

## **Information On Reducing Drug Prices**

Since August 2016, the Federal Antimonopoly Service is conducting an international comparative study of the prices of medicines and is implementing a set of measures to reduce them.

In order to obtain the most relevant and reliable information for conducting the above analysis, the FAS Russia has sent inquiries to the Authorities of the BRICS, CIS and EU countries. As a result, the necessary data was obtained. In addition, the analysis of pricing approaches has been discussed repeatedly within the framework of the Meetings of the International Working Group on Research of Competition Issues in the Pharmaceutical Sector.

Currently, the study has been completed, and there has also been a drop in prices for medicines purchased from the federal budget - the most expensive drugs, for which the largest amounts of budget funds are spent.

The results of the work carried out for this group of drugs showed that, in general, prices for them in Russia were lower than the prices identified in 43 countries examined in the world. For 100 drugs, prices in Russia were the lowest among the countries surveyed.

However, the Federal Antimonopoly Service has also found 168 items of medicines, according to which the maximum selling prices of producers registered in Russia were significantly higher than the prices found in several countries in the world, including referential countries for Russia.

As a result of the taken measures (letters, negotiations, cancellation of prices), the FAS Russia managed to achieve a reduction in the registered maximum producer price on 451 vital and essential medicines to the level of the lowest prices in the reference countries within a short period of time (21 countries). After that, some of the individual manufacturers began to voluntarily reduce prices for other medicines.

The revision of the registered marginal producer prices for medicinal products leads to significant savings in budgetary funds, which can be additionally directed to drug provision. According to calculations, the annual savings from the price

reduction only for the Ministry of Health of Russia (excluding regional purchases) in 2017 will be more than 5 billion rubles.

Based on the results of the survey, the FAS Russia sent proposals to the President of the Russian Federation on improvement of procedure for registering the maximum selling prices for medicines. Currently, the Ministry of Health of Russia, in cooperation with the Federal Antimonopoly Service, is preparing the relevant amendments to the Order of the Government of the Russian Federation No. 865 dated October 29, 2010.

Presently, the FAS Russia continues the analysis and work on reduction of prices for other, primarily expensive vital medicines.