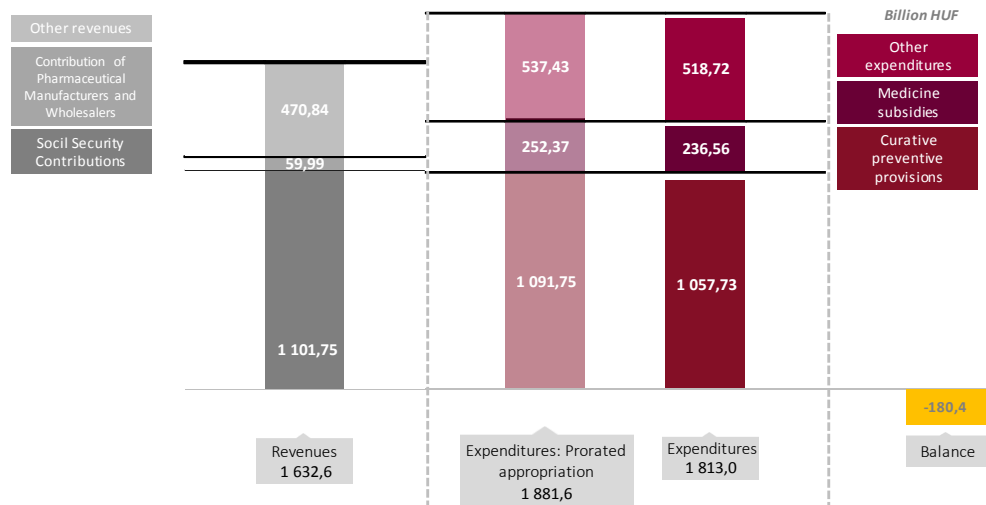


News, current issues

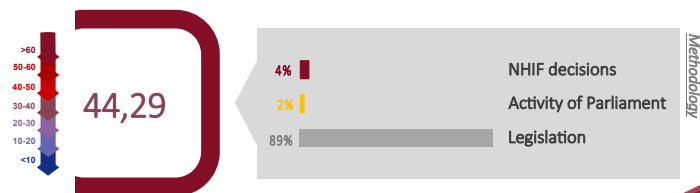
- News** Analysis of medication overuse is being prepared (A kockázatokról és mellékhatásokról kérdezze az ÁSZ-t) >>
- News** Half a million boxes of medication has been dispensed per day >>
- News** Great progress in the treatment of epilepsy >>

Macro approach to financing healthcare and medicinal products

Balance of the Health Insurance Fund, July 2021



Decision-making index, July 2021



Product offering

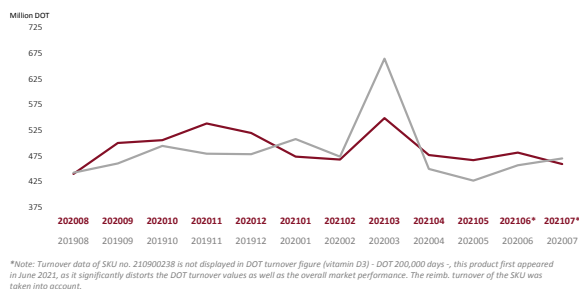
Market forecast

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](#)

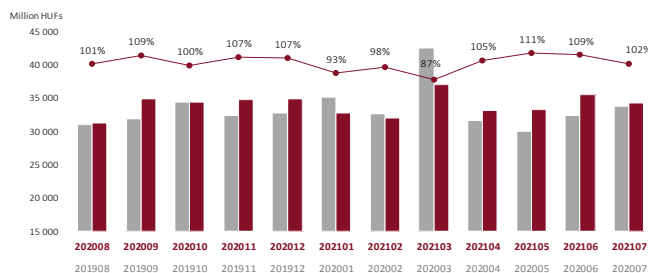
Dynamics of the sales/circulation of prescription-only-medicine

