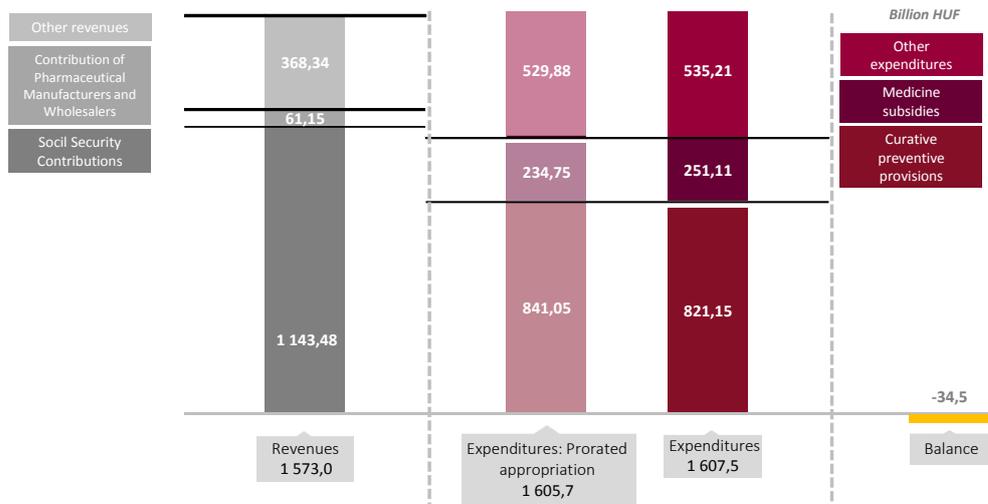


News, current issues

- News** New database helps those who are interested in the clinical trials of Hungary >>
- News** 50 billion HUF per annum for diabetics >>
- News** State of Health in the EU
Healthcare profile of Hungary, 2017 >>

Macro approach to financing healthcare and medicinal products

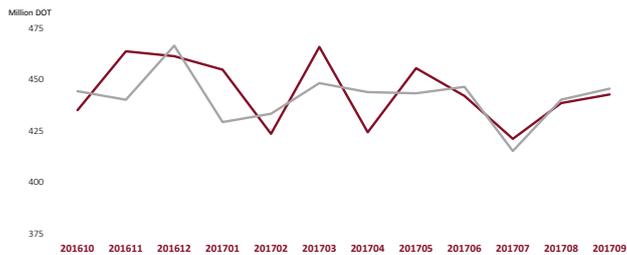
Balance of the Health Insurance Fund, September 2017



Source: Healthware analysis based on NHIFA data

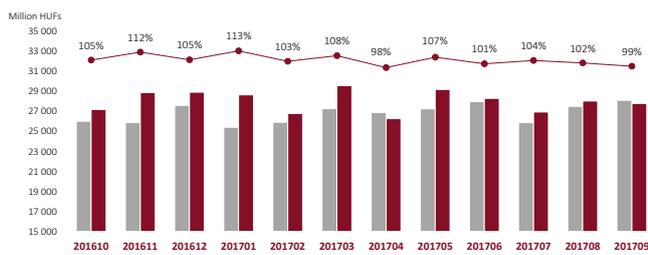
Dynamics of the sales/circulation of prescription-only-medicine

Pharmacy DOT turnover



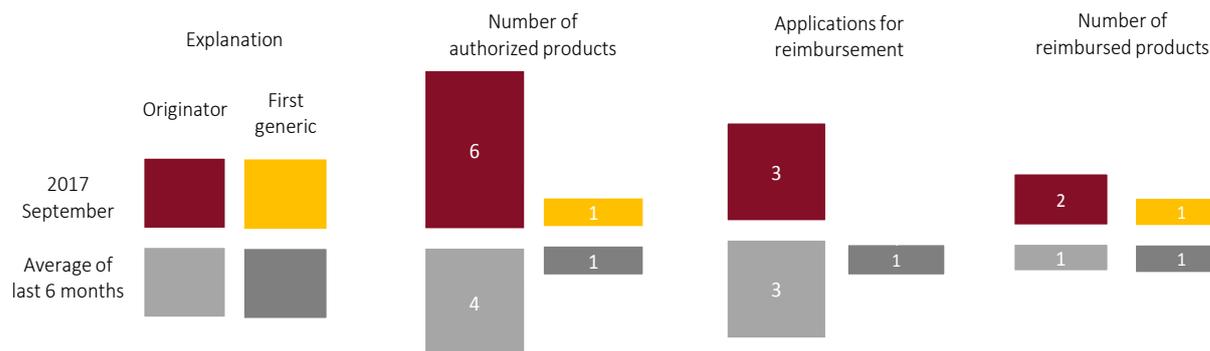
Source: Healthware analysis based on NHIFA data

