



Soon drug price monitoring cells across states

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New Delhi, 7 September

The National Pharmaceutical Pricing Authority (NPPA) is planning to set up its units across the country, an official said. These cells will be formed in coordination with state governments and work in association with the local drug controller.

The idea is to keep a close watch on real-time price movements, the maximum retail price of medicines and their availability.

Currently, a lack of field inspectors does not allow the regulator to keep a tab on pharma companies or retailers flouting price caps. Recovery of overcharged amounts also becomes difficult for the regulator without a physical presence in a state.

NPPA says companies have overcharged consumers a total of ₹417 crore on sale of medicines in 2014 so far. It has recovered only ₹67 crore of this. Similarly, the overcharging during 2013-14 is put at ₹385 crore.

The proposed price monitoring cells are likely to be set up within each state's drug regulator's office. The official says a start will be made in metropolitan cities and in states where the presence of pharma units is more. Expenditure on infrastructure and personnel will be borne by NPPA; states might have to provide the space for setting up an office within the local drug regulator's premises.

To deliberate on this, NPPA recently had a meeting with a few state drug controllers, including that of Delhi.

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