



Եվրոպայում անվտանգության և
համագործակցության կազմակերպություն
Երևանյան գրասենյակ



Project co-funded by
the European Union

Project co-funded by the
OSCE Office in Yerevan

Implementer
“Armenian Young
Lawyers Association”
NGO

Partner
“Freedom of
Information
Center of
Armenia” NGO
(FOICA)

Implementer
“Informed and
Protected Consumer”
NGO

“INFORMED AND PROTECTED CONSUMER” NGO

“CORRUPTION RISKS IN THE FIELD OF THE FREE-OF-CHARGE PROVISION OF DRUGS IN THE FRAMEWORK OF GOVERNMENT PROGRAM”

FINAL REPORT

The “Informed and Protected Consumer” NGO implemented “Corruption Risks in the Field of the Free-of-Charge provision of Drugs in the Framework of Government Program” project with funds of small sub-grants provided in the framework of “Multi-Faceted Anti-Corruption Promotion” project implemented by the “Armenian Young Lawyers Association” NGO and the partner “Freedom of Information Center” NGO. Project budget is 1,090,000 AMD, of which 940,000 AMD was provided by the “Armenian Young Lawyers Association” Non Governmental Organization. Project duration: May 1 – July 31, 2015.

“Multi-Faceted Anti-Corruption Promotion” project is co-funded by the European Union and OSCE Yerevan Office.

YEREVAN

2015

Final Report

1. Organization Name:	"Informed and Protected Consumer" NGO
2. Number of Grant Agreement:	EU-2015/03
3. Project:	"Corruption Risks in the Field of the Free-of-Charge provision of Drugs in the Framework of Government Program"
4. Project Duration:	01.05.2015-31.07.2015

During the project implementation the organization conducted monitoring of the media, selected and archived the publications related to the theme. As a result of analysis

A written request based on the analysis of publications and questions related to general issues was sent to the RA Ministry of Healthcare to clarify which medicines were provided to the RA citizens in the scope of the Government program.

1. What is the methodology for calculation of the quantities for purchase of medicine? The logic of this question is that the number of the patients may grow during the current year and the demand for drugs actually may be more than originally acquired by the state.
2. Have there been any cases when the same drug was purchased in more than one phases during year and whether these medicines were produced by different companies. If so, what were the reasons and what mechanisms were used for distribution? The logic of this question is that different citizens could have received the same medicines, which were produced by different companies, and according to the citizens they may vary in quality, especially if for some reasons (e.g. the features of the human organism) the drug may not have the desired effect, which was predicted in advance.
3. Whether the medicines produced in the same country by the same company are provided to the citizens in the regions and in Yerevan? If not, what is the reason?
4. According to the available information published in media, a group of citizens refuse to use the medicines that are provided in the scope of the government order. According to the same citizens some of them simply do not take the medicine and provide them to the persons who need them. What happens to the medicine that the citizen refuses to take, or if the citizen provides it to another person and this other person gets a double dose of the medicine? Can the latter have a negative impact on the user?
5. Which medicines in the RA are provided in the scope of humanitarian aid? Whether the medicines provided in the scope of humanitarian aid are sufficient for all citizens that need those medicines? If not, whether there are medicines a part of which is provided in the scope of humanitarian aid and the other part in the framework of public procurement? Whether the same medicine provided in the scope of humanitarian aid is obtained from the same country and is a product of the same company?

After receiving the reply, monitoring of the legal field that regulates area and their comparative analyses with the former legal acts of the field that currently are repealed.

The information on the consumers' rights regulated by laws and by-laws was disseminated through the social networks directly as well as in the form of comments and group discussions. The materials were regularly distributed to more than 50 groups and more than 200 users participated in the discussion (Some links are missing due to the fact that the Facebook pages of all members of the organization have been closed and the posts are currently unavailable, additional links will be provided as soon as they are available again).

https://www.facebook.com/permalink.php?story_fbid=390548837817140&id=128887147316645

https://www.facebook.com/permalink.php?story_fbid=390933027778721&id=128887147316645

Survey based on methodology developed in advance were conducted, which include 105 interviews by the questionnaire and 59 qualitative interviews conducted based on a pseudo-random choice among the women and men clients of the outpatient clinic. The survey was conducted in 15 outpatient clinics in Yerevan (qualitative – 17 doctors and 13 clients, quantitative – 68 clients); 3 children's hospitals and departments (qualitative – 5 doctors and 6 client-parents, quantitative – 17 client-parents); 1 outpatient clinic, children's hospital and department in Aragatsotn marz and 1 outpatient clinic, children's hospital and department in Ararat marz (qualitative – total 8 doctors and 10 clients, quantitative – 20 client-parents).

