

To the Honorable
Mr. Vassilis Kontozamanis
General Secretary of the Ministry of Health

C.c.:
Mr Makis Voridis, Minister of Health
Mr Demetrios Kontos, President EOPYY

Subject: Off-setting of clawback/rebates with hospital debts

Chalandri, November 6, 2014

Dear Mr Kontozamanis,

We would hereby like to bring to your attention to the serious matter of the outstanding debts of the State Hospitals to pharmaceutical companies and more specifically of the Papageorgiou Hospital, whose debts, according to the data collected by most of our member-companies reach 25€ mio (until 30/9/2014).

Since this matter is of vital importance, not only for the pharmaceutical companies but also for the viability of the Health System, we kindly request you to immediately proceed with the issue of the relevant regulation which will permit on one hand the off-setting of the rebates against the hospital debts (including the Private Law Legal Entities) and on the other the possibility of giving priority to the set-off of the clawback against the debts of the hospitals.

Suggestively, the amendment of paragraph IB.2 of Law 4093/2012 (Gov. Gazette 222/A/12/11/2012) as follows:

"In case at the end of every six-month period, the total expenditure of EOPYY has exceeded the predetermined amount, the balance is sought by the pharmaceutical companies or the MAHs and is either paid in a special account suggested by EOPYY or it is off-set by EOPYY against debts of equal amount for the procurement of pharmaceutical patent medicines by its pharmacies, in the case of pharmaceutical companies or MAHs who supply its pharmacies. Alternatively, balances or rebates of pharmaceutical companies which do not transact with the pharmacies of EOPYY or due to the nature of their patent medicines, co-operate with Public or Private Law Hospitals supervised by the Ministry of Health, may set-off, in whole or in part, by priority, the clawback amount with these agencies, upon their request to EOPYY which is also communicated to the respective Public and Private Law Legal Entities.

Following the resolution of the BoD of EOPYY, they are granted to the Hospitals, both of Private and Public Law and are off-set against the receivables of pharmaceutical companies or MAHs from the Hospitals for medicinal products against hospitalization expenses of persons insured in EOPYY, according to the provisions of the legislation currently in force. The set-off is effected only between amounts and cleared debts of EOPYY towards the pharmaceutical companies or MAHs that were generated within the same year or are pending from

previous fiscal years. Any balances from the above procedure are deposited directly by the companies in the Bank account to be suggested by EOPYY.

We remain at your disposal for anything further.

Yours sincerely,

Michalis Himonas
General Manager

Zefi Vostitsanou
Director of Scientific&Regulator Affairs