main categories of risks were identified which could affect on accessibility and quality named financial, supply, production and logistic risks and in each category there were several uncertainties. Inflation rate, exchange rate, incorrect pricing, selection of suppliers, delay in shipment, policy issues, malfunction of machineries, untrained personnel and inappropriate condition of storage and distribution are some of risks in different categories. All of these risks had direct or indirect effect on quality or accessibility of medicines. CONCLUSIONS: Our study offers risk assessment methodology as a scientific way for identification of uncertainties which affect on quality and accessibility of medicines as two main objectives of national drug policy and also it demonstrated some practical strategies to mitigate them.

PHP42
DO MACROECONOMIC CONDITIONS EXPLAIN DRUG PRICE VARIATIONS ACROSS COUNTRIES? A CROSS-SECTIONAL ANALYSIS
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OBJECTIVES: We examine how much of the cross-country drug price differences can be explained by macroeconomic conditions (real GDP per capita, openness, population, and corruption). METHODS: We use the Pricentric® dataset of drug prices and analyze prices of 13 drug packs across 32 countries at various pack levels in 2009. The sample is selected by requiring each pack having observations for more than 20 countries and each country having observations for more than 20 packs. We gather data on real GDP per capita, openness, and population from the Penn World Table, and the Corruption Perceptions Index by Transparency International. The analysis has two parts. First, for each drug pack, we regress the log prices (ex-factor, public, etc) on the four macroeconomic variables. Second, to achieve cross-pack stability, we pool together all data and regress log prices on the macroeconomic variables and drug fixed effects. RESULTS: For 6 of the 13 packs we find that the four macroeconomic variables can explain the cross-country price variations well (r-squared over 8%). For the other 7 drugs the fit is worse, but the explanatory power is still significant. The corruption index is negatively and significantly associated with drug prices. CONCLUSIONS: Our findings suggest that there is a significant role for macroeconomic conditions which affect on quality and accessibility of medicines as two main objectives of national drug policy and also it demonstrated some practical strategies to mitigate them.

PHP43
THE HIGH COST OF TREATING CANCER: DO MANUFACTURER PRICING POLICIES TAKE AFFORDABILITY INTO ACCOUNT?
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OBJECTIVES: In 2008, GLOBCAN estimated 2.8 million new cases of cancer in China, making up 22% of all global cases. Although the Chinese government has initiated a number of reforms to improve patient care, oncology drug access remains a serious concern with medicines not listed in national lists of essential or reimbursed drugs. In China, manufacturers often set the price of oncology drugs free of government mandates as these are not reimbursed. In contrast, in countries where governments fund cancer treatment (South Korea, Japan, Taiwan), all medicines are assessed and undergo price setting/negotiation. Given these dynamics and discussion by pharma companies to price medicines more in line with affordability and cost effectiveness, we process the results.

PHP44
RELAPSE PREVENTION AFTER SWITCHING TO RISPERIDONE LONG-ACTING INJECTION: 6 MONTHS MIRROR IMAGE STUDY IN JAPAN
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OBJECTIVES: To estimate the annual prevalence, the related medical costs, and health care resource utilization of patients diagnosed as herpes zoster (HZ) and post-herpetic neuralgia (PHN), respectively, with different immune status in South Korea. METHODS: This study is a retrospective analysis using the Korean National Patients Sample 2009 database of the Health Insurance Review and Assessment Service (HIRA K-NPS). Results of the sample database were extrapolated to the total Korean population aged ≥ 40 years. HZ and PHN patients were identified from diagnostic codes, and categorized into three subgroups based on the severity of immunity status; normal, compromised, and profoundly compromised. Medical costs included all HZ- or PHN-related costs incurred at medical facilities and medical medication. RESULTS: The prevalence of HZ (or PHN) was 15.53 (or 2.13) per 1000 persons among those aged ≥ 40 years in South Korea. The annual medical costs per patient for HZ (or PHN) management were USD 191 (or 177). The average number of outpatient visits, emergency department visits and hospital admissions of HZ (or PHN) patients were 3.75, 0.01, and 0.05 (4.44, 0.01, and 0.03) per annum, respectively. With regard to the severity of immunodeficiency, patients with severe conditions were related to higher prevalence rate, medical costs and health care utilization. CONCLUSIONS: HZ and PHN cause considerable disease burden in South Korea, especially among the immunocompromised. With increasing rapidly aging population and increasing prevalence of immunosuppressive conditions, the disease burden is likely to increase. The findings of the present study can serve as important baseline data for policy decision making to reduce the burden, such as the development of a HZ vaccination recommendation.

PHP45
IMPACT OF ECONOMIC AND POLICY FACTORS ON CHINA’S HEALTH CARE EXPENDITURE
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OBJECTIVES: To estimate the annual prevalence, the related medical costs, and health care resource utilization of patients diagnosed as herpes zoster (HZ) and post-herpetic neuralgia (PHN), respectively, with different immune status in South Korea. METHODS: This study is a retrospective analysis using the Korean National Patients Sample 2009 database of the Health Insurance Review and Assessment Service (HIRA K-NPS). Results of the sample database were extrapolated to the total Korean population aged ≥ 40 years. HZ and PHN patients were identified from diagnostic codes, and categorized into three subgroups based on the severity of immunity status; normal, compromised, and profoundly compromised. Medical costs included all HZ- or PHN-related costs incurred at medical facilities and medical medication. RESULTS: The prevalence of HZ (or PHN) was 15.53 (or 2.13) per 1000 persons among those aged ≥ 40 years in South Korea. The annual medical costs per patient for HZ (or PHN) management were USD 191 (or 177). The average number of outpatient visits, emergency department visits and hospital admissions of HZ (or PHN) patients were 3.75, 0.01, and 0.05 (4.44, 0.01, and 0.03) per annum, respectively. With regard to the severity of immunodeficiency, patients with severe conditions were related to higher prevalence rate, medical costs and health care utilization. CONCLUSIONS: HZ and PHN cause considerable disease burden in South Korea, especially among the immunocompromised. With increasing rapidly aging population and increasing prevalence of immunosuppressive conditions, the disease burden is likely to increase. The findings of the present study can serve as important baseline data for policy decision making to reduce the burden, such as the development of a HZ vaccination recommendation.

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