



**SFEE's REPORT ON PUBLIC HOSPITALS' DEBTS TOWARDS  
SFEE's MEMBER-COMPANIES**

***Sales, amounts paid and amounts due: 01.01.2010 - 31.12.2011***

***Athens, January 2011***

The Hellenic Association of Pharmaceutical Companies (SFEE) collected and analyzed all the available data regarding pharmaceutical debts of public hospitals to its member-companies, for the invoices issued from 01.01.2010 to 31.12.2011. The analysis describes in detail the data regarding sales, sums that have been paid and sums that are still pending (owed) for invoices issued in 2010, in 2011 and collectively for the invoices of 2010 and 2011, only for the pharmaceutical sector, as well as the total time of delay of settlement of the pending sums per hospital.

Moreover, the data on pending debts of IKA and military hospitals towards SFEE member-companies for invoices issued before 01.01.2010 were collected and analyzed.

#### **A) Sales, sums that have been paid and sums that are still pending (owed) for 2010**

The **main points** resulting from the analysis of the data on sales, amounts paid and amounts due (debts) for invoices issued from **01.01.2010 until 31.12.2010** by SFEE member-companies, are the following:

- The **total amount of sales** effected by SFEE's member-companies to public hospitals from 01.01.2010 until 31.12.2010 **reached €1,347.2 million.**
- On 31.12.2011, the **total amount paid off** by the public hospitals to SFEE's member-companies for invoices issued from 01.01.2010 until 31.12.2010, reached **€1,155,1 mil.** compared to €915.2 mil. on 30.09.2011.
- In other words, on 31.12.2011 **85.7% of the total debts of public hospitals** for invoices issued in 2010 have been **paid off.**
- On 31.12.2011, the **total amount of public hospitals' debt** towards SFEE's member-companies for invoices issued from 01.01.2010 until 31.12.2010 was **€192.1 million**, compared to **€434.9 million** on 30.09.2011.

#### **B) Sales, sums that have been paid and sums that are still pending (owed) for 2011**

The **main points** resulting from the analysis of the data on sales, amounts paid and amounts due (debts) for invoices issued from **01.01.2011 until 31.12.2011** by SFEE member-companies, are the following:

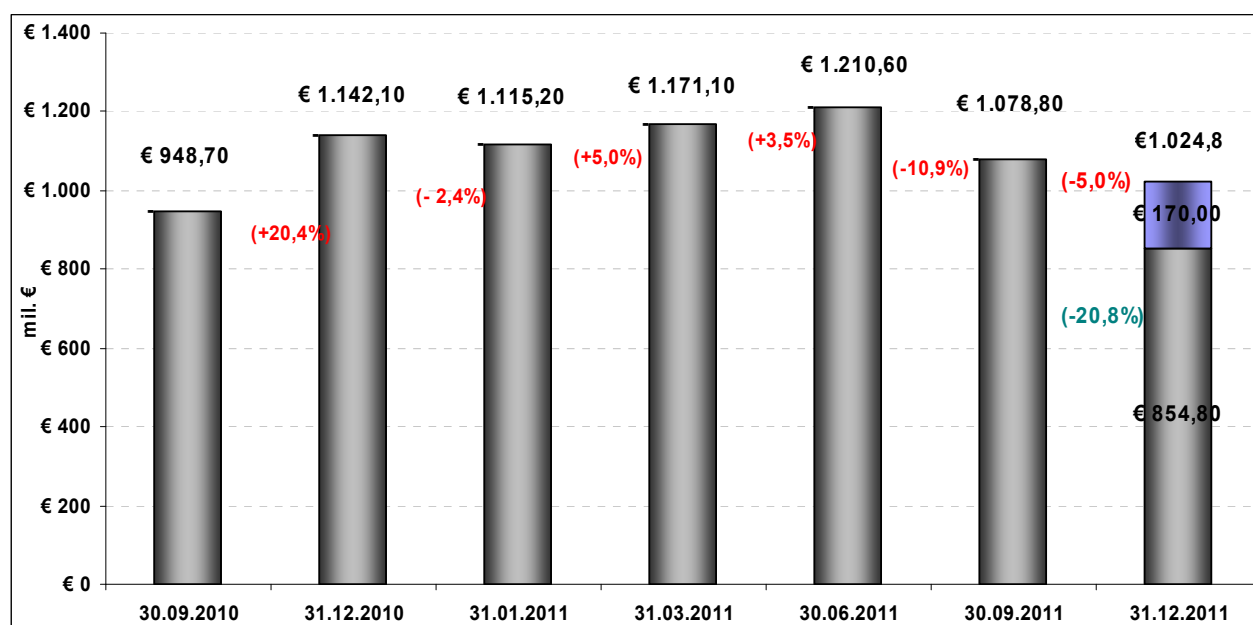
- The **total amount of sales** effected by SFEE's member-companies to public hospitals from 01.01.2011 until 31.12.2011 **reached €1,102.2 million.**
- On 31.12.2011, the **total amount paid off** by the public hospitals to SFEE's member-companies for invoices issued from 01.01.2011 until 31.12.2011, reached **€269.5 mil.** *In other words, 24.5% of the total amount* owed by public hospitals for invoices issued during 2011 has been **paid off.**
- On 31.12.2011, the **total amount of public hospitals' debt** towards SFEE's member-companies for invoices issued from 01.01.2011 until 31.12.2011 was **€832.7 million.**

