already been reported, proving their potential for drug budget saving. Anhui are testing the concept of "2nd price negotiation" allowing hospitals to directly negotiate dosages. The reference price is set at the price of the cheapest generic. Shaoxing and Huzhou are implementing this reform, China is currently running pilot projects in several cities. The "reimbursement standard" has been announced. To inform the best approach for implementation of this reform, the government attempts to replace its direct control over prices with market forces. However, an introduction of a form of internal reference pricing (IRP), being considered in the current reform, could increase inequity between different income groups if, as a result of increased co-payments, only the wealthiest could afford high-quality drugs. Additionally, the reform should not be implemented in isolation. Creating effective incentives for cost-containment without affecting healthcare quality requires global, rather than "micro-level" focus. With hospitals being the main distributor of out-patient medicines and economically dependent on profit generated from drugs sold, pricing reform should be comprehensive and address restructuring of hospitals' financing and management system. The introduction of IRP may promote the use of cheaper generics with questionable quality and efficacy or procurement managers. Questions were related to the process of proposing, or procurement managers. Questions were related to the process of proposing, recommending, and implementing new drugs.

OBJECTIVES: The National Centre for Pharmacoeconomics (NCPE) reviews the cost effectiveness of new medicines following an application for reimbursement in Ireland. All medicines are subjected to a preliminary rapid review (RR), stated to take 2 weeks, which only high cost products and those with significant budget impact subjected to formal pharmacoeconomic assessments (PEA, stated to be completed in <3 months). This research aims to review all recent NCPE appraisals to determine what proportion of drugs require a full appraisal, the review times and rates of approvals.

METHODS: Publically available decision summaries from the NCPE were identified (from 1st January 2013 to 31st May 2015) and the outcome, date, indication, and whether a full PEA was needed were extracted. RESULTS: 110 appraisals were identified. Of these, 21% (23/110) approved at first time. Only 21% (10/47) were reviewed within 2 weeks; the rest taking on average >2x longer than stated (29 days). Of the 57% (63/111) appraisals deemed to require a full PEA, 62% (39/63) were accepted, >5 months post RR. Only 31% (13/139) of full PEAs were eventually recommended, adding another 5 months (average 152 days) to the process. 27% (30/110) appraisals were for oncology medicines; 90% (27/30) of which were accepted as a full PEA. Only 21% (10/47) of RR appraisals were not recommended (87%, 13/15). CONCLUSIONS: The total average length of time between start of the RR to final PEA recommendation is up to a year (12 months), which is substantially longer than what is claimed. If companies can convince the NCPE that the drug is not cost-effective, or not approved for a condition, high cost products and those with significant budget impact can be excluded from the RR process can enable rapid reimbursement within 1-2 months. However, if a full PEA is required, this significantly delays reimbursement decisions, with positive recommendations being difficult to achieve, especially for oncology medicines.

PHP42 COULD GIVING COST-UTILITY HTA BODIES NEGOTIATING POWERS HELP BRIDGE THE GAP BETWEEN COST-CONTAINMENT AND BROADENING COVERAGE? A SYSTEMATIC REVIEW OF ALL SWEDISH NLT APPRAISALS OF HOSPITAL PHARMACEUTICALS

OBJECTIVES: The Swedish Dental and Pharmaceutical Benefits Agency (TLV) make recommendations on whether outpatient prescription drugs should be publicly reimbursed. The key cost-effectiveness criteria, to date, was introduced in 2015. The objective of this study is to describe the changing landscape of drug pricing policy in China. We conducted a thorough research on drug pricing reform using three Chinese databases (CNKI, Wanfang, Weipu), Chinese health authorities’ websites, relevant press releases, pharmaceutical blogs and discussion forums. This research was complemented with targeted interviews with Chinese key opinion leaders representing authorities’ and prescribers’ perspectives. RESULTS: The reform may include introduction of internal reference pricing (IRP) for drugs with the same active ingredient and dosages. Interchangeability of drugs is an important issue in the current functioning and the likely future path of health economic assessment in France. However, it is likely that the robust and well-established methodology developed by the CT (SMR, ASMR) to assess comparative efficacy or cost-effectiveness will remain in force.