Pricing policy in Ukraine

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External reference pricing for National Essential Medicines List

Criteria for the selection of medicines to which external reference pricing will be applied:

• Public regional tenders only
• Drug is included in NEML
• Drug (INN) sales during the past 12 month exceed UAH 5 mln. (USD 185,000)
• The weighted average price exceeds external reference price

Formula for calculating external reference price (ERP)

\[
ERP = \text{MEDIAN} (C1_{\text{min1}}, C2_{\text{min2}}, C3_{\text{min3}}) \times 0.8 \text{ income adjustment}
\]
<table>
<thead>
<tr>
<th>Level of income</th>
<th>GNP per capita</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low</td>
<td>&lt;1,005</td>
</tr>
<tr>
<td>Low to Middle</td>
<td>1005 - 3,955</td>
</tr>
<tr>
<td>Middle to Upper</td>
<td>3,955 - 12,235</td>
</tr>
<tr>
<td>High</td>
<td>&gt;12,235</td>
</tr>
</tbody>
</table>

Table 1: GNP per capita

Chart 1. GDP per capita, 2017


Figure 1: Estimates of cost-effectiveness threshold in Ukraine¹

- **Supply side approach**
  - Low: $526
  - High: $1,728

- **Demand side approach**
  - Low: $2,700
  - High: $8,100

Figure 2: Predicted probability of Ukraine EML rejections at different ICER values

- CET = 42.8% of GDP per capita (from Ochalek 2015)
- CET = 1xGDP per capita