

Column for Manila Bulletin
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Of Trees and Forest

Cheaper Medicines

MANILA, Philippines — In less than three months from today, we will mark the fourth anniversary of Republic Act 9502, “The Universally Accessible Cheaper and Quality Medicines Act,” signed in June 6, 2008.

Last March 8, the Senate Committee on Trade and Commerce, which I chair, conducted a public hearing to review the progress of implementing the cheaper medicines law and whether it has benefited the poor, supposedly the main beneficiary of bringing down drug prices.

Frankly, I was disappointed when I was informed that no one really monitors how this very important pro-poor law is being implemented, particularly compliance by drug companies and drug stores.

If, indeed, no one is monitoring its implementation, how do we expect everybody to comply? And, why do the implementing rules and regulations (IRR) of the law limit price ceilings to just 22 types of medicines?

The law provides penalties for violations of its provisions, but without monitoring, the law becomes toothless and ineffective. This is regretful. It deprives the people, especially the poor, access to quality, effective, and affordable medicines.

Modern times have brought about a lot of diseases never known in the past, so I am so disappointed that the IRR of RA 9502 is limited only to a few medicines. The objective of the law is for a much wider coverage, which means far more benefits to the poor than 22 medicines can give.

It seems that the problem with high prices of medicines goes all the way back to the manufacturers. I agree with the position of drug stores that if the prices set by manufacturers are high, the drug stores are unable to sell at low prices. So, it is fair to set price ceilings on the manufacturers, too. For this purpose, a Price Regulatory Board for medicines may be a good idea.

There are also persistent reports about the existence of monopolies or cartels in the drug industry which allegedly control more than 50 percent of drug distribution. My committee intends to invite representatives of drug manufacturers in a future hearing to present their side on this issue, and, hopefully, to get their input on how to improve the law.

The law focuses, on parallel importation as a way of bringing down drug prices. Under parallel importation, the same drug that is produced and sold at high prices in the Philippines can be imported, with or without the consent of the patent owner, from other countries (like India and Pakistan) and sold here at prices much lower than locally manufactured drugs.

However, the law does not provide for the development of a local drug company (outside of the local subsidiaries of multinationals) that could have taken advantage of the fact that between 80 and 90 percent of essential drugs being sold in the Philippines are no longer patented.

I expect to receive more comments and suggestions which my committee can take into consideration in reviewing the Cheaper Medicines Law.

At this stage, what is clear is that the law needs to be amended to remedy the problems that came out in its implementation in the past four years.

We will, indeed, propose amendments, but these will be in keeping with the spirit of the law--- to make essential medicines within reach of the majority of poor people.

After all, providing healthcare to the people does not only mean giving them access to consultations with medical specialists. It also means helping them buy cheaper medicines prescribed for their illnesses.

(Please send comments/feedback to mbv_secretariat@yahoo.com)

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