Pharmacy DOT turnover



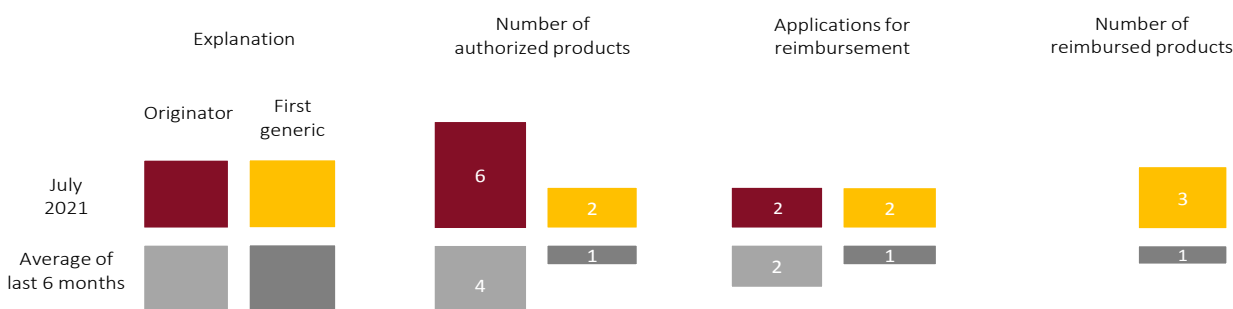
Source: Healthware analysis based on NHIFA data

Pharmacy reimbursement turnover



Source: Healthware analysis based on NHIFA data

Changes to subsidized medicinal product categories, July 2021

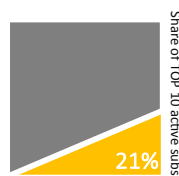
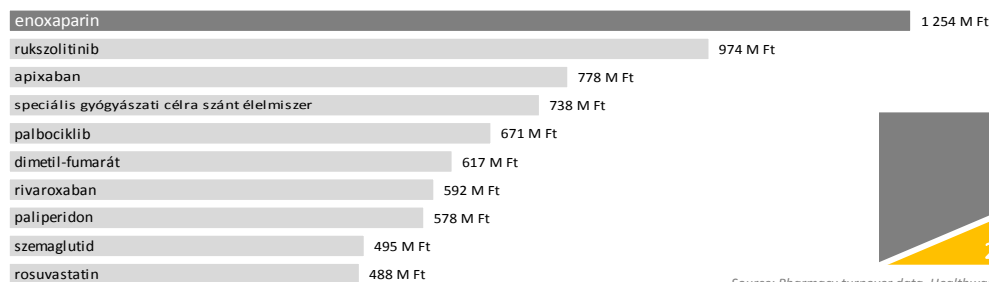


Source: Healthware analysis based on NHIFA data

Market data

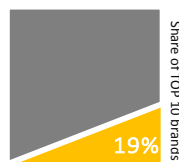
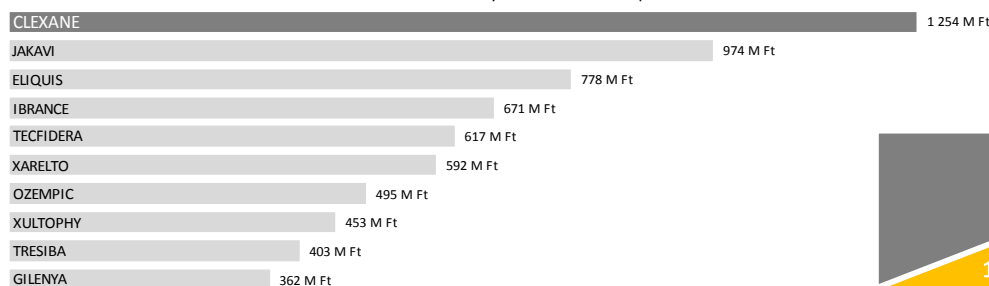
Toplists of reimbursement and number of patients, July 2021

