

FREE DRUGS & DIAGNOSTICS SERVICE INITIATIVE

July 27, 2020

NHM Free Drugs Service Initiative

- In the union budget 2014-15, the Government announced that two key initiatives i.e. Free Drug Service and Free Diagnosis Service would be taken up on priority to move towards “Health for All”.
- Pursuant to the budget announcement, Operational Guidelines along with Model RFPs for implementing the NHM Free Drug Service Initiative were developed and shared with the States on 2nd July 2015. The guidelines emphasis on procurement of generic drugs.
- Under this Initiative under NHM, support is provided for the provision of essential drugs free of cost in public health facilities. The support is not only for drugs but also for various components necessary for effective implementation of Free Drug Service Initiative viz. strengthening/setting up robust systems of procurement, quality assurance, IT backed supply-chain management systems like Drugs and Vaccines Distribution Management Systems (DVDMS) developed by CDAC, warehousing, prescription audit, grievance redressal, Information, Education and Communication (IEC), training, dissemination of Standard Treatment Guidelines, etc.

Cabinet approves National Policy on Software Products – 2019

- The Union Cabinet, chaired by the Prime Minister Shri Narendra Modi has approved the National Policy on Software Products – 2019 to develop India as a Software Product Nation.

Major impact

- The Software product ecosystem is characterized by innovations, Intellectual Property (IP) creation and large value addition increase in productivity, which has the potential to significantly boost revenues and exports in the sector, create substantive employment and entrepreneurial opportunities in emerging technologies and leverage opportunities available under the Digital India Programme, thus, leading to a boost in inclusive and sustainable growth.

Expenditure involved

- Initially, an outlay of Rs.1500 Crore is involved to implement the programmes/ schemes envisaged under this policy over a period of 7 years. Rs1500 Crore is divided into Software Product Development Fund (SPDF) and Research & Innovation fund.

Implementation strategy and targets

- The Policy will lead to the formulation of several schemes, initiatives, projects and measures for the development of Software products sector in the country as per the roadmap envisaged therein.
- To achieve the vision of NPSP-2019, the Policy has the following five Missions:
 - To promote the creation of a sustainable Indian software product industry, driven by intellectual property (IP), leading to a ten-fold increase in India share of the Global Software product market by 2025.
 - To nurture 10,000 technology startups in software product industry, including 1000 such technology startups in Tier-II and Tier-III towns & cities and generating direct and indirect employment for 3.5 million people by 2025.
 - To create a talent pool for software product industry through (i) up-skilling of 1,000,000 IT professionals, (ii) motivating 100,000 school and college students and

- (iii) generating 10,000 specialized professionals that can provide leadership.
- To build a cluster-based innovation-driven ecosystem by developing 20 sectoral and strategically located software product development clusters having integrated ICT infrastructure, marketing, incubation, R&D/testbeds and mentoring support.
 - In order to evolve and monitor scheme & programmes for the implementation of this policy, National Software Products Mission will be set up with participation from Government, Academia and Industry.

Background:

- The Indian IT Industry has predominantly been a service Industry. However, a need has been felt to move up the value chain through technology-oriented products and services. To create a robust software product ecosystem the Government has approved the National Policy on Software Products – 2019, which aims to develop India as the global software product hub, driven by innovation, improved commercialisation, sustainable Intellectual Property (IP), promoting technology startups and specialized skill sets. Further, the Policy aims to align with other Government initiatives such as Start-up India, Make in India and Digital India, Skill India etc so as to create Indian Software products Industry of USD ~70-80 billion with direct & indirect employment of ~3.5 million by 2025.
- The **National Pharmaceutical Pricing Authority (NPPA)** is a government regulatory agency that controls the prices of pharmaceutical drugs in India. National Pharmaceutical Pricing Authority (NPPA) was constituted vide Government of India Resolution dated 29th August 1997 as an attached office of the Department of Pharmaceuticals (DoP), Ministry of Chemicals & Fertilizers as an independent Regulator for pricing of

drugs and to ensure availability and accessibility of medicines at affordable prices.

Drug Price Control Orders

- The NPPA regularly publishes lists of medicines and their maximum ceiling prices. The latest DPCO was released in 2013 which has a list of 384 drugs. On 4 December 2017, it was announced that a Multi-disciplinary committee of experts for consultation on matters pertaining to the implementation of Drug Price Control Order (DPCO) including technicalities involved in pricing and new launches will be set up and it will have the member secretary of the National Pharmaceutical Pricing Authority (NPPA) as its convener.

Functions

- To implement and enforce the provisions of the Drugs (Prices Control) Order in accordance with the powers delegated to it.
- To deal with all legal matters arising out of the decisions of the Authority.
- To monitor the availability of drugs, identify shortages, if any, and to take remedial steps.