

Pharmaceutical Pricing Policies in Qatar and Lebanon: Qualitative Analysis

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Background

- Access to medicines is a human right. 1,2,3
- Achieving and fulfilling this right enhances the quality of an individual's life and sustains an adequate standard of health.
- World Health Organization (WHO) identifies several barriers to access including high medicine prices, availability, and affordability.
- WHO recommended pricing policies as per the "WHO Guideline on Country Pharmaceutical Pricing Policy" ⁴ were identified in the reviewed studies as represented in Figure 1 below:

Pharmaceutical pricing policy

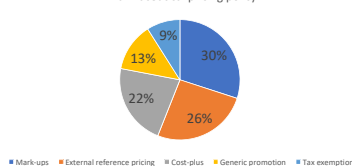


Figure 1. Identified WHO policies in reviewed articles

Objective

- This study aimed at reviewing and analyzing the pharmaceutical pricing policies implemented in two middle-east countries.

Methods

Study design:

- A thorough review and reporting of the official government documents (e.g., decrees, decisions, and laws) related to pharmaceutical policies in Qatar and Lebanon was conducted.
- Official documents related to national pharmaceutical pricing policies were reviewed and meetings with key informants in the registration and pricing departments in the Qatari and Lebanese ministries of public health were conducted.

Ethics:

- Qatar University IRB provided the exemption.

Population and sampling:

- The selection of key informants was purposive and followed a snowball sampling process. In total, four personnel were met, one in Lebanon and three in Qatar.

Timeline:

- The study was conducted between December 2016 and April 2017

Conclusion

- This study demonstrated that both countries were using multiple internationally recognized pharmaceutical pricing policies simultaneously.
- One area of focus should be the optimization and implementation of various supply and demand strategies for the promotion of generic medicines' availability and affordability.

Results

Table 1: Primary Features and Characteristics of the Pharmaceutical Pricing Policies and Regulation in Qatar and Lebanon

	Qatar	Lebanon
National Decree and Law	<ul style="list-style-type: none"> Decree number (1-10-1432) in 2011 	<ul style="list-style-type: none"> Decision 1/306 in 2005 Amendment decision 1/796 in 2014
Pricing Mechanism	<ul style="list-style-type: none"> Ex-factory price and retail price in the country of origin Price in countries where the medicine is marketed Proposed cost Pharmacoeconomic considerations may be considered if available Therapeutic significance Price benchmarking to several countries: country of origin, and other importing countries CIF price to KSA and thereafter Qatar imposes 44% OB price is reduced by 20% upon registration of first generic 	<ul style="list-style-type: none"> Ex-factory price and retail price in the country of origin Review of shipping certificate (CIF or FOB) to either: Jordan, KSA, Kuwait, Oman, UAE, Bahrain and Qatar or France, UK, Belgium, Switzerland, Italy, Spain, and Portugal Adopt the lowest MSP, and the lowest FOB among neighboring and basket countries (796/1) Repricing every 5 years
Generic Pricing Mechanism	<ul style="list-style-type: none"> First generic is 35% less than OB Second generic is 10% less than first generic Third generic is 10% less than second generic All subsequent generics are 10% less than third generic 	<ul style="list-style-type: none"> Generic is priced on the same mechanism as OB, and price to consumer is at least 30% less than OB (1/728 in 2013) If no OB is registered, prices are reviewed 3 months after third generic is registered and average price is adopted If the OB price was changed, the generics price should be changed in a rate that halves that of OB.
Locally Manufactured/Packed Pricing Mechanism	<ul style="list-style-type: none"> Locally manufactured generic: same pricing mechanism as generic If generics were already registered, then existing price applies Generic package under-license: same pricing mechanism as generic OB manufacturing and packaging under license: same pricing mechanism as OB 	<ul style="list-style-type: none"> Locally manufactured: adopt ex-factory price Packaged under-license: adopt ex-factory price in country of origin If generic, price must be at least 30% lower than OB
Basket of Countries	<ul style="list-style-type: none"> Country of origin Other GCC countries All other countries where medicine is exported 	<ul style="list-style-type: none"> Country of origin Neighboring countries France, UK, Belgium, Switzerland, Italy, Spain, and Portugal
Pharmaceutical Pricing Policy	<ul style="list-style-type: none"> ERP Mark-ups regulation HTA Promotion of the use of generics 	<ul style="list-style-type: none"> ERP Mark-ups regulation Promotion of the use of generics
Importing Currency	<ul style="list-style-type: none"> USD 	<ul style="list-style-type: none"> Several currencies according to exporting country and purchase currency
Price Adjustments for Exchange Rate Fluctuations	<ul style="list-style-type: none"> Occasionally (QAR is pegged to USD) 	<ul style="list-style-type: none"> Updated every two weeks
Shipping Agreement	<ul style="list-style-type: none"> Private: CIF Public: various agreement 	<ul style="list-style-type: none"> Public and private: CIF or FOB
Mark-up	<ul style="list-style-type: none"> Public: variable depending on the shipping agreement Private: uniform 	<ul style="list-style-type: none"> Private: digressive mark-up
Price Tag in the Private Sector	<ul style="list-style-type: none"> Set by the PDCCD in MOPH 	<ul style="list-style-type: none"> Set by wholesaler, adjusted by pharmacist in case of variation in price indices (exchange rate)

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