

Increase in drug prices highest in last 40 years

ISLAMABAD: For the first time in history of Pakistan, a government has allowed the pharmaceutical companies to increase the prices of 45,000 medicines upto 15 percent, whereas the prices of 463 hardship medicines have been increased up to 200 percent -- the highest increase in the last 40 years.

The Drug Regulatory Authority of Pakistan (DRAP) while justifying the increase in prices claim that the decision of increase in prices has been taken under the Supreme Court of Pakistan's judgment of November 14, 2018.

The drug regulatory body gave approval of increasing prices in two phases which it claims was done on the directions of the Supreme Court. On December 31, 2018, the DRAP issued a notification for price adjustment of 889 medicines. Out of these 889 medicines, the adjustment of 889 medicines. Out of these 889 medicines, the prices of 395 were reduced, whereas prices of 463 medicines that fall into hardship categories, were increased up to 200 percent based on their cost of production and formula prices. Beside this, the DRAP also allowed to further increase the prices of these 463 medicines up to 9 percent due to increasing dollar rate. This means DRAP gave approval to increase the prices of 463 medicines twice in one go.

Interestingly, even after such a mammoth increase, some companies have further inflated the medicine prices illegally by extra 15 percent without approval of the regulatory body. The DRAP issued an SRO for increase in prices of hardship medicine up to 200 percent.

The second notification was issued by DRAP on January 10, 2019 for regular medicines according to which all the drugs registered with the regulatory body have been allowed to increase their prices by 15 percent. There are 65,000 medicines registered with DRAP out of which 45,000 medicines are available in Pakistani market. Though the notification of surge in prices is for all the 45,000 medicines however, it could be around 2,000 to 3,000 whose prices have been increased until now. The rest of the medicines may increase their prices at the time of production of new batch.

Talking to The News, DRAP's Director Pricing Amanullah said DRAP has been working with the medicine companies since February 2018 on the directions of Supreme Court to chalk out a pricing mechanism. Initially the medicine companies and DRAP finalised the pricing formula for the medicines that fall in hardship category. Each medicine's case was discussed separately, therefore, the ratio of increase is also different for each medicine, he said.

"The pharmaceutical companies have been demanding increase in medicine prices since last many years. Ultimately, the apex court directed the DRAP to formulate a pricing mechanism after which the decision of increase in medicine prices was taken. The pharmaceutical industry was demanding 34 percent increase, but DRAP has allowed them to increase the prices by 15 percent only," commented Amanullah.

Arif Yar Khan, Secretary Finance Islamabad Chemist Association, while talking to The News, said he has been in this business since last 40 years and has never seen such an abrupt decision of increasing the prices to this level.

“The increase in medicine prices is not 15 percent which is being claimed by the DRAP authorities, but there are some medicines whose prices have been increased up to 200 percent and most of the drug prices have increased up to 100 percent. Seventy percent of the medicines whose prices have been increased up to 200 percent are being manufactured by multinational companies,” he commented.

He said the remaining companies will increase the prices gradually and this will further worsen the situation. The inflated prices of essential medicines have been increased due to which it has become more difficult for a common man to purchase medicines for heart and diabetes patients.

Earlier, Minister for National Health Services, Regulation and Coordination Aamir Mehmood Kiyani announced to take action against the pharmaceutical companies who have increased the medicine prices illegally.

The medicines whose prices have been increased illegally by extra 15 percent include Xynosine drops, Dosik tablet, Xecomb ear drops, Qalsan D tablets, Avil syrup, Buscopan plus tab, Moduretic tablets, Citralka syrup, Mycitrinin Plus ointment, Haemaccel infusion, Gravinat injection, Hydryllin DM syrup, Hydryllin syrup, Gravinat liquid, Negram suspension, Peditral liquid, Lederplex syrup, Mucaïne suspension, Entox-P tablet, Prothiaden tablets, Rashnil cream, Folic Acid tablets, Xanax tablets, Norvasc tablets, Tenormin tablets, Tenoret tablets, Lipitor tablets, Cefspan capsules, Claforan injection, Fortum injection, Ciproxin tablets, Dalacin T lotion, Dalacin V cream, Singulair tablets, Cell cept tablets, Tamitlu capsules, Zocor tablets, Nolvadex tablets, Clozaril tablets, Rhophylac, Pulmonal syrup, Spa Forte tablets, Proxen tablets, Synflex tablets, Rivotril tablets, Neurobion tablets, Neurobion injection, Monofer injection, Plasil with enzymes, Clomfranil, Mosegor V syrup, Restoril, Mepresor, Zatofen tablets, Galvus Tablets, Xplended tablets, Lanoxin tablets, Adriblastina RD injection, Diflucan capsules, Amaryl tablets.

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