Employee Basic Medical Insurance (UEBMI) claims of Tianjin city from April 2008 to March 2010 were used to compute the patients’ outpatient visit, total spending, drug spending, and OOP spending before and after the implementation of the EMP. The intervention group consisted of patients who visit the primary care institution which implemented EMP at least once before and after EMP and did not visit the control group. The control group which did not implement EMP, vice versa for the control group. A difference-in-difference approach was used to estimate the effects adjusting for patients’ socio-demographic characteristics and disease severity. Notably, all categorical intervention was used to estimate the results. RESULTS: Totally, 23,362 patients from 49 interventional primary care institution and 4148 patients from 42 control institution were involved in the study. The regression results showed that the annual patients' outpatient visits (0.5%, p = 0.793) and the visits to primary care institution (0.2%, p = 0.951) had no change after implementing EMP compared to the control group. The patient’s average total spending (-0.6%, p = 0.951), drug spending (1.6%, p = 0.703) and medical spending (0.9%, p = 0.850) significantly decreased. However, originator-to-generic utilization ratio significantly increased to 6.12 (p = 0.001) after the new policy. This study offers different results to the government’s intention. CONCLUSIONS: Price competition cannot be successful by generic measures alone. The bigger market share should be delivered through demand-side measures such as the reference pricing or compulsory substitution to lowest drugs applied in some European countries.

PHIP1
THE IMPACT OF 2014 ESSENTIAL HEALTH BENEFIT BENCHMARK PLANS ON US MANAGED CARE
Agarwal S, Topaloglu H
NOVARTIS HEALTH STRATEGIES, ACHLY CHACE, MD, USA
OBJECTIVES: Beginning in 2014, the Affordable Care Act requires new health plans to cover essential health benefits (EHB), including pharmaceutical products, according to the state level benchmark plans. The objectives of this analysis were to understand state level variations in the design of drug plans, across health care choices and health outcomes. METHODS: Benchmark plans for the top five states (i.e., FL, IL, NY, TX and CA), covering ~11 million lives, were obtained from the CMS. For each state, the benchmark plans and the control group from 2013 to 2015 were collected and pooled into one database. Analysis was conducted at the entire population level, state-level and for top classes of drugs. The comments from patient groups were reviewed to understand the impact of EHB on patient choice and health outcomes. RESULTS: Benchmark plans across top states varied significantly in the inclusion of off-patent drugs since the reform has taken an objective to introduce market value. In CA, top 8 classes were identified for which patients had a 75% lower choice than CMS designated USP classification system for the new plans. In CA, FL, IL, NY and MA, the average total spending (2.9%, p = 0.850), medical spending (0.8%, p = 0.722) and OOP spending (1.9%, p = 0.722) in primary care institution was also not changed after implementing EMP. CONCLUSIONS: The EMP in Tianjin China was not associated with more outpatient visits in primary care institution and less medical spending, drug spending and OOP spending.

PHIP5
AN ASSESSMENT OF THE THERAPEUTIC BIOPOLYIC PRODUCTS LICENSED BY THE FDA AND THE EMA
Grozdanova A1, Olasupo O2, Seoane-Vazquez E2
1Faculty of Pharmacy UKIM, Skopje Macedonia, Skopje, Macedonia, 2Massachusetts College of Pharmacy & Health Sciences, Boston, MA, USA
OBJECTIVES: To assess a public price for a drug in Jordan, Jordan food and Drug association (JFDA) drug pricing committee ought to review the lowest price in the country of origin, the price of a predefined 13 countries and in KSA. In 2012, the evidences were required to inform EHB. We sought to assess the role of CE studies in pricing drugs in Jordan. METHODS: A retrospective review of all applications submitted to the JFDA between November 2012 and May 2014. RESULTS: The database comprised total of 1,608 drug pricing requests. Two hundred four were ricing new drugs, 369 were pricing local and international generics. The remaining was for pricing drugs previously registered in Jordan but renewed periodically as per policy. There was 11 enquires involving the use of biologic products. Applications corresponded to 42.9% of the economic committee and the committee often confirmed the requests more than one time. Median (IQR) of correspondences was 2 (3) times per case. These studies were non-comparative and concerning with establishing clinical efficacy Median (IQR) ratio of the price proposed by applicants to the price of comparable substitute(s) was 1.7 (1.5). The prices were always negotiated downwards close to the price of the available substitutes. A premium price (i.e. +10% to 20%) was advocated to reward for added generic drugs. CONCLUSIONS: The Jordans is comprehensive in responding to most of drug pricing applications. Decisions are straightforward with most comparisons made between drugs having similar clinical profiles. However, where CE evidence required there is no formal decision rules laid down, thus an official set of decision tools is warranted. This would include details of the perspective to be adopted, the comparisons to be made, form of economic evaluation and sources of data.

PHIP9
THE DIFFERENCE BETWEEN THE MAXIMUM RETAIL PRICE AND TENDER PRICE: A COMPARATIVE STUDY ON BRANDNAME AND GENERIC DRUGS
Li S1
Department of Health Economics, School of Public Health, Fudan University, Shanghai, China
OBJECTIVES: Maximum retail price; Tender price. China has established Patented Medicine Prices Review Board (1998-2014) to manage the public price for new generic entry and market value. A large database analysis was used. The database was formed by merging two sub-databases, one was the tender prices of 94 antimicrobial drugs and circulatory system drugs collected from the centralized tendering of drug purchases across all the provinces(autonomous regions, municipality directly under the central government) of mainland China over the period of 2005-2013, the other was the corresponding maximum retail prices issued by the National Development and Reform Commission of China. The percentage differences between the maximum retail price and tender price (provincial average) was then calculated by year for antimicrobial drugs and circulatory system drugs, respectively. The generic-brandname ratio of the concerned percentage differences was also calculated. RESULTS: The percentage difference between maximum retail price and tender price for generic drugs was large, while the corresponding difference in brandname drugs was much smaller. The generic-brandname ratio of the percentage differences increased from 1.7 in 2005 to 5.7 in 2013, except a mild decrease in 2009 and a moderate decrease in 2012. CONCLUSIONS: It may be the time to lift price control on drugs in China since the maximum retail price issued by the national government was too high as compared with tender price to exert effect on generic drugs, while for brandname drugs the maximum retail price was too close to tender price, which also consequently diluted the significance of maximum retail price. KEYWORDS: Maximum retail price; Tender price; Price reform; large database analysis.