

NEW YORK PHARMA FORUM PROGRAM
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SPEAKER: **Mr. Tsuyoshi Yazaki**
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TOPIC: **Reform of the Drug Pricing System in Japan**

In Japan, overall medical annual spending has already reached 30 trillion yen, 25 percent of which goes for medicine. Some experts cite the excessive use of drugs as the major reason for rising medical costs although the pharmaceutical industry argues that the high cost of hospital stay is the reason.

In April, 1999, due to strong opposition from the Japan Medical Association and the pharmaceutical industry, the Liberal Democratic Party announced that it would not approve a reference pricing system, which had been proposed by the Ministry of Health and Welfare as a way to contain some of the rising medical costs in the National Health Insurance system.

The Japanese government will renew discussions on drug pricing reform this September. Mr. Yazaki, who will be visiting from Japan, will address the MHW's point of view on the drug pricing reform and the possible effects that reform will have on the pharmaceutical industry.