#### **C) Sales, sums that have been paid and sums that are still pending (owed) 2010 & 2011**

The **main points** resulting from the analysis of the data on sales, amounts paid and amounts due (debts) for invoices issued from **01.01.2010** until **31.12.2011** by **SFEE member-companies**, are the following:

- The **total amount of sales** effected by SFEE's member-companies to public hospitals from 01.01.2010 until 31.12.2011 reached **€2,449.4 million**.
- On 31.12.2011, the **total amount paid off** by the public hospitals to SFEE's member-companies for invoices issued from 01.01.2010 until 31.12.2011, reached **€1,424.6 mil.** In other words, on 31.12.2011, **58.2% of the total debts** of public hospitals have been **paid off**, compared to **50% of the total debts** of public hospitals that had been paid off until 30.09.2011.
- On 31.12.2011, the **total amount of public hospitals' debt** towards SFEE's member-companies for invoices issued from 01.01.2010 until 31.12.2011 was **€1.024,8 million**, as shown in Figure 1.

**Figure 1**  
**Evolution of Hospital Debts**

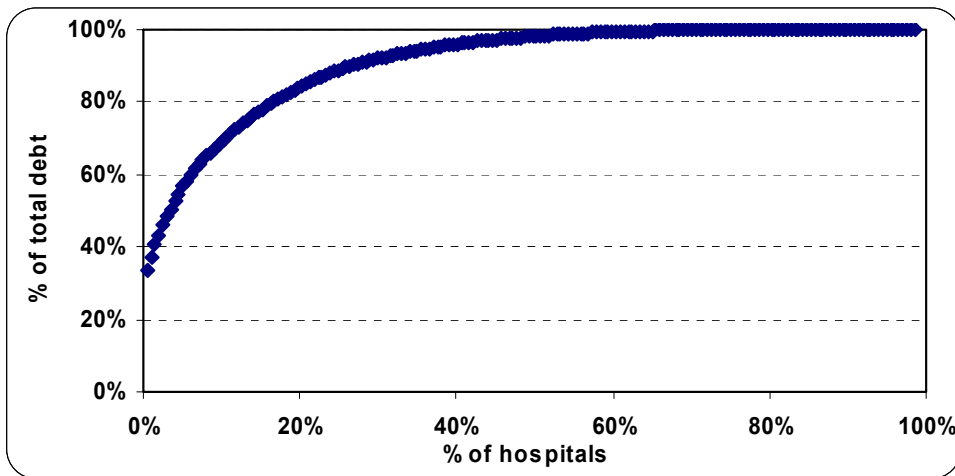


\*Note: €170 million correspond to the offset of State Hospital Debts with the entry fee and rebate of SFEE member companies

- On 31.12.2011, **important variations** are observed **between the amounts paid by each of the hospitals** of the National Health System, **for invoices issued from 01.01.2010 until 31.12.2011**. More specifically, the **payment rates for invoices range from 49.2% to 87.9% for large hospitals**, i.e. hospitals with total sales of more than € 20 million. Indicative of this phenomenon, is the variation in the settlement of pending amounts for the General Hospital of Athens "Genimatas", the General University Hospital of Patra and the Peripheral Oncology Hospital "Agios Savvas", where payment rates equal to 49.2%, 60.2% and 87.9% respectively.