Pharmacy reimbursement turnover



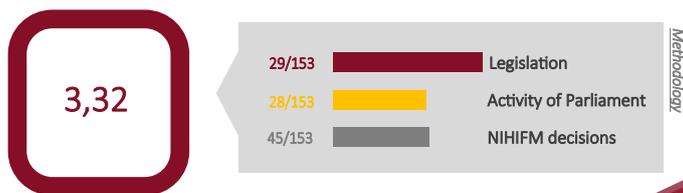
Source: Healthware analysis based on NHIFA data

Changes to subsidized medicinal product categories, September 2017



Source: Healthware analysis based on NHIFA data

Decision-making index, September 2017



Product offering

Revealing real symptoms of diseases

In the analysis basic country-wide demographic data related to diseases (prevalence, incidence, mortality rates) are summarized along with randomly chosen subcategories (area, sex, primary disease, accompanying diseases [comorbidity]).

As a result of the analysis, the basic epidemiological characteristics of a given therapeutic area can be brought to light, which may provide a good starting point to any further research, or may be suitable for independent use, especially in professional material to the attention of physicians.

Because there is no publicly accessible central patients' register, only limited disease-related data and information is available.

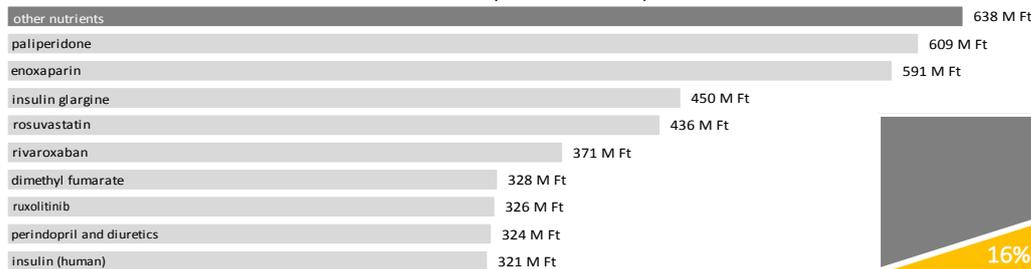
Consequently these pieces of information can play a valuable role on their own.

Further information: [link](#)

Market data

Toplists of reimbursement and number of patients, September 2017

TOP 10 ATCs by all reimbursement paid



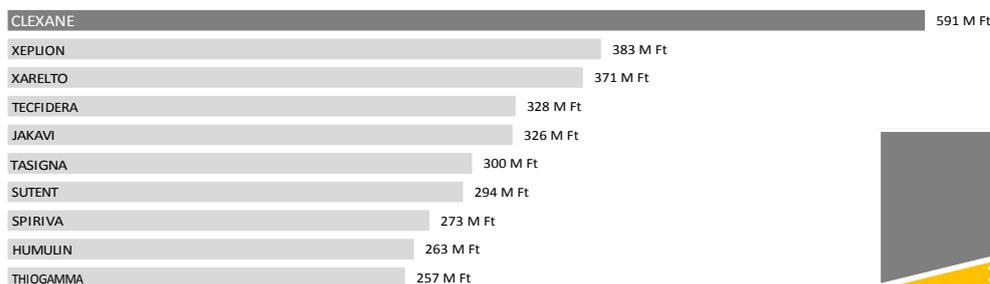
Source: Pharmacy turnover data, Healthware analysis

