



## News, current issues

- **Legislations** come into force between 01/02/2017 and 01/03/2017: Act LXXXIII of 1997 (01.02.2017,03.02.2017)
- **NEWS [HUN]:** "Hungarian clinics in the European Reference Network" [link](#)
- **NEWS [EN]:** "World's most admired pharmaceutical companies 2017" [link](#)
- **NEWS [EN]:** "European and US regulators agree on mutual recognition of inspections of medicines manufacturers" [link](#)
- **NEWS [HUN]:** "New things to get familiar with in healthcare" [link](#)
- **NEWS [HUN]:** "How many billions do we leave in pharmacies?" [link](#)
- **NEWS [HUN]:** "How much would really cover our healthcare?" [link](#)
- **STUDY [HUN]:** "Healthcare expenditures in Hungary, 2010-2015" [link](#)

## Macro approach to financing healthcare and medicinal products

### Balance of the Health Insurance Fund

Health Security Fund	2016. I-XII.	2017 appropriation (1 Jan)	2017		
			I. months	% of appropriation	% of last year
<b>Total of Budgetary Expenditures</b>	<b>2 133,1</b>	<b>2 139,5</b>	<b>178,0</b>	<b>99,8%</b>	<b>112,0%</b>
Curative preventive provisions	1 089,9	1 121,4	94,3	101,0%	120,8%
Contracted specialty care	683,3	801,3	58,9	88,2%	114,5%
Medicine subsidies (pharmacy)	327,9	313,0	25,3	97,2%	96,4%
<b>Total of Budgetary Revenues</b>	<b>2 043,9</b>	<b>2 059,1</b>	<b>189,5</b>	<b>110,4%</b>	<b>105,5%</b>
Social Security Contributions	1 479,5	1 532,4	145,5	113,9%	108,5%
Contribution of Pharmaceutical Manufacturers and Wholesalers	71,6	66,0	4,6	83,7%	96,9%
<b>Balance</b>			<b>11,5</b>		<b>55,2%</b>

Billion HUF

In expenditures and revenues of 2017 budget, there is 4.86% increase compared to appropriation of 2016 but only 0.3% increase compared to fulfilment, despite that the appropriation of expenditures were raised with 80 billion HUF. Revenues of Social security contributions are 52.9 billion HUF (3.6%) higher, while Contribution of manufacturers and wholesalers are 26 billion HUF (6.2%) lower in the appropriation of 1st of January, than in the last year's fulfilment. The pharmaceutical budget was planned to be 23.6 billion HUF (8.2%) higher than the last year appropriation (without the special budget drugs), and 9.2 billion HUF (2.9%) lower than the last year fulfilment.

In the first month of 2017, we can see 6.43% surplus in Health Security Fund, compared to the prorated appropriation of expenditures. Fulfilment of medicine subsidies is 2.8% lower than periodic appropriation. We can see only technical reasons, because on the contrary of the 25.3 billion HUF financial fulfilment, more than 28 billion HUF monthly reimbursement turnover was issued, based on the public real-world data of the December-January period.

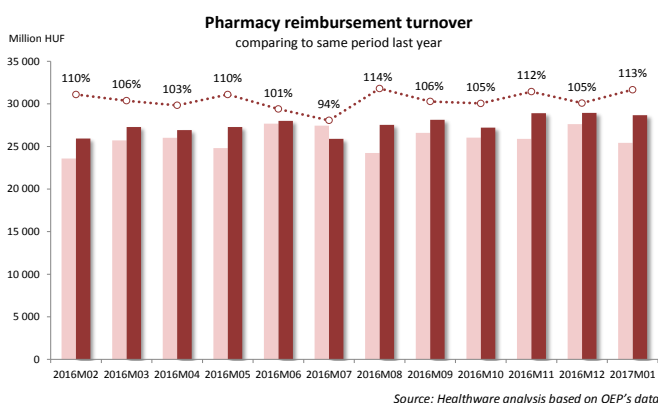
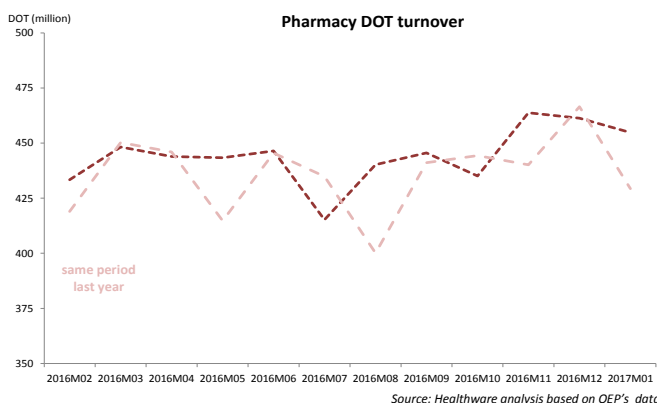
### Changes to subsidised medicinal product categories

