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01 REGULATORY, PRICING, AND REIMBURSEMENT OVERVIEW

1. What are the regulatory authorities with jurisdiction over drugs, biologicals, and medical devices in your country?

In Chile the regulatory authority responsible for the enforcement of the regulatory framework for pharmaceutical products, including biologicals, and medical devices is the Public Health Institute (ISP), which is a functionally decentralized and autonomous public service overseen by the Ministry of Health (MoH).

In turn, the Ministry of Health is the main health authority in Chile, which, pursuant to the provisions of the Chilean Sanitary Code, is responsible for the issuance of the respective regulations which govern the import, clearance, export, production, manufacturing, fractioning, storage, handling, transport, distribution, sale, pharmacovigilance, traceability, advertising, promotion or information to professionals, medical use or scientific investigation of pharmaceutical products and for the progressive implementation of the provisions for medical devices.

2. What is the regulatory framework for the authorization, pricing, and reimbursement of drugs, biologicals, and medical devices?

In Chile, the authorization for the commercialization of a pharmaceutical product is governed by the Sanitary Code, the regulations set forth in Supreme Decree No. 3/2010, issued by the MoH, which contains the Regulations for the National Control System of Pharmaceutical Products for Human Use and by ancillary regulations and technical guidelines approved by the MoH and the ISP (e.g. Decree No. 500 of 2012 of the MoH approving Technical Guideline No. 136 establishing the active ingredients included in pharmaceutical products that must demonstrate therapeutic equivalence and its amendments; Decree No. 27 of 2012 of the MoH approving Technical Guideline N° 131 defining the criteria to prove therapeutic equivalence in pharmaceutical products in Chile and its amendments; and Decree No. 945 of 2014 of the MoH approving Technical Guideline No. 170 on sanitary registration for biotechnological products derived from recombinant DNA techniques and its amendments, among several others).

Medical devices are governed by the Sanitary Code and the regulations set forth in Supreme Decree No. 825/1999 which contains the Regulations for Products and Devices of Medical Use. Furthermore, medical devices law and regulations incorporate a progressive implementation through grounded Supreme Decrees issued by the Ministry of Health –prior report issued by the ISP–, indicating the specific medical devices which will need to fulfill the provisions included in the Sanitary Code and Supreme Decree No. 825/99 in order to be manufactured, imported, commercialized and distributed in Chile.

Currently, regulated medical devices to which sanitary restrictions apply include latex surgical gloves for single use, latex medical examination gloves and latex condoms (Decree No. 342/2004 of the MoH), sterile hypodermic needles for single use and sterile hypodermic syringes for single use (Decree No.

1.887/2007 of the MoH) and synthetic masculine condoms and feminine condoms (Decree No. 93/2018 of the MoH).

There is no general regulatory reimbursement process or pricing laws for pharmaceutical products or medical devices.

Nevertheless, the health coverage of pharmaceutical products and medical devices is based on a public and private insurance system and universal coverage programs, being the most relevant the Explicit Health Guarantees (GES plan) and the High Cost Treatment Financial Protection System (Ley Ricarte Soto).

3. What are the steps to obtaining authorization to develop, test, and market a product?

PHARMACEUTICAL PRODUCTS

Any pharmaceutical product, whether imported or manufactured in the country, requires a sanitary registration (marketing authorization) in order to be distributed or used under any title in Chile (a pharmaceutical product may be exceptionally authorized by the ISP to be used temporarily without prior sanitary registration if an epidemic, emergency or catastrophe occurs, or if required for an urgent medical use or for scientific research or clinical trials).

In general terms, for the sanitary registration of a pharmaceutical product the applicant will be required to comply with general requirements including the submission of administrative information, technical information, pharmaceutical quality information and data on safety and efficacy of the product. Special requirements will also be applicable for fixed dose combination products, pharmaceutical combination products, phytopharmaceutical products; homeopathic products and biologicals.

Safety and efficacy data, including full preclinical and clinical studies for the product will be necessary to be submitted in order to achieve the sanitary registration of a pharmaceutical product under the standard registration procedure (procedimiento ordinario de registro), applicable, in general terms for innovator products. Nonetheless, Chilean regulations, in specific cases, also include the possibility to file for a simplified procedure (procedimiento simplificado de registro), permitting the omission of specific safety and efficacy data, available for generics products, as will be described.

