HEALTHWARE

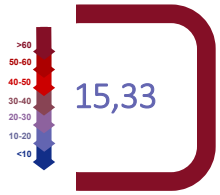
Actualities of Hungarian pharmaceutical financing market

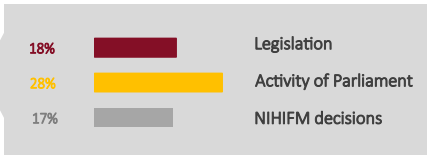
Newsletter
No. 5, Issue VII. 2019
Published: 21/05/2019

News, current issues

- News — Reimbursement submission process awaiting transformation »
- News — 12 new therapies are available from May »
- News — MTA: Healthcare needs more money, but spent reasonably »

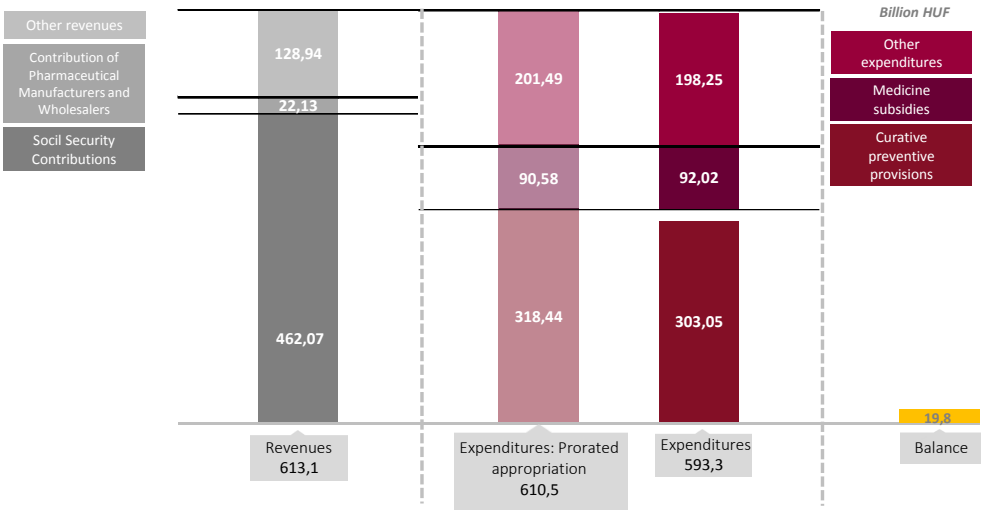
Decision-making index, March 2019





Macro approach to financing healthcare and medicinal products

Balance of the Health Insurance Fund, March 2019



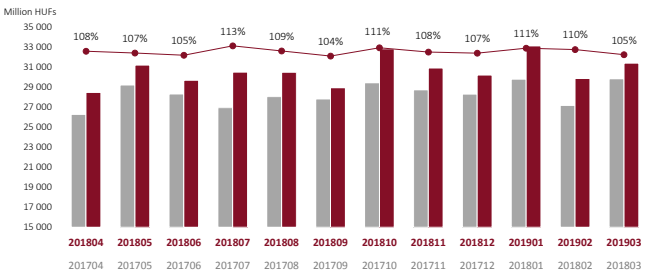
Source: Healthware analysis based on NHIFA data

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

Pharmacy DOT turnover

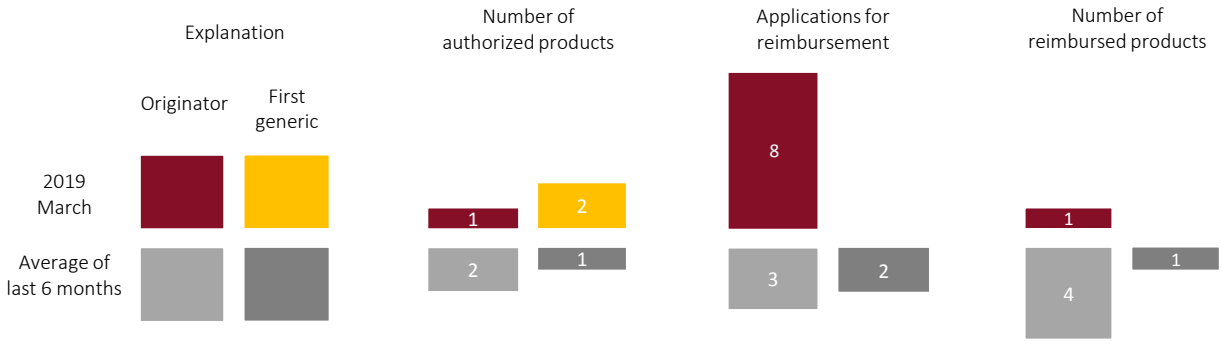
Source: Healthware analysis based on NHIFA data

