

## News, current issues

- **Legislations** come into force from March 2014: Act LXXXIII of 1997 (2014.03.15.); Act CLIV of 1997 (2014.03.01.,2014.03.15.); Act XCV of 2005 (2014.03.15.); Act XCVII of 2006 (2014.03.15.); Act XCVIII of 2006 (2014.03.15.); Gov.Decree No.112/2000. (2014.03.15.); Gov.Decree No.235/2009. (2014.03.15.); Gov.Decree No.16/2012. (2014.03.15.); Gov.Decree No.46/2012. (2014.03.15.); ESzCsM Decree No.32/2004. (2014.03.01.); ESzCsM Decree No.44/2004. (2014.03.15.); ESzCsM Decree No.53/2004. (2014.03.15.)
- **NEWS:** "If they keep on doing this the pharma companies will stop developing new drugs" [link](#)
- **NEWS:** "Tens of billions of forints pharma investment in Bicske" [link](#)
- **NEWS:** "What the Tamiflu saga tells us about drug trials and big pharma" [link](#)
- **NEWS:** "No doctor visits for Hungarians" [link](#)
- **NEWS:** "Pharmacists cheated out hundreds of millions of forints with a bone cancer drug" [link](#)
- **RESEARCH:** "OTC sales increased by 11% in 2013" [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		
			II.	% of appropriation	% of last year
<b>Total of Budgetary Expenditures</b>	<b>1 847,8</b>	<b>1 884,2</b>	<b>292,4</b>	<b>93,1%</b>	<b>102,0%</b>
Curative preventive provisions	908,0	931,9	139,0	89,5%	106,0%
Medicine subsidies	296,0	294,1	48,5	98,9%	97,5%
Medicine subsidies (pharmacy)	281,5	222,4	47,4	128,0%	98,7%
<b>Total Of Budgetary Revenues</b>	<b>1 847,8</b>	<b>1 884,2</b>	<b>330,6</b>	<b>105,3%</b>	<b>104,7%</b>
Social Security Contributions	768,0	852,9	154,3	108,6%	117,3%
Contribution of Pharmaceutical Manufacturers and Wholesalers	58,7	56,0	8,9	95,7%	90,8%
<b>Balance</b>	<b>0,0</b>	<b>0,0</b>	<b>38,2</b>		<b>131,4%</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. The medicine subsidies plan are lower with 2 billion UF than last year expenses. In the first two month of 2014 the Health Security Fund produced a 12,1% surplus mainly because of the higher social security contributions (+8,6%) and lower spending. The in- and outcare expenditure was 10,5% lower than the budget plan proportional to that time interval.

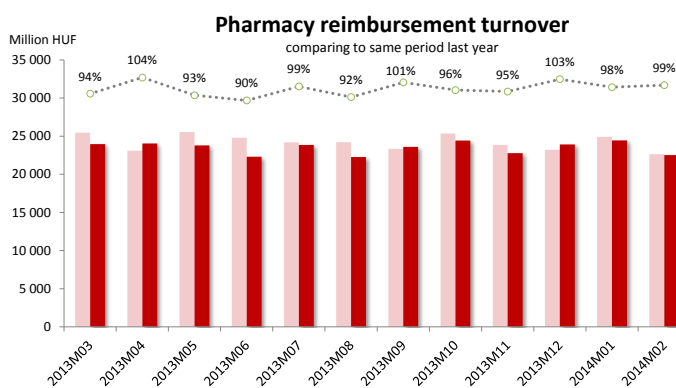
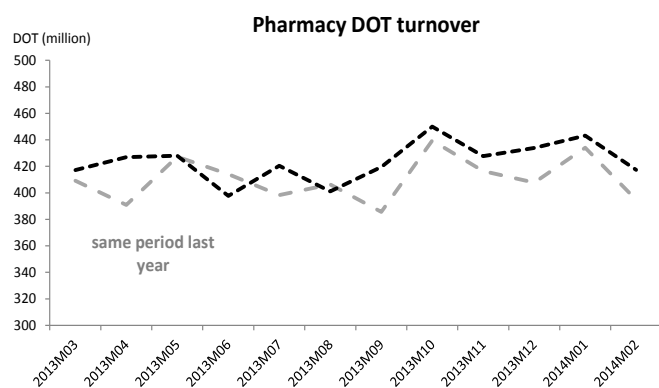
## Changes to subsidised medicinal product categories

