

Exploring reimbursement disparities: a comparative study of pharmaceutical access in Hong Kong and Mainland China

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Introduction

- Inclusion in the National Reimbursement Drug List (NRDL) is the main route for public reimbursement of pharmaceutical products in mainland China
- In Hong Kong, a special administrative region in China, the Hospital Authority (HA) Drug Formulary is the primary route of public reimbursement
- This research compares reimbursement outcomes between mainland China and Hong Kong

Methods

- Reimbursement outcomes from the NRDL 2022 and the Hong Kong HA Drug Formulary (version 23-May-2023) were identified and compared
- Analysis date: 12-June-2023

Results

Number of medicines reimbursed

- In Hong Kong's HA Drug Formulary:
 - 924 general drugs are fully reimbursed,
 - 403 special drugs are reimbursed with certain conditions, and
 - 107 Safety Net Financial Assistance (SFI) drugs are exclusively reimbursed for patients facing financial difficulties (Figure 1)
- In the NRDL, 2,967 medicines are reimbursed, including 1,381 Traditional Chinese Medicines and 1,586 Western Medicines (Figure 2)

Figure 1: HA formulary coverage 2023

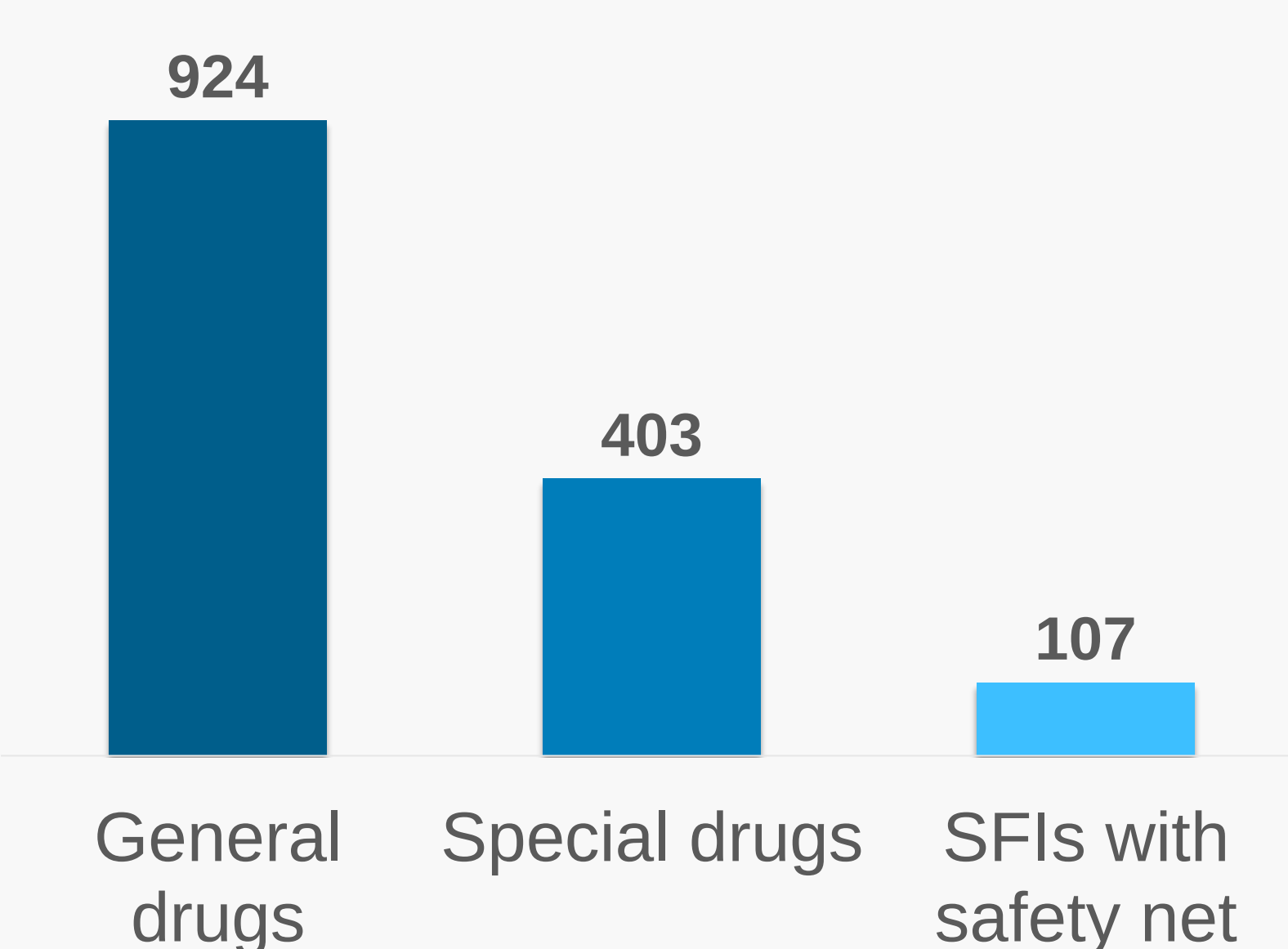
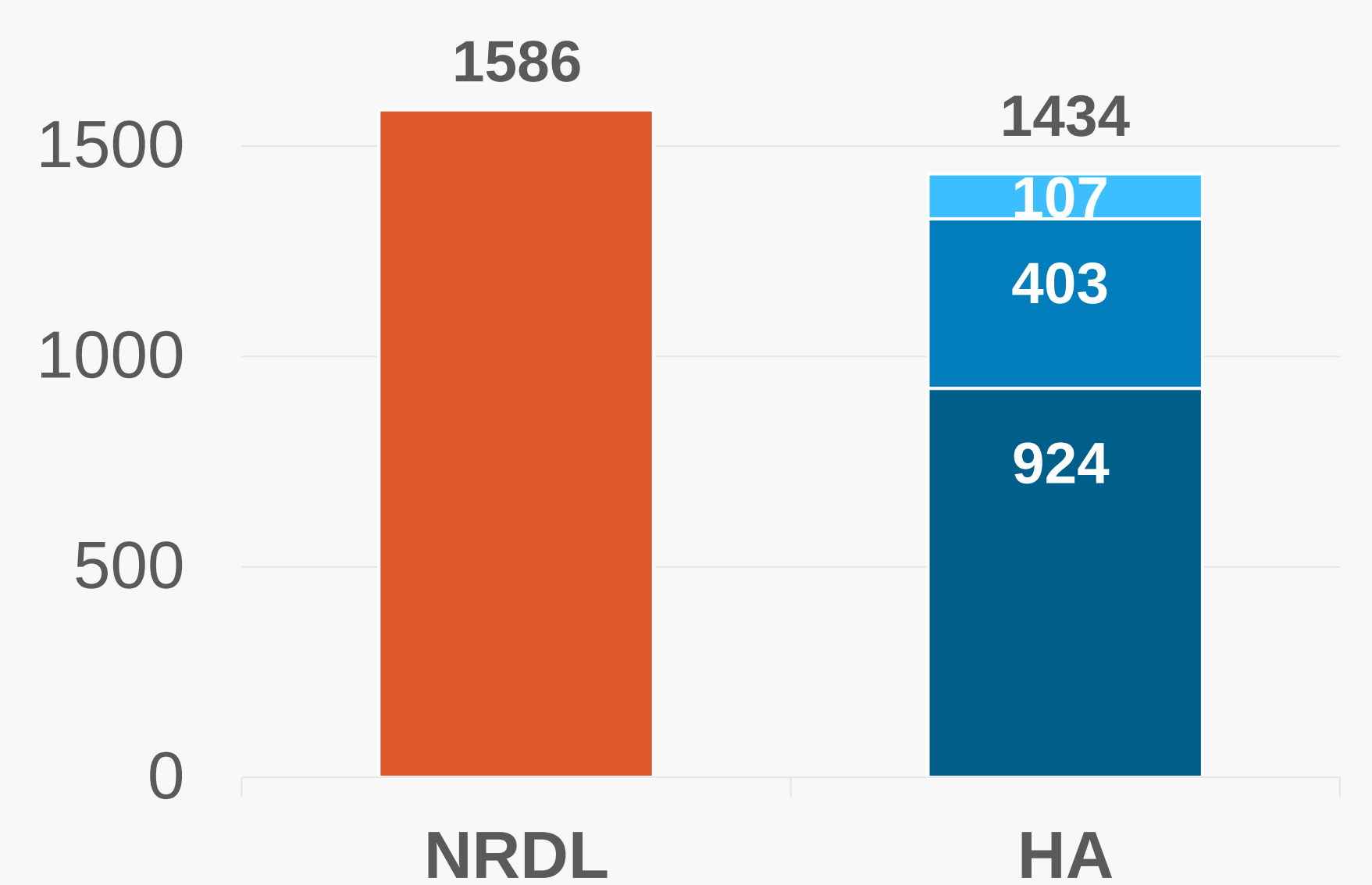