Changes in the public drug list	2016 Sep.	2016 Oct.	2016 Nov.	2016 Dec.	2017 Jan.	2017 Feb.	2017
Number of new products	31	32	12	25	13	12	50
Number of new AI	3	15	0	6	1	2	9
Number of delisted products	10	28	33	21	228	10	259
<b>Prices</b>							
Decrease	98	11	5	11	4	4	19
Increase	1	1	0	3	3	0	6

Changes in the public drug list	2016 Sep.	2016 Oct.	2016 Nov.	2016 Dec.	2017 Jan.	2017 Feb.	2017
<b>Reimbursement</b>							
Decrease	237	5	4	27	2	4	33
Increase	28	5	0	6	3	0	9
<b>Co-payment</b>							
Decrease	150	19	5	20	8	5	33
Increase	152	1	0	17	3	0	20

Source: Healthware analysis based on OEP-PUPHA data

### Dynamics of the sales/circulation of prescription-only-medicine



Prescription drugs' DOT turnover in 2016 was 1.18% higher than in 2015, so the trend of drug consumption is still increasing, but in slower rate than in 2014 (2.74%) or 2013 (2.23%). Meanwhile, the reimbursement turnover was higher with 5.56%, because of the additional 14.2 billion HUF fulfillment of special permission appropriation, the 6% growth of reimbursement turnover of out-of-fix group products, and stagnation of fixed market. The average reimbursement per DOT was higher with 4.33% than the 2015's average. New ATCs that got authorized in 2014-2016 generated 7.6% of annual reimbursement turnover, while only 1.1% of annual DOT turnover. Drug sales in the first month of 2017 was 5.94% higher than the same period last year, while the average reimbursement per DOT increased with 6.49%. The reimbursement turnover was higher with 12.82% for this period compared to last year.

### Tell us your opinion!

We are renewing our Newsletter.

We kindly ask you to share your opinion to help us improve the Newsletter.

You can fill the questionnaire and write feedback with following the link below.

Thankfully,  
The Healthware Team

Your questionnaire is here: [link](#)

[Questionnaire](#)



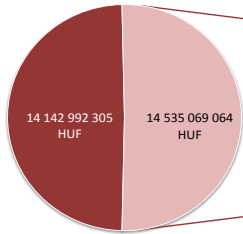
## Market data

### Marketing authorisation information

2016	EMA	OGYI	2016 - Q4	EMA	OGYI	January 2017	EMA	OGYI
New brands	71	173	New brands	10	45	New brands	2	9
New SKUs	625	1 765	New SKUs	123	472	New SKUs	6	55

Source: Healthware analysis based on OGYI's and EMA's data

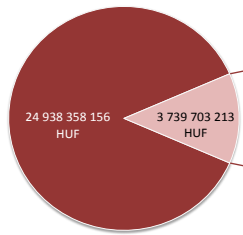
### TOP10 DISTRIBUTOR by all reimbursement paid in January 2017



