GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS & FERTILIZERS
DEPARTMENT OF PHARMACEUTICALS

LOK SABHA
UNSTARRED QUESTION NO. 3762
TO BE ANSWERED ON 16th July, 2019

Overcharging by Private Hospitals

3762. SHRI RAMDAS C. TADAS:

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

(a)   whether it has been found in an inquiry by the National Pharmaceutical Pricing Authority (NPPA) that a number of private hospitals are involved in profitering by overcharging for consumable items;

(b)   if so, the details thereof along with the actions taken against these hospitals on the basis of the study report; and

(c)   the other steps taken by the Government to curb overcharging?

ANSWER
MINISTER IN THE MINISTRY OF CHEMICALS AND FERTILIZERS
(SHRI D. V. SADANANDA GOWDA)

(a):   Yes Sir.

(b):   Based on some complaints and media reports on overpricing and inflated bills to the patients, the National Pharmaceutical Pricing Authority (NPPA) undertook a case study in February 2018. It was found that there was a significant difference between the procurement prices of scheduled formulations, non-scheduled formulations, medical devices and consumables as compared to amounts at which the drugs were billed to the patients by some private hospitals.

        Action has been initiated against the manufactures concerned for non-compliance of notified ceiling price in accordance with the provisions of the DPCO.

(c):   The Government is effectively monitoring the prices of scheduled as well as non-scheduled medicines under the DPCO. The NPPA has registered the PMRUs (Price Monitoring and Resource Units) in 8 states for enhanced price monitoring. Further, the NPPA has developed multi-dimensional mechanism that includes overcharging references from the State Drugs Controllers, purchase of samples from open market, information obtained from market-based data used by the NPPA, and complaints received online through 'Pharma Jan Samadhan' on the NPPA's website as well as through the Centralized Public Grievance Redress And Monitoring System (*CPGRAMS*) Portal.

****