Average number of medical sales reps



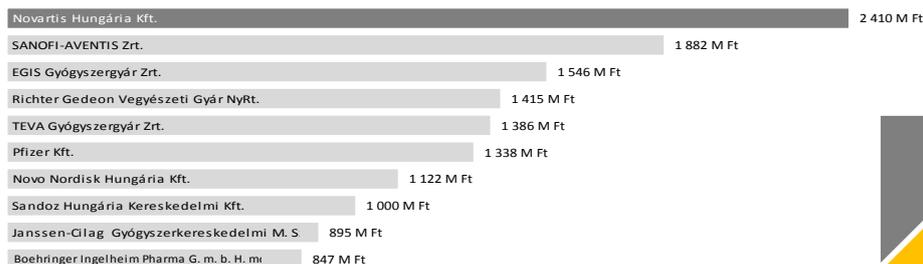
Source: NHIFA data, Healthware analysis

TOP 10 brands by all reimbursement paid



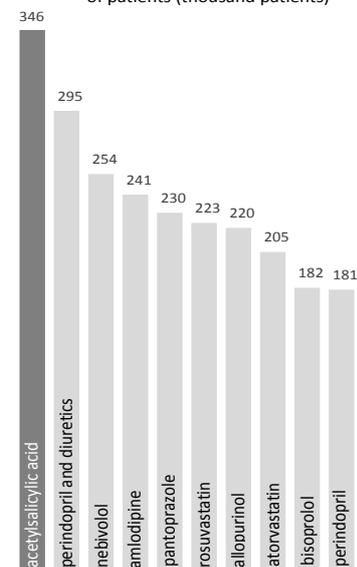
Source: Pharmacy turnover data, Healthware analysis

TOP 10 distributors by all reimbursement paid



Source: Pharmacy turnover data, Healthware analysis

TOP 10 active substances by number of patients (thousand patients)



Source: Pharmacy turnover data, Healthware analysis

Financial and professional evaluation aspects of competing line procurement of itemized accounted pharmaceuticals – Case study

The National Institute of Health Insurance Fund Management (Hungarian acronym: NEAK) published its procurement announcement on the 6th of October 2017¹, according to which, in certain indications, where therapies deemed to have the same effectiveness (where specialists cannot clearly justify their decisions for one or another therapy) NEAK procures therapies under open tenders in a way of open price competition, so-called competing line, where therapies are competing against each other and the new patients of the given indication will be treated with the winning formulation. The new procedure has generated many controversies, arguments and counter-arguments have also been made regarding the competition. The most emphasized reason for the competing line by the NEAK is the responsible management of public funds (according to this, the funder cannot pay a higher price for a drug that has a similarly effective but cheaper competitor)². Various media organizations³ have come up with guessing about the magnitude of possible savings from the measure (though NEAK, in the meantime, has denied that the goal would be to achieve savings)⁴. However, any such information, not confirmed by the NEAK, may be based only on assumptions, since, in order to clearly identify whether NEAK is actually achieving savings through the current public procurement procedure, we should know how much we have spent on therapies per unit quantity on the competing line. However, there is no such public, available information, since only the monthly and annual payments of the whole itemized accounted pharmaceutical budget can be recognized, not the amounts spent on each formulation. We will not know in the future either, how much we spend on therapies per unit on the competing line, along with the new offers. This information is currently available only to NEAK, so the saving potential of this kind of public procurement cannot be known either. Although we can attempt to estimate the magnitude of savings, there are a number of obstacles that can be deduced through the formula below:

Saving = \sum Reimbursement-outflow in the base period - \sum Reimbursement-outflow in the report period, where

- Reimbursement-outflow in the base period = Drawn amount in the base period x unit price of the tender in the base period (by active substance)
- Reimbursement-outflow in the report period = Drawn amount in the report period x unit price of the tender in the report period (by active substance)

Only the funder can know the quantities drawn from the above parameters for each period and the unit price of the tender: quantities drawn by NEAK are not public, only the quantities declared in the tender but NEAK is not obliged to fully draw this amount, while tender prices are secret and in the case of maintenance therapies, the new unit prices are not even known to NEAK, at the time of writing of this study (it should be noted, however, that beside NEAK, each missing information is known separately to the distributors and suppliers of each therapy, but there is a minimum chance that any of these companies would disclose their information). To sum up, we can say, that the amount of savings (sometimes already reported as facts) was published in vain, neither the base nor the current values can be quantified based on publicly available information, since, although some missing information is estimable, there are some parameters, in which case, apart from NEAK, no one knows the true values, so even approximate estimates cannot be made. Thus, currently only the funder has the opportunity to find out whether savings can be made by the competing line.