Classification of frequently occurring problems was done and the problems, which may encounter corruption risks, were identified and separated.

Based in the comparative analyses of the legal monitoring, separated problems and the causes of these problems the comparative analyses with the experience of different countries and considering the fact that the procedures of providing medicines are different in different countries.

Studies show that there are often problems in our country due to publications in media. Specifically the citizen does not want to use medicines (14 % of respondents), and this causes some delays, which in turn causes a lot of problems, especially taking into account this feature and the desire of consumers (78% of the respondents), it may be expedient for the state to provide the citizens the sum allocated by the state for the purchase of these medicines. Thus the consumer shall decide individually and/or with the physician which medicine to use, as well as to chose the company and the country that produced the medicine. The recommendation has been submitted and discussed orally at the Ministry of Healthcare considering the fact that some of the problems find solutions in the legislative drafts. It was considered expedient to hold extensive discussions with all the interested parties by December 2015.

The analysis of the survey results revealed the following main problems which may include corruption risks:

- The visitor does not want to make use of the free medicine and takes it only with the purpose to not to be discarded from the list
- The medicine is missing and it is remains unclear for the citizen why it is missing.
- Often there are cases when the medical institution works with the pharmacy shop in their area, buys the medicine from a citizen who is not the client of their polyclinic, but has the

access to the free medicine, and then sells the same medicine to the citizen who needs it for a cheaper price. Of course this problem makes a low percentage, but nevertheless it do exist.

- Although free medicine should be provided to the citizen in the order prescribed by law or the fee paid for the medicine should be compensated, however often there are problems with the cost of the purchased medicine. By the way, very often the problem is solved when a consumer complains to different instances. But in fact the solution of the problem is to avoid a public scandal.

The organization sees the solution of these issues as follows:

- Determine the maximum amount of money which the state can provide in case of different diseases.
- Determine a realistic price for each medicine, which will guarantee the possibility of obtaining the medicine in case it is provided to the citizen.
- Provide the money to the citizens, so that they should decide individually which company's production medicine they should use.

During the discussion with the representatives of the Ministry of Health, the risks of providing the sum to the citizens were presented. Specifically, it was mentioned that the citizen, often being in difficult socio-economic conditions, may spend the money for other purposes. We suggested adding a requirement that the citizen should submit a document proving the fact of purchase of the medicine, so that he/she is able to continue to enjoy benefits granted.

This recommendation shall be submitted to the Ministry of Healthcare in writing, after appropriate discussion. In case of the negative response it should be submitted to the Government, since the solution of the problem is not in changing or amending the law but in making amendment in the by-law.

A press conference to present the conducted research, and activities, the findings and existing problems, possible corruption risks and the position of relevant agencies. Representatives of the on-line and print media, as well as the TV Companies attended the press conference. Below are the links to publications and reports.

<http://www.armworld.am/detail.php?paperid=5129&pageid=157082&lang=>

<http://www.aysor.am/am/news/2015/07/31/%D5%A2%D5%A1%D5%A2%D5%AF%D5%A5%D5%B6-%D5%BA%D5%AB%D5%BA%D5%B8%D5%B5%D5%A1%D5%B6/982113>

<http://www.tert.am/am/news/2015/07/31/babken-pipoyan/1751880>

http://henaran.am/news_view.php?post_id=65588

http://www.iravunk.com/index.php?option=com_content&view=article&id=29002:-1-r&catid=41:lurer&Itemid=57

<http://news.am/arm/news/279518.html>

<http://www.hartak.am/arm/index.php?id=45995>

https://www.youtube.com/watch?v=f-L2_b-h_n4

<http://www.armradio.am/hy/2015/07/31/%D5%BA%D5%A5%D5%BF%D5%BA%D5%A1%D5%BF%D5%BE%D5%A5%D6%80%D5%B8%D5%BE-%D5%A4%D5%A5%D5%B2%D5%A5%D6%80%D5%AB-%D5%BF%D6%80%D5%A1%D5%B4%D5%A1%D5%A4%D6%80%D5%B8%D6%82%D5%B4%D5%A8-%D5%B0%D5%A1%D5%B4%D5%A1/>

<http://www.barometer.am/news/top-news/20150309/4830/>

<http://yerevan.today/all/health/3971/vo-r-depkum-en-anvchar-kam-zeghchvac-degher-tramadrum>