

News, current issues

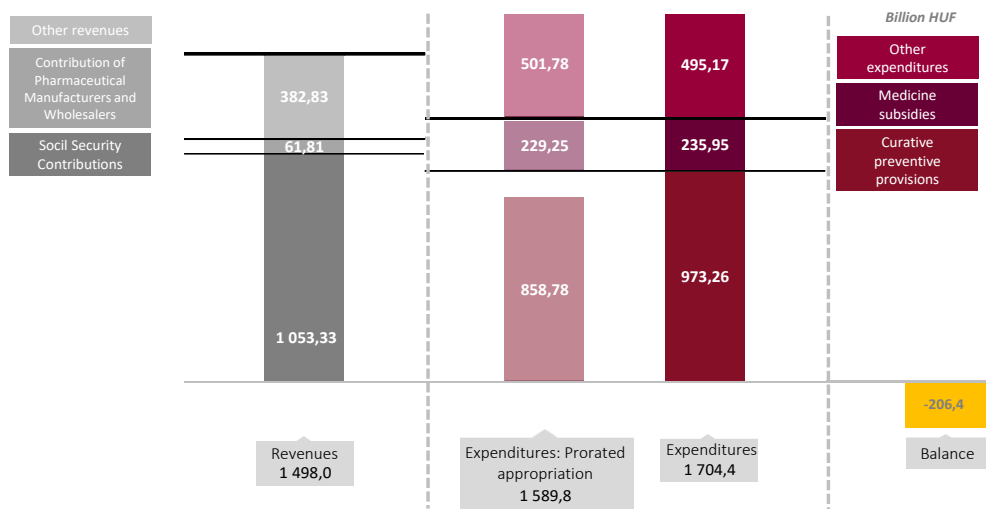
News Anti COVID-19 drug has already produced in Hungary >>

News The proposed legislation for physicians' wage increase transforms the health care system fundamentally >>

News The rush in pharmacies began again >>

Macro approach to financing healthcare and medicinal products

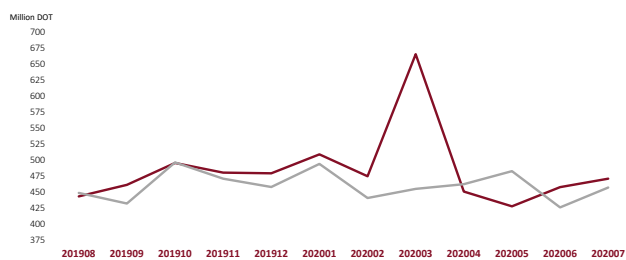
Balance of the Health Insurance Fund, July 2020



Source: Healthware analysis based on NHIFA data

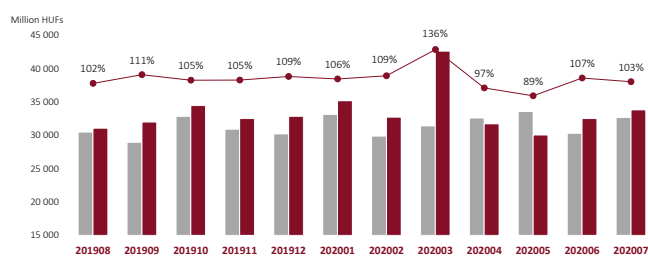
Dynamics of the sales/circulation of prescription-only-medicine

Pharmacy DOT turnover



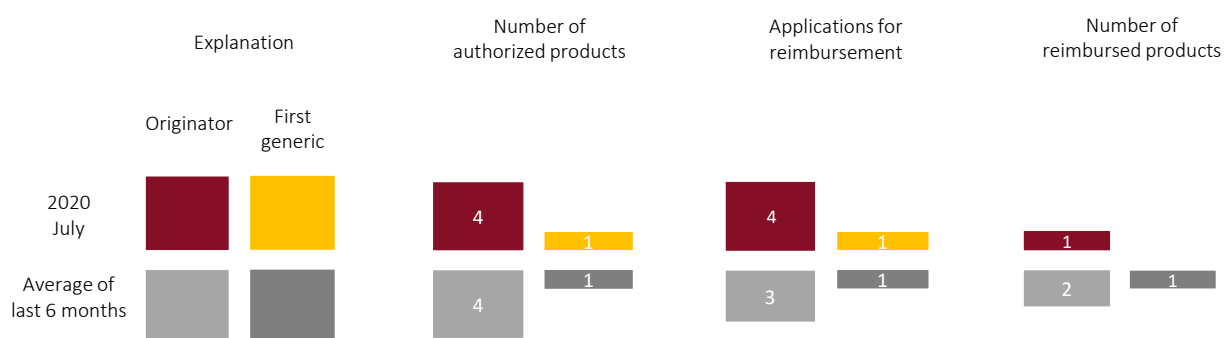
Source: Healthware analysis based on NHIFA data