	Changes in the public drug list						
	2013 Nov.	2013 Dec.	2014 Jan.	2014 Feb.	2014 Mar.	2014 Apr.	2014
Number of new products	37	42	22	34	13	16	85
Number of new AI	1	0	1	8	1	0	10
Number of delisted products	28	41	63	21	42	49	175
<b>Prices</b>							
Decrease	6	4	33	7	5	349	394
Increase	0	0	0	0	1	51	52

	Changes in the public drug list						
	2013 Nov.	2013 Dec.	2014 Jan.	2014 Feb.	2014 Mar.	2014 Apr.	2014
<b>Reimbursement</b>							
Decrease	3	0	47	1	7	863	918
Increase	1	9	3	2	0	213	218
<b>Co-payment</b>							
Decrease	13	14	46	10	8	540	604
Increase	0	0	16	0	3	642	661

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 two months of 2014 was 3,83% higher than the same period last year, while the average reimbursement per DOT decreased. The reimbursement turnover is 1,27% below for this period compared to last year.

## Market analysis

Descriptive analysis of market conditions related to a specific area, in which we tend to reveal the market mechanisms by using the appropriate statistical methods.

Statistical approaches used in the course of the analysis:

- Statistical tests
- Correlation and regression analysis
- The examination of trends relevant for the assessment of regularities between data at any point in time (e.g. examination of trends, search for seasonality, autocorrelation).

In course of the analysis of probability distribution, comparing of different groups we examine its homogeneity according to a defined criteria.

Further information about the service: [link](#)

Product offering



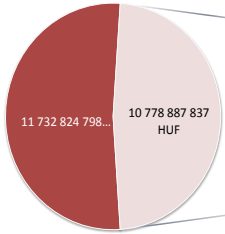
## Market data

### Marketing authorisation information

2013	EMA	OGYI	2013 - Q4	EMA	OGYI	February 2014	EMA	OGYI
New brands	79	207	New brands	14	40	New brands	3	16
New SKUs	716	1 742	New SKUs	198	372	New SKUs	18	200

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

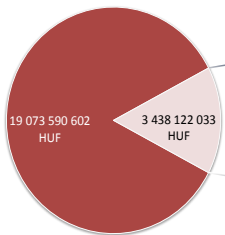
### TOP10 DISTRIBUTOR by all reimbursement paid in February 2014



TOP 10 - DISTRIBUTOR	Reimbursement
Novartis Hungária Kft.	1 945 406 372 HUF
SANOFI-AVENTIS Zrt.	1 393 802 334 HUF
Teva Magyarország Zrt.	1 139 593 279 HUF
EGIS Gyógyszergyár Nyrt.	1 128 869 545 HUF
Richter Gedeon Vegyészeti Gyár NyRt.	1 055 491 481 HUF
Pfizer Kft.	960 093 753 HUF
Lilly Hungaria Kft.	869 538 520 HUF
Novo Nordisk Hungária Kft.	801 297 981 HUF
Sandoz Hungária Kereskedelmi Kft.	751 972 030 HUF
GlaxoSmithKline Kft.	732 822 543 HUF

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

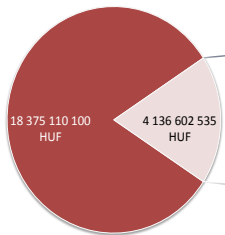
### TOP10 BRAND by all reimbursement paid in February 2014



