

PHARMACEUTICAL POLICY AND DEVELOPMENT: A MISSED OPPORTUNITY



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In all countries of the European Union, a targeted pharmaceutical policy has as a priority:

- A.** Adequacy of all population groups of access to all necessary pharmaceutical treatments
- B.** The rationalization of expenditure through structural measures, while taking into consideration the domestic added value (especially for countries in financial crisis and with high unemployment rates).

Where has the pharmaceutical policy of the institutions and the government, finally led to these last five years?

A. To the complete underfunding of health and drug expenditures. Clearly, we have gone from extremely high consumption to the opposite extreme, with the predicted closed drug budget (in both EOPYY and the hospitals) being 30% lower than the European Union average. This will impede the patients' access to necessary treatments, causing serious shortages in many drugs.

B. The expenditure's rationalization was done in a violent and horizontal manner, by means of price reductions which were actually implemented unequally, thereby establishing a worldwide novelty for our country. Older, more economical, and established drugs were reduced relatively more than the expensive imported ones! On the other hand, there was a total failure in

implementing structural measures for the regulation of drug prescribing, for the therapeutic protocols, and the price/volume agreements for new drugs – matters which constitute a priority for the policy of all European Union countries.

It is characteristic that although within the 2010-2014 period, drug prices were reduced by an average of 40%, the volume of prescriptions was stable or increasing, from 55.000.000 in 2010 to 57.000.000 in 2014! However, we never saw the implementation of consumption control measures as a prerequisite by the institutions. On the contrary, price reductions – primarily of Greek drugs (a coincidence?) – was a concept which was always present as a prerequisite, in a curiously persistent manner.

The lack of structural interventions caused, among others, the skyrocketing of mandatory discounts (the famed claw-backs), which pharmaceutical companies are being forced to pay. This additional burden creates an indirect tax that reaches 30%.

The clauses that were recently voted predict a reduction in the prices of many high-consumption Greek drugs, at levels reaching 43%, while at the same time, expensive imported drugs are only reduced by an average of 5%. All this happens within a closed budget of €1,945 million for pharmaceutical expenditure.

The Greek pharmaceutical industry and the Clinical Trials

On every occasion, the Greek pharmaceutical industry stresses its strong interest in the matter of clinical trials, and the expert know-how demonstrated by exceptional Greek scientists. In fact, the industry shows significant activity in bioequivalence studies, as well as a series of accompanying studies pertaining to the development of innovations and new drugs. According to Mr. Tryfon, the main weakness is that the current institutional framework lacks a mechanism which interconnects the great efforts which are made regarding clinical studies in Greece. This weakness forces many Greek companies to resort to extremely costly solutions abroad, in order to carry out for example: bioequivalence studies.

Thus, with the new prices, the pie is redistributed, yet again, in favor of imported drugs, while no fiscal benefit is created by reducing the value of Greek drugs.

The abovementioned measures will evidently lead to a distortion of the market. The extermination of Greek production, which represents a mere 20% of pharmaceutical expenditure, paves the way for affordable drugs to exit the health system – a system that will soon be monopolized by expensive imported drugs.

Sacrificing one of the very few industrial sectors, which amidst this devastating crisis has managed to still remain standing in our country, seems negligible compared to the dramatic consequences for the Public Health sector. This is because the domination of only expensive, imported drugs in the healthcare system, deprives patients of having access to quality and affordable Greek drugs. Such a turn of events will increase the participation fees of the insured, resulting in a further deterioration of our country's already bleak health indexes.

Justifiably then, a rational question arises: what is the objective of these particular measures when they neither clearly serve public health nor any fiscal objectives, per se? Much less so, when Greek Drugs are given with a discount of up to 70%, in comparison to the initial price of imported originals – which means that, within a closed budget, not only do Greek Drugs NOT burden the healthcare system, they actually offer significant savings!

Unfortunately, the routing of these interventions undermines the developmental targeting, which is actually put forward by the troika, as the only way to transform our national economy. This is due to the fact that by scheming for the dissolution of a developmental sector with 28 ultramodern production units, 50 years of accumulated technical know-how, annual investments of approximately 30 million in research and development, as well as an annual contribution of 2,8 billion to our country's GDP, what is intensified is: unemployment, the deindustrialization of the economy, and its dependence on imports. With the GDP being enhanced by €3,42 for every euro spent on a Greek drug, it is clear that the Greek Pharmaceutical Industry can substantially contribute to Greece's exit from the financial crisis, ensuring sustainable savings of €350 million per year.

It is, therefore perfectly clear that a financial crime is currently being committed and Greek Drugs are the victim, and, there is no benefit for either the patients or the Funds. For this reason, it is now more than ever, up to the State to assume substantial initiatives, and to strengthen its terms of negotiation, sturdily resisting the Institutions' absurd and obsessive scheming. In this context, the formation of a long-term national pharmaceutical policy, for the benefit of Public Health, National Economy and Development, is highlighted as an urgent necessity. **At last, let's start using what we produce.**