

Reforms needed to ensure sustainable healthcare system

The President of Hellenic Association of Pharmaceutical Companies (SFEE), Pascal Apostolides, spoke to New Europe about the challenges of the Greek pharmaceutical sector, noting the commitment of the industry to support the system with adequate supply of medicines and calling for a National Strategic Plan for a primary care reform to ensure and secure the right of patients for access to a modern and sustainable health system. He also discussed the effect of the refugee crisis on the pharmaceutical industry, highlighting SFEE's social responsibility, calling for the EU to secure additional funds and share the burden in order to address such a widespread and potentially uncontrollable issue, which is definitely not Greek.

New Europe: What is the situation in the pharmaceutical sector in Greece today?

Pascal Apostolides: The industry is still facing an extreme total 61% cut in public pharmaceutical expenditure since the beginning of the crisis (2010). This leads to a highly uncertain and industry-unfriendly investing environment. Despite this turbulence, pharmaceutical companies not only have shown remarkable resilience, but have provided the main funding of the healthcare system in critical circumstances (via numerous mandated rebates and clawback).

However, we have now reached to a breaking point. The closed pharmaceutical budget (retail and hospital) is below the safety limit and insufficient to cover inelastic patient needs. In the meantime, public sector arrears towards industry have continued to accumulate and remain unpaid (~€1.2B), without any predictable payment plan timeline.

At such difficult times, one would expect that the state will support, the country's second largest exporter-with exports of locally produced medicines. The industry is determined to continue to support the system with adequate supply of medicines but our ability in doing so is not unlimited. Needless to say that for every €100 spent in health today, €31 derive directly from Greek households' out of pocket disposable income. The industry contributes with an extra €26, meaning that the system is totally unsustainable unless radical reforms are applied immediately.

NE: How have Greek patients and citizens been affected by this policy?

Apostolides: Due to this situation, every Greek citizen will be 50% worse off in terms of health expenditure than the average of other Europeans. Greece has

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SFEE President Pascal Apostolides spoke to New Europe

already the lowest public pharmaceutical expenditure per capita, i.e. €183, compared to a euro area average of €295.

Meanwhile in a recent survey by the Greek Institute of Social and Preventive Medicine (IKPI) in collaboration with the Centre for Health Services Research of the Medical School of the University of Athens on the health of Greek citizens, 40% of respondents reported that their access to health services have deteriorated compared to 2009, and 52% reported that their health cost burden had increased. The collapse of the primary healthcare system has led to the overload of the secondary care creating a huge increase in public expenditure and jeopardizing the quality of healthcare provision. SFEE has consistently called for a National Strategic Plan for a primary care reform to ensure and secure the right of patients for access to a modern and sustainable health system, matching citizens' direct and indirect tax contributions.

NE: What is the stance of the pharmaceutical industry and what solutions do you propose?

Apostolides: The "therapy" for the Greek health system has not been applied yet; all measures taken so far have been horizontal and fragmentary in nature, lacking a coherent strategy. The profound structural changes require, political

willingness, discipline, proper design and consultation with all stakeholders in order to gain social consensus.

SFEE is seeking institutional cooperation with the state by submitting realistic and applicable proposals always ready to contribute with its global expertise. Additionally, SFEE along with European Federation of Pharmaceutical Industries and Associations (EFPIA), have proposed to the Government a series of reform recommendations based on best practices from other European countries. Such proposals include:

- Capitalize on the benefits of e-prescription system by collecting and analyzing "big data", setting national health priorities, budget forecasting and anticipating savings
- Introducing and implementing of registries, therapeutic guidelines, managed entry agreements for the true innovative medicines based on real world evidence
- Introducing a proper generics policy
- Attracting clinical trials by simplifying bureaucratic procedures and by introducing tax incentives following European standards. Each clinical trial implies an inflow of almost €250,000 in foreign investment adding €500,000 to GDP.
- Regarding sector's potential growth, further joining forces between the domestic and the international

pharmaceutical industry could form a very powerful ally of the State in the effort towards economic recovery. Already, a large number of multinational companies produce and package over 40% of their sales volume at Greek manufacturing plants, and it is certain that this outcome could be further amplified under a more stable business-friendly environment.

NE: Has the refugee crisis affected the pharmaceutical industry?

Apostolides: With more than 1,000,000 refugees having passed through the country in the last twelve months and also in view of the need to control contagious diseases and provide basic health services, nothing more can be said to describe the most critical aspect of the growing humanitarian crisis. A cost of €100 million has been estimated as an immediate requirement for basic health coverage and this amount cannot be part of the anemic Greek pharma expenditure budget. SFEE, loyal to its social responsibility, has already contributed by offering 40,000 medicines through the Hellenic Center for Disease Control and Prevention (KEELPNO). It is highly important that the EU – should secure additional funds and share the burden in order to address such a widespread and potentially uncontrollable issue, which is definitely not Greek.