

Is NRDL Supporting Access or Hindering Access in China? A Time-Trend Analysis From 2017-2022

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Introduction

- The pharmaceutical market in China is rapidly growing, becoming an increasingly attractive market for multinational companies (MNCs)
- Inclusion in the National Reimbursement Drug List (NRDL), the main route for public reimbursement, is key for pharmaceutical products to gain wide market access in China
- Since 2017, NRDL’s scope has been expanded to cover innovative, patented drugs and has been updated in five consecutive years
- This research systematically examines how NRDL outcomes have evolved over time

Methods

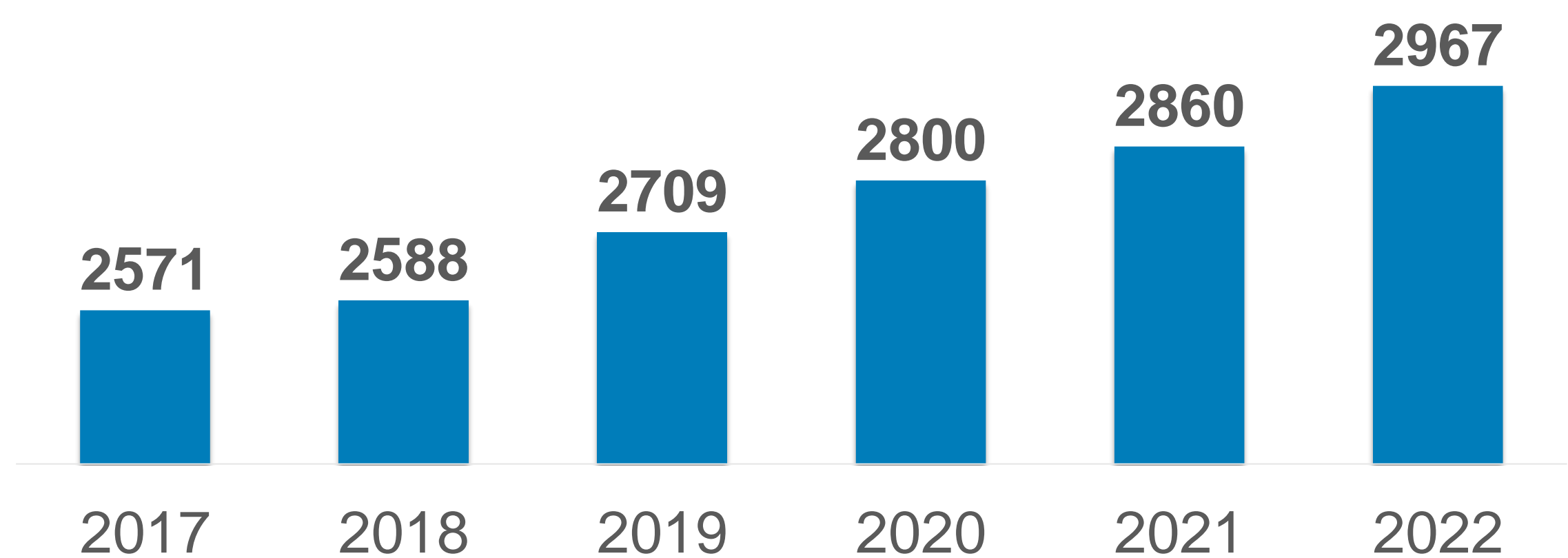
- NRDL outcomes (2017–2022) were identified and key information extracted (17-May-2023)

Results

Overview of NRDL listings

- The total number of medicines included in the NRDL increased by 15%, from 2571 (2017) to 2967 (2022) (*Figure 1*)
- An average of 71 new medicines were added per year (range: 74 [2021]–375 [2017]):
 - 52% of which were ‘Western’ medicines (i.e. non-traditional Chinese medicines)

