

PRESS RELEASE

“Support pharmaceutical care for Greek patients”

- **Shocking evidence on the impact of health expenditure cuts on public health in our country**
- **In unison, all the stakeholders in the pharmaceutical supply chain are making an ultimate appeal to the Prime Minister and the Ministers of Finance and Health, calling upon them to act immediately in order to ensure that pharmaceutical expenditure does not fall below the red-line level €2.25 billion**

Athens, 14 November 2013 - Today, all the representatives of patients' associations, medical associations and pharmaceutical companies, for the first time in unison, are making an ultimate appeal to the government and the Troika. In their joint statement on behalf of all stakeholders in the pharmaceutical supply chain, they are calling for a stop to the brutal curtailment of pharmaceutical care for Greek citizens, pointing out in particular that the cut in the public pharmaceutical budget to €2 billion for 2014 as required by the Troika would have new devastating consequences on public health. What is needed, as they state, is to set a strict limit at €2.25 billion for 2014 and keep it unchanged for the next years until the eventual exit from the crisis.

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In this context, a joint press conference was held today, attended by Messrs Konstantinos Frouzis, President of SFEE, Dimitrios Demos, President of the Panhellenic Association of Pharmaceutical Industries (PEF), Michalis Vlastarakos, President of the Panhellenic Medical Association, Kyriakos Theodossiadis, President of the Piraeus Pharmacists Association, Stavros Belonis, President of the Greek Federation of Pharmacy Cooperatives, Manolis Katsaris, President of the Panhellenic Association of Pharmaceutical Wholesalers, George Kalamitsis, President of the Hellenic Liver Patient Association “Prometheus”, and Ms. Zoe Grammatoglou, Chair of the Board of the Athens Association of Cancer Patients (KEFI).

Speaking on behalf of patients, **the President of the Hellenic Liver Patient Association “Prometheus”, George Kalamitsis**, stated, among other things, that in recent months patients find it increasingly difficult to access treatments, and there has been an increase in morbidity and in the financial burden to patients. As a result, a lot of patients do not follow their treatment regimen according to the instructions of physicians and their needs, putting their health at risk.

“The cut in pharmaceutical expenditure will lead to a further spread of contagious diseases such as hepatitis B and C and HIV. The challenges faced by patients in accessing new and more effective therapies will become even more acute, leading to higher morbidity, lower work performance and job losses and putting an additional burden on public healthcare providers.”

In the same vein, **Ms Grammatoglou, Chair of the Board of KEFI**, noted:

“What I have understood is this, it all boils down to costs. By the cuts in public pharmaceutical costs, patients will not find their medication and will have to seek on their own. The big problem is with those uninsured. You cannot suffer from cancer and not be able to find your medication while all that the Ministry is doing is squeezing the cost of pharmaceutical care. And I am asking them, what is the cost of a human life, have you even thought of that?”

All stakeholders in the pharmaceutical supply chain, as well as the **Panhellenic Medical Association**, agreed in their statements that reducing spending to below €2.37 billion this year has tested the limits of the system and owes its “success” to the clawback measure and, more importantly, to the increased burden shouldered by households and to higher patient co-payment rates. In the speakers’ view, public pharmaceutical expenditure can not fall below the €2.25 billion threshold without an intolerable impact on patients’ budgets and without causing disturbances in the market for medicinal products.

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The need to safeguard pharmaceutical care for Greek patients was highlighted by the **President of the Association of Pharmaceutical Companies, Mr Konstantinos Frouzis**:

“We, all the stakeholders in the pharmaceutical sector in Greece, are today joining our voices to call for a need to safeguard a minimum threshold of pharmaceutical care for patients in our country. This threshold is 2.25 billion, which is lower than the 2013 level and around 60% of the current EU average. Currently, patients are already facing difficulties in their access to treatments and medications, whether it is about existing products or new innovative medicines, and there is a visible risk that the situation will become even worse over the next year. This is why we are voicing this appeal to the State, the Ministry of Health, the Ministry of Finance, all of which are already aware of the matter, to keep the threshold for pharmaceutical care unchanged, for the sake of patients, citizens and families in Greece.”

The President of the Panhellenic Association of Pharmaceutical Industries, Mr Dimitris Demos, underlined the need to attenuate the demands of the Troika.

“While pharmaceuticals account for only 20% of total healthcare expenditure, the Troika’s exorbitant demands risk triggering a humanitarian crisis. All of us, whether we represent multinational corporations, or the domestic business community, or importers of innovative and original medicines or manufacturers of generics, especially Greek generics, or the medical equipment industry, share the understanding that the Troika’s target for a reduction in pharmaceutical expenditure to €2 billion cannot be achieved. We are talking about a situation in which: many original and innovative, life-saving medicines can not even come to Greece and become available to patients; several medical products already authorised and marketed in Greece may disappear from pharmacy shelves due to parallel exports following the price reductions; or as far as generics is concerned, a generics policy may be in place but no generics are available in the market.”