Another important aspect of the new procurement method is the examination of professional factors, which are at least as important as the financial considerations. NEAK defended the new type of procurement by arguing that in the case of active substances on different competing lines, at the start of the new patient's treatment it is not possible to distinguish which medicine can achieve better results⁵. Since then, the National Institute of Pharmacy and Nutrition (Hungarian acronym: OGYÉI) has published its opinion, according to which the comparison of relevant oncological therapies should be treated with reservations, because they show a significant difference in their safety and pharmacokinetic profile. Their efficacy is comparable, but there may be discrepancies. All of these should be taken into consideration when choosing the treatment, besides of the patient's comorbidity, medication and general condition⁶.

In our opinion, there are at least five factors to examine the procedure with, if there is any difference in therapeutic effectiveness and/or in efficiency of care between the previous funding, which has allowed more first eligible therapies, and the new, only one winning funding:

- the evolution of patient's time/survival in therapy, and the quality of survival in this period
- change in the number of treated patients
- the evolution of compassionate requests
- the evolution of applied therapies' number per patient
- change in the time of reaching the therapy

If the patients' therapeutic time will shorten and their survival or quality of life will drop, one of the possible reasons of that may be that doctors, although through elusive decisions, but still made good decisions, when they recommended different therapies to different patients and therefore the elimination of the possibility of the discretion may lead to a deterioration in therapeutic time and survival. It is also easy to see that, without the competition and the other market participants, the time to reach therapy may change in the negative direction. It is also important to note that any potential achieved decrease in reimbursement-outflow is not unambiguously the consequence of the incoming bids. Apart from the financial aspect, the influence of the professional factors discussed above on financing can also be responsible for this. It is easy to see that if the patient's time spent on the therapy or the patients' survival drops, it will save money to the NEAK because it will have to finance the patient's therapy for a shorter time. The decreasing number of patients and the growing time of reaching the therapy (and thus the decreasing treatment time) also results savings for the fund manager. These factors may save money for the funder in the short term but their effect is not nearly as obvious in the long term. Hungary is in leading position in the field of cancer and more than the half of the indications listed on competing line are oncological indications. We have to add that on the one hand, regarding the factors mentioned above, reimbursement-outflow can be lower, but on the other hand, the social utility of poorly treated patients is also lower. Due to the latter, the indirect social costs can rise, which questions the cost-efficiency of the intervention below a certain level of savings purely based on economic principles.

Professional factors will be evaluable and analysable in about a year: after such lead time, professional opinion on the new procurement method can be formulated, including by examining the factors mentioned above. These information will later worth to be examined in the form of official data requests, so even if we cannot assess the saving and its amount with all certainty, we can get closer to the judgment of the measure. Of course, if the relevant data will be published in the Government Decree No 43/1999. (III. 3.) Annex 22., there will be possibility to approximate the attitudes factually.

¹ http://www.neak.gov.hu/felso_menu/rolunk/kozerdeku_adatok/kozbeszerzesi_informaciok/kozbeszerzesi_eljarasok/2017_unios/teteles_breszes_nyilt.html
² http://www.neak.gov.hu/friss_kozlemenyek/kozlemeny_09_14.html
³ http://nepszava.hu/cikk/1140611-titkoz-as-a-rakterapia-szukitse-ellen_ <http://nepszava.hu/cikk/1144820-vakvaganyon-a-vaklaci--ujabb-szakhatosag-szoltal-meg> http://www.weborvos.hu/lapsemle/mar_zajlik_a_rakgyogyszeres_tender/241344/
⁴ http://pharmonline.hu/gyogyszerek/cikk/nea_k_nem_a_megtakaritas_a_cel_a_rakelenes_szerek_vaklaci_celvel

⁵ http://www.neak.gov.hu/data/cms1017800/GVE_vitarendezes_NEAK_valasz.pdf
⁶ http://www.gve.hu/sites/default/files/dokumentumok/ogyel_valaszok_1_1.pdf