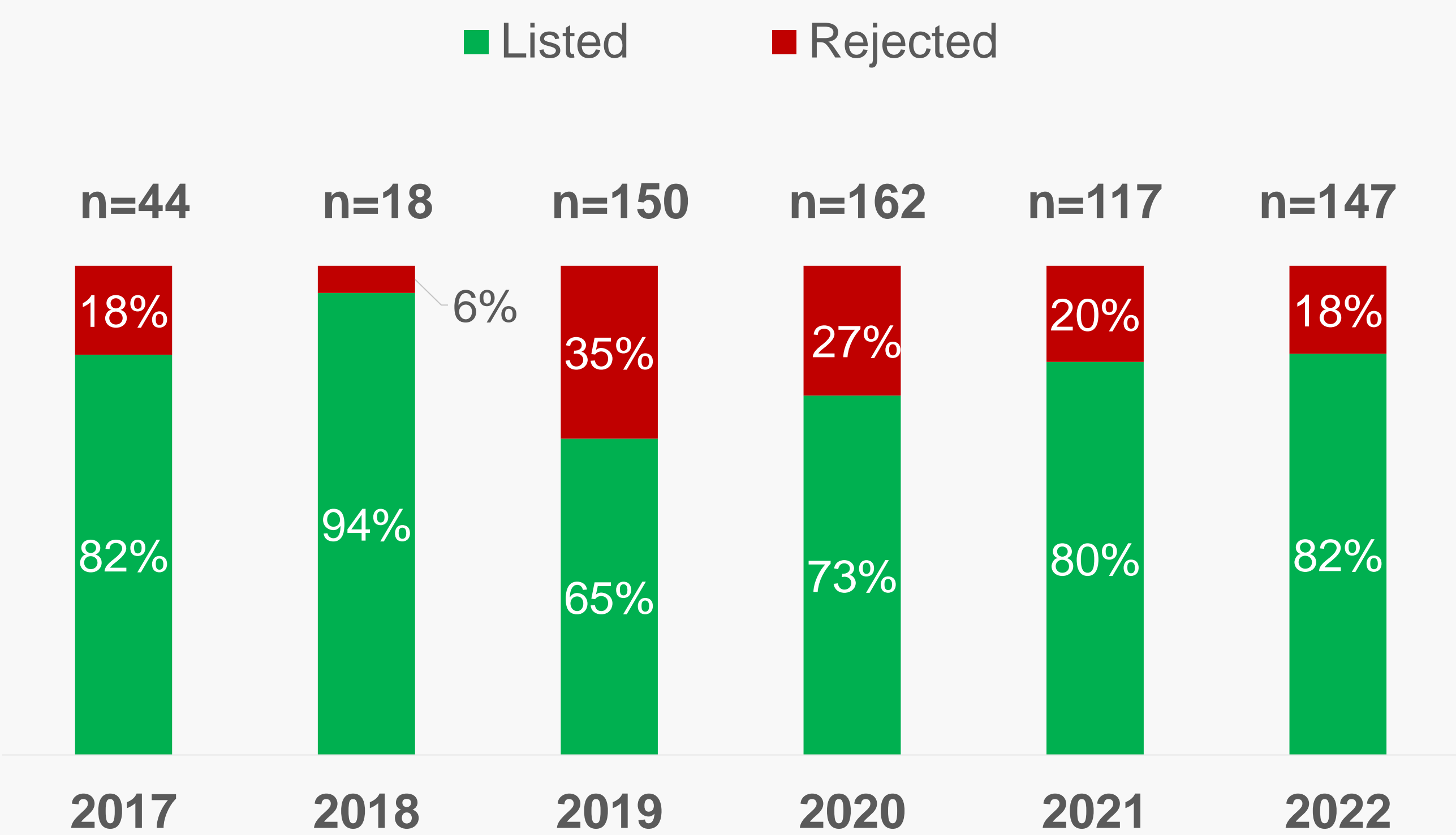
Figure 1: No. of NRDL-listed medicines



How successful have manufacturers been in getting access for medicines via the NRDL?