The need to uncouple pharmaceutical expenditure from the government budget was stressed by the **Vice-President of the Piraeus Pharmacists Association, Mr Konstantinos Kouvaris**:

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“The continuous cuts in pharmaceutical expenditure in the country have pushed Greek patients to the edge of a humanitarian crisis. We strongly believe that any more reductions cannot be sustained. All partners in the pharmaceuticals sector are joining forces to ensure that pharmaceutical expenditure is fully uncoupled from the government budget and that Greek patients can have reasonable access to treatments. The reduction in pharmaceutical spending would create huge problems, as the insured will no longer find their medicines, originals and generics alike, on retailer shelves.”

The President of the Panhellenic Medical Association, Mr Michalis Vlastarakos, drew attention to dangerous phenomena in healthcare:

“The reductions in pharmaceutical expenditure so far have caused major problems both for medical practice and for the pharmaceutical care of patients. A further cut in this expenditure will trigger dangerous phenomena, with patients failing to find their medications, abandoning treatment due to unaffordable costs, or having to pay a heavy cost out of their pockets.”

The need for reaching a good faith understanding with the Ministry of Health was stressed by the **President of the Greek Federation of Pharmacy Cooperatives, Mr Stavros Belonis:**

“All of us together and in good faith should seek to reach an understanding with the Ministry, which must claim, to the benefit of citizens, a budget amount that can as a minimum meet the pharmaceutical needs of people. Based on careful cost analysis, this amount would be no less than €2,250 billion.”

A similar view was taken by the **President of the Panhellenic Association of Pharmaceutical Wholesalers, Mr Manolis Katsaris:**

“Reducing healthcare expenditure cannot rely on cuts in pharmaceutical spending only.”

The alarming situation described by the speakers and the major threat it poses to public health, is fully supported by several research studies carried out in recent months in our country. Specifically, a survey conducted by KAPA Research for the National School of Public Health in 19-20 September 2013 with 1,227 respondents across Greece suggested that:

- One in three Greek patients are forced to alter their treatment by reducing the frequency of medicine intake so that it can last longer because they cannot afford the cost.
- Another survey conducted by the Department of Finance of the National School of Public Health in February-March 2013 on a sample of 1,600 patients, suggested inter alia that:
 - 60% of the chronically ill face financial constraints or long waiting lists in accessing healthcare services;
 - the chronically ill have reduced their visits by 30% to primary healthcare services during the years 2011-2013;
 - the chronically ill have reduced their spending on primary healthcare by 50% in the three years from 2011 to 2013;
 - the self-assessed health level of the chronically ill has fallen by 60% since 2012.

In May 2013, the University Research Institute of Mental Health conducted a new survey to gauge the prevalence of depression among Greek population and to investigate the impact of the economic crisis on mental health. The results of the survey are gloomy:

- Relative to 2011, there has been an increase of 50% in clinical/major depression due to the deepening economic crisis (12.3% from 8.2%). It is worth mentioning that the respective figure for 2008, i.e. prior to the crisis, was just 3.3%, before rising to 6.8% in 2009.
- The prospects for the future are bleak, as suggested by the findings of other studies:
- Over a 10-year horizon, life expectancy in Greece is projected to fall by about three years as a result of the deteriorating quality of life.
- For the first time since 1950, there has been an increase in infant mortality in our country! Since 2008, when Greece entered the crisis, infant mortality has risen from 3.31 (stillbirths per 1,000 children aged up to one year) to 4.28 in 2009, 4.36 in 2010 and 4.01 in 2011.

The impact of the austerity and the economic crisis on the health of Greeks has attracted international attention, with numerous reports in foreign media and scientific journals. This situation obviously deals a further blow to Greece's image abroad, and this at a time when the country's policy agenda includes the development of medical tourism!

The President of the Association of Pharmaceutical Companies, Mr Konstantinos Frouzis, called upon the Government and the Troika to refrain from further undermining pharmaceutical care in Greece, otherwise, he stated, they will risk to bring about, as a natural consequence, greater problems in patients' access to new or existing medicines and treatments. As Mr Frouzis pointed out: "In 2013, public pharmaceutical expenditure was reduced once again, reaching €2.5 billion, implying a cumulative decrease of 55% since 2009 (from €5.5 billion in 2009 to €2.5 billion in 2013). Although this reduction was not achieved without disturbances in the market, we have managed to deliver and maintain a satisfactory level of pharmaceutical care, but this has come at a high price, i.e. a lack of new entries in the market for more than three and a half years now."

For 2014, the public pharmaceutical budget expenditure is further squeezed, to €2 billion, a limit which all stakeholders describe as inhumane and racist, as this would imply that per capita pharmaceutical expenditure in Greece would fall to almost half the EU average. The pharmaceutical market argues that this expenditure cannot fall below the €2.25 billion threshold, otherwise a humanitarian crisis will break out.

On a positive note, the Troika does not set the €2 billion level as a rigid red line and would be willing to accept equivalent measures, if they can be ensured by the Ministry of Finance. As pointed out by all representatives of

the pharmaceutical supply chain: “We believe that this gap of 12-13% between the Memorandum target and what we see as an absolutely necessary minimum and as a safe level for expenditure can be bridged, especially at a time when a reversal to a budgetary surplus is expected for the coming years.”