

**Accreditation:** The process by which an organization recognizes a provider, a program of study, or an institution as meeting predetermined standards.

**ACT:** Artemisinin-based Combination Therapy.

**Actuarial (adjective):** Of or pertaining to statistical calculations based on projections of utilization and costs for a defined risk that are used to determine insurance rates and premiums.

**ADDO:** Accredited Drug Dispensing Outlets.

**Adverse selection:** A problem encountered by health care providers or insurers that attract members who are sicker than the general population. Specifically, a tendency for unhealthy people to purchase health insurance and for healthy people to forego insurance as an unnecessary expense.

**AMREF:** African Medical & Research Foundation.

**Analgesics:** A group of medications that reduce pain.

**Ancillary services:** Supplemental services, including laboratory, radiology, physical therapy, and inhalation therapy that are provided in conjunction with medical or hospital care.

**API:** Active pharmaceutical ingredients. Active chemicals used in the manufacturing of drugs.

**ARV:** Antiretroviral drug.

**Bilateral aid:** Development assistance provided by one party or country directly to another.

**Biodiversity:** The number and variety of organisms within one region. This includes also the variability within and between species and within and between ecosystems.

**Bioequivalence:** The scientific basis on which generic and brand-name drugs are compared. To be considered bioequivalent, the bioavailability of two products must not differ significantly when, in studies, the two products are given at the same dosage under similar conditions.

**BMGF:** The Bill & Melinda Gates Foundation.

**Capitation:** A payment system in which health care providers are paid a fixed amount to care for each person over a given period (usually a year). Providers are not reimbursed for services that exceed the allotted amount. The rate may be fixed for all members or it can be adjusted for the age and gender of the member, based on actuarial projections of medical utilization.

**Catastrophic health insurance:** Health insurance, which provides protection against the high cost of treating severe or lengthy illnesses or disability. Generally such policies cover all, or a specified percentage of, medical expenses above an amount that is the responsibility of another insurance policy up to a maximum limit of liability.

**CEMAC:** Communauté Economique et Monétaire de l’Afrique Centrale.

**Chronic care:** Long-term care of individuals with long-standing, persistent diseases or conditions. This includes care specific to the problem as well as other measures that are undertaken to encourage self-care, promote health, and prevent loss of function.

**COGS:** Cost of Goods Sold.

**COMESA:** Common Market for Eastern and Southern Africa.

**Coverage:** In the context of this report, this mainly refers to insurance coverage. The guarantee against specific losses provided under the terms of an insurance policy.

**CRO:** Contract Research Organization.

**DFI:** Development Finance Institution.

**DFID:** The Department for International Development (United Kingdom).

**Diagnostics:** The art or practice of medical diagnosis. Also refers to instruments or techniques used in medical diagnosis.

**Dissolution testing:** The process of testing something, such as a pharmaceutical or a polymer, to observe its dissolving characteristics—that is, how quickly it dissolves.

**EAC:** East African Community.

**ECOWAS:** Economic Community of West African States.

**EMA:** European Agency for the Evaluation of Medicinal Products.

**EPO:** Erythropoietin.

**FBO:** Faith Based Organization.

**FDA:** The Food and Drug Administration. An agency within the United States Department of Health and Human Services that administers Federal laws regarding the purity of food, the safety and effectiveness of drugs and the safety of cosmetics.

**FDI:** Foreign Direct Investment.

**FIND:** Foundation for Innovative Diagnostics.

**Formulation (drug):** The act of developing or preparing a drug, or the final product itself.

**GDP:** Gross Domestic Product.

**Generic drug:** A drug which is exactly the same as a brand-name drug; generic drugs can only be manufactured and marketed after the brand-name drug’s patent has expired.

**GFATM:** The Global Fund to fight AIDS, Tuberculosis, and Malaria. Also referred to as The Global Fund.

**GMP:** Good Manufacturing Practice.

**Health care:** Care, services, and supplies related to the health of an individual. Health care includes preventive, diagnostic, therapeutic, rehabilitative, maintenance, or palliative care, and counseling, among other services. Health care also includes the sale and dispensing of prescription drugs or devices.

