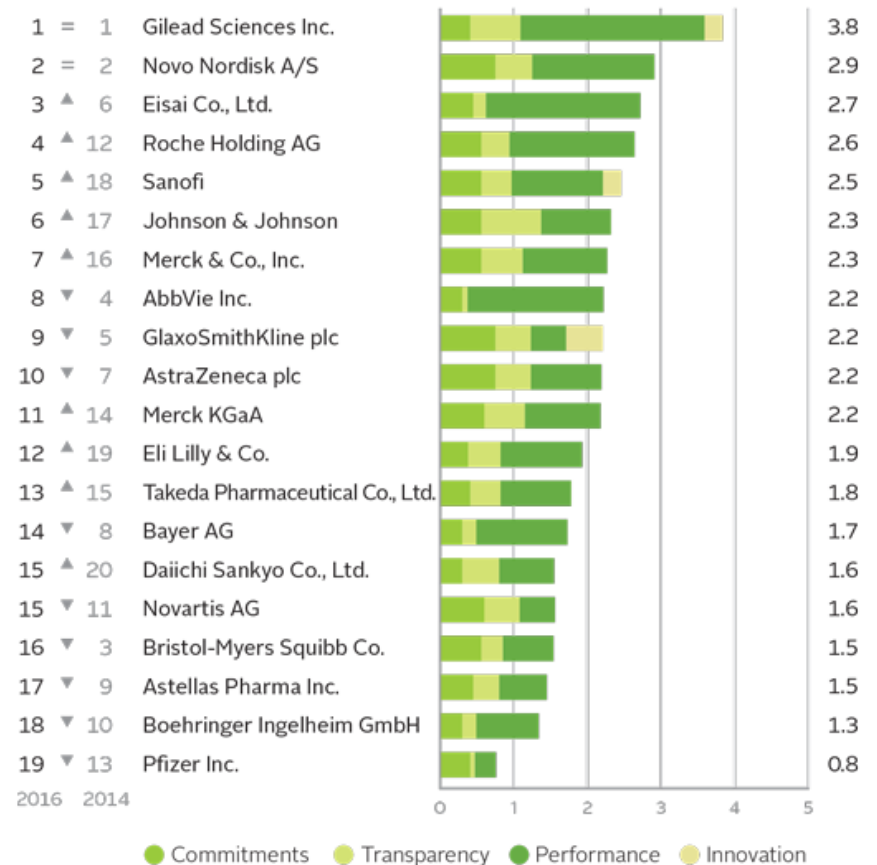
Measuring Transparency in the Pharmaceutical Sector

- Special Eurobarometer Report on Corruption – Corruption in Healthcare.

ACCESS TO MEDICINE INDEX

- Analyses 20 of the world's largest research-based pharmaceutical companies on how they make medicines, vaccines and diagnostics more accessible in low- and middle-income countries.