Figure 2: HA formulary vs. NRDL coverage



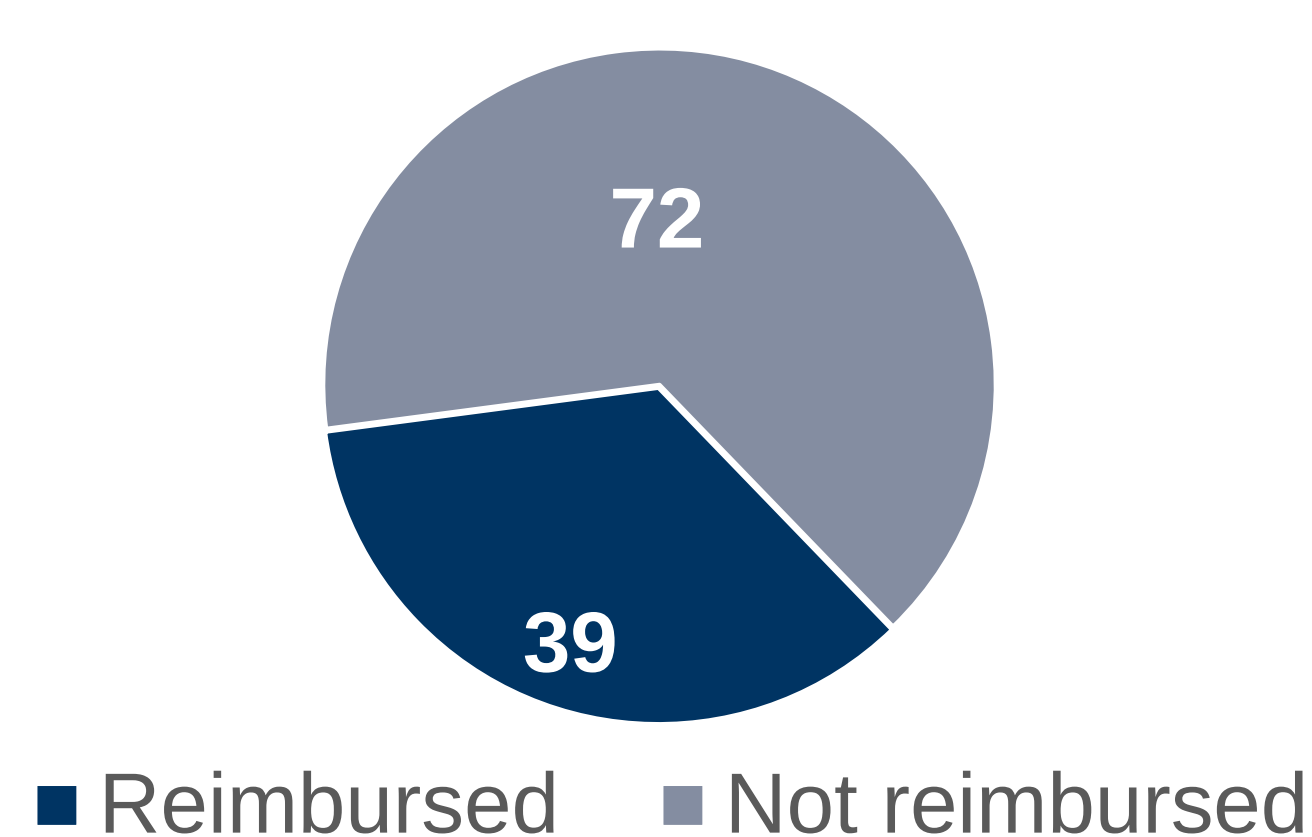
Coverage / reimbursement restrictions

- In the NRDL, all the included drugs are reimbursed at different rates (various among products and regions)
- In the HA Drug formulary, general drugs, special drugs, and SFIs with safety net are partially subsidized with standard fees, subject to certain disease/financial conditions