Pharmacy reimbursement turnover



Source: Healthware analysis based on NHIFA data

Changes to subsidized medicinal product categories, March 2019



Source: Healthware analysis based on NHIFA data

LinkedIn Presence

Recently we have paid particular attention to increase our internet presence in order to become more available to our readers.

Following new requirements our contents have been shared on our LinkedIn site as well.

Answering the positive feedbacks we are going to post our regularly and special newsletters first on LinkedIn, besides, our subscribers will continue to get it by email.

For quicker access to information follow us on our LinkedIn site and if you find it useful, give a 'like' to our post.

Further information: link

Healthware Consulting Ltd.
H-1093 Budapest Közraktár st. 30-32. 7th floor. I + 36-1-324-2050

Subscribe Unsubscribe

HEALTHWARE

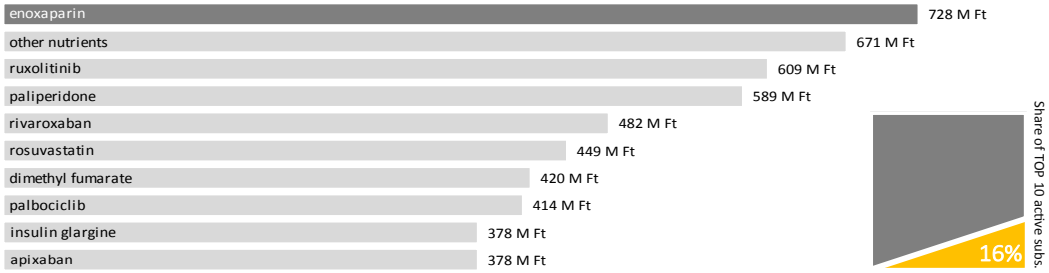
Actualities of Hungarian pharmaceutical financing market

Newsletter
No. 5, Issue VII. 2019
Published: 21/05/2019

Market data

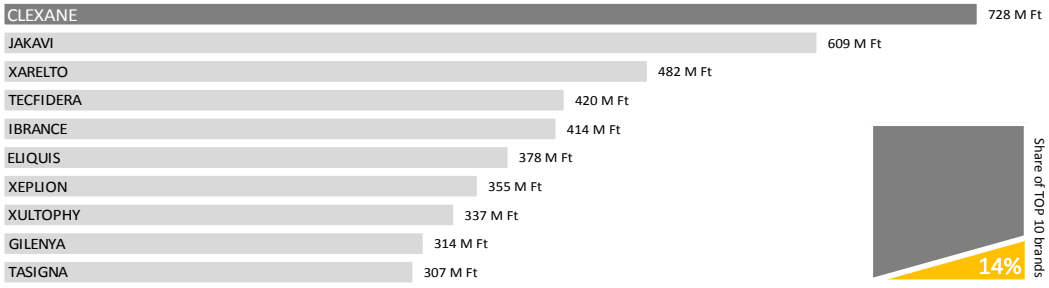
Toplists of reimbursement and number of patients, March 2019

TOP 10 ATCs by all reimbursement paid



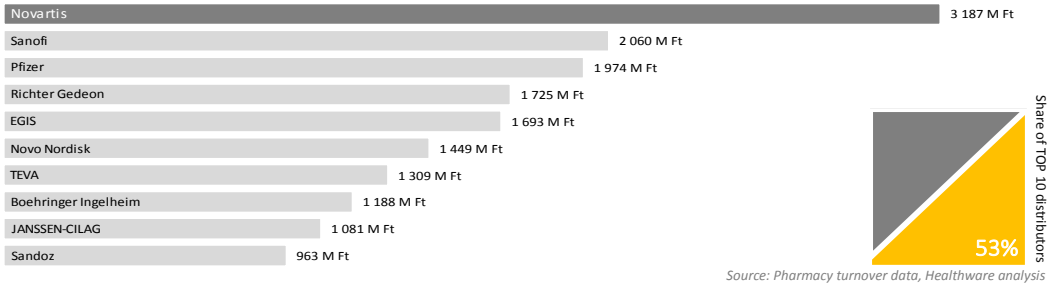
Source: Pharmacy turnover data, Healthware analysis