3.A. Standard Procedure ("Procedimiento Ordinario") for the registration of Pharmaceutical Products (new drugs, biologics)

The standard procedure is the general procedure established under Chilean regulations for the sanitary registration of pharmaceutical products and will be applicable in all cases defined under article 53 of Supreme Decree No- 03/2010 which, in general, relates to:

- Pharmaceutical products incorporated for the first time in the field of medicine in Chile;
- For biological products;
- Products containing an active ingredient of a previously registered product granted with regulatory data protection;
- For products including a new therapeutic utility, posology, route of administration or age group of a previously registered product.
- For products which include a modification in the composition and con-

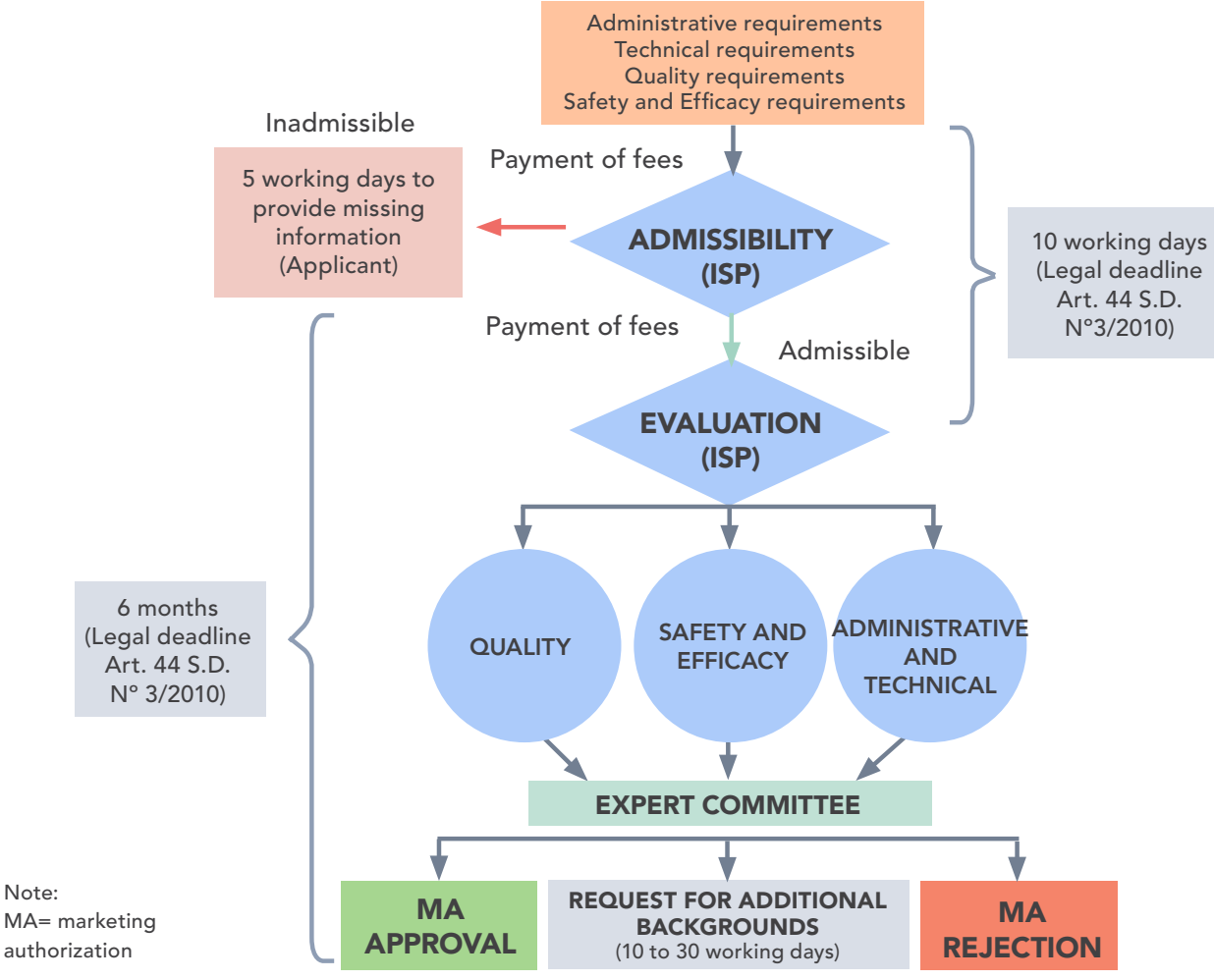
centration of the active ingredients, or present new salts, esters, isoforms or complexes for an active ingredient of a previously registered product or constitute a fixed dose combination of active ingredients which, separately, may have or not prior sanitary approval.

- Products having a different dosage form of a previously registered product, modifying the release of the active ingredient.
- For the first registration of a combination pharmaceutical product

As indicated above, full preclinical and clinical data on safety and efficacy will be required to be submitted under the standard procedure for sanitary registration of these products.

For biotechnological products, and within the standard procedure of registration, Chilean regulations allow for the abbreviation of clinical data to certify the safety and efficacy provided such product has the same active ingredient, unitary dosage, pharmaceutical form and administration route than another registered reference product. This sets forth the possibility of a biosimilar pathway for specific biotechnological products. The biosimilar pathway, however, is only available for the active ingredients and their respective presentations included in Technical Guideline No. 170 approved by Decree No. 945 of 2014, and its amendments. Technical Guideline No. 170 is based upon the WHO Guidelines for similar biotherapeutic products and structures the biosimilar pathway upon a stepwise comparability on characterization and quality, non-clinical and clinical stages, head to head with the reference product (which is also specifically set within such guidance). It also includes provisions in connection to pharmacovigilance and extrapolation of indications.