HA formulary	Definitions
General drugs	■ Well-established indications and cost-effective drugs available for general use ■ Provided at standard fees and charges in public hospitals and clinics
Special drugs	■ Provided at standard fees when prescribed under specific clinical conditions. Patients outside these conditions but choose special drugs must pay for them
SFIs with safety net	■ Proven to be of significant clinical benefit but are extremely expensive for the HA to provide as part of its standard services ■ Not covered by the standard fees; patients must buy OOP, with financial aid available through relevant funds for those who have financial difficulties
SFIs without safety net	■ Drugs with preliminary medical evidence only, drugs with marginal benefits over available alternatives but with significantly higher costs ■ Patients who choose to use these drugs must purchase with OOP expenses

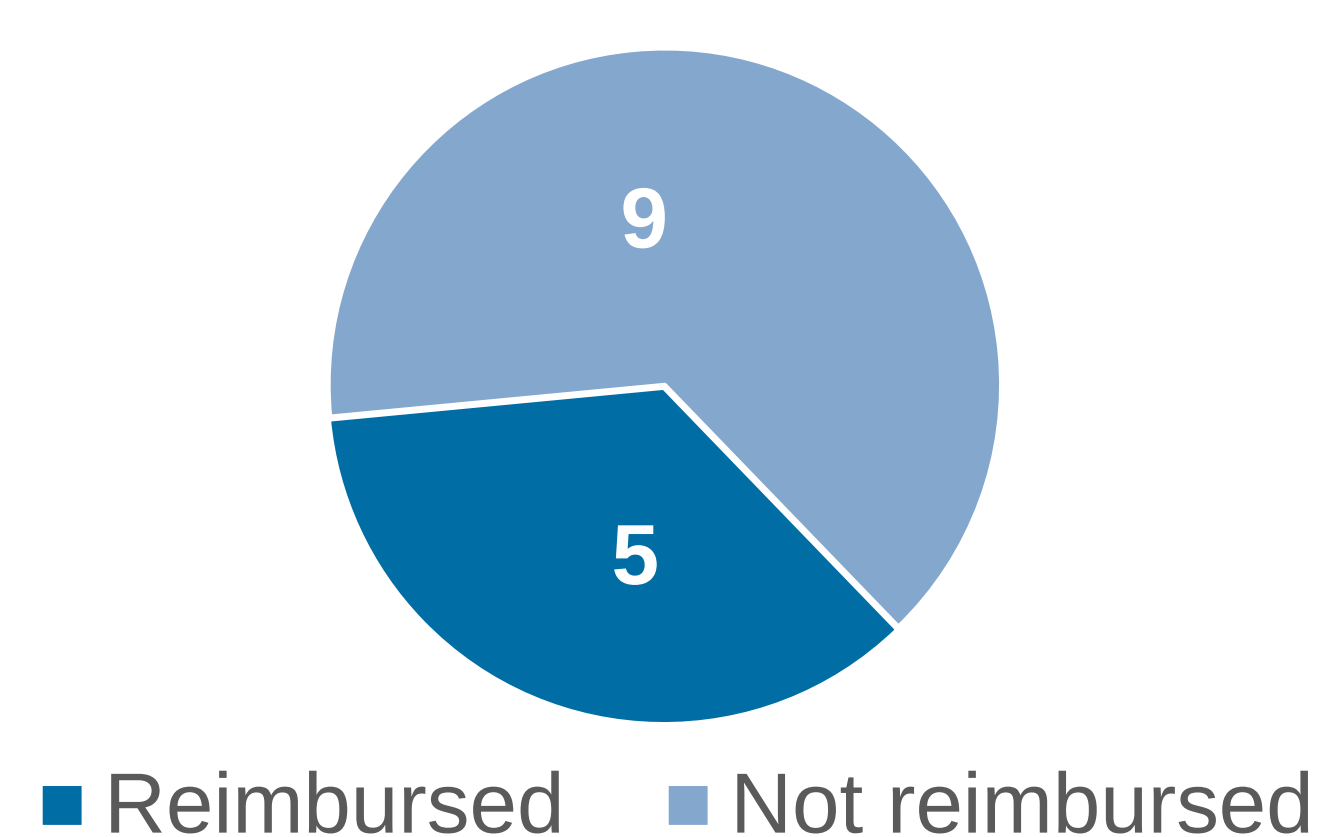
Types of medicines reimbursed

Among the 111 new entrants in the NRDL 2022:



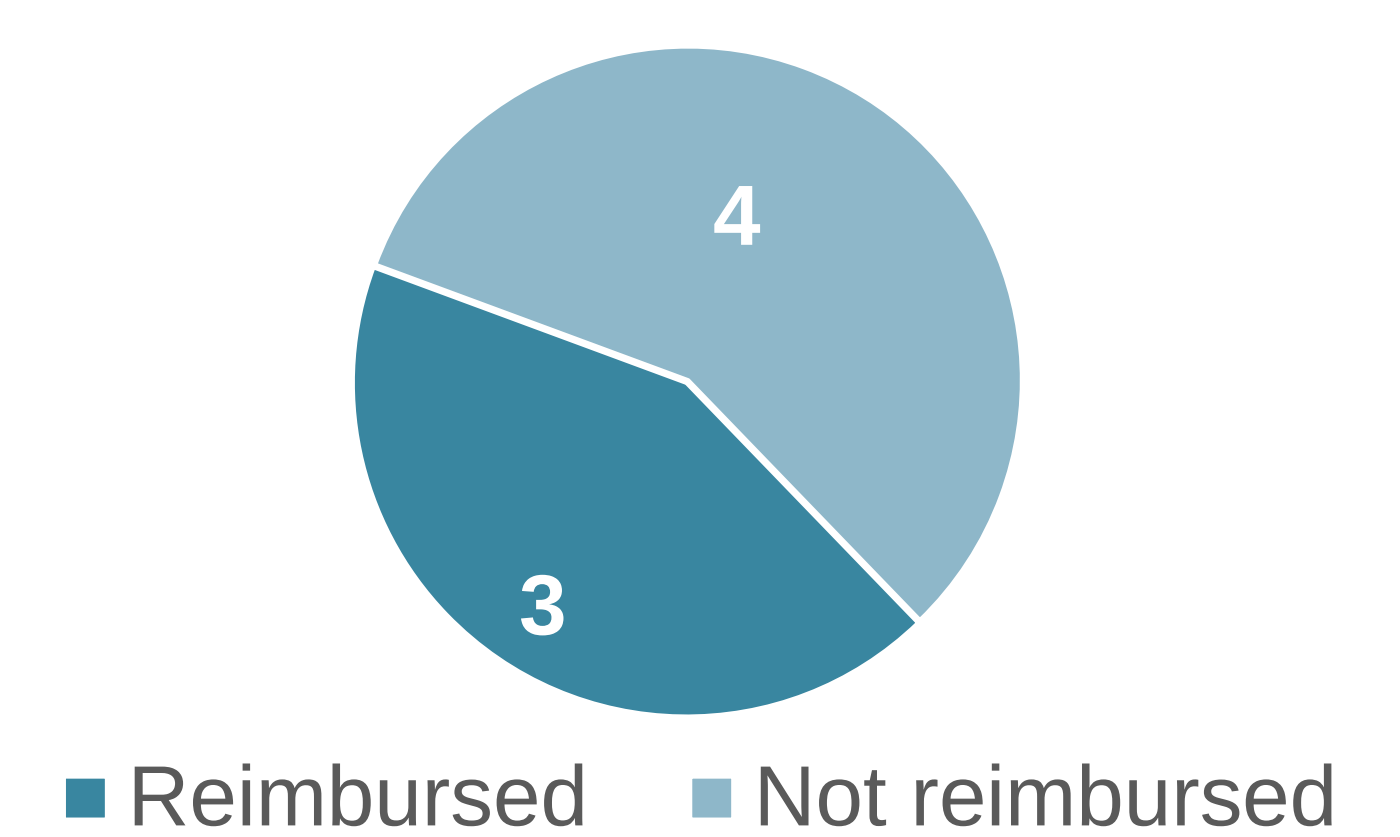
35% are reimbursed fully or partially in Hong Kong

Among the 14 new oncology NRDL entrants:



36% are reimbursed (all partially reimbursed) in Hong Kong

Among the 7 new rare disease NRDL entrants:



43% are reimbursed (all partially reimbursed) in Hong Kong

Conclusions

- The comparison of pharmaceutical reimbursement between mainland China and Hong Kong reveals notable differences, with the NRDL providing broader access, while Hong Kong's coverage appears to be less diverse and more limited, particularly for high-cost drugs
- While fewer innovative therapies are reimbursed in Hong Kong, the recent initiative of the Greater Bay Area offering an early access route may present opportunities for companies to explore accelerated market entry, enabling them to enhance market presence and maximize commercial opportunities in the region

Abbreviations: HA, Hospital Authority; NRDL: National Reimbursement Drug List; OOP: out-of-pocket; SFI: Self-financed Item.