

SAVING LIVES THROUGH ACCESS TO LOW COST DRUGS

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INTRODUCTION

World over about two billion people lack access to essential medicines. This deprivation causes immense suffering : pain, fear and loss of life. As a result forty thousand people die daily, the vast majority of them are children below five years of age. Their avoidable deaths are a tragic shame for the humanity.

Access to medicines is a human right which is currently compromised by the high prices charged by pharmaceutical companies. In the pharmaceuticals sector, the cost of manufacturing a drug is relatively low, compared to the price it is sold at. The reality is that the cost of manufacturing a drug is very low, compared to the price it is sold at. The actual drug prices are 2%–20% of the prevalent maximum retail prices (MRP). If medicines can be made available at low cost, the cost of treatment for most illnesses could be reduced by 5-10 times. By selling drugs at inflated prices, big companies and retailers pocket a large share of the money paid out by the consumer. There are abnormally high trade margins with wasteful, unregulated and unethical drug promotion. Completely irrational drugs, which do nothing but waste people's money, are widely prescribed and sold.

The companies repeatedly and illegally influence policy makers, to keep the essential drugs out of price control. In 1979, 347 essential drugs were under price control. Subsequently drug companies have succeeded in persuading the government to reduce the basket of price controlled drugs from 347 in 1979 to 142 drugs in 1987. In 1995 this came down to 76 and at present only 74 out of over 500 commonly used drugs are under statutory price control. It means for all the remaining drugs the companies are free to charge any price from the patient, as there is no ceiling on MRP. This is an irony that most of the essential drugs and their formulations are outside the price controlled drugs list. This means that for all other drugs, the companies are free to fix MRP of their choice, which could be 5 to 10 times the actual production cost (even at the cost of many lives). The consequences of this widespread uncontrolled misuse are devastating. The essential drugs must be made available at a price the individual and the community can afford.

Chittorgarh Model : District level intervention to provide low cost quality drugs— We knew that the actual cost of most of the drugs is very low. But, these were not available to patients at low rates because of three obstacles:—

1. The doctors prescribe medicines by brand name of a particular drug company. This prevents competition and creates monopoly in the drug market and enables the drug company to put a very high MRP (which is decided by the company itself).

2. As very high MRP is printed on the drugs, the chemists charge the same amount from the patient.
3. Consumers are not aware that the actual cost of production of most of the drugs is very low. Moreover, once doctor has prescribed a particular brand, the patient has got no option, but to buy it, even when other low cost brands are available in the market.

For example, if doctor has prescribed a brand Gleevec to a patient of blood cancer (CML), a months course will cost Rs. 1,14,400/- to the patient. Whereas, the same anti cancer drug, but with a different brand name Wenet costs just Rs. 10,584/-. And Cipla Supplies the generic equivalent of this drug (IMITIB) at Rs. 6,500/-.

Similarly, if doctor has prescribed a brand Tavanic (Aventis) to a patient of typhoid, 10 tablets will cost Rs. 950/- to the patient. Whereas, the same drug, but with a different brand name Fynal (Mankind) costs just Rs. 54.90/-. And this drug, levofloxacin 500 is sold in Jodhpur at Rs. 44.20/- only.

The district administration adopted the following strategy to provide low cost medicines to the patients. We broke the brand monopoly of drug manufacturers by pursuing doctors to prescribe by the salt name and we made arrangements to sell medicines below the MRP at govt. drug counters. Consumers were made aware. This was done in three steps:-

1. Ensuring that doctors prescribe drugs by generic (salt) name, as directed by the state govt. The state govt. has issued various circulars/orders, which directs all govt. doctors to use generic names, instead of brand names.
2. Govt. Cooperative Medical Stores provide low cost medicines of well reputed companies.
 - Survey of local drug market was done by a team led by A.R. Cooperative to identify drug companies which can supply quality drugs at competitive prices and have capability of maintaining uninterrupted supply line.
 - A committee of doctors was consulted which recommended that drugs of reputed companies like Cipla, Cadila, Ranbaxy, German Remedies, Alembic, etc. can be purchased.
 - Cooperative store purchased the drugs of these companies from the local stockists at competitive prices, after considering the pricelists of different companies in comparative statement.
 - The medicines were then sold at 20% profit margin to the patients. This money will accrue to the cooperative department and will make the project self sustainable.
 - Thus, medicines of reputed drug manufacturers (which are unthinkably cheap) were made available at government co-operative medical stores for sale.

Smile when picking up the phone, the caller will, hear it in your voice.

- Pricelists were displayed outside the cooperative stores to advertise the rates and educate the patients.
3. Awareness generation. Doctors were sensitized by organizing discussions. Training of co-operative pharmacists was carried out. The consumers were made aware by displaying boards showing comparative price lists and positive use of local electronic and print media.

Similar exercise has been undertaken at Jodhpur.

