

Greek druggists and patients feel pinch

ATHENS

Shortages of almost half of the 500 most-used medicines are reported

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For patients and pharmacists in Greece, finding drugs to alleviate suffering has become an ordeal in itself.

Mina Mavrou, who runs a pharmacy in a middle-class Athens suburb, spends hours each day pleading with drug makers, wholesalers and colleagues to hunt down medicines for clients. Life-saving drugs like the blood thinner Clexane, from Sanofi, and the asthma inhaler Flixotide, from GlaxoSmith-Kline, often appear as lines of crimson data on pharmacists' computer screens, meaning that the products are not in stock or that pharmacists cannot order as many units as they need.

"When we see red, we want to cry," Ms. Mavrou said. "The situation is worsening day by day."

The pharmacies that dot almost every street corner in Greek cities — 12,000 shops in all — are the damaged capillaries of a complex system for getting treatment to patients. The Panhellenic Association of Pharmacists reports shortages in almost half of the country's 500 most-used medicines. Even when drugs are available, pharmacists often must foot the bill upfront, or patients must simply do without.

The financial crisis is brewing a "tragedy" of slower access to medical care and worsening outcomes for patients, Martin McKee, a professor of European public health at the London School of Hygiene and Tropical Medicine, wrote in October in *The Lancet*, a medical journal.

The Greek Ministry of Health did not respond to requests for comment.

"It would be unrealistic to deny that there are many difficulties regarding all public services due to the financial crisis," Nicolaos Polyzos, secretary

general of the Ministry of Health, wrote in a response to Mr. McKee's article, posted on the ministry's Web site. "However, this cannot justify characterizing" the Greek health sector "as a tragedy."

The reasons for the shortages are complex. One major cause is the Greek government, which sets prices for medicines. As part of an effort to cut its own costs, Greece has mandated lower drug prices in the past year. That has fed a secondary market, drug manufacturers contend, as wholesalers have sold their shipments outside the country at higher prices than they can get within Greece.

Strained government finances only make matters worse. Wholesalers and pharmacists say the system suffers from a lack of liquidity, as public insurers delay payments to pharmacies, which in turn cannot pay suppliers on time.

"Wholesalers simply do not have the money anymore to play bank to the pharmacies," said Heinz Kobelt, secretary general of the European Association of Euro-Pharmaceutical Companies in Brussels.

Public insurers owe pharmacists €330 million, or \$424 million, for drugs bought since April, said Dimitris Karageorgiou, vice chairman of the pharmacists' association. Payment can take three months to a year, pharmacists said. Some are asking patients to pay upfront.

"They're saying, You pay me now, and then you'll get the money from your social security fund," said Ioannis Theodorakis, chairman of the Association of Persons with Multiple Sclerosis.

Mr. Theodorakis said he already knew of a few patients who could not afford to pay and were not on treatment.

Aggeliki Matsouki, who opened her first pharmacy in Athens in 1981, said that "the whole system is dysfunctional."

Chain-smoking in her tiny back office, Ms. Matsouki described calling other pharmacies to track down the oral herpes drug Famvir, made by Glaxo. "If I can't find a prescription drug, I try to borrow it from colleagues. We exchange medicines."

Austerity measures imposed to ad-

dress the financial crisis may paradoxically be making matters worse. Greek wholesalers now have more incentive than ever to sell drugs outside the country after Greece implemented a law last year further reducing prices. The law sets prices of medicines according to the average of the three lowest charges in 22 E.U. countries, part of an effort to trim a health bill that in 2010 totaled more than €13 billion, or about 5 percent of gross domestic product.

Parallel imports peaked in 2004, then flattened out about two years ago once drug makers imposed quotas representing the maximum amount of medicines they expected the Greek market would

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need, said Mr. Kobelt, whose association represents companies in the trade.

Still, if pharmacies cannot pay, it makes economic sense to ship the drugs back out again, rather than let them languish on wholesalers' shelves, he said.

Mr. Kobelt said he had seen boxes of Bayer aspirin in Poland that had originated in Greece, suggesting that the drug was fetching higher prices in Eastern Europe.

"Even Polish people pay more than Greeks for aspirin," he said. "That is the recipe for parallel trade, I'm sorry to say."

Novo Nordisk, based in Bagsvaerd, Denmark, is a case in point.

"We are competing with our own products," said Mike Rulis, a spokesman for the company.

Novo stopped selling some of its higher-priced insulin products in Greece for about a month in 2010 after the government there cut prices about 25 percent. The drug maker now ships in the same volume as before the cuts, yet pharmacists are running short of insulin, Mr. Rulis said by telephone.

"There are cases where pharmacies will call our Greek affiliate and say, We are out of stock; can you help us?" he said. "Then we will call the wholesaler to make a special delivery."

Reimbursement fraud compounds the drain on the country's health resources, said Richard Bergstrom, director general of the European Federation of Pharmaceutical Industries and Associations.

Requests for reimbursements submitted to public insurers as if drugs had been prescribed to patients, when the drugs had been shipped elsewhere, cost Greece more than €500 million a year, Mr. Bergstrom said, citing figures he said were from the Ministry of Health.

In a later e-mail, Mr. Bergstrom said he had personally seen packages of drugs with Greek reimbursement stickers on the market outside Greece, suggesting that exporters had been reimbursed but had been able to ship the packs abroad.

"If the pack is exported, the exporter is obliged to 'cancel' the code, a bar code, by using a black pen," Mr. Bergstrom wrote. "But this is not monitored."

Not all pharmacists can afford to pay upfront for costly drugs in the hope of being reimbursed by insurers.

An invoice provided to Bloomberg News shows Roche Holding requesting a €926 payment in advance from a pharmacy for NeoRecormon, used to treat anemia in chemotherapy patients and those with chronic kidney disease.

Roche, a Swiss drug maker, switched to a payment-on-delivery policy for hospitals with a history of nonpayment last year after accepting 400 million Swiss francs, or \$425 million, in Greek government bonds for unpaid hospital debts. The Greek government announced in December 2010 that it would issue more than €5 billion worth of noninterest-paying bonds to hospital suppliers for unpaid bills from 2007 to 2009.

Roche extends a credit to pharmacies and in some cases has extended credit limits to ensure that patients can get drugs, Daniel Grotzky, a company spokesman, said by telephone.

"This might be a pharmacy which has used up its credit line," he said.