The administrative steps for the sanitary registration of a product under the standard procedure is described below:



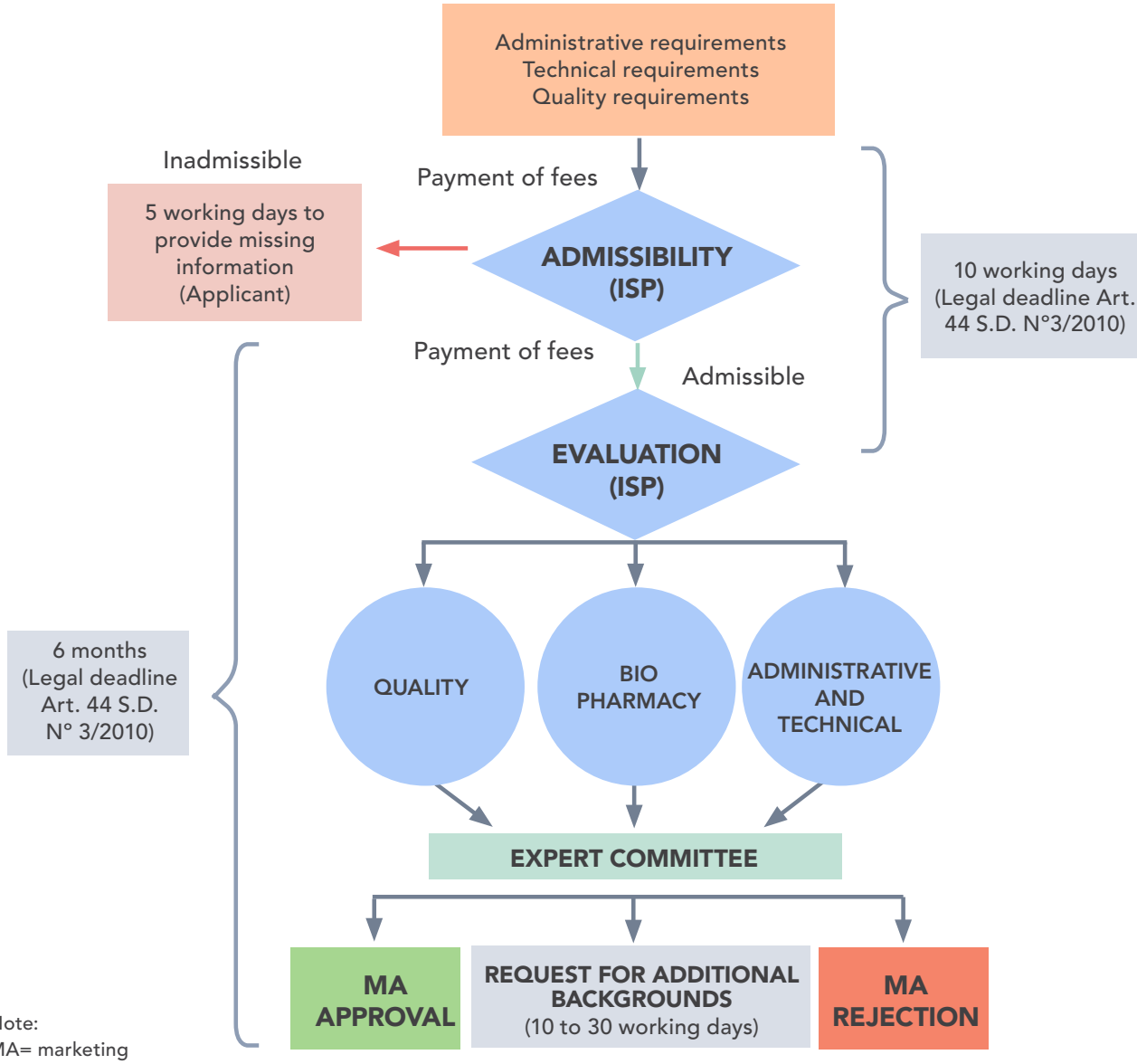
Note:
MA= marketing authorization

3.B. Simplified Procedure for the registration of Pharmaceutical Products (generics)

The simplified procedure allows for the omission of specific data regarding safety and efficacy of the pharmaceutical product filed for registration and it is permitted, in general, for pharmaceutical products containing the same active ingredient, in the same pharmaceutical dosage form and the same administration route as another product which currently has or had in the past a sanitary registration granted by the ISP and which has not been cancelled for public safety issues.

Specific therapeutic equivalence studies will be required for products containing active ingredients as per Decree No. 500 of 2012 of the MoH approving Technical Guideline No. 136 which establishes the active ingredients included in pharmaceutical products that must demonstrate therapeutic equivalence and its amendments.

The administrative steps for the sanitary registration of a product under the simplified procedure is described below:



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