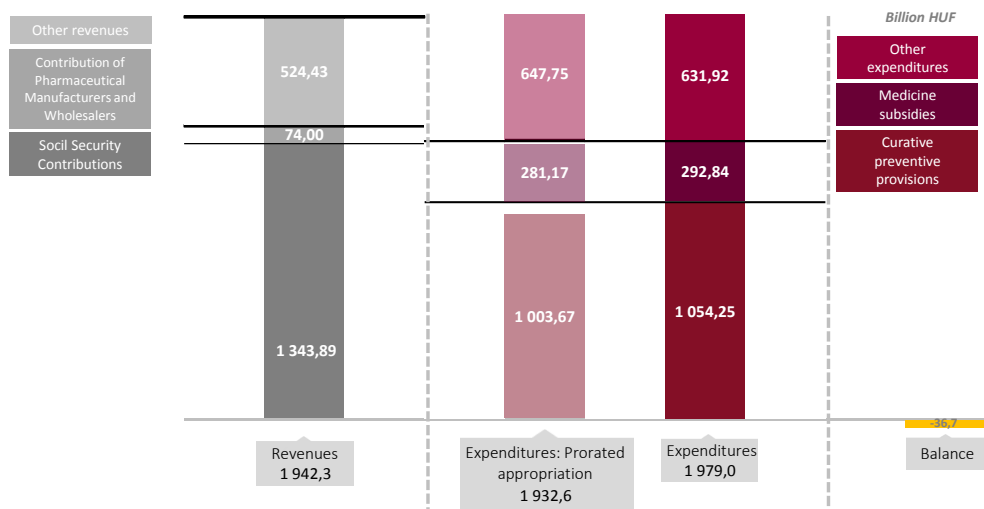


News, current issues

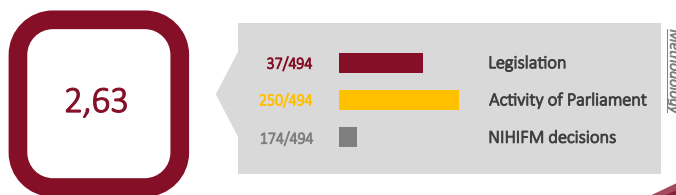
- News** György Jaksity: A country with this level of development, can not allow the situation we have in the healthcare system >>
- News** Because of gratuities the physicians are unable to stand up against the politics >>
- News** "Slowly, but the number of physicians building careers in Hungary is growing" >>

Macro approach to financing healthcare and medicinal products

Balance of the Health Insurance Fund, October 2018



Decision-making index, October 2018



Product offering

Burden of disease analysis

The indirect costs of therapies can currently be validated in only a limited way in health economic analysis made from local financing viewpoint. However, in other levels of decision making the cost analyses, which are made in social approach, can include objective and well communicable messages. These details can aid in forming of preferences between different healthcare technologies. By way of data-request from OEP we provide the summing up of the following information:

- Demographic and epidemiologic characteristics (by age, sex and comorbidity)
- Dispersion of patients by disease severity based on pharm. treatment pattern
- Cost analyses (on data of prescr., inpatient and outpatient care, labs and diagnostic services, hospice, sickness benefit)

We suggest the patient survey method to define the patients indirect costs and the other state expenditure

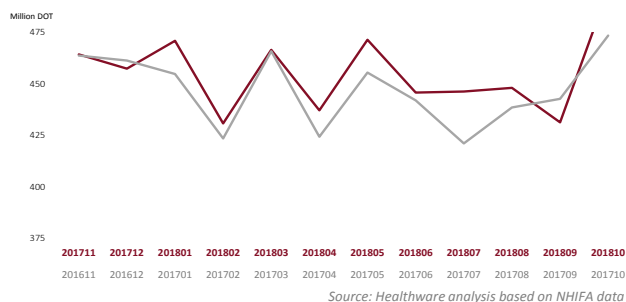
- Sickness absence costs
- Home remodeling costs
- Informal care
- Other indirect burdens

More information about our services: [link](#)

