

## News, current issues

- **Legislations** come into force from May 2014: NM Decree No.9/1993. (2014.05.01.); ESzCsM Decree No.32/2004. (2014.05.01.)
- **NEWS:** "Patients disappeared from Hungarian hospitals" [link](#)
- **NEWS:** "Future's medicines" [link](#)
- **NEWS:** "Pharma companies perform well" [link](#)
- **NEWS:** "EMA to recommend 6 new drugs for MA" [link](#)
- **STUDY:** "It's hard to cheat with a prescription" [link](#)
- **INTERVIEW:** "Parliament: Welfare committee for health issues" [link](#)

## Macro approach to financing healthcare and medicinal products

## Balance of the Health Insurance Fund

Billion HUF

Health Security Fund	2013. I-XII.	2014 original appropriation	2014		
			I-IV.	% of appropriation	% of last year
<b>Total of Budgetary Expenditures</b>	<b>1 847,8</b>	<b>1 884,2</b>	<b>652,8</b>	<b>103,9%</b>	<b>112,7%</b>
Curative preventive provisions	908,0	931,9	339,4	109,3%	126,1%
Medicine subsidies	296,0	294,1	99,4	101,4%	102,7%
Medicine subsidies (pharmacy)	281,5	222,4	94,5	127,4%	101,0%
<b>Total Of Budgetary Revenues</b>	<b>1 847,8</b>	<b>1 884,2</b>	<b>648,3</b>	<b>103,2%</b>	<b>104,4%</b>
Social Security Contributions	768,0	852,9	300,0	105,5%	118,1%
Contribution of Pharmaceutical Manufacturers and Wholesalers	58,7	56,0	19,7	105,5%	82,7%
<b>Balance</b>	<b>0,0</b>	<b>0,0</b>	<b>-4,5</b>		<b>-10,7%</b>

The 2014 budget counts with 2% increase in the expenditure and in the revenues too, while the balance is nil. The central budget contribution is planned to be less with 5% than last year fulfilment, and this gap is filled with the 11% higher social security contribution (85 billion HUF). The medicine subsidies plan are lower with 2 billion HUF than last year expenses.

In the first four months of 2014 the Health Security Fund produced a 0,7% deficit. The surplus (36 billion HUF) of first three months turned to deficit because the early payment of the wages due in May.

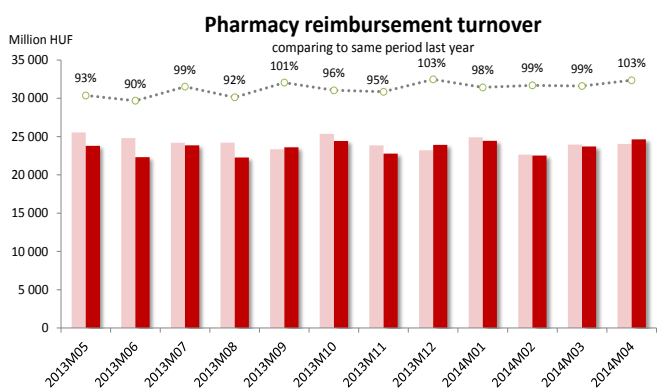
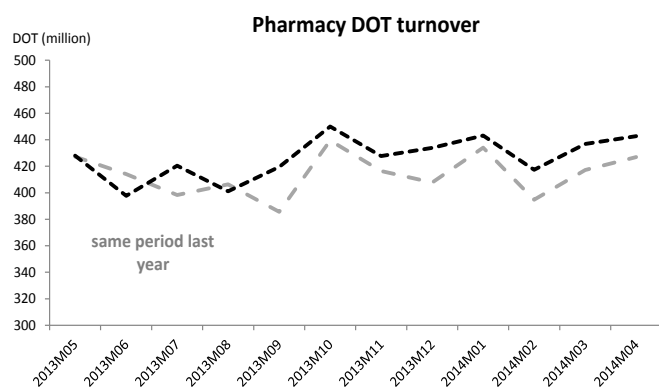
## Changes to subsidised medicinal product categories

	Changes in the public drug list						
	2014 Jan.	2014 Feb.	2014 Mar.	2014 Apr.	2014 May	2014 June	2014
Number of new products	22	34	13	16	21	22	128
Number of new AI	1	8	1	0	1	1	12
Number of delisted products	63	21	42	49	18	18	211
<b>Prices</b>							
Decrease	33	7	5	349	6	4	404
Increase	0	0	1	51	1	0	53

	Changes in the public drug list						
	2014 Jan.	2014 Feb.	2014 Mar.	2014 Apr.	2014 May	2014 June	2014
<b>Reimbursement</b>							
Decrease	47	1	7	863	9	3	930
Increase	3	2	0	213	1	1	220
<b>Co-payment</b>							
Decrease	46	10	8	540	8	6	618
Increase	16	0	3	642	11	0	672

Source: Healthware analysis based on OEP-PUPHA data

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



While the turnover or reimbursed medicines in pharmacies increased by 2,2% in 2013 (measured in DOT), the total medicine subsidy of Health Security Fund was lower by 5,9%. The main cause of this saving was the reference price system which lead to significant cuts in prices and reimbursements.