2016 Rank of Market Influence and Compliance



MEASURING TRANSPARENCY IN THE PHARMACEUTICAL SECTOR

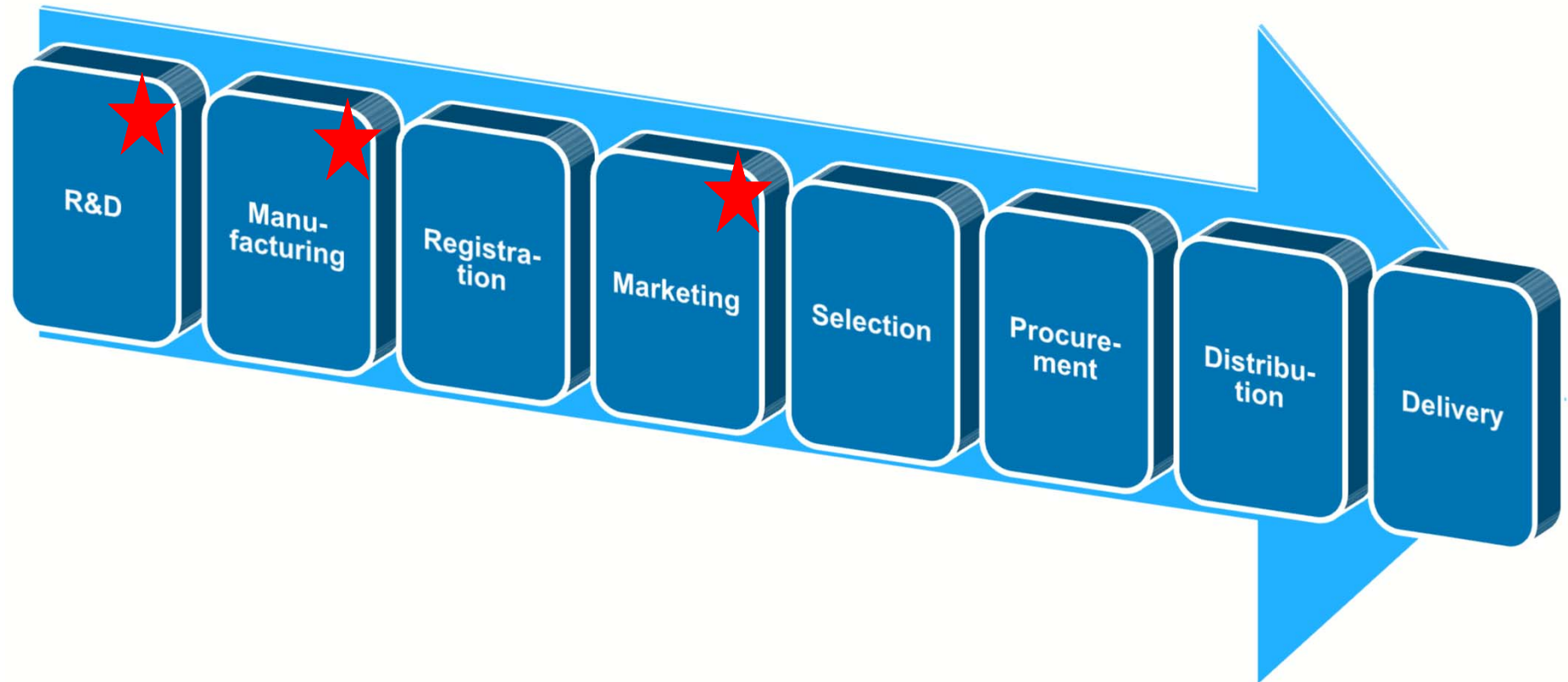
- Snapshot of the level of transparency and vulnerability to corruption in the government procedures and structures of eight functions of the pharmaceutical sector, namely:
 - registration of medicines
 - licensing of pharmaceutical business
 - inspection of establishments
 - medicine promotion
 - clinical trials
 - selection of essential medicines
 - procurement of medicines
 - distribution of medicines



**World Health
Organization**

TACKLING CORRUPTION IN THE PHARMACEUTICAL SECTOR

HEALTHCARE VALUE CHAIN



1. RESEARCH & DEVELOPMENT

- Manipulating clinical trial results
- Failure to make results (incl. negative results) available

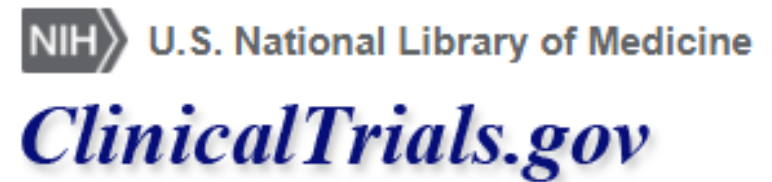
IMPACT:

- False conclusions on drug safety/efficacy
 - Treatment failure

1. RESEARCH & DEVELOPMENT - SOLUTION

Mandatory trial registration and results reporting

- Ensuring that all clinical data from trial registration to comprehensive study reports are made available.



≡ Menu



CLINICAL TRIAL TRANSPARENCY

TRIAL REGISTRATION

All clinical trials
are registered
before they start.

SUMMARY RESULTS POSTING

Headline results
are made public
within 12
months.

FULL TRIAL REPORTS

Detailed trial
findings are
proactively
disclosed.

ACADEMIC PUBLICATION

Trial results are
published.

INDIVIDUAL PARTICIPANT DATA SHARING

Trial data is
effectively and
vigilantly shared.

2. MANUFACTURING AND THIRD PARTY SUPPLIERS

- GMP/site inspection falsification
- Falsified active pharmaceutical ingredients and other ingredients

IMPACT:

- Falsified (counterfeit) products
 - Anti-microbial resistance
 - Treatment failure
 - Reputational damage

2. THIRD PARTY SUPPLIERS - SOLUTION

ABAC Programmes & Benchmarks

- Under FCPA and UK Bribery Act, companies are under increased obligation to ensure that they, their employees and subsidiaries act with integrity.
- ABAC programmes should be designed to help staff and external parties understand bribery and corruption risk, and their responsibilities to actively combat it.

