

Economics of prescription of medicines in Pakistan; market failure or executive decision. Points to ponder for improving prescription practices.

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The laws of economics oversee the interplay between price of a commodity and how prices affect the demand of that commodity. A logical condition is assumed while studying the impact of price on demand, which believes that “everything else must remain constant”. However, in a real-world scenario there is no such thing as “constant”. It’s an ever-changing world and there are so many variables to consider while making any assumption. Healthcare market is unique in the sense that no other market has so much difference in the knowledge of client (patient) versus the supplier (doctor). This difference creates another phenomenon, called “supplier-induced-demand” where the client must follow all the instructions of the supplier diligently. This phenomenon not only creates the demand of prescribing physician (number of visits, follow ups) but also it generates the demand of other players in healthcare market. The physician may ask clients to purchase any medicine, or a specific brand of the medicine, get tests done from a specific diagnostic centre or seek admission in a specific health facility for treatment or surgery. This makes healthcare market highly imperfect and creates failures in some of the basic assumption of economics.¹ Given the nature of healthcare clients, coming to seek health, mostly in a life-or-death situation, assumption of rational decision making may not also hold true. These patients or their relatives are willing to do anything to alleviate pain and suffering and to save their lives or the lives of their loved ones. In such a condition there are chances of market failure when supplier has greatest advantage over the consumer and can make the market shift towards supplier’s own benefits. Even if the notion of ethical practice by physician is believed to be normal, there are conditions where huge market imperfections result in supplier-driven-demand in vogue.²

Another fact in healthcare economics is “elasticity of demand” in health market. The concept of elasticity studies the sensitivity of demand of a commodity to its

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price and shows how some products are highly sensitive to price fluctuations (elastic goods) while others may not be that much sensitive to price variations (inelastic goods). We see that in healthcare market of Pakistan, elasticity of demand is evident to an extreme. Let’s take an example of a health condition which is very painful and highly symptomatic. This discomfort or suffering will force patient to seek help of healthcare provider and, to get a relief, patient will obey all the instructions of physician and will pay any price demanded by provider, enhancing the supplier-induced-demand.³ This phenomenon of inelastic demand is common in conditions where patients are having symptoms of pain and distress, or they perceive their life is in danger. On the other hand, there are conditions with no symptoms or suffering where patients will wait for free or subsidized prices to seek treatment. This high sensitivity of price (elasticity) to many asymptomatic diseases makes many health conditions go worse before the patients seek health service. That is one reason why in Pakistan asymptomatic diseases like hypertension, diabetes, cancers, coronary artery diseases go unnoticed, without care until complications occur and treatment is sought at a very late stage. Similar trend is witnessed in some other diseases like asymptomatic cases of TB, hepatitis-B or C, and HIV&AIDS. Implications for this high elasticity of demand of the asymptomatic or painless conditions is, delayed health seeking at very late stage, with more complications and poor prognosis of belated treatment.⁴

Points to Ponder for improving prescription of medicine in Pakistan:

Patient Autonomy: At the heart of ethical medical practice lies the principle of patient autonomy. When it comes to prescription, respecting patient autonomy involves transparent communication between healthcare professionals and the patients. These needs providing comprehensive information about prescribed medications, potential side effects, and alternative treatment options.

Informed Consent: In ethical realm of prescription, obtaining an informed consent is paramount, where practitioners must ensure that patients fully understand

the implications of prescribed medication. This not only fosters a sense of collaboration between the doctor and patient but also aligns with the principles of patient-centred care. Informed consent is not merely a procedural formality; it is a cornerstone of ethical medical practice that upholds the dignity and autonomy of individuals seeking healthcare.

Principle of Beneficence and Non-Maleficence: The principles of beneficence (doing good) and non-maleficence (do no harm) form ethical bedrock of medical decision-making. When prescribing medication, healthcare professionals must carefully weigh potential benefits against the risks and potential harm. This involves a nuanced understanding of patient's medical history, current health status, and any contraindications that may impact decision-making process. Striking this delicate balance is crucial to ensuring that patients receive most effective and safe treatment.

Equity in Access: Ensuring equitable access to prescription medicine is a vital ethical consideration in any healthcare system. Disparities based on socioeconomic factors, geographical location, or systemic issues can impact individual's ability to obtain necessary medications. Ethical medical practice demands a commitment to justice, striving to eliminate barriers that hinder equal access to prescription drugs. Healthcare professionals play a pivotal role in advocating for policies that promote fairness and inclusivity in medication access.

Over-prescription and Antimicrobial Resistance: The rising concern of over prescription, particularly in case of antibiotics, poses significant ethical questions. Overprescribing not only exposes individual patients to unnecessary risks but also contributes to the global challenge of antibiotic resistance. Healthcare professionals bear the responsibility of adhering to evidence-based practices and guidelines, avoiding the pitfalls of overprescribing. Ethical medical practice demands a commitment to antimicrobial stewardship, recognizing the broader implications of antibiotic resistance on public health.

Pharma Physician Nexus and Conflicts of Interest: Prescription decisions can be influenced by various

factors, including financial relationships between healthcare professionals and pharmaceutical companies. Ethical medical practice demands transparency in disclosing potential conflicts of interest to patients. The obligation to prioritize patient well-being over external influences is central to maintaining the integrity of the prescription process. By navigating these ethical dilemmas with transparency and accountability, healthcare professionals can uphold the trust placed in them by patients.

Role of Education and Training in Shaping Ethical Practitioners: Addressing the ethics of prescription medicine requires a comprehensive approach to education and training for healthcare professionals. Medical curricula should include robust ethical components, emphasizing the importance of patient-centred care, informed consent, and responsible prescribing. Ongoing professional development can further equip practitioners with the skills and ethical frameworks needed to navigate the complexities of prescription medicine in an ever-evolving healthcare landscape.

Addressing the elasticity of demand of priority diseases: Some conditions if asymptomatic, or painless may not drive health seeking demand and we need to target such health problems. Many public health interventions are price-elastic and people will not utilize the services until they are free or subsidized. Therefore, government must focus on free screening of these diseases to get early diagnosis, without complications to achieve better health outcomes.

DOI: <https://doi.org/10.47391/JPMA.AKU-EPP-01>

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