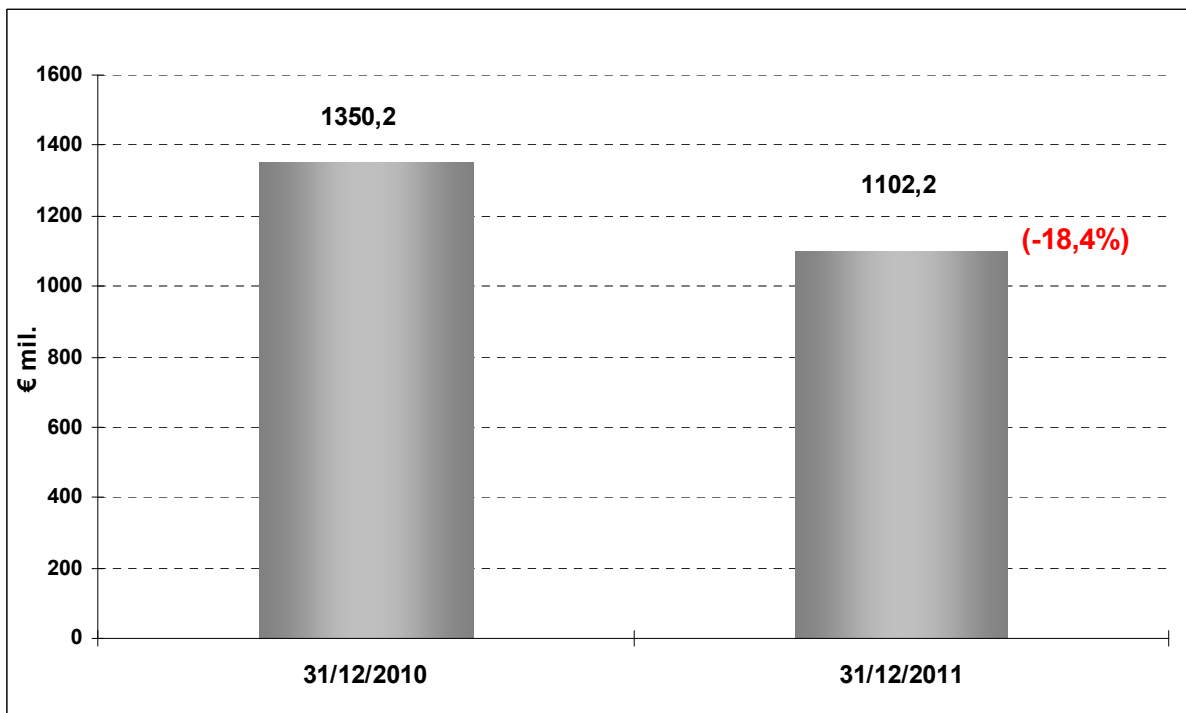
- **IKA** (Social Insurance Institute) has a large amount of debt towards SFEE's member companies, with total debts of approximately **€343.4 million** (33.5% of the total debt) on 31.12.2011. The 13.57% of the total debt is related to invoices issued in 2010, while the corresponding sum on 30.09.2011 was equal to 30%. It is also noted that on 31.12.2011 the **total amount of debt of the hospitals of IKA** towards SFEE's member companies for **invoices issued before 01.01.2010** reached **€8.77 mil.**
- A large amount of debt also corresponds to the **Military Hospitals** that have paid off only **30.01%** of the invoices issued in 2010 and 2011, whereas the total amount of debt of the Military Hospitals towards SFEE member pharmaceutical companies reached **€59.1 million** on 31.12.2011. Furthermore, the **total amount of debt of the Military Hospitals** towards SFEE member companies for invoices issued **before 01.01.2010** reached **€52.5 million.**
- The hospitals of Judicial Prisons have the lowest debt toward the member companies of SFEE, worth **€ 301 thousand**, and the highest repayment rate of invoices that reached approximately 59.25% on 31.12.2011.
- A **high degree of concentration** of debts in few hospitals is observed. The **top ten** - ranked based on the amount owed- public hospitals have total debts towards the pharmaceutical enterprises that exceed **€580 million**, which correspond to **56.6%** of total debts.
- Furthermore, as shown in Figure 2, **20% of public hospitals** have debts that correspond to **84.2%** of the total debts.