**HIV/AIDS:** Human immunodeficiency virus/acquired immune deficiency syndrome.

**HMO:** Health Maintenance Organization. An organization that arranges for, or contracts with, a variety of health care providers to deliver a range of services to consumers who make up its membership. HMOs employ managed care strategies that emphasize prevention, detection and treatment of illness. HMOs often use primary care physicians as the coordinator of patient care needs.

**HRH:** Human Resources for Health.

**Indemnity:** Health insurance benefits provided in the form of cash payments rather than services. Insurance program in which covered person is reimbursed for covered expenses. An indemnity insurance contract usually defines the maximum amounts that will be paid for covered services.

**Informal health care provider:** A subset of private sector providers. Typically includes traditional health practitioners and unregistered vendors supplying traditional and modern drugs outside a registered health facility or pharmacy.

**Inpatient care:** Care given to a patient who is admitted to a hospital or other medical institution for at least one overnight stay; distinct from care given when visiting such institutions as an outpatient.

**IP:** Intellectual Property.

**ISO-Certified:** Certified by the International Organization for Standardization.

**ITN:** Insecticide Treated Nets.

**IVF:** In-vitro fertilization. A technique in which egg cells are fertilized by sperm outside a woman's womb.

**Life sciences:** A field encompassing biotechnology, pharmaceuticals, diagnostics, devices, human health care and related medical technologies, nutraceuticals and wellness. In this report it does not include agricultural biotechnology, and industrial biotechnology (biomaterials/bioprocesses), which are often included in the definition.

**LLIN:** Long-lasting insecticide treated nets.

**Malnutrition:** A broad term commonly used as an alternative to *undernutrition*, but technically it also refers to over-nutrition. People are considered malnourished if their diets do not provide adequate calories and protein for growth and physical maintenance or if they are unable to fully utilize the food they eat due to illness (undernutrition). People are also considered malnourished if they consume too many calories (overnutrition).

**MFI:** Microfinance institution.

**MRI:** Magnetic Resonance Imaging. An MRI scanner is an advanced radiological device commonly used in the detection of cancer and neurological conditions.

**MTN:** Mobile Telephone Networks, South Africa.

**Multilateral aid:** Aid involving more than two nations or parties, usually in the form of donations through a multilateral organization such as the United Nations or the World Bank.

**Mutuelle:** Community based insurance program, where the entity is owned by policy owners rather than stockholders.

**MVI:** Malaria Vaccine Initiative.

**NAFDAC:** National Agency for Food, Drug Administration, and Control (Nigeria).

**NGO:** Nongovernmental Organization.

**NHA:** National Health Accounts.

**Non-profit:** An organization whose primary objective is to support an issue or matter of private interest or public concern for non-commercial purposes, without concern for monetary profit. Status of nonprofits does not permit them to be a source of income, profit or other financial gain for the entities that establish, control or finance them.

**NQCL:** National Quality Control Laboratories.

**OPEX:** Operating Expenses.

**OTC:** Over-the-counter. Refers to health care products available without a prescription.

**Out-of-pocket payment:** A fee paid by the consumer of health services directly to the provider.

**Outpatient care:** Treatment or diagnosis provided in hospitals or clinics that does not require an overnight stay. A type of ambulatory care.

**Payer:** The public or private organization that is responsible for payment of health care expenses. Payers may be insurance companies, government institutions, self-insured employers, or individuals.

**PDP:** Product development partnership.

**PEPFAR:** The United States President's Emergency Plan for AIDS Relief.

**Phase:** Drug development is divided into phases that are determined by the main objectives of the drug development process:

- *Preclinical:* This phase encompasses laboratory or animal studies that show the biological activity of the compound against the targeted disease; the compound is also evaluated for safety and possible formulations.
- *Phase 1:* A Phase 1 clinical trial is the first step in testing a new investigational medication (or new use of a previously marketed drug) in humans. Phase 1 studies are mainly concerned with evaluating a drug's safety profile, including the safe dosage range.
- *Phase 2:* Phase 2 clinical trials involve volunteers who have the disease or condition in question. These trials help physicians and researchers begin to learn more about the safety of the new drug treatment and how well the drug treats the targeted disease or condition.
- *Phase 3:* After a drug has been shown to have positive results in small groups of patients, it may be studied in a larger Phase 3 trial to confirm efficacy and to iden-

tify adverse events that may occur with long-term use. A Phase 3 trial usually compares how well the study drug works compared to an inactive placebo and/or another approved medication.

