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Naftemboriki, September 25, 2014

[Th. Tryfon] What the PEF Vice President stated to “N”:

“The active ingredient Troika, is an infliction to the pharmaceutical industry”

By: George Sakkas (gsakkas@naftemporiki.gr)

The Greek pharmaceutical industry launches a counter-attack as the prospects for raising pharmaceutical expenditure above €2 billion diminish, and a shrinking market share generates fierce competition.

According to **Mr. Theodore Tryfon**, co-Managing Director of ELPEN, and Vice President of the Panhellenic Union of Pharmaceutical Industries (PEF) and candidate for the Presidency, following yesterday’s general assembly of the Greek pharmaceutical companies, he stated that Greece needs an immediate change in the framework of its policy regarding pharmaceuticals, particularly the policy on generics, and in the meantime the Troika will have to curb its invasive meddling in the pharmaceutical sector.

” The unbelievably high rebates and clawbacks are dangerously increasing the general taxation on the Greek pharmaceutical industry to 55%, a fact which creates huge costs that companies are unable to sustain, emphasizes Mr. Theodore Tryfon.

As he states, “By means of a drug reference pricing system in the list of therapeutic categories, by the clear identification of manufacturers– i.e. the active pharmaceutical ingredient and identification of the manufacturer –by means of an incentive system for pharmacists, and by raising awareness of the general public that Greek manufactured generics are both of excellent quality and more cost-effective, the Greek pharmaceutical industry has the capacity in a couple of years, to obtain a 60 %-70% market share for either generic or off-patent drugs, whereas currently, this market share is below 50%. This policy will secure significant savings for the country, while allowing the leeway to reimburse truly innovative drugs.”

Mr. Tryfon notes that the unbelievably high rebates and clawbacks are in essence increasing the total taxation of Greek pharmaceutical industries to 55%, a fact which creates huge costs that companies are unable to sustain. In what regards exports, which offer the antidote to any pressures applied upon the Greek market, he notes that “it is not possible to sell overseas, when you are not valued in your own country or when you have not been allowed a significant share in the domestic market. Furthermore, it is an absolute paradox that **Greek drugs are significantly exported** and yet, they are perilously close to disappearing within Greece, a pharmaceutical market which will soon be monopolized by imported generics."

On the pricing issue he mentions, "Prices on new generics are very low. On a worldwide basis whenever on-patent drugs loose patent-protection (i.e. go off-patent), they are priced initially with a decrease in price of minus 20%, which is determined based on the percentage of their sales which corresponds to the respective costs for research and development. In Greece, generics' pricing corresponds to an initial 70 to 75% decrease."

Meanwhile, referring to non-marketed new generics, he points out that "the National Organization for Medicines [EOF] does not allow the launch of new generics. We have to receive approval of a marketing authorization. It is evident that the time frame for a foreign generic drug to receive a price after it has submitted a request for a marketing authorization takes place in a span of 9-12 months, whereas for Greek companies need 3 years, although the law stipulates 9 months. Imported drugs have already been approved from abroad, whereas the process for Greek generics is hindered due severe understaffing, lack of official drug committees, etc."

In what regards expenditure, Mr. Tryfon says that its determination should return to sustainable levels, and based on the European average. "Expenditure in recent years has decreased by 80-82% solely through price interventions and there has been no intervention on the front of demand. Online regulation of the Social Insurance System and a price ceiling are both steps in the right direction. However, these steps should also be supported by a proper framework and incentives. Today, an excess of 5 million monthly prescriptions prove that regulating the demand has failed, and there is a blatant intervention in prices as well," he mentions.

Mr. Tryfon stresses that "in order to move on, interventions from the Troika need to stop. There is a fixed budget and there is no reason to intervene. Many measures have already been voted by the Greek parliament. Let these come into effect first, and then new ones can be proposed. There are measures cancelling each other out, all the time."
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Policy on generics

Mr. Tryfon focuses his proposals on the development of a single policy on generics. This policy will involve doctors who will prescribe pharmaceutics based on the trade name and the name of the manufacturer, and pharmacists who will benefit from the exact same absolute profit whether they market off-patent or generic drugs, but with an extra bonus for any increase in the volume of prescriptions processed, and a lower rebate charged if they administer a large percentage of **generics**. Moreover, Mr. Tryfon considers it very essential that patients are made aware of the fine qualities and advantages of choosing Greek pharmaceuticals, a choice which will result in generating great profit for the Greek economy.