



**HELLENIC ASSOCIATION OF PHARMACEUTICAL COMPANIES:
A REPORT ON PUBLIC HOSPITALS' DEBTS TOWARDS SFEE'S
MEMBER-COMPANIES**

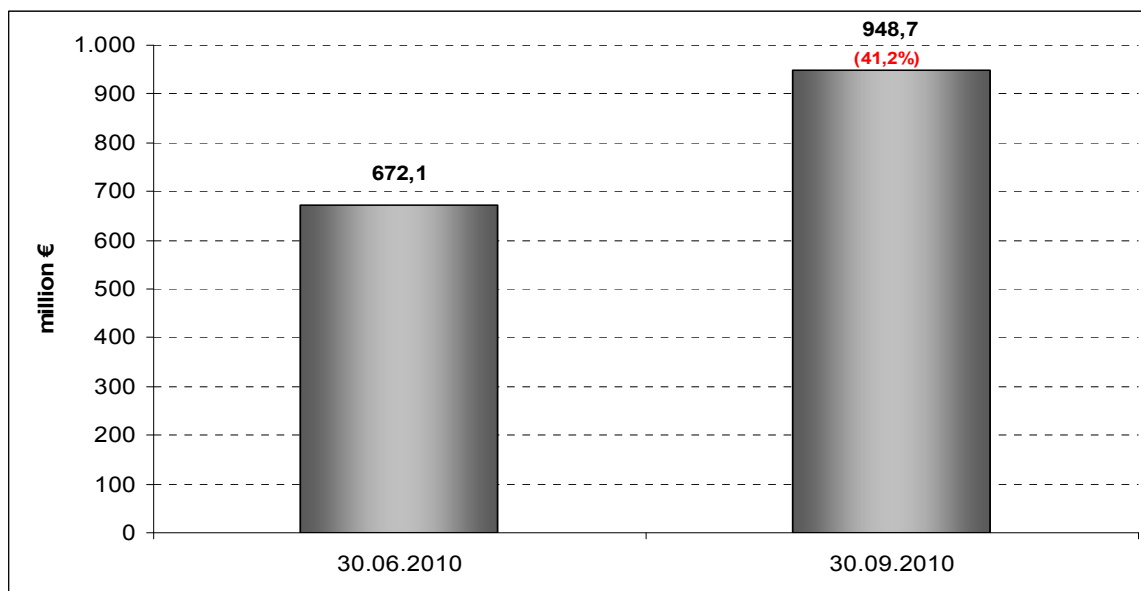
Sales, amounts paid and amounts due: 01.01.2010 - 30.09.2010

Athens, October 2010

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 **first nine months of 2010**. The analysis describes in detail the data regarding sales, sums that have been paid and sums that are still pending (owed) for supplies of pharmaceuticals in 2010, as well as the total time of delay of settlement of the pending sums per hospital. The main points resulting from the analysis of the data on sales, amounts paid and amounts due (debts) for pharmaceutical supplies made from 01.01.2010 until 30.09.2010 are the following:

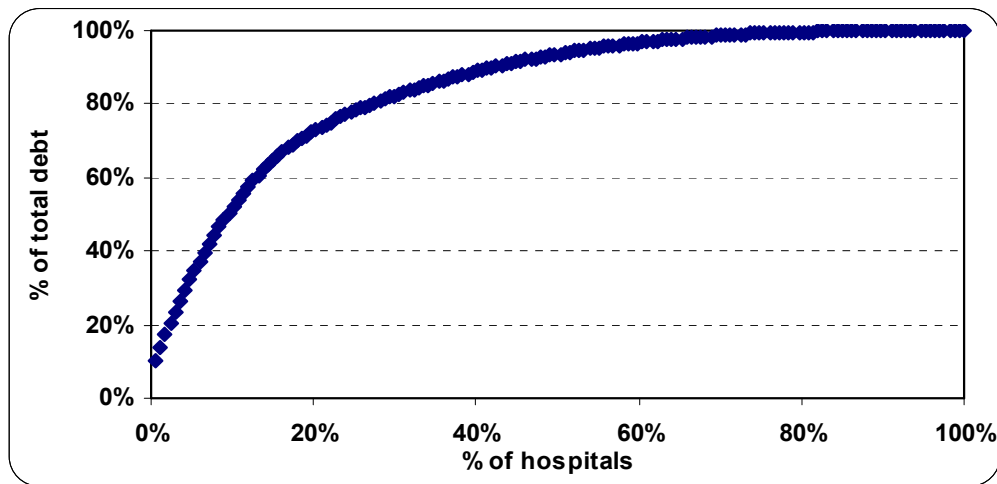
- The **total amount of pharmaceuticals' sales** from SFEE's member-companies to public hospitals from 01.01.2010 until 30.09.2010 **reached €1,018.4 million**.
- On 30.09.10, the total amount paid off by the public hospitals to SFEE's member-companies for supplies of pharmaceuticals made from 01.01.2010 until 30.09.2010, reached **€69.7 mil**. In other words, only **6.8% of the amounts pending have been paid off** by the public hospitals.
- On 30.09.2010, the **total amount of public hospitals' debt** towards SFEE's member-companies for supplies made from 01.01.2010 until 30.09.2010 was **€948.7 million**, compared to €672.1 million on 30.06.2010, increased by 41.2% within 3 months, as presented in Figure 1. **If the debt continues to grow at this rate, it is estimated to reach €1.3 billion on 31.12.10.**

Figure 1
Evolution of Hospital Debts



- **30 out of 167 or 18% of public hospitals** have not yet made any payment for invoices regarding 2010.
- The **average length of payment delay** reaches **7.9 months** (237 days), i.e. public hospitals' debts are -on average - pending since February 2010¹.
- 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 **€353.3 million**, which correspond to **37.2%** of total debts. As shown in Figure 2, **20% of public hospitals** have debts that correspond to **73%** of the total debts.

Figure 2
Inequality Distribution Diagram of Hospital Debts



¹ The overall payment delay is a weighted average –based on the pending amount- of the respective number of months of settlement delay for every company, per hospital.