

Taiwan Medical Device Issue: List Of Principles

Final positions of U.S. and Taiwan delegation at the conclusion of meetings. 09/28/96 6:00 PM

U.S. - Taiwan Medical Device Issue

List of Principles

National Treatment

- _ NHIB will treat foreign suppliers no less favorably than domestic suppliers under its reimbursement policies.
- _ Import costs are not an appropriate basis for determining reimbursement price.
- _ Except in the most limited circumstances, foreign reference price are not appropriate in determining the price of existing products.
- _ [Foreign reference prices may be one of the considerations for determining prices of new products]- Taiwan proposal not accepted.
- _ NHIB will carefully consider the use of foreign reference prices for determining the prices of new products in the context of its national treatment obligations.

Transparency

- _ NHIB reimbursement rules will be made available in advance to all interested parties.

Openness

- _ NHIB's Medical Products Pricing Committee and its Ad Hoc Experts Panel, on a reasonable basis, will be open to participation by manufacturers or their representatives.

Predictability

- _ NHIB has the right to decide whether a particular product is appropriate to be included in the insurance benefit package.
- _ Products included in the benefit package should be listed for reimbursement within known time frames.
- _ Price changes should be made at regular, known intervals.
- _ NHIB recognizes the need for predictability of price changes for medical devices, and will take measures toward improving predictability.

Functionality

- _ Prices should reflect the relative value of technology, taking into consideration functional categories. Manufacturers are responsible for demonstrating this relative value.
- _ Prices should be market based. Manufacturers should provide necessary information on market conditions for their products.
- _ Functional categories, once established, will be reviewed regularly to reflect advances in technology.

Other

- _ Both sides will meet when necessary to review the implementation of these principles.

_ If the understanding of the two parties on these principles is different, either side can request further consultations on these principles.

_ Upon request, the U.S. side will share all available information on medical device reimbursement and pricing policies of health insurance systems in various countries.

Cost Containment

_ Cost containment is a primary consideration for NHIB. The NHIB will takes measures towards conducting payment reform, such as case payment, lump sum payment, and global budget.

TANC offers these agreements electronically as a public service for general reference. Every effort has been made to ensure that the text presented is complete and accurate. However, copies needed for legal purposes should be obtained from official archives maintained by the appropriate agency.