TOP 10 brands by all reimbursement paid



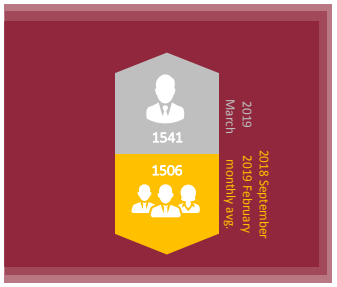
Source: Pharmacy turnover data, Healthware analysis

TOP 10 distributors by all reimbursement paid



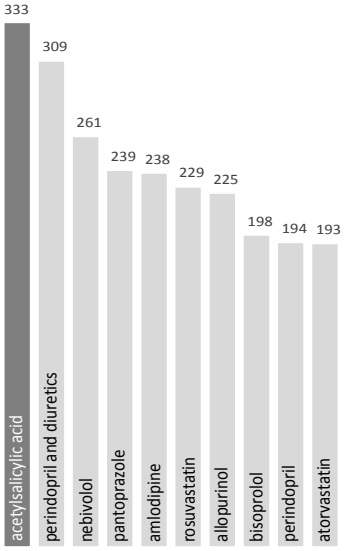
Source: Pharmacy turnover data, Healthware analysis

Average number of medical sales reps



Source: NHIFA data, Healthware analysis

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



Source: Pharmacy turnover data, Healthware analysis

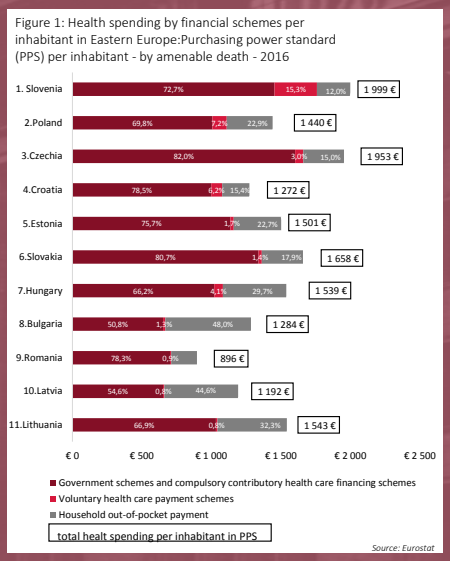
Health spending structure - out-of-pocket or voluntary health insurance? — case study

In June 2019, the colleagues of Healthware Ltd. prepare several topics for the XIII. National Health Economics Training and Conference. Our current case study shows the starting points of our presentation in macroeconomics.

In February 2019, the Central Bank of Hungary published a 330-point package of proposals which aim to improve the competitiveness of the Hungarian economy. The document focuses on the challenges of the health care system and formulates a number of suggestions on prevention through the reconstruction of the healthcare system to the reform of the insurance system. The authors state in the document, that the core problem of the system is that household expenditures are not spent in institutionalized forms (through medical saving accounts or complementary private health insurance).

Hungarian health expenditures are below the European Union average, but in terms of per capita spending or in proportion to GDP, we are nearly at the same level, or somewhat ahead of the region. However, in terms of mortality statistics, Hungarian data show a much subdued picture: Figure 1. shows health spending of Eastern European countries (per capita, in PPS) by financial schemes, in descending order by amenable death (2016). Figure 1. also indicates that in terms of amenable death, Hungary only precedes Bulgaria, Romania, Latvia, and Lithuania,