- *Phase 4*: Phase 4 clinical trials are sometimes called “post-marketing” trials because these studies begin after the Phase 1-3 study results have been given to the FDA for evaluation.

**Premium:** Money paid out in advance for insurance coverage. A monetary amount paid to an insurer in exchange for providing coverage under a contract. A periodic payment by the insured to the health insurance company or prescription benefit manager in exchange for insurance coverage. This amount varies depending on the health plan or drug formulary in question.

**Preventive care:** Health care that emphasizes disease prevention, early detection, and early treatment, thereby reducing the costs of health care in the long run. Health care that seeks to prevent disease or foster early detection of disease and morbidity and that focuses on keeping patients well in addition to healing them when they do become sick.

**Primary care:** Basic or general health care provided outside of a hospital environment, usually by general practitioners.

**Private sector:** For the purposes of this report, the term private sector includes:

- For-profit organizations;
- Social enterprises – often described elsewhere as not-for-profit organizations;
- Non-profits including nongovernmental organizations (NGOs) and faith-based organizations; and
- Privately motivated individuals and groups of individuals.

It does not include private practitioners in the informal sector (traditional healers and informal drug retailers, for example).

**Provider:** This term usually refers to a health care institution (usually a hospital) or doctor who “provides” care. A health plan, managed care company, or insurance carrier is not a health care provider. Those entities are called payers.

**Public health:** The aspect of medical activity directed towards improving the health of the whole community.

**Public sector:** In the context of this report, the delivery of health-related goods and services by and for the government, whether national, regional or local/municipal.

**Quality:** Quality is, according to the Institute of Medicine (IOM), the degree to which health services for individuals and populations increase the likelihood of desired health outcomes and are consistent with current professional knowledge. Quality can be defined as a measure of the degree to which delivered health services meet established professional standards and consume value judgments.

**R&D:** Research and Development.

**Reinsurance:** The practice by an HMO or insurance company of purchasing insurance from another company in order to protect itself against part or all of the losses that may be incurred in the process of honoring the claims of policyholders.

**Risk pooling:** The practice of bringing several risks together for insurance purposes in order to balance the consequences of the realization of each individual risk.

**SADC:** Southern Africa Development Community.

**Secondary care:** Services provided by medical specialists in a hospital environment.

**SME:** Small and medium-sized enterprises.

**Social Enterprise:** A self-sustaining enterprise with a minimum (i.e., lower than commercial) expectation of financial return; the financial management of such an enterprise typically entails reinvestment of profits in enterprise activities.

**Specialist:** A doctor who specializes in a particular area of medicine (as opposed to a physician providing only primary care).

**SSA:** Sub-Saharan Africa.

**Standards:** According to the Institute of Medicine, standards are authoritative statements of: (1) minimum levels of acceptable performance or results; (2) excellent levels of performance or results; or (3) the range of acceptable performance or results.

**STD:** Sexually Transmitted Disease.

**Stent:** A device that is placed in an artery to keep the inner wall of the artery open. A small metal coil or mesh tube that is permanently left in the artery.

**TB:** Tuberculosis.

**THE:** Total Health Expenditure.

**UNICEF:** The United Nations Children's Fund.

**USAID:** The United States Agency for International Development.

**Utilization:** The use of services and supplies. Utilization is commonly discussed in terms of patterns or rates of use of a single service or type of service, such as hospital admissions, physician visits, and prescription drugs.

**UTM:** Union technique de la mutualité.

**VoIP:** Voice over Internet Protocol.

**WHO:** The World Health Organization.

**WHOPEs:** World Health Organization Pesticides Evaluation Scheme.

**\$:** United States dollars.