

**A NEW ACTION PLAN IS NECESSARY, FOCUSED ON INNOVATION – GROWTH –  
TRANSPARENCY**

**Athens, 23 March 2018.-** The pharmaceutical industry unanimously expresses its strong confidence that, together with the government and with the great opportunity of the country's exit from the economic adjustment programmes (MoUs), it can make 2018 a starting point towards a viable Public Health System, unhindered access of citizens to healthcare and a more balanced allocation of pharmaceutical expenditure.

Despite its significant contribution to national income, growth and value added in the economy, the pharmaceutical industry has faced asymmetric pressure since 2009 as part of MoU interventions in the pharmaceutical sector, and regrettably the outlook for 2018 is particularly bleak. **Patients' access to new life-saving medicines is now at risk.** The policy measures enacted in 2017 regarding new medicinal products, such as the 25% measure that has a retroactive effect too, a unified rebate and an uncontrollable claw-back, give rise to viability concerns for companies in the industry and make it hard for patients to access new as well as existing well-established treatments.

The pharmaceutical industry has been in the eye of the storm lately. However, public debate is fraught with inaccuracies, exaggerations and rumours, which - intentionally or not - give false impressions, having a negative impact on patients' perceptions and public opinion and fueling high uncertainty and controversy. There seems to be an attempt to annihilate the contribution that a whole industry makes not only to the health of citizens but also to the national economy. In spite of the persecution that it has suffered all these years, the industry, with a sense of responsibility, has stood in solidarity with the Greek society, meeting its increasing needs, substituting for the social policy of the State and covering a substantial part of public pharmaceutical expenditure.

Specifically:

1. Thanks to innovative medicines, patients live longer and better lives than ever.
2. The Greek pharmaceutical industry is the main pillar of funding for the healthcare system, covering one-third of pharmaceutical expenditure (*in 2017 alone, we paid back more than €1 billion to the state*), four times the European average and the highest percentage among all sectors of the Greek economy.

3. Through compulsory rebates and claw-backs, the industry supports the healthcare system by covering the uninsured (*850,000 fellow citizens for 2017, representing an annual cost of €165 million and set to exceed €200 million for 2018*), substituting for the social policy of the state.

4. We invest in Research and Development and strengthen our national competitiveness.

5. We operate in transparency. Since 2002, we have voluntarily adopted self-regulation through our Code of Conduct, which is updated regularly, the Code of Ethics of our pan-European association, EFPIA, and through numerous procedures and controls we have put in place.

Our message to the government is straightforward and clear: To reverse the path of decay and disintegration in Public Healthcare, a comprehensive new action plan is needed, one that will ensure: early access of all citizens (insured and uninsured, poor and wealthy alike) to innovative treatments and life-saving medicines; promotion of clinical research in an environment that values and rewards innovation; and stable and predictable conditions for supporting entrepreneurship and cooperation of Greek pharmaceutical companies with international companies. This strategy should be based on three pillars, i.e. innovation, growth and transparency, and can lead to significant and measurable gains in terms of the living standards of citizens in coming years.

We are allies with the State for curing the ailing public healthcare system and safeguarding – in an inclusive manner - the patient’s self-evident and inalienable right to have access to life-saving and life-improving treatments and to enjoy the benefits of scientific development and progress.

We are deeply concerned by the latest news from the meeting of the Pharmaceutical Expenditure Monitoring Committee.

More specifically:

### **1. Claw-back**

The 2017 claw-back reached €487 million (rather than €460 million as indicated by EOPYY in our latest contact), up from €450 million in 2016. Thus, the claw-back increased by €37 million, while the rebate came to €415 million for 2017, compared with €300 million in 2016. Moreover, in January 2018, the claw-back came to € 53.3 million, up €17.4 million from January 2017. It is obvious that no mechanism for containing expenditure has worked so far.

### **2. Medical and pharmaceutical coverage of vulnerable social groups**

The cost of covering uninsured citizens amounted to €18 million in January 2018 and is projected to exceed € 220 million in 2018, compared with €165 in 2017. The state’s social obligation has, in its entirety, now been passed on to the pharmaceutical industry, and the

continuous increase in the amount, when the number of uninsured people is declining, demonstrates the failure of control.

### **3. Incentives for generic penetration**

Once again, measures have been proposed that pass costs on to the other companies through additional claw-back. We express our strong opposition to the proposed incentives, as they are just another "Greek uniqueness": instead of introducing incentives targeting prescribing physicians and dispensing pharmacists, they simply choose to unfairly pass a cost on to the other pharmaceutical companies.

In conclusion, in view of the upcoming completion of Greece's economic adjustment programme, the following actions have to urgently taken:

- A) Immediate implementation of measures to control waste of resources
- B) Immediate increase in public outpatient pharmaceutical expenditure by €300 million or establishment of a dedicated budget for uninsured persons and vaccines
- C) Increase in hospital pharmaceutical expenditure by €200 million
- D) Establishing a sustainable cap on claw-back in line with burden-sharing principles, as is the case in other European countries
- E) Value-based assessment of innovation - based on the value added to patients rather than across-the-board measures, as is also envisaged by the relevant legislation
- F) Establishing effective and effective policies to help increase generic penetration
- H) Incentives to attract more intrusive clinical trials under the applicable European institutional framework