plantation purpose. Almost all Category 2A new drugs fulfilled the unmet medical needs in cardiovascular disease. CONCLUSIONS: Category 2B new drugs with less financial impact to NH system seem easier to reach listing and reimbursement goal in the 2-stage assessments. Reasonable budget impact and cost-effectiveness analysis are important for robust reimbursement decisions for FERSB appraisals. There is a need for long-term observation and further analysis.

PHPS5
ANALYSIS OF THE KEY VALUE DRIVERS FOR HTA ASSESSMENTS IN TAIWAN
Park S1, Jiang Y1, Sun D1, Beckerman R2
1 ClinPharm, New York City, NY, USA, 2 ClinPharm, New York, NY, USA
OBJECTIVES: The purpose of this study was to identify the main value drivers behind the innovation category designations (1A, 2A, 2B) assigned during the Taiwanese reimbursement process. METHODS: All products assessed for reimbursement from January 2012 to March 2014 by the National Health Insurance Administration (NHIA) were considered in this analysis. The details of the assessments have been extracted from the NHIA meeting minutes and Center for Drug Evaluation (CDE) reports. RESULTS: Category 1 designations are given to drugs that show “substantial clinical improvement”, and Category 2 designations to drugs that exhibit “moderate clinical improvement”, and Category 2B designations to drugs that provide similar clinical improvement”. Category 2A designations to drugs that exhibit “moderate clinical improvement”, Category 2A designations to drugs that exhibit “moderate clinical improvement”, and Category 2B designations to drugs that provide similar clinical improvement. Chinese Taipei (NHIA) were considered in this analysis. The details of the assessments have been extracted from the NHIA meeting minutes and Center for Drug Evaluation (CDE) reports.

PHPS6
PRINCIPLES OF EXTERNAL PRICE REFERENCING SYSTEM – A REVIEW
1 Novartis Pharma AG, Basel, Switzerland, 2 University of Washington, Seattle, WA, USA, 3 Novartis Healthcare Pvt. Ltd., Hyderabad, India, 4 Novartis Saglik, Gida ve Tarim Urunleri Sanayi ve Ticaret A. S., Istanbul, Turkey
OBJECTIVES: Review existing literature to understand the prevalent external price referencing (EPR) systems and to audit for directionality of the current mechanisms against the components defined in WHO/HAI (World Health Organization/Health Action International) project on EPR. METHODS: English publications between October 2000 and March 2013 investigating EPR systems were identified through EMB Reviews – Cochrane Database of Systematic Reviews, NHS Economic Evaluation Database, Embase, and MEDLINE searches. Publications on EPR systems were analyzed in those relevant groups. Qualitative analysis was done to audit the directionality. RESULTS: 101 out of 598 articles were found to be relevant and were placed and allocated into those relevant focus groups - 43 general, 44 individual country, and 14 disease specific reference pricing articles. Regional distribution of publications was as follows: 49 RE (Region Europe), 12 Americas, and 15 Asia-Africa-Oceania. Number of publications over years was ranging from 3 to 10 with a significant peak in 2011 to 2012 in Asia-Africa-Oceania region. The most common components defined in WHO/HAI project, and the use of several approaches for setting the price was commonly discussed. Use of EPR was discussed for both patented and generic drugs. Publications showed directionality towards use of several approaches for EPR and were discussing the use of EPR for both patented and generic drugs. With regards to type of price level used, ex-manufacturer price was the dominant option. The formula to derive the target price was directing towards average price. CONCLUSIONS: There is a growing trend towards improve in number of publications on EPR with lead from RE. A number of discussions around the components raised on WHO/HAI Project indicate that it is a useful tool to lay out options for EPR. Growing number of publications will provide more robust evidence for commonly used options of each component.

PHPS7
ECONOMIC IMPACT OF NEW RURAL COOPERATIVE MEDICAL SCHEME IN CHINA
Yang M
Lancaster University, Lancaster, UK
OBJECTIVES: In 2003, China introduced a heavily subsidized voluntary health insurance scheme, the New Rural Cooperative Medical Scheme (NRCMS). This paper evaluates the effectiveness of the NRCMS by assessing its impact on health care utilization and ex-utility of health expenditures. METHODS: We employ propensity score matching, difference-in-difference and double difference methods in the estimation. Utilization data from China Health and Nutrition Survey (CHNS) from 1991 to 2009. To check the robustness of our results, we also use a bisection approach to test how strongly an appropriately chosen variable affects the results. For out-of-pocket payments (OOP), a two-part model is used to control for the large number of zero values and the skewness of the data. RESULTS: We find no evidence of an increase in the utilization of formal medical care and preventive services. There is a large, positive effect on the utilization of village clinic, and large, negative effects in town hospitals, county hospitals and city hospitals. For the two-part model of out-of-pocket (OOP) payments, we find a small, positive impact on the probability of positive OOP payments and a small, negative impact on the actual level of OOP payments. All the effects on the incidence of catastrophic medical payments based on different thresholds are insignificant. CONCLUSIONS: The results indicate that the NRCMS did not increase the overall utilization but directs people from high-level to low-level medical facilities. The substitution effect among different levels of facilitie may be due to more generous reimbursement in low-level facilities. In addi- tion, there is no reduction on the out-of-pocket medical payments or the incidence of catastrophic medical payments. Therefore, the impact of NRCMS on increasing utilization and reducing financial risk is found to be limited. The lack of effective- ness may be attributed to a relatively low premium and shallow benefit coverage.

PHPS8
REGULATORY APPROVAL TO PATIENT ACCESS, AN EVALUATION OF EUS AND US NATIONAL TIMING
Keller D, Dellamano L, Loder E, Pallapotu V, Mycka J, Dellamano L, Sagyachandaya O
1 Medical Marketing Economics, LLC, Montclair, NJ, USA, 2 ValueVector, Milan, Italy
OBJECTIVES: To examine the time between regulatory approval and launch/pricing and availability of new medicines. METHODS: The study included 42 molecules which were sold in each country for the period. The countries were organized into 5 regions: Americas B 0.90; Eastern Mediterranean Region B 1.11. The product brands were accessed for the analysis. RESULTS: Pharmaceutical price indices vary substantially between regions. The Asian regions recorded the lowest prices. The indices were as follows: South-East Asian Region D 0.21, South-East Asian Region 0.87, Western Pacific Region B 0.49, European Region C 0.46; Western Pacific Region B 0.51; Eastern Mediterranean Region D, 0.54; Region of the Americas D 0.87; Region of the Americas C 0.93; Western Pacific Region B 0.93. CONCLUSIONS: This is the largest exercise ever undertaken in comparing international pharmaceutical prices. It also employs a more robust method than previous studies. The analysis shows Asian regional pharmaceutical prices are the lowest in the world.