

### **Concerns with Generic-Only Model**

#### What is the issue?

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• There is an increased push by the government for generic drugs, for affordable healthcare.

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 But the concerns with quality of the generics call for a relook on this 'generic-only model'.

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### What are generics?

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• A generic drug is a copy of drug medication created to be the same as an already marketed brand-name drug.

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- It equals in dosage form, safety, strength, route of administration, quality, performance characteristics, and intended use.
- Generics do not involve repetition of extensive clinical trials over the years, unlike brands that undergo extensive R&D procedure.
- Hence, generics' manufacturing cost is less, and so are their prices.

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## Why is the emphasis on generics?

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• The government, to cut down on out-of-pocket expenditure and ensure

affordable healthcare, is relying on a generics-only model.

 $\bullet$  In the Indian market, generics hold a whopping 75% share.

• The push for generics witnessed a boom under Pradhan Mantri Bhartiya Jan Aushadhi Pariyojana (PMBJP).

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- It is a campaign launched by the Department of Pharmaceuticals to provide quality medicines at affordable prices to the masses.
- PMBJP stores have been set up to provide generic drugs, which are available at lesser prices.

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#### What are the concerns?

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• India ranks third in the global pharma market (10% in global sales) but the domestic scenario is less encouraging.

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• A 2016 study on Spurious and Not of Standard Quality (NSQ) medicines in the supply chain in India hints at this.

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 $\bullet$  More than 10% samples were declared NSQ in the supply chain, of medicines procured by government agencies, compared to the all-India average of 4%.

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 Central Drugs Standard Control Organisation (CDSCO) report shows that a range of commonly consumed generic drugs fall short of standard qualitycontrol criteria.

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• In 2017, five drugs were recalled from Jan Aushadhi stores over quality lapses.

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- $\bullet$  Another six drugs were rolled back in the first four months of 2018.  $\ensuremath{^{\backslash n}}$
- Most of India's generic drugs manufacturers do not follow US Food and Drug Administration (US FDA) guidelines for domestic distribution.
- India has more than 67,000 drug formulations.
- But the quality control mechanism of all the Central Drugs Testing

Laboratories can ascertain the quality of only 15,753 drugs annually.

 But branded generics follow regulatory mechanisms like US FDA and WHO Good Manufacturing Practices, making them more reliable.

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#### What is the inherent risk?

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• Come 2020, the NCD burden will be responsible for 73% of deaths and 60% of disease burden in India.

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- A low-quality drug delays recovery time, weakens the immune system by a longer duration of dosages, and invites comorbidities.
- Substandard medicines may promise affordable healthcare in the present, but in the future results could be catastrophic.
- $\bullet$  Thus, relying on generics alone can be counter-productive in the mission to make India disease-free.  $\ensuremath{\backslash} n$

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#### What does it call for?

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• Medicine procurement and distribution should be driven by global best standards, not lowest price.

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- For the goal of universal health coverage by making medication affordable, superior-quality drugs are a prerequisite.
- The 'generics-only model' approach needs a critical reassessment for dealing with India's disease burden.

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# **Source: Financial Express**

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