

# 'GMA not required to impose drug price cap'

By MARVIN SY

Malacañang clarified yesterday that President Arroyo has the power but is not required under the law to impose a price cap on essential drugs.

"The law gives her the authority to do what needs to be done in order to address this problem. She is not required to

impose maximum prices. She is given the authority to do so as a discretion upon the recommendation of the secretary of health," deputy presidential spokesperson Gary Olivar said.

Sen. Manuel Roxas II, principal author of the cheaper

medicine law in the Senate, has criticized the President for supposedly refusing to sign the executive order that would contain the list of drugs to be covered by the Maximum Drug Retail Price (MDRP).

The senator has accused Mrs. Arroyo of conspiring

with multinational drug companies in circumventing the law.

Olivar emphasized that the President did not want to impose price control through an executive order as this might dismay investors, and would rather let the drug firms

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voluntarily bring down their prices.

The drug firms committed to come out with their respective letters of undertaking (LOU) containing the list of drugs to be covered by MDRP during their meeting with Mrs. Arroyo last July 8.

Health Secretary Francisco Duque III said the drug firms were given 10 days to submit the LOUs, meaning these should be in government hands by Sunday.

The President may only sign an EO on the setting of a price cap if she finds the lists unacceptable.

Olivar said that Mrs. Arroyo wanted to strike a balance between the interests of business and the welfare of consumers when she told the drug firms to

bring down their prices voluntarily.

"We're concerned about the investment picture and the way investors view us abroad will always be an important issue for the President who, like most right-thinking people, believes that the way investors view our country will be a key to the safety of the jobs we have here," Olivar said.

"Having said that, of course the President's primary obligation is to our people and the people's welfare," he added.

Olivar also denied that Mrs. Arroyo was dragging her feet on the issue of the MDRP as alleged by Roxas.

He pointed out that the DOH submitted its recommendation regarding MDRP on June 10

while the meeting with the drug firms took place last July 8 or some three weeks apart.

The Cheaper Medicine Law was enacted on June 6, 2008 while its implementing rules and regulations came out in November 2008.

### Probe Pfizer

Two associations of doctors and health practitioners said the DOH should have initiated an investigation of Pfizer right away after reports of bribery involving the giant multinational firm came out.

"If there really was a bribery attempt, we are concerned. The DOH should have investigated it at their level. But we don't know what is their definition of bribery," Dr. Bu Castro, spokesman for the Philippine Medical Association (PMA), told The STAR.

The Health Alliance for De-

mocracy or Head, for its part, said that while Duque had turned down the alleged bribe, he should have made a "public denouncement at the outset," instead of waiting for the Senate to make the disclosure.

Head secretary-general Dr. Geneve Rivera said the reported bribery try revealed the "underhanded practice of pharmaceutical companies and reflects how these transnational corporations deal with government agencies."

Senate President Juan Ponce Enrile earlier said Pfizer's proposal to government to release discount cards to indigent Filipinos was tantamount to a bribe.

Rivera said that the government's inaction "or complicity is at the root of the arrogance of giant pharmaceuticals and the reason why drugs remain very expensive."

"This is the reason why they are so confident that they can get away with it," she added.

For the Pharmaceutical Healthcare Association of the Philippines (PHAP), MRP should only be a "reserve instrument or merely an option when full competition is not effective."

"PHAP believes that MRP is not the best approach to addressing healthcare problems of the country since the initial MRP list may not include commonly used medicine of the poorer

population," it said in a statement. — With Sheila Crisostomo and Dennis Carcamo