

GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS AND FERTILIZERS
DEPARTMENT OF PHARMACEUTICALS

LOK SABHA
UNSTARRED QUESTION No. 3098
TO BE ANSWERED ON THE 21st March, 2017

Pricing of Hip Implants

3098. SHRI ADHALRAO PATIL SHIVAJIRAO: SHRI VINAYAK BHAURAO RAUT: DR. PRITAM GOPINATH MUNDE:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

- (a) whether the import price of a popular hip implant is Rs. 8,906 but by the time it is marked on a patient's bill, it costs Rs. 1.29 lakh, a markup of 1,448 per cent and if so, the facts thereof;
- (b) whether such scam is occurring daily but it does not make an impact because it is scattered across the country and if so, the response of the Government thereon;
- (c) whether there have been many discussions on the inflated prices of ortho implants and syringes but no action has been done so far and if so, the reasons therefor; and
- (d) the steps taken by the Government to bring ortho implants and syringes under NLEP to check the said irregularities?

ANSWER

MINISTER OF STATE FOR CHEMICALS & FERTILIZERS, ROAD TRANSPORT & HIGHWAYS AND SHIPPING (SHRI MANSUKH L. MANDAVIYA)

- (a) & (b) National Pharmaceutical Pricing Authority (NPPA) through a study conducted by the National Health Systems Resource Centre (NHSRC) in respect of pricing of orthopedic implants has found that there is an exorbitant mark-up in the final cost to the patient when compared with the ex-factory cost or the landed cost.
- (c) & (d) The initial price fixation/price determination is not under purview of the Government. The Government only controls prices of medical devices declared as essential drugs. Out of 23 Medical Devices regulated as "Drugs" under Drugs & Cosmetics Act & Rules thereunder, three devices namely 'Condom', 'IUD containing copper' & 'Coronary Stents' have been included in the Schedule-I of Drugs (Price Control) Order, 2013 (DPCO, 2013) and are under price control. Though, Orthopaedic implants and Disposable Hypodermic Syringes are included in the 23 medical devices notified as drugs, they have not been included in National List of Essential Medicines (NLEM) and in Schedule-I of DPCO, 2013. Accordingly, the ceiling prices of these two medical devices have not been fixed. However, manufacturers are not allowed to increase their price by more than 10% per annum. At present, there is no proposal to revise Schedule-I of DPCO, 2013.

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