

Medicine prices should fall soon, officials say

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DUBAI // Prices on more than 200 recently licensed medications will be reduced to make them the cheapest in the GCC, a senior health official has said.

Medications approved for sale in the past six months will be included in the plan, Dr Amin al Amiri, the Ministry of Health's assistant undersecretary of medical practice and licence, said yesterday. The cost of generic versions of branded drugs will be cut to levels lower than those in Saudi Arabia, which currently has the lowest prices in the region.

"The decision was taken by the Higher Committee for Medicine Pricing and Registration in its last two meetings that the prices of medications should be the lowest in the GCC," he said.

"The issue is that some medications were priced more than 10 years ago and now we are taking a renewed look at the prices."

Dr al Amiri said 209 types of medications have been priced at lower rates. Reductions were typically about 5 per cent and could run as high as 15 per cent, he said.

The ministry held a workshop yesterday to discuss the issue of drug pricing with PhRMAG, an industry association with a mandate to represent the pharmaceutical industry that includes 22 of the largest research-based pharmaceutical companies operating in the Gulf.

Dr al Amiri reassured the companies that the ministry would share its views with stakeholders to make sure that new systems suit the requirements of the country and those of the investors and patients before implementing any new regulations.

"We undertook a study over the last 18 months comparing the prices for different countries to address the current situation for patients, especially those with chronic diseases," he said.

"What has been discovered is that the price of medications in the UAE is much higher compared to other countries and we felt that we have to find the best solution and a way forward.

"We have examples of some medications that cost Dh50 in Jordan but in the UAE the price is Dh180."

The solution being considered is a reduction in the cost-insurance-freight (CIF) measure indicating the price invoiced or quoted by a seller up to the port of destination. The ministry reduced the percentage of profits for local agents and pharmacies in 2008.

Pharmaceutical companies said they were amenable to having meetings and negotiations with the ministry with a view towards working out an equitable agreement.

"I think Dr al Amiri mentioned something very critical when he said there will be lots of negotiations between the Ministry of Health and individual companies to see how else companies can contribute in terms of their pricing," said Nidal Fakhoury, the chairman of the PhRMAG executive committee.

"Companies are very receptive to having discussions and finding out what products are in reference and seeing what can be done to reduce CIF prices."

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