

'Pay for medicines as per your income'

The new chief of pharma producers' body OPPI on *atmanirbhar* medicare, glocal strengths and 'bridging trials'

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A little over a month ago, S Sridhar took over as the new president of the Organisation of Pharmaceutical Producers of India.

His election comes at a time when the world continues to grapple with the Covid-19 pandemic, and pharmaceutical companies are at the heart of efforts to tackle the coronavirus and its variants that are putting tremendous pressure on healthcare systems.

Drug companies do not usually top popularity charts. But during the pandemic, drugmakers have pulled together to keep medicines in supply, and repurpose and develop therapies and vaccines. And, in the process, they have built a bit of trust back into the relationship with society.

But concerns remain on equitable access and affordable pricing, for instance. And international discussions are on, involving intellectual property (IP) protection and

its impact on access to the medical products developed to treat Covid-19.

OPPI is a platform largely of multinational drugmakers, and Sridhar is Managing Director of American drug major Pfizer (India).

In his first interview as OPPI chief, Sridhar explains why "differential pricing" makes sense not just for India, but in India as well. Why *atmanirbhar* (self-reliant) is a great strategy, but not without an eye on the global opportunity that lies before the country. And why "bridging trials" on new products like vaccines may not quite be necessary in a pandemic.

Tiered pricing Multinational companies (MNC) have an India pricing or differential pricing for countries where the original cost of a medicine is unafford-

able. Sridhar brings the strategy closer home.

"Differential pricing or tiered pricing to address the needs of different segments of population is the right way to do it... Ayushman Bharat (AB) brings healthcare to the bottom 40 per cent, who can't afford (it otherwise). So that brings in differential pricing and differential approach to reach out to them," he points out.

The middle-class segment is big, comprising the upper and lower middle-class and the mid segment, and that too requires a differentiated access strategy, he says. In healthcare, "we should be prepared to pay different prices based on our income levels..."

The Government's flagship insurance scheme, AB outlines a price at which a certain treatment is reimbursed.

"The Government under-



Equitable access to healthcare and affordability remain a concern

stands that for a certain set of people, you need to offer a price point that is affordable", but that should not be the reference price at which the service is offered to someone at the top-tier, as income levels are different. He points to the different slabs in income-tax or the subsidy waiver on cooking gas for affluent people, to hammer home the point.

Such strategies will give MNCs confidence to bring in more innovative therapies, at different prices for different segments, he says, "without a fear of getting referenced".

India's requirement of

"bridging trials" is another concern for MNCs looking to bring in freshly minted vaccines.

It's an emergency

All approvals are an emergency authorisation, says Sridhar, for governments to buy for pandemic supply.

"During a pandemic, there should be no need for a bridging study because a lot of countries are accepting the (original) study... It is not for a business-as-usual launch or commercial launch," he says.

An "emergency authorisation" involves limited sale,

only to the government that has access to all the global data of diverse trials at multiple sites and on different ethnicities, he explains. "Government should be favourable to accept our study, which is robust. Ask questions... but do not insist on 'bridging study' for an emergency authorisation," he says.

Going 'glocal'

The pandemic has shown the importance of self-reliance, as India was not dependent on any other country for its vaccines, he points out.

However, India's localisation efforts should be open to the benefits of global expertise too, he adds.

Besides, self-reliance should also be at scale to be able to provide critical, cost-competitive supplies to the world, he says, adding that India can be the bedrock of manufacturing.

But this will also require standardisation of regulations with international norms, respecting IP rights and some hard-sell, he adds.



Ayushman Bharat brings healthcare to the bottom 40 per cent — S Sridhar, president, OPPI