



Persatuan Pengguna Pulau Pinang Consumers Association of Penang

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Letter to Editor

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CAP: High prices of medicines not acceptable

We refer to the article in the Star 22nd October 2019 “Costly meds a bitter pill to swallow”.

For too long the prices of medicines in the country have been left unregulated, at the expense of consumers who pay out of pocket and the Ministry of Health that is providing healthcare for millions of Malaysians.

In 2018 MOH spent more than RM 2.38 billion on medicines alone. Now we find that local companies that provide staff medical benefits are paying millions more to private hospitals and clinics compared to direct purchases from pharmacies,

With non-communicable diseases on the rise, such as diabetes, hypertension and cardiovascular diseases, life-long medications are needed that are very expensive. One major reason for high prices are multiple patents on many medicines that create market monopolies for multinational pharmaceutical companies thereby excluding or delaying the availability of generic medicines for the same treatments. CAP's research shows that many of these patents are not worthy of the 20 years' monopoly that is granted because the lax standards for granting pharmaceutical patents (including for small changes to an existing medicine, combination of 2 medicines into one tablet, different dosages and changing from a syrup to tablet form). Without generic medicines in the market there is no competition to bring prices down. In a recent case, a patented cancer medicine dropped by more than 50% in price when the last patent expired and a generic was approved for sale.

An article published by The Star on 9 October revealed that 58% of the 344 hospitals in Malaysia are for-profit entities and this is very high. At the same time our public health system is treating about 70% of all in-patients and 95% of out-patients with only 51% of the total national health expenditure. MOH has started a consultation process to establish a price mechanism and there is opposition from industry players and the private hospitals – MOH must stand firm for public interest and to ensure that our public health system can continue to serve Malaysians.

Thus CAP calls on the Government to put in place a comprehensive price control mechanism for medicines across the entire supply and delivery chain, with one component being the regulation of mark-ups especially in the private sector hospitals and chain clinics. Price transparency and regulation is a growing global call as countries rich and poor are faced with exorbitant medicines prices.

Secondly, the Government must address the root of many over-priced medicines by tightening the standards and criteria for granting pharmaceutical patents. The ongoing review to amend the Patents

Act 2004 is a timely opportunity to exclude the patenting of “weak” and “evergreening” patents that extend monopoly beyond 20 years by granting multiple patents as described above.

These are among the recommendations made by the Malaysian Competition Commission in a 2017 study of the pharmaceutical sector. It is high time for action to tackle one major source of the rise in cost of living for Malaysians – unacceptable high prices of medicines.

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