

To the Honourable
Mr Giuseppe Carone, Head of Unit DG ECFIN

CC:
Mr Rishi Goyal, IMF Mission chief
Mr Declan Costello, EC Mission chief
Mr Klaus Masuch, ECB Mission chief

Halandri, September 30, 2014

Subject: Unsustainable Pharmaceutical Budget/Target

Dear Sir,

Herewith we would like to draw your **attention to the very critical issue of the unhampered patients' access to medicines** through the necessary 2014-2015 outpatient pharmaceutical target's revision.

During the last 4 years, Pharma Industry actively contributed to reduce spend and waste, while implementing a very strict Code of Ethics and Transparency. However the outpatient pharma budget has been unsustainably slashed by 64%. In 2013 pharma spend (€2.52bio excl rebates) was intended to cover 7mio insured citizens, while the target set for 2014 at €2bio intends to cover both insured and uninsured population.

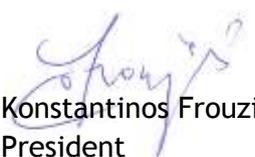
The amount of "€340mio" for the ~2,5 mio uninsured, which is included in the budget of €2bil leads to an unrealistic pharmaceutical target and consequently to a **huge and unfair clawback and rebates that the industry can no longer afford to pay.**

Moreover structural reforms in the whole Health Care system (incl. Hospitals) are not implemented as per MoU and this leads permanently to additional rebates and clawback (~600 mio for actualized 2014 vs 198mio in 2012) for Pharma companies. Furthermore, please note that EOPYY and State outstanding cash payments to pharmaceutical companies are lagging far behind the 60 days period as mandated by the Directive 2011/7/EU and transposed to the Greek legal system.

In summary, the State purchases patients' needs at €2.6bil worth of medicines and wants to pay €2bio and this, one year later!

Such practices are **major threats for a sustainable and predictable business environment** that jeopardizes patient access to essential and innovative treatments, employment, investments, healthy competition, and -last but not least- are not aligned to EU vision (Horizon 2020, Health in Action etc.)

Knowing your commitment and engagement towards a viable healthcare system, it would be highly appreciated to organize a short meeting with you, at your earliest convenience.


Konstantinos Frouzis
President

Sincerely Yours,


Mihalis Himonas
General Manager