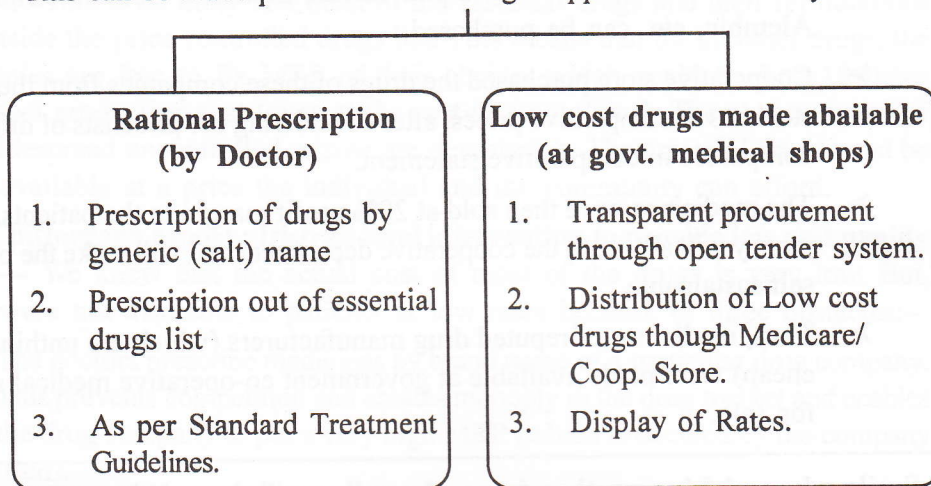
The IMPACT : many human lives saved:–

1. Medicines are available at unbelievably low prices, at govt. co-operative, store, much below the printed:–

| S. No. | Salt Name | Qty. | Printed MRP | Selling Rate |
|--------|--|------|-------------|--------------|
| 1. | ALBENDAZOLE 400 mg Tab | 1 | 12.00 | 1.37 |
| 2. | ALBENDAZOLE Susp. 10 ml | 1 | 15.50 | 5.45 |
| 3. | ALPRAZOLAM 0.25 mg Tab | 10 | 10.00 | 1.50 |
| 4. | ALPRAZOLAM 0.50 mg Tab | 10 | 14.00 | 1.75 |
| 5. | AMLODIPINE 2.5 mg. Tab | 10 | 23.00 | 2.87 |
| 6. | ARTESUNATE 50 mg Tab | 10 | 250.00 | 33.32 |
| 7. | AMIKACIN 500 mg. Inj. 2ml | 1 | 72.00 | 8.70 |
| 8. | AMLODIPINE 5 mg. Tab | 10 | 22.00 | 3.15 |
| 9. | AMLODIPIN 5 mg + ATENOLOL 50 mg Tab | 14 | 30.00 | 4.65 |
| 10. | CETRIZINE 10 mg Tab | 10 | 35.00 | 1.50 |

2. Treatment cost of most illnesses falls sharply.
3. Increase in number of patients getting free drugs from hospital supply.
4. Decrease in expenditure from Rajasthan Pensioners Medical Fund (RPMF), so more patients can now be benefited.

This can be made possible if two things happen simultaneously:–



THE ULTIMATE SOLUTION : STATUORY PRICE CONTROL FOR ALL ESSENTIAL DURGS :

It is the government, which can provide medicines at an affordable cost and improve medicine accessibility. In India, an effective price control mechanism is a must, failing which the medicine accessibility will become less and lesser as most of the countrymen pay for medicines from their own pocket. The need is that Central Government should introduce a more effective drug pricing policy that would bring down the high profit margins for the pharmaceutical trade and make medicines more affordable for the common man.

Liberalisation has nothing to do with a price protective mechanism in a sector as vital as healthcare. The medicines under national list of essential drugs must be kept under price control domain and the provision to control of newer necessary medicines useful public health should be made.

Supreme court in its interim order dated, March 10, 2003 in Gopi Nath case has directed the central government to ensure that essential and life saving drugs are kept under price control. The fact that Karnataka High Court and subsequently Supreme Court stayed the implementation of pharmaceutical policy 2002 questioning the stand of Government over the exclusion of many essential drugs under the ambit of price control speaks the importance of price controlled essential durgs in India. This is yet to be complied with.

At present only 74 drugs have ceiling prices. If SC orders of 10 Mar. 03 are complied with, it would result in control on ceiling prices (i.e. control on MRP) of about 350 Essential Drugs and many other life saving drugs as well. Even if these drugs could be provided at affordable prices many more human lives could be saved.

*Distt. Collector & Distt. Magistrate
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Healthy Laughing

A priest put up a sign board saying :

'I pray for all'

A lawyer passing by wrote below :

'I plead for all'

A passing doctor scribbled underneath :

'I prescribe for all'

Finally a passing citizen added :

'And I pay for all'