

# **The Dilemma of Drug Price Regulation and Countermeasures in China**

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**Abstract:** From an international comparative angle, this paper investigates the cause, pattern and failure reasons of China's drug price regulation, and finds that it is the government inappropriate regulation pattern rather than the combination of prescribing and dispensing that made the drug price control unsuccessful. Owing to the complexity and uncertainty of the reform of separation of prescribing and dispensing, authors think that the more appropriate approach to improve government interventions on drug price is to take the fixed reference-pricing reimbursement, one new regulation form with an incentive to make medical facilities to prescribe cheap drugs, and to control evasive behaviors of stake-holders by completing some relevant arrangements.

**Keywords:** Drug price regulation, Combination of prescribing and dispensing, Fixed reference-pricing reimbursement