

NPPA STUDY FINDS HUGE GAP IN CANCER DRUG PRICES

Government may move to control prices, say experts

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The first-ever study conducted by the National Pharmaceutical Pricing Authority (NPPA) on cancer medicines has found huge price variations among different brands of same medicines sold in the country.

The price difference is the highest — 3,210 per cent — among different brands of breast cancer medicine letrozole. While a 10-tablet strip of letrozole 2.5 mg from Swiss drug maker Novartis costs ₹1,986, the same strip by Hyderabad-based Hetero carries a price tag of ₹60.

The pattern is visible in all the five or six types of cancer drugs where the price difference is over 1,000 per cent, as imported medicines are always the most expensive while a domestic maker sells the cheapest version.

The NPPA analysis is known to be based on the price list provided by the companies.

The study is the first step towards the government's plan to bring some regulation in the cancer medicine segment.

Of the 75 medicines that were subjected to analysis, the price difference of over 100 per cent was seen in 30 cases. There were several instances where



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Drug name	Highest price	Firm	Lowest price	Firm
Letrozole 2.5mg (10 tablet)	1,986	Novartis	60	Hetero
Imatinib 400 mg (10 tablet)	41,152	Novartis	3,000	Glenmark
Nazolamide 250mg (5 capsule)	22,282	Dr Reddys	4,485	Sun
Pemetrexed 500mg (vial)	73,660	Eli Lilly	11,990	Glenmark
Exemestane 25mg (30 tablet)	4,315	Pfizer	1,290	Natco

both highest and lowest prices were offered by domestic companies.

While Novartis, Pfizer and Eli Lilly were some of the foreign multinational companies whose products were included in the analysis, their Indian

counterparts were Dr Reddys, Sun, Cadila, Hetero, Glenmark and Natco, among others.

Experts say NPPA findings will strengthen the Department of Pharmaceuticals' attempt to bring some regulation in pricing of cancer medicines, but

said it would not be an easy process.

The industry representatives, however, said the printed maximum retail price was not often the price paid by the buyer as companies offered discounts and special schemes (pay for two, get one free), which reduces the effective price of costly medicines. "In case of some drugs, we even give it free to patients who cannot afford it," said an executive with a foreign multinational drug firm.

The 15-year-old Drug Price Control Order (DPCO) — notified under the Essential Commodities Act, 1955 — that governs NPPA, does not list anti-cancer medication among the medicines whose prices need to be fixed. Invoking the 'public interest' clause in DPCO may also be difficult as anti-cancer medication often escapes the turnover and monopoly criteria needed to bring drugs under direct price control.

However, the NPPA exercise aims to find a way to regulate anti-cancer medication within the existing rules. According to officials, the ministry has the power to ask NPPA to bring any drug under price control. "If there is a strong case in favour of price control, the government can do it," the official said.

The move assumes significance in the backdrop of a recent discussion paper released by the Department of Industrial Policy and Promotion (Dipp), which suggested "near non-accessibility" of medicines to a vast majority of the affected population because of the high cost. The Dipp note points out that around 2.5 million people in the country suffer from various forms of cancer at any point of time.

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