A 10 legnagyobb támogatási áramlást generáló hatóanyag



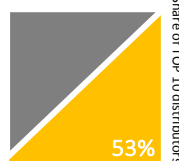
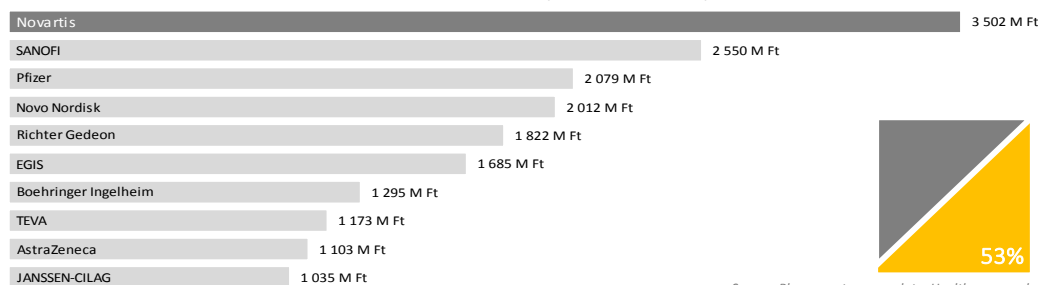
Source: Pharmacy turnover data, Healthcare analysis

TOP 10 brands by all reimbursement paid



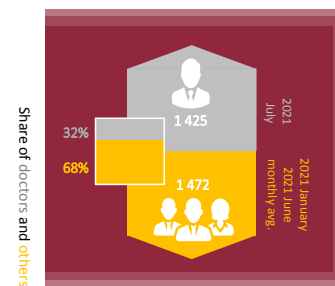
Source: Pharmacy turnover data, Healthcare analysis

TOP 10 distributors by all reimbursement paid



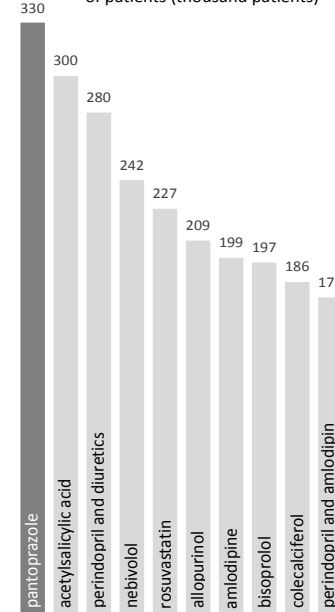
Source: Pharmacy turnover data, Healthcare analysis

Average number of medical sales reps



Source: NHIFA data, Healthcare analysis

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



Source: Pharmacy turnover data, Healthcare analysis

Budget implementation 2020 — Case study

In September 2021, the Hungarian Government submitted the proposed legislation¹ regarding the budget implementation of 2020 to the Parliament. In our current case study, based on this document² we examine the final gross drug expenditures of 2020, in comparison with the years before. We provide an overview in the bordered section respecting the payments of pharmaceutical manufacturers, and in Table 1, the fulfillment data of drug expenditures are shown.

1. table: Drug budget fulfillment (MHUF)	2019	2020	Absolute change	Percentage change
Drug reimbursement outflow	383 675	407 937	24 262	6,3%
NPP	26 442	25 698	-744	-2,8%
Financing high-value drugs	103 126	132 408	29 282	28,4%
Itemized accounting	79 303	110 816	31 513	39,7%
Special purchase	13 624	8 258	-5 366	-39,4%
Orphan drugs	10 199	13 335	3 136	30,7%
Total	486 801	540 345	53 544	11,0%

Source: T/7556, T/13098 and T/1188, bills

The drug reimbursement expenditure (which covers the reimbursement of prescription drugs) increased by 6.3% compared to the previous year, with HUF 407 973 million of total expenditures in 2020. The NPP reimbursement (classified under the Drug Reimb. Outflow) was HUF 25 698 million which is HUF 744 million

lower than in 2019. Over the years the reimb. outflow for this category has shown a rising trend, the increasing number of NPP applications and the proportion of the approved applications have also been growing. However, in 2020, both outflows and the number of reimbursement approvals and applications declined (the NPP reimbursement outflows decreased by 2.8% compared to 2019). This may be due to the fact that the 14 high-value medicinal products – included under the itemized-accounting category in 2018 – were still partly funded under the NPP category until 2019, but by 2020 they have been fully transferred to under the high-value funding item. On the other hand, at the beginning of 2020 the four itemized-accounting brands were partly funded according to the NPP method, meaning an additional expenditure of approximately HUF 1,400 million in the category. NPP reimbursement outflow remained highly concentrated in 2020. A total of 413 products got reimbursement as NPP, but 68% of the total NPP outflow was generated by only 25 of them (72.9% in 2018, 65.8% in 2019).