Drug sales in the first four months of 2014 was 4,01% higher than the same period last year, while the average reimbursement per DOT increased slightly compared to the previous month. The reimbursement turnover is 0,26% below for this period compared to last year.

## Market forecast

Healthware efficiently simulates market situations by developing and improving complex econometric models using economical-statistical estimators. Based on these models Healthware forecasts turnovers and can provide various scenario analyses.

For further information, please visit our website or contact our colleagues: [link](#)

Product offering

# Actualities of Hungarian pharmaceutical market

Newsletter



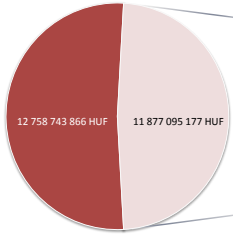
## Market data

### Marketing authorisation information

2013	EMA	OGYI	2014 - Q1	EMA	OGYI	April 2014	EMA	OGYI
New brands	79	207	New brands	16	56	New brands	10	10
New SKUs	716	1 742	New SKUs	185	510	New SKUs	92	215

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

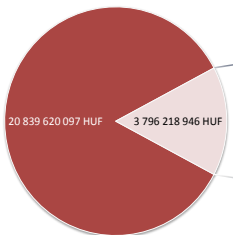
### TOP10 DISTRIBUTOR by all reimbursement paid in April 2014



TOP 10 - DISTRIBUTOR	Reimbursement
Novartis Hungária Kft.	2 177 053 923 HUF
SANOFI-AVENTIS Zrt.	1 565 961 500 HUF
EGIS Gyógyszergyár Nyrt.	1 236 178 812 HUF
TEVA Gyógyszergyár Zrt.	1 221 935 141 HUF
Richter Gedeon Vegyészeti Gyár NyRt.	1 149 604 699 HUF
Pfizer Kft.	1 049 296 966 HUF
Lilly Hungaria Kft.	934 739 812 HUF
Novo Nordisk Hungária Kft.	882 049 196 HUF
GlaxoSmithKline Kft.	841 299 364 HUF
Janssen-Cilag Gyógyszerkereskedelmi Marketing Szolgáltató Kft.	818 975 765 HUF

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

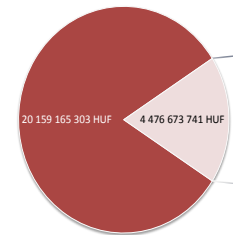
### TOP10 BRAND by all reimbursement paid in April 2014



TOP 10 - BRAND	Distributor	Reimbursement
GLIVEC	Novartis Hungária Kft.	577 082 838 HUF
CLEXANE	SANOFI-AVENTIS Zrt.	513 148 004 HUF
SPRIVA	Boehringer Ingelheim Pharma Gesellschaft m. b. H. N	447 922 453 HUF
SYMBICORT	AstraZeneca Kft.	412 946 818 HUF
XEPLION	Janssen-Cilag Gyógyszerkereskedelmi Marketing Sz	339 344 980 HUF
LANTUS	SANOFI-AVENTIS Zrt.	329 904 540 HUF
SERETIDE	GlaxoSmithKline Kft.	316 102 073 HUF
SUTENT	Pfizer Kft.	303 727 927 HUF
HUMULIN	Lilly Hungaria Kft.	301 383 977 HUF
RISPERDAL	Janssen-Cilag Gyógyszerkereskedelmi Marketing Sz	254 655 337 HUF

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

### TOP10 ATC by all reimbursement paid in April 2014



TOP 10 - ATC	International non-proprietary name (INN)	Reimbursement
R03AK07	formoterol and other drugs for obs. airway diseases	612 461 175 HUF
L01XE01	imatinib	577 082 838 HUF
B01AB05	enoxaparin	513 148 004 HUF
R03BB04	tiotropium bromide	447 922 453 HUF
V06D	other nutrients	445 493 822 HUF
N05AX13	paliperidone	421 939 948 HUF
R03AK06	salmeterol and other drugs for obs. airway diseases	380 990 413 HUF
C10AA07	rosuvastatin	377 620 241 HUF
A10AB01	insulin (human)	370 110 308 HUF
A10AE04	insulin glargine	329 904 540 HUF