Pharmacy reimbursement turnover



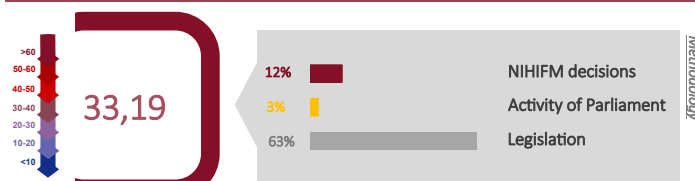
Source: Healthware analysis based on NHIFA data

Changes to subsidized medicinal product categories, July 2020



Source: Healthware analysis based on NHIFA data

Decision-making index, July 2020



Methodology

Product offering

Questionnaire survey

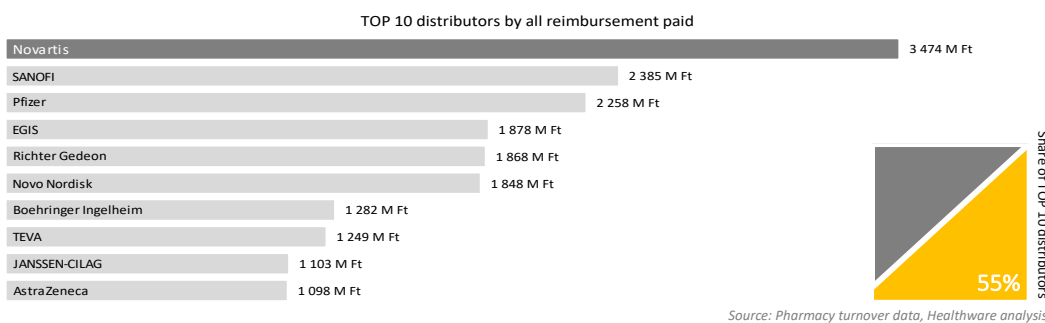
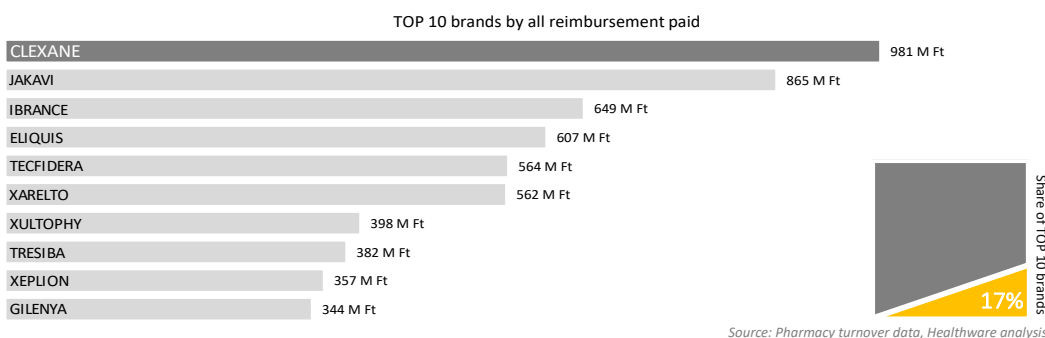
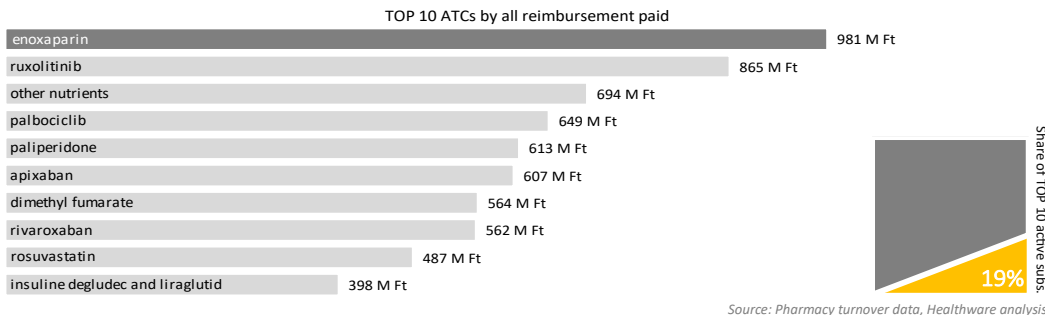
Many marketing and health economic analyzes require information beyond the data in literary publications, that correct and complete them. In our projects the more frequently planned longitudinal data collection, fact finding and new information generating researches could provide useful support in addition to ad hoc surveys. Main steps:

- Preliminary review and interpretation of the input parameters
- Establishment of questionnaire involving 1-2 local experts
- Finalization of the questionnaires and querying on larger sample
- Receiving replies, recording questionnaires, processing responses, statistical evaluation
- Validation of results with the help of a local expert
- Web Report transfer in Hungarian and English language

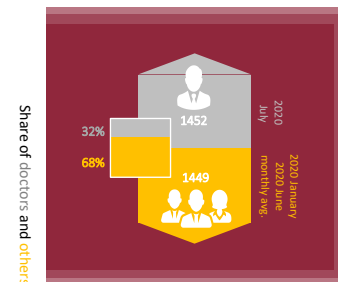
Further information about the service: [link](#)

Market data

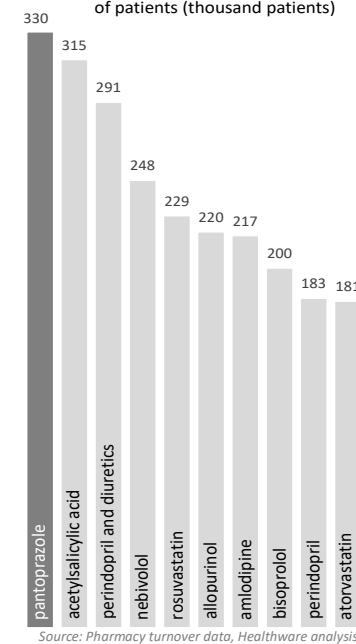
Toplists of reimbursement and number of patients, July 2020



Average number of medical sales reps



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



Budget implementation 2019 – Case study

In September 2020, the Hungarian Government submitted the proposed legislation¹ about budget implementation of 2019 to the Parliament. In our current case study, we examine the final gross drug expenditures of 2019, in comparison with the value from the year before (2018), based on this documentation.² (About the payments of pharmaceutical manufacturers, we provide an overview in the bordered section.) In Table 1, the fulfillments of drug expenditures are shown for 2018 and 2019.

1. Table: Drug budget fulfillment (M/HUF)	2018	2019	Absolute change	Percentage change
Drug reimbursement outflow	357 804	383 675	25 871	7.2%
NPP	24 853	26 442	1 589	6.4%
Financing high-value drugs	95 386	103 126	7 740	8.1%
Itemized accounting	71 946	79 303	7 358	10.2%
Special purchase	16 400	13 624	-2 777	-16.9%
Orphan drugs	7 040	10 199	3 159	44.9%
Total	453 150	490 301	37 151	8.2%

Source: 1/2556 and 1/13098. bills

The drug reimbursement expenditure (which covers the reimbursement of prescription drugs) increased by 7.2% compared to the previous year, with HUF 383 675 million of fulfillment in 2019. The NPP reimbursement (classified under this category) was HUF 26 442 million which exceeds

the value of 2018 by HUF 1 589 million. Over the years NPP reimbursement outflow continues its growing tendency, as the number of submissions and the rate of accepted applications also increases. However, we can see a slight moderation in 2019. This may be because 14 high-value products were included under itemized accounting category in 2018 –remained reimbursed under NPP category in 2018 –, but in 2019, the majority of them were procured through public procurement, within the framework of ‘high-value medicines’ financing. The still not centrally procured substances - of which public procurement was tendered only in 2020 or not even announced yet - meant an additional expenditure of HUF 4 700 million for the NPP category.

