

Govt to Priorities Drugs, States to Revive Jan Aushadhi Pharmacies

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Govt may trim distribution list for such outlets to 40-50 mass consumption drugs

To infuse a fresh lease of life into the struggling Jan Aushadhi chain of pharmacy outlets, set up to make affordable generic drugs available to people, the government plans to focus on select drugs and states, spruce up supply chain and encourage doctors to use generic names of drugs.

Officials said the government is considering a proposal to trim the list of drugs being distributed through Jan Aushadhi outlets to 40-50 mass consumption ones from the 320 medicines enlisted to be part of stock at present.

“We want to focus on fast-moving high consumption drugs where the price difference between branded generic version and the unbranded generic product is significantly high,” a government official told ET. The department of pharmaceuticals also plans to focus on states where the model has already picked up, before chasing its original goal of having at least one Jan Aushadhi special store in each of the 630 districts in the country.

The department has realized spreading the project geographically too quickly will affect its efficiency and worsen drug availability, and hence will focus on states such as Punjab, Himachal Pradesh, Odisha, Jammu & Kashmir and North-eastern states, where the model is doing relatively well, officials said. A government commissioned consultancy, tasked with preparing a new viable business plan for the project in 2013, estimated that of the 149 Jan Aushadhi shops set up since its inception in 2008, only 84 are functional. Also, out of 319, only 85 drugs across 11 therapeutic groups are being supplied to these stores.

A study found that the mean availability of drugs at these stores stood at only 33%. This is partly due to overdependence on central public sector units.

The government now plans to increase participation of private drug firms in the project. Also, a detailed plan is being drawn up to encourage doctors to prescribe generic drugs.

“If doctors can be made aware of the price differences and assured product availability, at least a good number amongst them will start prescribing unbranded generic products, particularly for those who are economically weak,” the official said.

Experts said getting doctors to prescribe drugs by their generic names rather than brand names is critical for the revival of Jan Aushadhi scheme. Currently, chemists are not legally allowed to substitute unbranded generics in place of prescribed branded generics.

Charu Sehgal, senior director at Deloitte Touche Tohmatsu India, said doctors may prescribe branded generic drugs either due to an inherent belief that it is more efficacious or due to the attractive financial incentive attached to asking the patient to buy from a private chemist. A scientific system of estimating demand and forecasting for the drug chain will help ensure appropriate and timely order placement, she said.