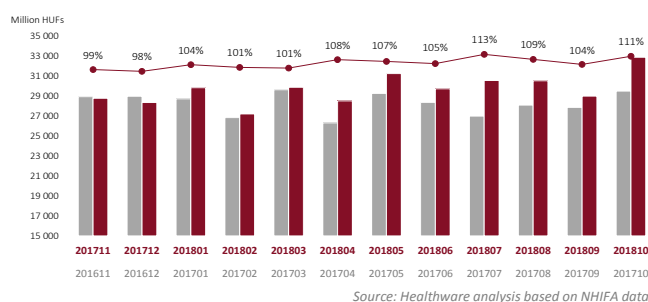


Dynamics of the sales/circulation of prescription-only-medicine

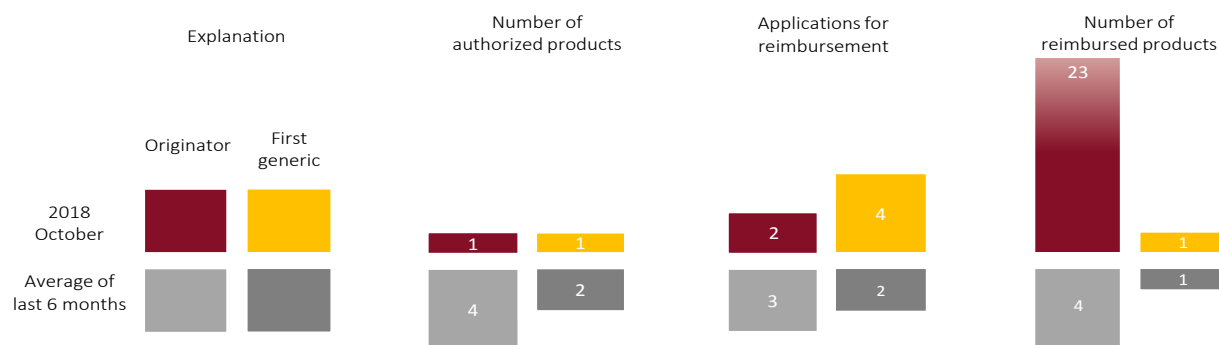
Pharmacy DOT turnover



Pharmacy reimbursement turnover



Changes to subsidized medicinal product categories, October 2018

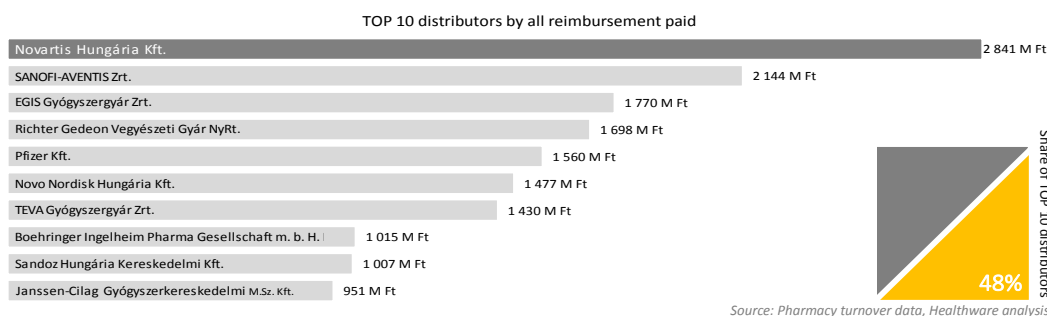
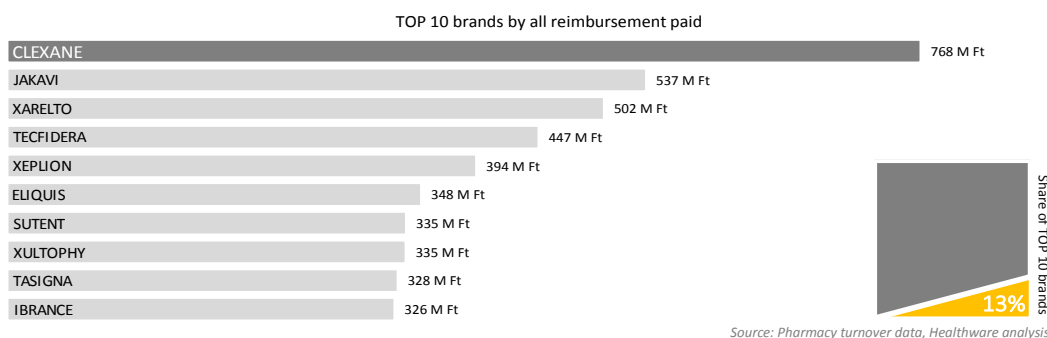
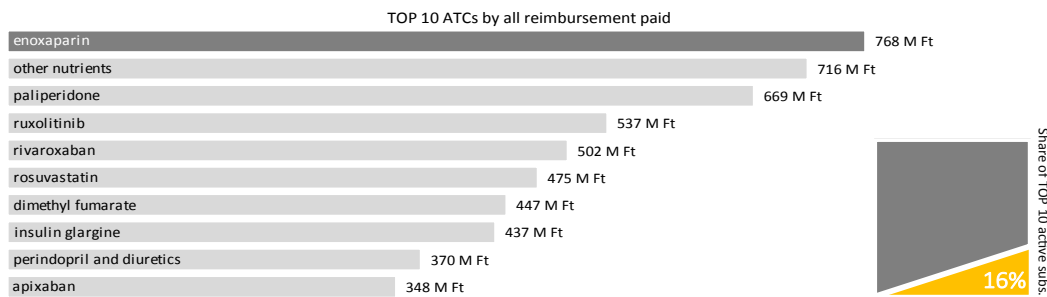


Source: Healthcare analysis based on NHIFA data

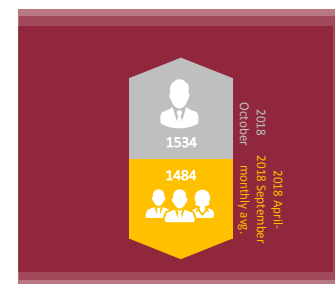


Market data

Toplists of reimbursement and number of patients, October 2018

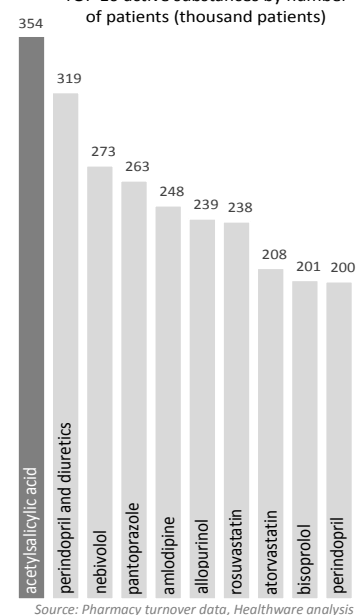


Average number of medical sales reps



Source: NHIFA data, Healthware analysis

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



Source: Pharmacy turnover data, Healthware analysis

Budget implementation in 2017 – Case study

In November 2018, the Hungarian Parliament approved the proposed legislation about budget implementation introduced in 2017. In our current case study, we examine the final gross drug expenditures of 2017¹, in comparison with the value from the year before (2016)², based on this documentation. (About the payments of pharmaceutical manufacturers, we provide an overview in the bordered section.) In the 1st chart, the drug budget fulfillments are shown for 2016 and 2017.

