Draft Pharma Policy

Why in news?

\n\n

The draft pharma policy was recently released by the Department of Pharmaceuticals (DOP).

\n\n

What are the highlights of draft pharmaceutical policy?

\n\n

\n
- The new pharmaceutical policy proposes to balance the need for price control over medicines.
\n
- Union government will gain a greater role in deciding prices of medicines and medical devices.
\n
- Pricing authority will regulate only medicines that are specified by the government in the National List of Essential Medicines.
\n
- The price caps being imposed on patented medicines are reduced.
\n
- Policy allows pharmaceutical manufacturers to sell their medicines under only under generic names and not under differently-priced brands.
\n
- Manufacturing of drugs under WHO standards is made mandatory.
\n
- The policy seeks to bring down the unreasonable trade margins offered by various stockists to hospitals.
\n

\n\n

What are the issues with the policy?

\n\n

\n

- The policy fails to lay controls over the chemists, this may facilitates the sale of fake drugs.
  \n
- The policy doesn’t have any mechanisms to boost production standards.
  \n
- Instead of an appellate authority, it seeks to give bureaucrats more powers on drug controls.
  \n
- **Direct price control** – Government takes role of fixing the drug price.
  \n
- This will affects the quality, innovation, and hurts patients as much as it does companies.
  \n
- It opens the door to lobbying and rent-seeking with all the attendant dangers for competition and for corruption.
  \n

\n\n

What measures can be taken?

\n\n

  \n
- It will be better if price monitoring focuses on essential drugs, there are about 200.
  \n
- Strict price control measures needs to be avoided and market friendly pricing should be followed.
  \n
- Domestic production of import drugs should be promoted, with better quality and affordability.
  \n
- The government should also consider specific steps against overcharging of prices by the industries.
  \n

\n\n

\n\n

Source: Business Standard

\n



SHANKAR
IAS PARLIAMENT
Information is Empowering