

Improving Access; Promoting Innovation

**Access to Medicines
&
Universal Health Coverage**

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Access to Medicines & Universal Health Coverage

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

Urgency to Focus on Ensuring Availability

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

No	Product	2014 Growth %	MS %	
			2013	2014
1	Amoxicillin + Clavulanic Acid	2.75	18	16
2	Cefixime	-28.13	11	8
3	Azithromycin	-17.22	18	15
4	Ceftriaxone	-21.97	10	7
5	Metoprolol	-1.86	10	9
6	Amlodipine	-10.08	7	6
7	Clopidogrel	-19.01	11	9
8	Metformin	1.70	14	16
9	Losartan	-7.93	9	8
10	Pantoprazole	-3.11	12	11

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

No	Product	2014 Growth %	MS %	
			2013	2014
1	Amoxicillin + Clavulanic Acid	8.80	45	45
2	Cefixime	2.88	46	49
3	Azithromycin	24.41	33	40
4	Ceftriaxone	16.03	69	72
5	Metoprolol	15.67	47	52
6	Amlodipine	6.41	71	74
7	Clopidogrel	4.57	74	76
8	Metformin	-15.65	71	67
9	Losartan	-0.68	47	48
10	Pantoprazole	8.90	78	81

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

No	Product	Volume Growth %	Segments			Total	
			Top	Mid	Low	No	%
1	Amoxicillin + Clavulanic Acid	10.4	1/3	5/20	103/248	109/271	40
2	Cefixime	(2.8)	2/4	11/19	107/250	120/273	44
3	Azithromycin	4.3	0/3	11/19	126/311	137/333	41
4	Ceftriaxone	11.0	2/4	4/7	62/162	68/173	39
5	Metoprolol	5.3	2/6	6/13	17/34	25/53	47
6	Amlodipine	1.2	2/8	6/9	39/77	47/94	50
7	Clopidogrel	1.3	2/6	4/6	12/44	18/56	32
8	Metformin	(10.8)	2/5	4/7	41/96	47/108	44
9	Losartan	(2.3)	2/3	8/14	22/64	32/81	40
10	Pantoprazole	5.5	1/7	3/6	45/130	49/143	34
	Total		16/49	62/120	574/1416	652/1585	41

Source: AIOCD Pharmasoftech AWACS Pvt Ltd, MAT June 2014

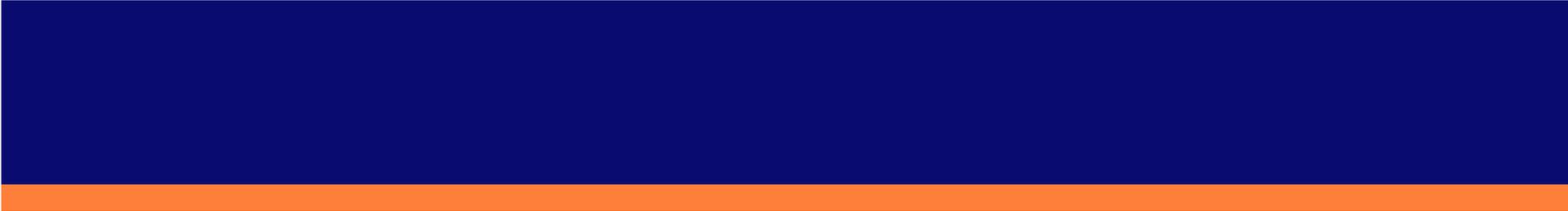
On an Average 40% of Brands Reported Decline in Sales

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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