TOP 10 - DISTRIBUTOR	Reimbursement
Novartis Hungária Kft.	2 833 263 476 HUF
SANOFI-AVENTIS Zrt.	1 915 018 940 HUF
EGIS Gyógyszergyár Zrt.	1 430 909 114 HUF
TEVA Gyógyszergyár Zrt.	1 421 777 612 HUF
Pfizer Kft.	1 414 767 958 HUF
Richter Gedeon Vegyészeti Gyár NyRt.	1 372 499 332 HUF
Janssen-Cilag Gyógyszerkereskedelmi Marketing Szolgáltató Kft.	1 300 118 665 HUF
Novo Nordisk Hungária Kft.	1 056 132 457 HUF
Sandoz Hungária Kereskedelmi Kft.	991 406 471 HUF
Boehringer Ingelheim Pharma Gesellschaft m. b. H. Magyarország	799 175 038 HUF

Source: Healthware analysis based on the sales turnover that pharmacies produced from POM

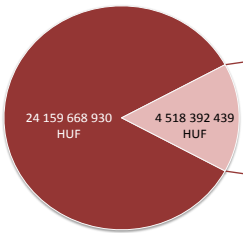
### TOP10 BRAND by all reimbursement paid in January 2017



TOP 10 - BRAND	Distributor	Reimbursement
CLEXANE	SANOFI-AVENTIS Zrt.	662 464 613 HUF
GLIVEC	Novartis Hungária Kft.	513 452 922 HUF
XEPLION	Janssen-Cilag Gyógyszerkereskedelmi Market	481 009 095 HUF
TECFIDERA	Biogen Hungary Korlátolt Felelősségű Társaság	314 541 986 HUF
XARELTO	Bayer Hungária Kereskedelmi és Szolgáltató Kft.	305 216 298 HUF
TASIGNA	Novartis Hungária Kft.	303 733 894 HUF
SPIRIVA	Boehringer Ingelheim Pharma Gesellschaft m. b. H.	298 734 806 HUF
IMBRUVICA	Janssen-Cilag Gyógyszerkereskedelmi Market	297 398 927 HUF
SUTENT	Pfizer Kft.	286 620 116 HUF
HUMULIN	Lilly Hungaria Kft.	276 530 556 HUF

Source: Healthware analysis based on the sales turnover that pharmacies produced from POM

### TOP10 ATC by all reimbursement paid in January 2017



TOP 10 - ATC	International non-proprietary name (INN)	Reimbursement
B01AB05	enoxaparin	662 464 613 HUF
N05AX13	paliperidon	621 611 270 HUF
V06D	egyéb tápszerek	587 977 123 HUF
L01XE01	imatinitib	517 678 361 HUF
C10AA07	rosuvastatin	435 387 953 HUF
A10AE04	insulin glargine	425 788 673 HUF
A10AB01	insulin (human)	330 186 068 HUF
C09BA04	perindopril és vizelethajtók	317 540 094 HUF
N07XX09	dimetil-fumarát	314 541 986 HUF
B01AX06	rivaroxaban	305 216 298 HUF

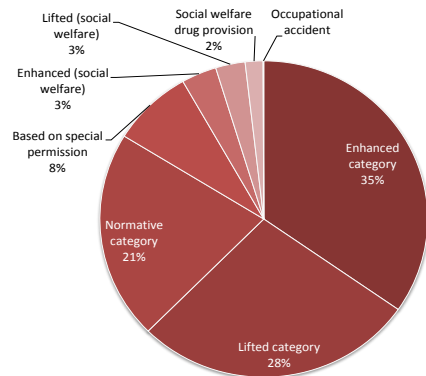
Source: Healthware analysis based on the sales turnover that pharmacies produced from POM

### Average number of medical sales reps; 01/2017

Medicinal products	1 283	Medical aids + nutritions	2
Medicinal products + aids	32	Nutritions	119
Medicinal products + nutritions	10	All	1 707
Medical aids	262		

Source: Healthware analysis based on OGYI's

### Drug reimbursement by legal title; 01/2017



Source: Healthware analysis based on the sales

### TOP10 ATC by number of patients in January 2017

TOP 10 - ATC	International non-proprietary name (INN)	Patients
B01AC06	acetilszalicilsav	351 509
C09BA04	perindopril and diuretics	298 320
C07AB12	nebulol	256 661
C08CA01	amlodipin	254 852
A02BC02	pantoprazol	237 718
J01CR02	amoxicillin - laktamázgátló kombinációk	236 803
C10AA07	rosuvastatin	225 004
A11CC05	kolekalciferol	224 263
M04AA01	allopurinol	214 466
C10AA05	atorvastatin	212 821

