

Eli Lilly Testing Pricing Model in India

Co offers discounts to patients based on their paying capacity for its osteoporosis drug Forteo



SOMADAS
NEW DELHI

The Indian arm of Eli Lilly, a US-based drug innovator firm with annual sales of over \$22 billion, is attempting new drug pricing models here to ensure that its drugs can reach a large number of patients in the country, its managing director Edgard Olaitzola told ET.

The company, for instance, has rolled out one such special pricing scheme for its osteoporosis drug Forteo a few months back, through which it offers different discount levels to patients based on their paying capacity.

After the prescription is generated on the drug, an independent agency vets some personal information on the patient's household, including the income levels, based on which it decides the level of discount he or she would be eligible from the company.

Refusing to share specifics of the scheme, Olaitzola said, "The initial feedback from the doctors has been encouraging and the compa-

ny is considering plans to expand the pricing model for some of its other drugs as well."

He said the scheme is still being fine-tuned and the company needs more data points before sharing details and hailing it a sustainable model that can be replicated.

Multinational firms have been facing a lot of flak from the developing world as public health groups and governments have criticised them for launching drugs that are too expensive and are often beyond the means of a large number of patients. This is particularly true of patented cancer drugs, justifying the higher price, innovator drug firms claim they invest over a billion and spend almost a decade to bring out one new drug to the market.

Lilly, which has been a pharmaceutical company purely focused on innovation till now, has entered the branded generics space only last month, by launching four cancer drugs in India.

"India is the first market in the world where we have introduced

branded generics. We have plans to take these drugs to select countries, mainly emerging markets," said Olaitzola, adding that innovation would still remain the company's core focus. Lilly launched four cancer drugs here in December developed by other innovator companies.

"The initiative was born out of a realisation that a significant part of India's population cannot afford high-quality medication and by bringing generic version of original cancer drugs, we could fill a gap in inaccessibility," he said.

The company aims to be among the top 20 pharma firms in India by 2020. "We plan to do so by becoming a diabetes powerhouse here by offering end-to-end diabetes care from oral to insulin injections. We have launched last week the first insulin pen here that gives a diabetic an option to pick the device in different colours. We have plans to launch more diabetes drugs in India this year," Olaitzola added.

We understand the affordability issues India is facing and strive to work with the government, healthcare professionals and other stakeholders to make drugs affordable

MD, Eli Lilly India

Emphany