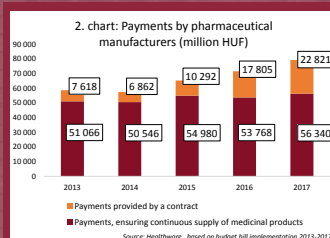
1. table: Drug budget fulfillment	2016	2017	Absolute change (million HUF)	Percentage change
Drug reimbursement outflow	327 917	339 191	11 274	3,4%
Financing high-value drugs	80 152	87 958	7 806	9,7%
Itemized accounting	54 142	61 321	7 179	13,3%
Special purchase	21 905	17 602	-4 303	-19,6%
Orphan drugs	4 105	9 035	4 931	120,1%
Total	408 069	427 149	19 080	4,7%

Source: T/01671. and T/17578 bill

The drug reimbursement expenditure (which covers the reimbursement of prescription drugs) increased by 3.4% compared to the last year, in 2017 the fulfillment was 339 191 million HUF. The NPP reimbursement (classified under this category) shows a steady increase over the years. However, in 2017 18 976.6 million HUF was the amount of NPP, which is 3 905.2 million HUF less than the NPP last year. The reason for this downfall was that 11 high-value products were included to the special financed products. 65.1% of the total NPP outflow was spent on the 25 biggest reimbursement outflow generating NPP products in 2017. In 2016, this proportion was 81.3%.

Since 2017, the high-value drug financing category appears as a new financing title, under the category of consolidated healthcare, which includes products under itemized accounting, orphan drugs, and special purchased medicines. The latter was an independent funding line before, and belonged to drug reimbursement expenditures. The expenditures of the three categories mentioned above increased by 12.2% in 2017.

The reason for the 13.3% increase of itemized accounting expenditures is that new products are getting under this financing scheme. Examining the products belonging to itemized accounting in 2016 as well as in 2017, the observable expenditure growth is only 7.8%.



¹ <http://www.parlament.hu/irom41/01671/1/adatok/fejjezetek/72.pdf>
² <http://www.parlament.hu/irom40/17578/adatok/fejjezetek/72.pdf>

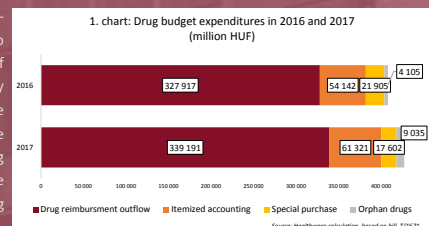
The reimbursement of special purchased medicines – which category involves products used for treating hemophilia and Hepatitis-C – decreased by 19.6% in 2017 compared to the year before. Orphan drugs were also involved into the high-value drug financing category last year. In the budget implementation 2016, orphan drugs – under the name ‘financing the treatment of ultra-rare diseases’ – appeared as NPP, with less emphasis at the time. In 2017 9 035 million HUF had been paid on this item (opposed to the target amount, 3 000 million HUF). The 2nd table shows the distribution of orphan drug expenditures in the main disease groups.

2. table: Reimbursement of the main orphan diseases

	Number of patients 2017	Reimbursement outflow 2017-ben (mFt)
Gaucher-kór	29	1 177
Pompe-kór	21	1 036
Hunter kór (MPS-II)	9	503
Morquio szindróma (MPS-IV)	2	161
Maroteaux-Lamy szindróma (MPS-VI)	1	107
Hurler-Scheie szindróma (MPS-I)	1	39
Duchenne izomdistrophia	8	660
IVIG	38	394

Source: T/1671. bill

In summary, the total drug budget expenditure increased by 5% in 2017 compared to 2016, which means an additional cost of 20 829 million HUF. Other than that, only structural changes had happened. The special purchase budget moved to the consolidated healthcare title from the drug reimbursement title, orphan drugs became part of the new, high-value drug financing category.



Payments by pharmaceutical manufacturers

Examining the budget implementation expenditures, we dispensed with the manufacturers’ payments. However, these payments affect significantly the final, net expenditure of the Health Fund. The 2nd chart shows the clearly growing trend in payments of pharmaceutical manufacturers. Both payments by contract (22 821 million HUF) and payments, ensuring the continuous supply of medicinal products (56 340 million HUF) exceeded the value from the year before. The former increased by 28.17%, the latter by 4.78%. The 10.6% increase of the total income from pharmaceutical industrial payments (79 161.2 million HUF) was caused by the growing reimbursement outflow, rep fee and payments related to price-volume agreements.