**Figure 2**  
**Inequality Distribution Diagram of Hospital Debts 31.12.2011**



- Finally, it is worth mentioning that the total sales of SFEE member companies to State Hospitals in 2011 amounted to € 1.102.2 million on 31.12.2011, decreased by 18.4% compared to the corresponding sales during 2010 (Figure 3).

**Figure 3**  
**Pharmaceutical Sales to Public Hospitals (€ million) 2010 & 2011**



The table that follows (Table 1) summarizes the Hospital Sales, Amounts paid-off and Debts towards SFEE's member companies on 31.12.2012.

Table 1

**Summary of Hospital Sales, Amounts paid-off and Debts towards SFEE's member companies on 31/12/2012**

	<b>TOTAL SALES €)</b>	<b>TOTAL AMOUNTS PAID OFF (€)</b>	<b>TOTAL DEBTS (€)</b>	<b>% OF DEBT PAID OFF</b>
<b>2010</b>				
<b>ESY (State Hospitals)</b>	1.011.996.713	902.421.390	109.575.323	89,2%
<b>IKA (Social Insurance Institute)</b>	276.559.571	229.936.581	46.622.990	83,1%
<b>Military Hospitals</b>	45.850.909	19.317.924	26.532.984	42,1%
<b>Legal Entities of Private Law</b>	10.104.976	1.898.953	8.206.023	18,8%
<b>Hospitals of Judicial Prisons</b>	323.825	296.140	27.685	91,5%
<b>IFET</b>	2.373.275	1.214.070	1.159.204	51,2%
<b>TOTAL</b>	<b>1.347.209.269</b>	<b>1.155.085.058</b>	<b>192.124.211</b>	<b>85,7%</b>
<b>2011</b>				
<b>ESY (State Hospitals)</b>	740.516.229	244.694.283	495.821.947	33,0%
<b>IKA (Social Insurance Institute)</b>	313.234.090	16.407.314	296.826.775	5,2%
<b>Military Hospitals</b>	38.564.507	6.016.774	32.547.734	15,6%
<b>Legal Entities of Private Law</b>	7.010.362	468.915	6.541.447	6,7%
<b>Hospitals of Judicial Prisons</b>	415.950	142.144	273.806	34,2%
<b>IFET</b>	2.469.301	1.777.881	691.421	72,0%
<b>TOTAL</b>	<b>1.102.210.441</b>	<b>269.507.311</b>	<b>832.703.129</b>	<b>24,5%</b>
<b>2010-2011</b>				
<b>ESY (State Hospitals)</b>	1.752.512.942,63	1.147.115.673,04	605.397.269,59	65,5%
<b>IKA (Social Insurance Institute)</b>	589.793.660,39	246.343.894,79	343.449.765,60	41,8%
<b>Military Hospitals</b>	84.415.416,22	25.334.698,08	59.080.718,14	30,0%
<b>Legal Entities of Private Law</b>	17.115.338,82	2.367.868,28	14.747.470,54	13,8%
<b>Hospitals of Judicial Prisons</b>	739.775,60	438.284,24	301.491,36	59,2%
<b>IFET</b>	4.842.576,02	2.991.951,14	1.850.624,88	61,8%
<b>TOTAL</b>	<b>2.449.419.710</b>	<b>1.424.592.370</b>	<b>1.024.827.340</b>	<b>58,2%</b>
<b>2009</b>				
<b>Military Hospitals</b>			<b>52.506.890</b>	