TOP 10 - BRAND	Distributor	Reimbursement
GLIVEC	Novartis Hungária Kft.	496 586 830 HUF
CLEXANE	SANOFI-AVENTIS Zrt.	471 124 146 HUF
SPIRIVA	Boehringer Ingelheim Pharma Gesellschaft m. b. H. N	424 745 688 HUF
SYMBICORT	AstraZeneca Kft.	372 853 482 HUF
SERETIDE	GlaxoSmithKline Kft.	300 083 613 HUF
LANTUS	SANOFI-AVENTIS Zrt.	297 272 477 HUF
HUMULIN	Lilly Hungaria Kft.	281 129 463 HUF
XEPLION	Janssen-Cilag Gyógyszerkereskedelmi Marketing Szo	276 341 970 HUF
SUTENT	Pfizer Kft.	266 380 244 HUF
RISPERDAL	Janssen-Cilag Gyógyszerkereskedelmi Marketing Szo	251 604 120 HUF

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

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



TOP 10 - ATC	International non-proprietary name (INN)	Reimbursement
R03AK07	formoterol and other drugs for obs. airway diseases	549 889 000 HUF
L01XE01	imatinib	496 586 830 HUF
B01AB05	enoxaparin	471 124 146 HUF
V06D	other nutrients	453 199 957 HUF
R03BB04	tiotropium bromide	424 745 688 HUF
C10AA07	rosuvastatin	382 689 314 HUF
R03AK06	salmeterol and other drugs for obs. airway diseases	358 156 518 HUF
N05AX13	paliperidone	350 735 106 HUF
A10AB01	insulin (human)	344 203 738 HUF
C10AA05	atorvastatin	305 272 238 HUF

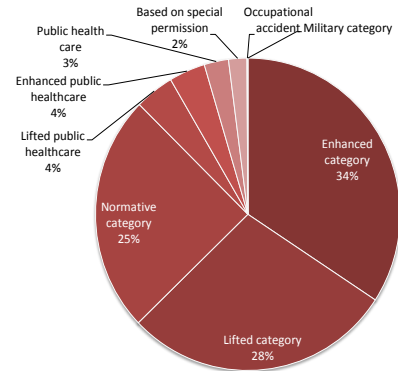
Source: Healthware analysis based on the sales turnover that pharmacies produced from POM

### Average number of medical sales reps; 02/2014

All	1 810
Medicinal products	1 547
Medical aids	225
Both	38

Source: Healthware analysis based on OGYI's

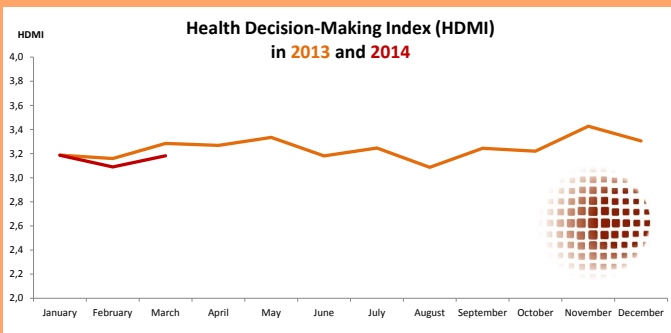
### Drug reimbursement by legal title; 02/2014



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

## Health Decision-Making Index (HDMI) — Case study

The first case study of 2014 presented the Health Decision-Making Index of Healthware. The HDMI is a system of indicators that will compare the long-term dynamic of health policy making within a year and between years.



After the first quarter of 2014 it is possible to observe the tendencies of the intensity of the health policy decision making processes. Be highlighted that the Q1 was determined by the parliamentary election which effect is clearly visible in the index.

The notable change is that the 2014 trend line follows the direction of 2013's HDMI (after the slowdown in February we see an increase in March), but the intensity (of decision-making) of February and March is far behind than in the last year.

The cause of the changes is the previously mentioned parliamentary election. The parliament do not hold plenary sittings since the mid of February (because the elections) therefore the before the orders genres (such as Interpellations, questions, instantaneous questions), the decision-making processes and the sittings of health committee of parliament is also intermitted. The decision-making processes of the monitored professional organizations are balancing the suspension of the parliament, however the expectations of Healthware are that the intensity of HDMI will achieve the level of 2013 at the end of May after the new government was formed.

It would not be surprising if the Q2 would beyond the level of 2013 Q2, as may be necessary to make up the postponed decisions.

The possible re-organization of the health ministry (state secretary), the work processes, the decision-making processes and the weight of the health sector in the new governing structure can affect the index as well.