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Anti-cancer drug price regulation in India: Financial implications and annual savings to patients

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Background

The projected incidence of patients with cancer in India among males was 679,421 (94.1 per 100,000) and among females 712,758 (103.6 per 100,000) for the year 2020. Most Indian patients bear their expenses out of pocket. The escalating costs forces them to compromise treatment and sometimes avoid necessary medical care. This has a negative impact on quality of life and overall survival. Reducing prices of chemotherapeutics by the National Pharmaceutical Pricing Authority (NPPA) is a welcome step. NPPA is an organization of the government of India, to revise the prices of drugs under the Drugs (Prices Control) Order. Effective since March 8, 2019, under the NPPA order, 42 non-scheduled anti-cancer drugs have received a price cut up to 85%, capping the maximum retail price (MRP). The margin ought not to exceed 30% above the price to stockist, giving the new MRP leading to INR 800 crore (8 billion) annual savings.

Methods

The price difference (pre and post NPPA) for the 42 drugs, annual savings and average reductions was calculated.

Results

Average price reductions: Table: 15040

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DRUG	AVERAGE PRICE REDUCTION (IN %)
AZACYTIDINE	46
BENDAMUSTINE	58
BEVACIZUMAB	48
BORTEZOMIB	73
CABAZITAXEL	42
CYTARABINE	47
DECITABINE	37
DOXORUBICIN	57
ERLOTINIB	61
EVEROLIMUS	50
FULVESTERANT	44
IRINOTECAN	60
LENALIDOMIDE	50
LEUPROLIDE	21
PEMETREXED	68
PACLITAXEL	60
PEG FILGRASTIM	54
POMALIDOMIDE	22

Example of 2 drugs: One of the dramatic reductions has been applied to pemetrexed. Most brands of pemetrexed were above INR 18000 for 500 mg dose. Prices have now been slashed 40-86%, and is now priced between INR 2000 to INR 5500. Average cost of one year therapy has reduced from INR 600000 (USD 8000) to INR 75000 (USD 1000), and per cycle cost has decreased from INR 35000 (USD 466) to INR 4500- 8000 (USD 60-100). Erlotinib prices have been slashed by 45% to 84%. Considering a median progression-free survival (PFS) of ten months, the savings would be 87%.

Conclusions

Price cuts under NPPA have immensely benefitted patients in India, where most pay out of pocket. Annual savings amount to INR 800 crore. More patients will be empowered to continue treatment. NPPA needs to revise prices of trastuzumab, rituximab, TKIs and immunotherapy too. COVID-19 has led to loss of jobs and erosion of savings, with increments in health expenditure. Cancer care adds to the burden and thus any reduction in prices would be a boon.

Legal entity responsible for the study

The authors.

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Disclosure

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