

To
The honorable
Mr Adonis Georgiadis
Minister of Health and Social Solidarity

Chalandri, July 17, 2013

Subject: Prices Observatory - Document of EOPYY

Dear Minister,

We obtained knowledge of the document of EOPYY under protocol number Φ36/71/12-7-2013, titled *“Regarding the purchase of medicines that exceed the prices that derives either from the price set by the Prices Observatory or by the Hospital Price + the discount”*, signed by the Head of the Medicines directorate of EOPYY, Mrs Panayota Litsa, with which EOPYY informs the Pharmacies of the country that it will no longer reimburse the prices of medicines that exceed those of the PRICES OBSERVATORY, requesting in parallel from the pharmacies to sign a solemn declaration stating that the price the charge to EOPYY does not exceed the price set by the PRICES OBSERVATORY (we attach the said document).

As we have repeatedly pointed out, the reimbursement of medicines based on the PRICES OBSERVATORY clearly and directly violates the Ministerial Decision of the Ministry of Health and Social Solidarity No ΔΥΓ3(α)/οικ.7789/2013 *“Provisions on Medicines Pricing”* (Gov. Gazette Β´ 94/23-1-2013), which provides in detail the manner of reimbursement of the medicines, and in article 3 thereof it is expressly provided that the discounts on the hospital price is a right vested with the manufacturer/importer and not with the State, the Hospitals or EOPYY. In parallel, there is no provision that stipulates or concludes that the prices posted at the PRICES OBSERVATORY can be used by EOPYY as the “reimbursement basis”.

Furthermore, the use of the PRICES OBSERVATORY for medicines is no an obligation that was imposed on the country by the MoU, but it constitutes a self-existent initiative of EOPYY, on the grounds of a “legislative gap” (there is no provision that provides reimbursement of medicines with the PRICES OBSERVATORY prices). Such initiatives however, seem to forget that, especially as regards medicines, **there is the complete and already tested mechanism of the Prices Bulletins**, so any recourse to other measures for fixing the prices (the PRICES OBSERVATORY addresses medical technology products, which are not subjected to a similar market police valorisation, as medicines do). In parallel, in the manner that EOPYY now attempts to reimburse the medicines’ cost, it generates the **apparent risk of distorting the healthy competition and manipulating the pharmaceutical market** by any company would intentionally offer (e.g. in a tender process) prices at such a level, that will render the survival of its competitors impossible, exactly because the said prices, through the PRICES OBSERVATORY, will be *ipso facto* rendered obligatory for the whole Greek market, without the guarantees and the safety mechanisms granted by the known procedure of the issue of Prices Bulletins.

In view of all the above and the emerging persistence of EOPYY on the said practice, we **kindly request that you promptly intervene**, in order to restore the conditions and the legality on the said serious matter, so that no problems will be *inter alia* created in the market supply, in such a sensitive time period.

Yours sincerely,

Constantinos M. Frouzis
President of SFEE

Demetris Demos
President of PEF