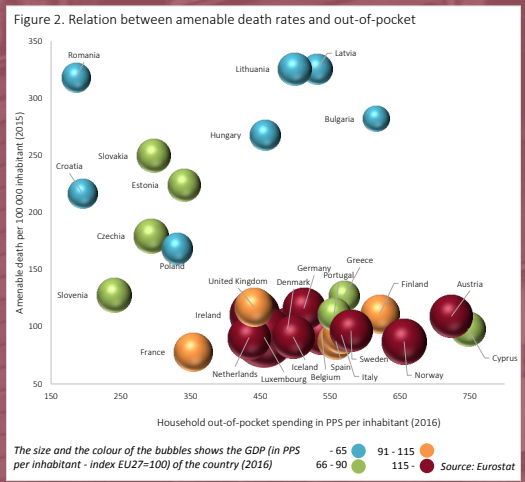
Figure 1: Health spending by financial schemes per inhabitant in Eastern Europe:Purchasing power standard (PPS) per inhabitant - by amenable death - 2016



although, its health spending per capita is higher than in the countries mentioned above, as well as in Poland, Croatia, and Estonia. In this perspective, only the Czech Republic, Slovakia, and Slovenia are ahead of us in the region.

Figure 2. shows the out-of-pocket spending, amenable death rates and GDP per capita of the European countries. Based on these indicators, European countries can be grouped into two separate categories. Eastern European countries seem to have a correlation between their out-of-pocket payment and amenable death rate, but there is no sign of a similar relation in Western Europe. The Eastern European pattern is that patients try to compensate the deficiencies of the underfunded public healthcare system with disproportionately high extent of direct health spending, – in the light of the mortality rates - without any success.

Figure 2. Relation between amenable death rates and out-of-pocket



The National Bank's document offers the complementary health insurance system as a solution instead of a direct, out-of-pocket spending, as a more effective way of spending the existing sources.
The prerequisite for this is the clear separation of the public and private healthcare. The latter is currently only available for the minority, as a premium service. The majority is using informal payments to get benefits or services at all in public healthcare.

HEALTHWARE

Actualities of Hungarian pharmaceutical financing market

Newsletter
No. 5, Issue VII. 2019
Published: 21/05/2019

Health spending structure - out-of-pocket or voluntary health insurance? — case study

Methodology outlook

Many international institute publish statistics about the health spending of the different countries (Eurostat, WHO, OECD). A part of these statistics can be considered as 'hard indicator", while others can be significantly affected by particular financing regulation of the countries (for example accounting of pharmaceutical spending, pharmaceutical special taxes). In a third group there are indicators, calculated based on surveys, containing the households' own estimation about their expenditures.

The direct health spending (out-of-pocket – OOP) is one of this latter category. It contains –according to the above mentioned institutes – the payments, which occurred at the same time as the received services, through formal and informal channels. Data is provided by the statistical institutions of each country, with survey of households. In Hungary, this institute is the KSH.

In the model outlined by analysts of the National Bank, tax advantages and normative incentives would result in the majority of the population being covered by complementary insurance. This complementary insurance can be used for buying private health services, while health fund companies would take care of care-organization, instead of patients. The document offers Slovenia as an example, where voluntary health insurance payments are the highest in the proportion of the total health spending in the region, while having the lowest direct payments and the most favorable statistics in amenable death.

However, it is also worth noting that in Slovenia, per capita (in PPS) public health expenditures exceeds those occurred in Hungary. In proportion to GDP, Slovenian public spending exceeded the Hungarian one by 1% in 2017, which means that an increase of around 400 billion forints would be needed to reach at least proportionally the level of our southwestern neighbor in public health spending.

In our presentation at IME conference, based on the trends of the past years of Eastern European and especially Hungarian private financing, we are looking for an answer whether the shifting of household expenditures towards institutionalized forms can improve the perceived and objective health indicators of Hungary.

Source:
MNB— 330-point Competitiveness Programme
https://www.mnb.hu/kiadvanyok/jelentesek/versenykepessegi-program-330-pontban
WHO— Estimating health expenditure shares from household surveys
https://www.who.int/bulletin/volumes/91/7/12-115535/en/
WHO— Validity and Comparability of Out-ofpocket Health Expenditure from Household Surveys
https://www.who.int/health_financing/documents/dp_e_11_01-oop_errors.pdf
WHO— Voluntary health insurance: potentials and limits in moving towards UHC
https://www.who.int/health_financing/documents/voluntary-health-insurance/en/
Source of Eurostat data: https://ec.europa.eu/eurostat/data/database