# Study on Pricing Method and Price of Top Selling Eight Medicines from Nepalese Manufacturers

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**Background**

Pharmaceuticals are a valuable and often critical tool in effort to provide quality health care to patients. However, one-third of the world's population lacks reliable access to the medicines they need-primarily because they cannot afford to buy them. Serious concerns are being raised as to the high costs of health services including pharmaceuticals and the impact of those high costs on patient access and affordability. Though prices may vary considerably within a country, people do not have information on the price structure or where to find the best prices. The same is often true of government authorities and health care managers.

**Methods**

This study was cross-sectional. Manufacturers were listed and purposively categorized into three groups: a. World Health Organization-Good Manufacturing certified industries b. Industries in process of World Health Organization-Good Manufacturing Practice implementation c. Industries with no significant achievement in World Health Organization-Good Manufacturing Practice implementation. Data on prices of key medicines both local pharmaceuticals and imported product in the market from 101 retailers from Kathmandu, Bhaktapur and Lalitpur districts. Data was entered using Microsoft Excel and median, range and variation were calculated. Data related to pricing methods were synthesized and final report was prepared based on quantitative information, synthesized information and document review.

**Results**

National Drug Policy and Drug Act has provision of price regulation and there is Drug Price Monitoring Committee to advise Government of Nepal to protect the national interest and making drugs available to consumers in affordable prices and determining of prices of drugs imported or manufactured within country, they are not very effective in achieving the price control. In some case the actual selling price of the drug was found to be higher than the Maximum Retail Price. In determining the production cost of the drugs which is the basis for determining the Maximum Retail Price of the drugs there has been considerable variation in the factors. The frequent change in prices of the market was found to be guided by different factors which varied from one to another. Looking into the international price of drugs as well there exist a great variation in high/low ration of the drug price.

**Conclusions**

Government policy does not clearly guide the pricing mechanism for pharmaceutical manufacturers. There is drug pricing monitoring committee but it meets occasionally. There is considerable variation in retail price of drugs. Besides, there is variation in selling price of the same brand in different retailers. In some cases, this exceeds to Maximum Retail Price set by manufacturers.

**Keywords:** actual selling price; domestic; drug price; imported; retail price; manufacturers; maximum retail price; variation.