The funding line for 'High-value medicines' – including itemized products, the 'Orphan drugs' for rare diseases and 'Special purchased medicines' – showed an increase of 28.4% in 2020 (2019: 8.1%). The decrease in expenditures for special purchased products was offset by a growth of funding for orphan and itemized accounting drugs.

Reimbursement for itemized accounting medicines increased by 39.7% compared to 2019, amounting to HUF 110 816 million in 2020, while the original appropriation was only HUF 79 983 million for this item. This allocation has proved insufficient for 2020 for two reasons; on the one hand, from March 2020, it was possible instead of only 1-month to dispense a 3-months quantity maximum for certain itemized accounting medicines. On the other hand, due to the expansion of the indication range of those immunoncological products already got reimbursed, the number of NPP applications for the indications which are not yet approved for reimbursement has increased, also funded from the itemized budget. In 2020, the NPP payment was 18% of itemized expenditure, with an increase of 55.1% compared to 2019 for the itemized accounting active substances under the NPP reimb. category.

16% of the total fulfillment was non-tender-based; HUF 17 813,3 million was paid to health care providers under a financial framework, as a temporary funding scheme for active substances approved in 2020.

20 high-value therapies were included in the 'Orphan drugs' (classified under 'High-value drug' item in 2017), providing treatment options for 238 patients with rare diseases in 2020. HUF 13,335 million was paid in that year under this category, exceeding the previous year by 30.7%. The disease group with the largest number of patients was SMA, 80 patients got reimbursement on that financing line. Reimbursement outflows for the 10 largest patient groups are shown in Table 2 (supplemented by aggregated values for antineoplastic agents funded as NPP hospital drugs).

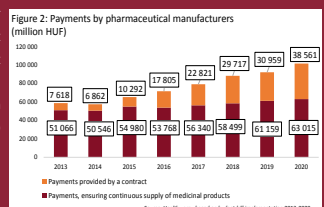
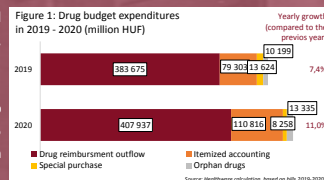
Expenditures of therapies funded from special purchased budget, including drugs for hemophilia and Hepatitis C, decreased by 39.4% compared to 2019.

Overall, the 7.4% increase in payments related to pharmaceutical financing in 2019 was followed by an 11% increase in 2020 compared to the year before, meaning an additional expense of HUF 53,544 million.

Healthcare analysis based on NEAK data

2. table: Reimbursement of the main orphan diseases	Patient number 2020	Reimbursement outflow 2020 (mHUF)
SMA	80	3 138
Gaucher's disease	31	1 841
rHUS and PNH	32	2 337
Pompe Disease	17	1 679
Hunter syndrome (MPS-II)		
Morquio syndrome (MPS-IV)		
Maroteaux-Lamy syndrome (MPS-VI)	13	1 595
Hunter-Scheie syndrome (MPS-I)		
LHON	9	65
Hypophosphatasia (HPP)	1	170
Neoplastic diseases	73	1 267
Total reimbursement outflow		13 335

Source: T/17188, bill



Source: Healthcare, based on budget bill implementation 2013-2020

Payments by pharmaceutical manufacturers

In the analysis of the Final Accounts Act, the manufacturer contributions were not considered. However, it is important to note, that these payments affect significantly the final, net expenditures of the Health Insurance Fund. Figure 2 shows a marked upward trend in manufacturer contributions. In 2020, both the contractual payments (HUF 38 561 million) and payments ensuring the continuous supply of medicinal products (HUF 63 015 million) exceeded the previous year, by 24.6% and 3%, respectively.

Total revenue from manufacturer re-payments (HUF 101 576 million) increased by 10.3% compared to 2019.

¹<https://www.parlament.hu/rom41/17188/17188.html>

²<https://www.parlament.hu/rom41/17188/adoatok/fejzesetek/72.pdf>