Corporate Anti-Corruption Benchmark 2018

Preliminary results



Section grade

A

YoY change in final report

Section score (/100)

86

Section rank

Rank and YoY change in final report

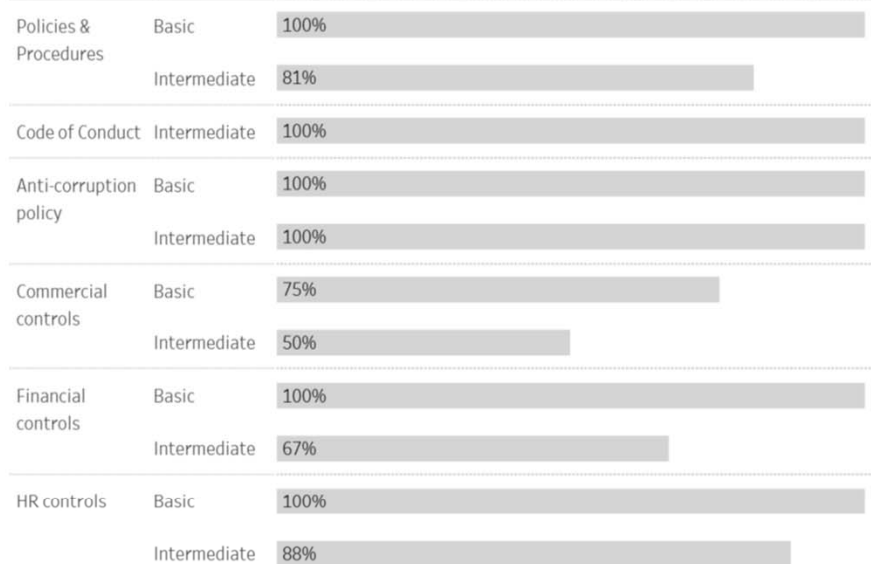
Filters

Included in final report

Your results by sub-section



How advanced is your programme?



Legend

- A (80+)
- B (70+)
- C (60+)
- D (50+)
- E (30+)
- F (<30)

Programme Levels

Basic: Companies with the essential elements of an anti-corruption programme will score well on these questions.

Intermediate: Companies with a more developed approach to anti-corruption will score higher on these questions.

Advanced: Companies with a sophisticated programme, incorporating business integrity as integral to how they do business, will score higher on these questions.

Recommendations

Included in final report

3. MARKETING I

- Information dissemination
 - Face-to-face/in-practice engagement
 - Continuing medical education (CME)
- Influence on prescription practices, conflicts of interest
- Phase IV trials

3. MARKETING II

IMPACT:

- Misleading information leading to prescriptions that are not in patient's best interest
- Overpriced originator prescriptions, that drain healthcare budgets
- Profit-driven encouragement for trial participation
- **Anti-microbial resistance**

3. MARKETING - SOLUTION

Sunshine Acts

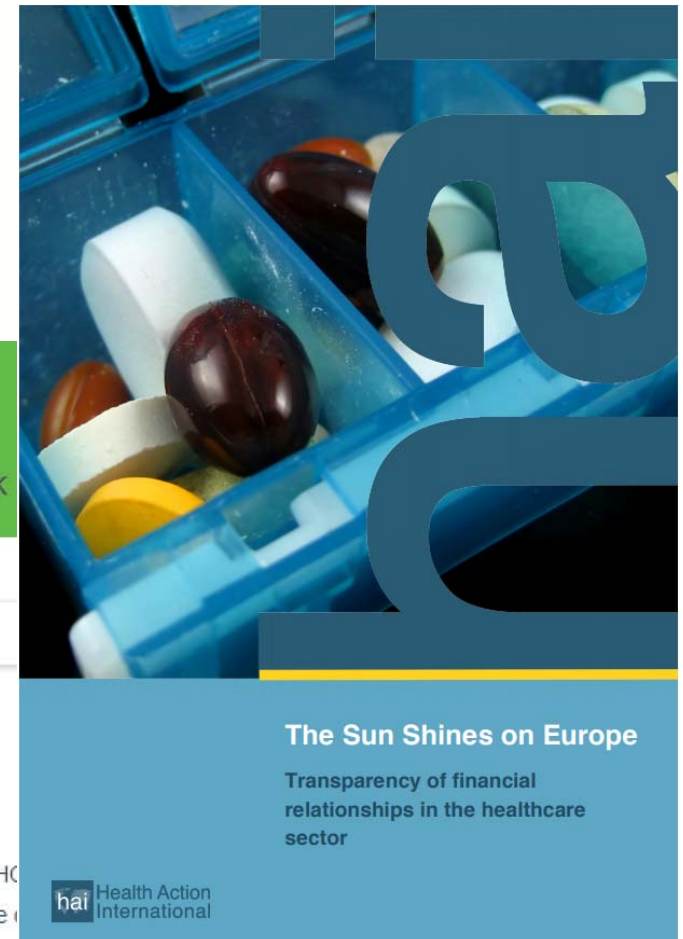
- Track and report all financial relationships with physicians to uncover (and be able to manage) potential conflicts of interest.
- E.g. ABPI's Disclosure UK



Search

To filter for either HC
in the

Type the beginning of an individual's first name, last name,
address, city, postal code, country, or a pharmaceutical company,
or a healthcare organisation name or address



NEVER FORGET ...THE TONE FROM THE TOP

“...the purpose of this firm is not to create shareholder value”

- Emmanuel Faber, CEO Danone (09 August 2018)



THANK YOU

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