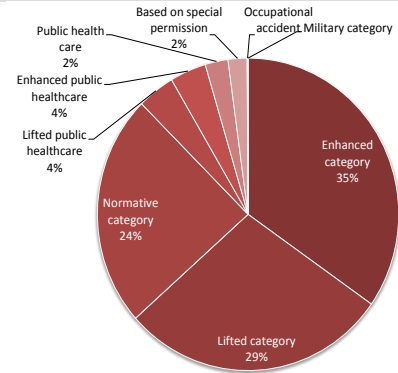
Source: Healthware analysis based on the sales turnover that pharmacies produced from POM

### Average number of medical sales reps; 04/2014

All	1 803
Medicinal products	1 545
Medical aids	222
Both	36

Source: Healthware analysis based on OGYI's

### Drug reimbursement by legal title; 04/2014

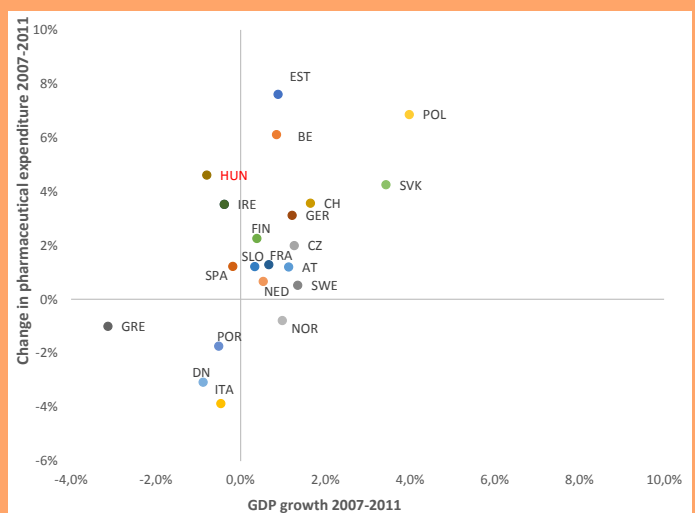
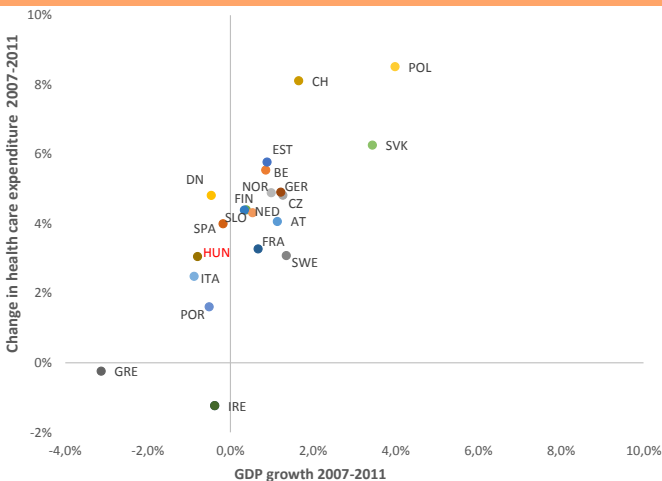


Source: Healthware analysis based on the sales turnover that pharmacies produced from POM

## Change in health care expenditure during the economic crisis — Case study

The economic crisis started from 2008 resulted in austerity measures among the governments' budget policies. This tendency influenced the expenditure on health care and pharmaceuticals. While the majority of governments have deemed healthcare provision as strategically important, their willingness and ability to pay for health services is under threat. Analysis conducted by OECD shows that across the EU member states, healthcare spending as a proportion of GDP increased from 7.3 per cent in 2000, to 9.2 per cent in 2009. However, by 2010 healthcare spending had marginally declined under 9.0 per cent.

In our analysis we investigated the relation between the healthcare expenditure and the GDP growth. On the diagrams the vertical axis shows the average annual change in health spending between 2007 and 2011, while the horizontal axis shows the average annual change in the real GDP in the same period.



The diagrams show that there is a strong link between the two variables. The first diagram reveals that the majority of the countries increased their health spending above the rate of the GDP growth, while the spending on pharmaceuticals is in level or even behind the GDP growth, with a few exceptions. Hungary can be highlighted among the exceptions, because in spite of the negative rate of the GDP growth its pharmaceutical spending was increasing until 2011, but we note that in 2012 significant measures aiming to reduce the drug budget were introduced.