

To the Honorable Mr. Panagiotis Pikrammenos Prime Minister of Greece

Cc.: Mr. Christos Kittas, Minister of Health & Social Solidarity

Mr. Antonis Roupakiotis, Minister of Employment & Social Insurance

Mr. Giorgos Zanias, Minister of Finance

Mr. Fragkos Fragkoulis, Minister of National Defense

Mr. Athanasios Kotsopoulos, Secretary General, Minister of Health

Mr. Antinis Dimopoulos, Secretary General of Public Health

Prof. Y. Tountas, EOF President

Mr. G. Voudouris, EOPYY President

Halandri, May 28, 2012

Honorable Prime Minister,

Herewith we would like to inform you about the dramatic situation that has been formed because of the outstanding debts of public hospitals and social insurance funds to pharmaceutical companies and other stakeholders of the distribution chain of medicinal products (such as pharmacists).

We would like to point out that the problem of debts is perpetuated and now reaches explosive dimensions, since during the last period the flow of payments has practically frozen, and therefore the debts are accumulating to an even greater degree. For example, the debts of the State towards pharmaceutical companies by the end of June will amount in total to 1.55 billion. More specifically:

- Debts of IKA-EOPYY will reach €550 million by the end of June 2012. Especially for this debt it should be mentioned that it concerns unpaid invoices for at least 18 months.
- The debts of NHS hospitals will reach €850 million by the end of June 2012.
- The debts of the military hospitals will reach by the end of June 2012 €150 million, 1/3 out of which concerns unpaid invoices issued during the period 2007-2010.

SFEE stresses out that the accumulation of the outstanding debts of the State makes extremely difficult the liquidity of pharmaceutical companies and of the other stakeholders of the medicine, who in practice, due to their financial inability will not be able to meet their obligations and ensure the smooth supply of the pharmaceutical market.

At this point, we would like to point out that the situation is getting even worse because there is a serious conflict with the refusal of some associate judges of the Court of Auditors to sign payment orders relating to the supply of medicinal products by public hospitals. The issue has received very serious dimensions and an

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immediate political solution should be given, so that hospitals can proceed with the settlement of the amounts due.

Following the above, and having as a common goal the smooth supply of medicinal products to the extent that this is possible, we urge you to take immediately all the necessary actions, so that the following amounts are paid to the pharmaceutical companies within the following two weeks: at least  $\leq$ 150 mill. by EOPYY,  $\leq$ 250 mill. by NHS hospitals and  $\leq$ 50 mill. by the military hospitals. In this way the uninterrupted supply of necessary medicines to the patients will be enabled. SFEE urges you to take immediate all the necessary initiatives to resolve the problem that threatens the smooth operation of the National Health System and the viability of many stakeholders of the pharmaceutical sector.

Yours faithfully,

Fotis Mangalousis General Director Konstantinos M. Frouzis President

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