Access to Medicines
&
Universal Health Coverage

by
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Indian Pharmaceutical Alliance

Chennai
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Outline of Presentation

- Factors Influencing Access
- Need for Change in Mindset of Price Controls
- Urgency to Focus on Ensuring Availability
- Summing Up
Factors Influencing Access

- Medicine Prices
- Inadequate Competition
- Legalized Monopoly
- Barriers to Trade
- Drug Regulatory Authority
Factors Influencing Access

Medicine Prices

- Price - Quality Equilibrium
- Procurement of Medicines
- Consumer Confidence in Quality
- Sustainability of Supply

*Success of UHC Depends on Quality and Availability*
Factors Influencing Access

Inadequate Competition

- Pro-competitive Policy Framework
- Anti-competitive Policy Framework
- Impact Assessment of Policy

Alternate Sources of Supply is Key to Containing Prices
Factors Influencing Access

Legalized Monopoly

- Patent
- Patent Linkage
- Data Exclusivity

**Need to Balance Conflicting Interests**
Factors Influencing Access

Barriers to Trade

- Bilateral/Plurilateral Agreements
  e.g.: Trans-Pacific Partnership Agreement (TPPA),
  Transatlantic Trade & Investment Partnership (TTIP)

- EU Enforcement Framework
  e.g.: Trade Mark Reform

- Ineffective Coalition of Countervailing Forces

Wake-up Call for Pulling Resources Together
Factors Influencing Access

Drug Regulatory Authority

- Drug Approval Process
  Need to Differentiate New Drug, Generic & Biosimilar
  Bringing Accountability and Defining Time Lines

- Building Competence

- Empowering the Regulatory Authority

- Ensuring Transparency

*Calling “Snake Pit of Corruption” Only Aggravates the Problem*
Need for Change in Mindset of Price Controls

Understanding Market Dynamics

- UHC = Free Access to *Essential* Medicines
- Tendering Process Will Check Prices & Ensure Quality
- Reinforcing Supply to Meet Incremental Demand

*UHC Brings a New Dimension to Access*
Urgency to Focus on Ensuring Availability

Learning From the Past

- Lessons from DPCO 1979
- Lessons from DPCO 1995
- Emerging Scene Under DPCO 2013

  Early Trends
  Mid-Term Impact
  Long-Term Impact

- Evidence Based Policy Making

**Government Procurement for UHC Will Lead to Demand Spurt**
Emerging Scene

Period:
Jan-Jun: 2014 Over 2013

Segmentation:
Top – Above 5% Value MS
Mid – Between 1% & 5% Value MS
Low – Below 1% Value MS

Measurement Parameters:
Volume MS %
Volume Growth %

Sample Size:
Randomly Selected 10 Major Scheduled Products

Therapeutic Segment:
Antibiotics, Cardiovascular, Anti-diabetic
# Urgency to Focus on Ensuring Availability

## Decline in Volume Growth & MS of Lower Segment

<table>
<thead>
<tr>
<th>No</th>
<th>Product</th>
<th>2014 Growth %</th>
<th>MS %</th>
<th>2013</th>
<th>2014</th>
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<tbody>
<tr>
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<td>2.75</td>
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<td>Pantoprazole</td>
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</table>

Source: AIOCD Pharmasoftech AWACS Pvt Ltd, MAT June 2014

Who is Loosing?
### Urgency to Focus on Ensuring Availability

### Rise in Volume Growth & MS of Top Segment

<table>
<thead>
<tr>
<th>No</th>
<th>Product</th>
<th>2014 Growth %</th>
<th>MS % 2013</th>
<th>MS % 2014</th>
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Source: AIOCD Pharmasoftech AWACS Pvt Ltd, MAT June 2014

**Who is Winning?**
Urgency to Focus on Ensuring Availability

Losers: No. of Brands Reporting Decline in Volume

<table>
<thead>
<tr>
<th>No</th>
<th>Product</th>
<th>Volume Growth %</th>
<th>Segments</th>
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<tr>
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<td>Cefixime</td>
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<td>2/4</td>
<td>11/19</td>
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<td>3</td>
<td>Azithromycin</td>
<td>4.3</td>
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<td>11/19</td>
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<td>Ceftriaxone</td>
<td>11.0</td>
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<td>Metoprolol</td>
<td>5.3</td>
<td>2/6</td>
<td>6/13</td>
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<td>Amlodipine</td>
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<td>Clopidogrel</td>
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<td>2/6</td>
<td>4/6</td>
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<tr>
<td>8</td>
<td>Metformin</td>
<td>(10.8)</td>
<td>2/5</td>
<td>4/7</td>
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<tr>
<td>9</td>
<td>Losartan</td>
<td>(2.3)</td>
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<td>8/14</td>
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<tr>
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<td>Pantoprazole</td>
<td>5.5</td>
<td>1/7</td>
<td>3/6</td>
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<td></td>
<td><strong>Total</strong></td>
<td><strong>16/ 49 62/ 120 574/ 1416</strong></td>
<td><strong>652/ 1585</strong></td>
<td><strong>41</strong></td>
</tr>
</tbody>
</table>

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*On an Average 40% of Brands Reported Decline in Sales*
Summing Up

To Promote Universal Health Coverage...

- Focus on Primary Objective of Access
- Promote Policies that Reinforce Supply
- Move Away from Mindset of Price Control
- Strive for Uniform Product Quality
- Support Strengthening of Drug Regulatory Framework
- Work for Coalition of TRIPS Compliant IPR Regime

*Work for Win Win Regime*
THANK YOU

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