Source: Healthware analysis based on the sales turnover that pharmacies produced from POM

## A possible implementation of performance-based funding — Case study

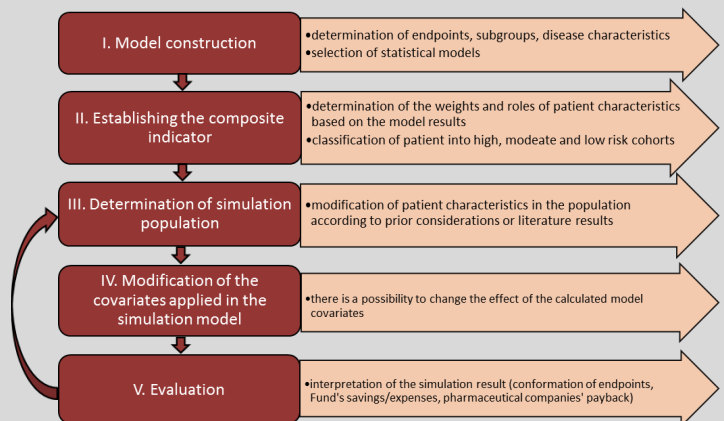
From the Health Fund's perspective, reimbursements should not be allocated only by the outcomes of clinical trials, but significant real life data about the examined patient population is also needed, especially in case of high-value therapies. It can provide the basis for the paybacks of pharmaceutical companies in the case of confirmed inefficiency. The validation and efficient use of widely accepted financing logic require investments and complex, observational study protocol level approach, since the therapeutic effectiveness should be held by all actors in the health care system. The outcome based financing system provides a framework for the payer and the pharmaceutical company to agree on a price and payback system connected to the clinical or intermediate endpoints, measured in the future, in relation to the patients' quality of life [1]. For these agreements, it is expedient that the parties can measure and simulate the behaviour and expected results of the particular system in advance. Hereinafter, a possible implementation of this process will be presented.

First of all, the relevant disease-specific endpoints, subgroups and characteristics have to be chosen according to expert opinions or information available in the professional literature. Since the volume of disease characteristics can be huge, the aim is to create a complex indicator (composite indicator), in which these variables can be concentrated and interpreted more easily (through dimension reduction). Being aware of the composite indicator's distribution, patients can be distinguished by their different risk profiles (e.g. high, moderate and low risk cohorts). The modeling of the divergent endpoints can necessitate various statistical methods. Consequently, in the determination of the endpoints, the modeling methodology of effectiveness should also be settled. The disease characteristics have different weights, which are defined by the proportion of their significant effects on the examined endpoints, and whether these effects were mostly positive or negative.

During the simulation, different scenarios can be taken into consideration, the initial population can be modified or the estimated covariates from the modeling can be altered. With the modification of the population we can investigate the possible alterations of the different endpoints if patients with certain characteristics were present in smaller or larger proportion (e.g. we reduce the presence of the high-risk patients) within the patient population.

The revision of the covariates can be justified by the outcomes of other trials, expert opinions or even the presumed influence of the different interventions (e.g. higher expenditure on the medical provision of the high risk patients could improve the measured covariates' value). Subsequently, as a result of the simulation performed with the changed parameters, beside the expected improvement or deterioration of endpoints, the payer can model the expected value of future savings or expenses, while the pharmaceutical companies can model the value of payback.

In order for the outcome based financing system to become efficient for all actors, strategic planning and successful preparations are sufficient, for which the above mentioned simulation framework can provide a reliable support.



[1] Carlson J, Sullivana S, Garrisona L, et al. Linking payment to health outcomes: A taxonomy and examination of performance-based reimbursement schemes between healthcare payers and manufacturers. Health Policy 2010; doi: 10.1016/j.healthpol.2010.02.005