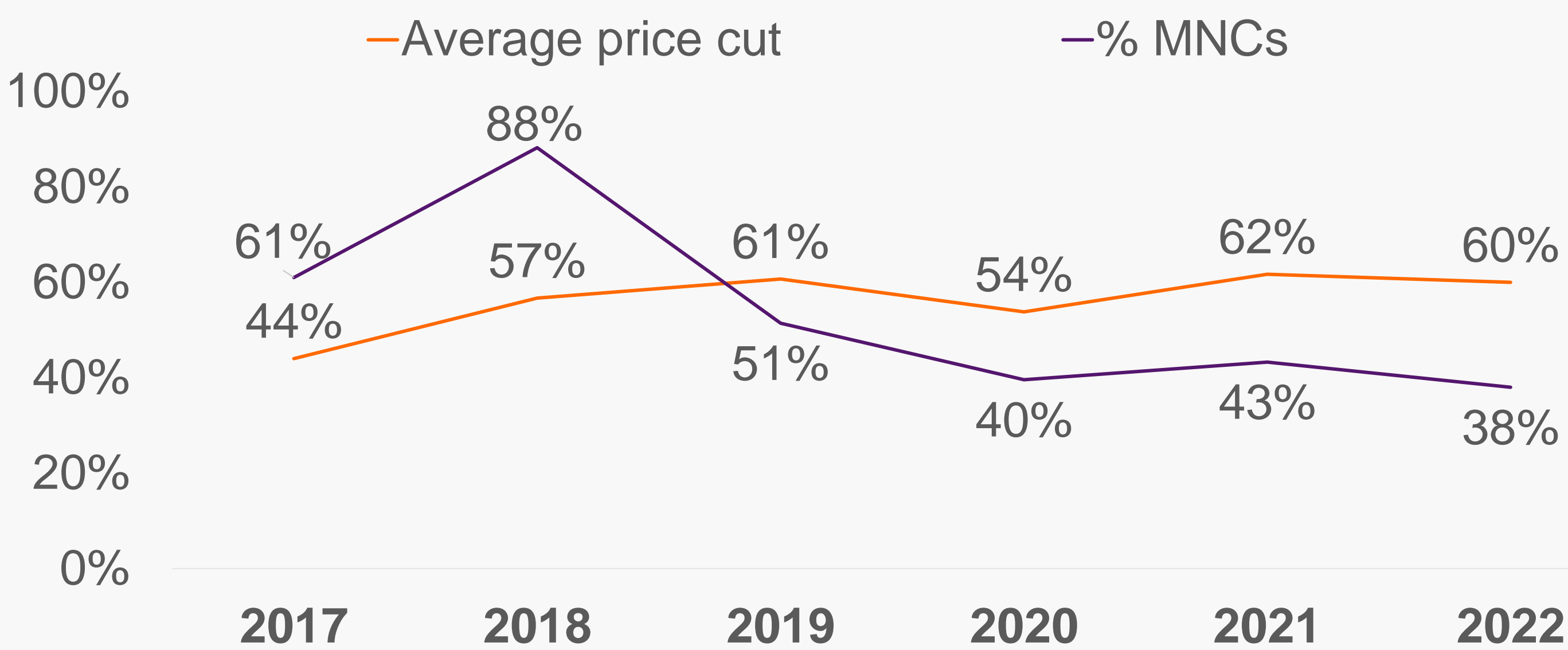
- Average negotiation success rate was 80% (*Figure 2*)
 - Range: 65% [2019] – 94% [2018]

Fig 2: Success/failure rates of negotiations



- However, the average price cut negotiated was 56% and has risen from 44% in 2017 to 60% in 2022 (*Figure 3*)
- Further, the proportion of negotiated medicines developed by MNCs dropped from a high of 86% in 2018 to 38% in 2022

Fig 3: Average price cut negotiated and % of medicines developed by MNCs



Conclusions

- Broader inclusion and policy updates show China’s increasingly supportive attitude towards providing access for innovative products
- However, steep price cuts have been demanded, with prices subject to further decrease upon NRDL renewals; the growing domestic competition layers in extra hurdles for MNCs
- To optimize access, it is increasingly important for MNCs to validate price-access trade-offs before pursuing coverage via the NRDL – by assessing the likely level of price discounts required, volume/revenue potential, and implications for launch sequencing – with a long-term vision and lifecycle management strategy in place
- Beyond the NRDL, MNCs should also consider alternative routes to patient access, such as commercial health insurance, crowdfunding and direct-to-patient financing – particularly in competitive areas with strong domestic presence

Abbreviations: MNC, multinational company; NRDL: National Reimbursement Drug List.