



## CYPRUS

### Health Insurance Organisation

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|---|---|
| <p><b>High-cost medicines</b></p> <p>Public sector</p> <ul style="list-style-type: none"> <li>- Managed Entry Agreements (MEA) and individual patient basis reimbursement</li> <li>- Participation of relevant medical specialists in Pharmaceutical and Therapeutic Committee (PTC) when assessing high cost medicines (e.g. oncologists for cancer drugs).</li> <li>- Innovative and high cost medicines are priced according to current reference pricing method. Procurement is done either by tender or by negotiation.</li> <li>- Innovative medicines are subject to certain limitations such as prescription by certain specialties. Procurement price is set usually by negotiation.</li> <li>- Key challenges include addition of new indications to innovative products which have to be counterbalanced by price reduction or introduction of specific guidelines. Moreover, increase of DDD has to be counterbalanced by dose capping (i.e. shifting the extra cost of the increased dose to the MAH).</li> <li>- Certain diseases that concern high cost medicines are entitled of full reimbursement for the whole population (e.g. cancer, rheumatoid arthritis, myasthenia gravis, renal patients on CAPD and hemodialysis, AIDS, Alzheimer disease, thrombocytopenic idiopathic purpura, transplanted patients, cystic fibrosis etc.).</li> </ul> <p>Private sector</p> <ul style="list-style-type: none"> <li>- Not regulated. Cost of drugs is covered either by private insurance plans or by the patient (in cases that the patient is not a beneficiary of the public sector or the disease is not covered by the public sector – see above).</li> </ul> | <p><b>Generic policies</b></p> <ul style="list-style-type: none"> <li>- Generic substitution in place. Obligatory in public sector – No regulation that allows it in the private sector.</li> <li>- Generic price link: Generic price is set at the 80% of the originator price at the private sector.</li> <li>- Tendering-like practices for generics apply only in the public sector (both for the in-patient and the out-patient sector).</li> <li>- Reference price system (i.e. clustering of similar or identical medicines, not international / external referencing pricing):<br/>In Cyprus, clustering is done for tender purposes in the public sector. Clustering at ATC 5 at all times and where appropriate at ATC 4 (e.g. statins) and rarely at ATC 3. After tender is awarded, only the winning product enters the formulary and is fully reimbursed by the public sector.</li> <li>- Currently there are no Information activities (e.g. to patients, prescribers, pharmacists) about generics.</li> <li>- Generics share in volume and value in 2007: In private out-patient sector, generics share corresponded to 21,3% by volume and 11,1% by value. In public out-patient sector, generics share corresponded to 53,3% by volume and to 12,2% by value.</li> </ul> |
| <p><b>Changes in the pharmaceutical system – end 2011/2012</b></p> <ul style="list-style-type: none"> <li>- 5% vat was introduced on all medicines since January 2011</li> <li>- Changes / modification of co-payment scheme for outpatient sector for eligible beneficiaries. (The scheme initiated in 2007 and aimed to provide more therapeutic choices to the patient). From 1<sup>st</sup> January 2012 the number of drugs covered dropped to 44 (10 less than 2011) and the number of diseases to 12 (3 less than 2011)</li> </ul> <p><b>Measures under discussion or planned</b></p> <ul style="list-style-type: none"> <li>- New regulation proposed (not yet approved by the Parliament) for the implementation of 0,50 € of co-payment per prescribed drug with a cap of 5 € per prescription without any exceptions.</li> </ul>   | <p><b>Evaluations and studies on pharmaceutical policies</b></p> <ul style="list-style-type: none"> <li>- No information available</li> </ul>   |