NPP reimbursement outflow remained highly concentrated in 2019. A total of 415 products got reimbursed under the NPP category, but 65.8% of the total NPP outflow was generated by only 25 of them (65.1% in 2017, 72.9% in 2018).

The funding line for ‘High-value medicines’ – including itemized products, the ‘Orphan drugs’ for rare diseases and ‘Special purchased medicines’ - showed an increase of 8.1% in 2019 (2018: 8.4%). The decrease in expenditures for special purchased products was offset by a growth of funding for orphan and itemized accounting drugs.

Reimbursement for itemized medicines increased by 10.2% compared to 2018, amounting to HUF 79 303 million in 2019. 17% of the total fulfillment was non-tender-based; HUF 13 697 million was paid to health care providers largely as financial frame, as a temporary method of financing active substances accepted to itemized accounting in 2018 but procured only in the second half of 2019.

Expenditures of therapies for other diseases (eg. stroke, Fabry disease - 33%) and payments for oncology products increased the most in itemized accounting. The reimbursement outflow for inflammatory medicines continued to decline in 2019 (by 12.8% compared to the previous year). The latter is due to the growing competition between the products available for treating these diseases.

17 high-value therapy belongs to the ‘Orphan drugs’. Under this category, 188 patients were treated in 2019 with a reimbursement outflow of HUF 10 198 million (44.9% higher than the same expenditure in 2018). The disease group with the largest number of patients was SMA, with 57 patients reimbursed on the financing line. Reimbursement outflows for the 10 largest patient groups are shown in Table 2.

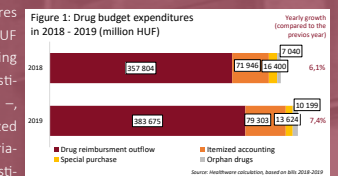
The reimbursement for special purchased drug financing category - which involves products used for treating hemophilia and Hepatitis-C – shows a decreasing trend from 2016 (declined by 16.9% in 2019 compared to 2018) as a result of significant price decreases due to the competition between therapies.

In summary, fulfillments related to pharmaceutical expenditures increased by 7.4% in 2019, exceeding the 2018 amount by HUF 33 611 million (following a growth of 6.1% in 2018). Considering the original appropriations, the NPP framework was underestimated the most in 2019 – similarly to the previous years –, exceeding the preliminary target by ~164%. The itemized accounting expenditures were 13.3% higher than the appropriation, while the pharmaceutical financing line was underestimated by 5.9%.

2. Table: Reimbursement of the main orphan diseases

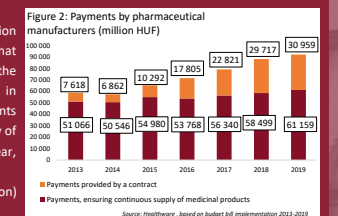
Orphan diseases	Patient number	2019	Reimb. outflow (m/HUF)
SMA	57	57	1 637
Glaucher-kór	33	33	1 312
aHUS és PNH	25	25	1 632
Pompe-kór	22	22	1 869
Hunter-kór (MPS-II)			
Morquio szindróma (MPS-IV)	13	13	1 671
Maroteaux-Lamy szindróma (MPS-VI)			
Hurter-Scheie szindróma (MPS-I)			
USHN	12	12	78
Duchenne izomdystrophia	10	10	1 073
Total reimbursement outflow			7 040

Source: 1/23098. bill



Payments by pharmaceutical manufacturers

In the analysis of the Final Accounts Act, we omitted the consideration of manufacturer contributions. However, it is important to note, that these payments affects significantly the final, net expenditures of the Health Insurance Fund. Figure 2 shows a marked upward trend in manufacturer contributions. In 2019, both the contractual payments (HUF 30 959 million) and payments, ensuring the continuous supply of medicinal products (HUF 61 159 million) exceeded the previous year, by 4.2% and 4.5%, respectively. Total revenue from manufacturer re-payments (HUF 92 118 million) increased by 4.4% compared to 2018.



¹ <https://www.parlament.hu/rom41/13098/13098.html>
² <https://www.parlament.hu/rom41/07556/adatok/fejzetek/72.pdf>