

# Stent price cap -A bold pro people step

## Stent price cap -A bold pro people step

---

April 28, 2017



**Dr. I.B. VIJAYALAKSHMI**

The announcement of policy to cap the price of coronary stents by the central government is truly historic and highly commendable!

The coronary artery diseases (CAD) causing heart attacks leading to untimely deaths have steeply increased in Bharat. The CAD is no more the disease of rich! Today even poor are suffering because of rampant smoking and drinking habits. Apart from other risk factors, the middle class people without bad habits are also having heart attacks due to tremendous stress and depression in them.

In the past the rich were going abroad for bypass or angioplasty. Thanks to medical tourism today, apart from our own people, many more people are coming from various other countries to Bharat for angioplasty and bypass. Because we have hospitals with world class facilities and eminent cardiologist with great experience. The number of angioplasty with stents has tripled as it is safe, effective and

nonsurgical (no scar on the chest, no anesthesia) and just one day hospital stay has made it more attractive! But the crux of the problem is the cost of stents. The ordinary citizens could not afford to foot the bill in corporate hospitals due to whopping cost of the drug eluting stents(DES) which are considered to be far better than bare metal stents(BMS).

### **What is the reason for increased cost ?**

When the expertise to use multiple stents increased, the greed of earning more also increased, as a result more and more patients started getting 3-4 stents! Adding up to the cost. When the cost of CABG was anywhere between Rs. 80,000 to 1,20,00, more attractive Angioplasty with stent leaped to Rs 1,50,000 – 4 to 5 lakhs! Making it impossible for ordinary man with or without insurance! There was a mad race in stenting the coronaries. On an average, over 12,000 angioplasties are carried out in Mumbai Metropolitan Region every year. In some hospitals package for Angioplasty in General ward (Excluding Stent ) : Rs. 80000.00, Angioplasty in Semi private ward – B Class ( Excluding Stent ) : Rs. 115000.00, Angioplasty (Private ward – A Class ( Excluding Stent ) ) : Rs. 190000.00 Angioplasty (Deluxe Room ( Excluding Stent ) ) : Rs. 280000.00 Angioplasty in Suite Room ( Excluding Stent ) : Rs. 340000.00

### **Why the cost of coronary stents exorbitant ?**

There's a huge price disparity in cost of stents. The average landed cost of a drug eluting stents(DES) imported by nine companies was only Rs. 16,918 (Ranged between 12,920 to 19,040 ie 190 to 280 dollars). The cost of bare metal stents ranged between Rs 4,760 to 6120 ( 70-90 dollars). But various hospitals were giving package deal – Angioplasty in General ward ( With 1 Stent ) : Rs. 220000.00, Angioplasty in Semi private ward ( With 1 Stent ) : Rs. 275000.00. Angioplasty in Private ward ( With 1 Stent ) : Rs. 340000.00 Angioplasty in Deluxe Room ( With 1 Stent ) : Rs. 360000.00. **If the original**

**cost was so low then why the hospitals were charging so exorbitantly?!**

**Answer for million dollar question!**

The reason was evident, when Maharashtra FDA gave the report to the then state government. The Abbot healthcare was selling DES at Rs 40,710 instead of 19,040 in Bharat making net profit of 21,670. Further the Indian distributor was selling at Rs. 73,440 (making net profit of 32,730 ) and Hinduja Hospital was implanting stent at 1.1 lakh and in the bill it used to be shown as 1.2 to 1.5 lakhs per stent ! Thus making a neat profit of Rs. 76,560 per patient! This sort of middle man making money at three levels was going on throughout the country and had become a big business as more than 5.5 lakhs stents were being used per year!! The international companies looked the other way and let its distributors triple prices on imported DES! **Because more stents were sold as Indian distributors who hiked prices for drug-eluting stents, used part of the proceeds to bribe doctors to use more and more stents!**

Thus the stunt of using stents continued until our beloved Prime minister Modiji took it up seriously and asked the health minister and Ministry of Chemicals and Fertilizers, under which Department of Pharmaceuticals come, to look into the matter and PM advised to cap the prices so that common man can get benefit!

The union health ministry in the recent past, has issued a notification announcing that coronary stents would be added to the 2015 National List of Essential Medicines (NLEM) as per the recommendations of a Subcommittee established late last year. The Department of Pharmaceuticals (DoP) had informed the ministry that the National Pharmaceutical Pricing Authority (NPPA) under it has, during a study conducted on pricing of stents in the country, observed that bulk of medical devices including stents consumed in the country are imported and the

difference between the landed cost and the Maximum Retail Price (MRP) thereof is very high. The arguments put forth by government on price cap are based on the recommendations of Subcommittee appointed by the judiciary. It wouldn't be wise to simply dismiss it as an over-reaction based on indigenous concerns. As per various reports, the current Indian market is around 5.50 lakh Stents per annum out of which more than 90 percent are Drug Eluting Stents (DES). The Stent market is growing at a speed of around 15 percent every year and is expected to become the second largest market in the World after China by 2020.

Unfortunately the good move by the government was opposed by the Manufacturers and distributors who have withdrawn the latest generation of cardiac stents from most city hospitals in the name of re-labelling, forcing patients to settle for dated versions. In centers where the stents have not been physically removed, there are verbal orders not to offer the "highend" varieties to patients. This is despite the National Pharmaceutical Pricing Authority (NPPA) issuing clear orders that manufacturers, importers and retailers are required to implement the price cap without trying to create any artificial shortage! NPPA had capped prices of bare metal stents at Rs 7,260 and that of drug-eluting and bioresorbable stents at Rs 29,600

All the right thinking persons with concern for suffering common man applaud the efforts of the health ministry and Ministry of Chemicals and Fertilizers, for taking such a bold step to cap prices of stents. This will be a big boon to suffering patient and their family. DES are life saving and patient have little knowledge to select the Stents. Moreover, the time given by the cardiologists to the patients is very less since most of the time Cardiologists insist the relatives to take the decision regarding the choice of Stent while the patient is inside on the Cath lab table. We strongly believe that this move shall break the Industry-Doctor nexus and will

force hospitals to be transparent with the prices of Stents. Non cooperation of the industry is temporary. They will have to abide by the rules of the land. Infact this may hasten the process of make in India.

**Shri. Ananth Kumar ji, as the minister for Chemicals & Fertilizers, under whose ministry the Department of Pharmaceuticals works, needs special thanks for this bold step.**

About the Author:

Dr. I.B. VIJAYALAKSHMI

MD, DM. FICC, FIAMS, FIAE, FICP, FCSI, FAMS, DSc

PROFESSOR OF PEDIATRIC CARDIOLOGY

Bengaluru Medical College and Research Institute,

BENGALURU,

BHARAT