

**PHIS – Pharmaceutical Health Information System**

## PHIS Hospital Pharma







**Presentation on results and outcomes of hospital survey - PHIS**

Jan Mazag – SUKL, Nina Zimmermann - OEBIG

PPRI Conference 2011

Balancing pharmaceutical policies between equity and cost-containment  
– a critical discussion and lessons learned





Vienna, 29/30 September 2011

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**„Pharmaceutical policies in the hospital sector need to be further investigated.** The pharmaceutical service in the in-patient sector plays an important role and influences the provision of pharmaceuticals, and also pharmaceutical expenditure, in the outpatient sector. However, pricing policies and practices in the hospital sector have not been addressed by the PPRI project neither have they been the focus of other European research projects. There is a need for paying greater attention to the hospital sector with regard to the intramural rational use of pharmaceuticals and to the interface between the inpatient and the out-patient sector. Therefore, pharmaceutical policies in hospitals shall be surveyed, and, additionally, initiatives for a better cooperation between the in-patient and out-patient sector shall be promoted. “


*Recommendation from the PPRI Report,*  
p. 137,  
[http://ppri.goeg.at/Downloads/Publications/PPRI\\_Report\\_final.pdf](http://ppri.goeg.at/Downloads/Publications/PPRI_Report_final.pdf)

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### Pharmaceutical Health Information System (PHIS)

- **Scope:** To monitor and assess up-to-date health information and data for the field of pharmaceuticals in a comprehensive health system approach (i.e. covering the outpatient and inpatient sector) in the EU Member States, and to evaluate these indicators from a public health perspective, and to build a database → to develop a sustainable pharmaceutical health information system
- **Members:** All EU Member States, ALB, CA, HR, IC, NO, CH, ZA, TR; PR authorities and hospital pharmacies. More than 60 institutions
- **Leading Institutions:** GÖG/ÖBIG (AT, main partner), AIFA (IT), IHHII (BG), SOGETI (LU), SUKL (SK)
- **Establishment:** Executive Agency for Health and Consumers (EAHC), Advisory Board: EAHC, DG SANCO, DG ENTR, DG Eurostat, OECD, WHO HQ + Europe
- **Period:** September 2008 – April 2011




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### Objective of PHIS Hospital Pharma:

to search and look for processes in pricing and reimbursement in in-patient sector including case study

- **National Hospital Pharma Reports**
  - description and mapping the systems of organisation, establishment, funding of hospitals, but mainly on processes of pricing and reimbursement of pharmaceuticals in hospitals, system of purchasing, monitoring and evaluation of consumption of pharmaceuticals across EU Member States in pre-specified format
- **Price survey part**
  - Case studies for pharmaceutical price survey in selected countries for specific pharmaceuticals used in hospitals, based on outcomes from general survey


*The country specific PHIS Hospital Pharma reports are accessible at the PHIS website <http://phis.goeg.at>*



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### Methodology of Case studies

- A total of 25 hospitals (all public hospitals, 24 general hospitals and 1 specialised hospital) in five European countries (AT, NO, NL, PO, SK)
- Price survey for a selected number of medicines (12 active ingredients) - four cancer and one orphan medicine. Original price collection in hospitals, accompanied by qualitative interviews with hospital pharmacists. Access to official list price and official out-patient prices.
- The price template developed to be filled out during the study visits. The price template specifies exactly for which pharmaceutical, in which strength, dose and pharmaceutical form, the information is needed.
- The price survey and comparison was performed in the period of September 2009 to February 2010, asking for prices as of end of September 2009. In hospitals, both the official "list" price, as well as the actual price (i.e. taking discounts and rebates into consideration) were gathered. The pharmacy retail prices were defined as reference in the out-patient sector.



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### Phis Hospital Pharma dissemination of outcomes and results


PHIS Hospital Report detailing analysis of results and outcomes  
available from May 2010.

Moreover Phis Hospital Pharma Report is available for stakeholders  
and on website <http://phis.goeg.at/>.

**PHIS  
Pharmaceutical Health Information System  
PHIS Hospital Pharma Report 2010  
March 2010**


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# PHIS Hospital Pharma Report



**PHIS Hospital Pharma Report**

COMMISSIONED BY THE EUROPEAN COMMISSION,  
EXECUTIVE AGENCY FOR HEALTH AND CONSUMERS (EAC) AND  
THE AUSTRIAN FEDERAL MINISTRY OF HEALTH (BMG)

http://phis.goeg  
.at

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## Objective No 1: Hospital Pharma Report for 25 EU member states + 2 non EU network members

<ul style="list-style-type: none"> <li>• Austria <input checked="" type="checkbox"/></li> <li>• Belgium <input checked="" type="checkbox"/></li> <li>• Bulgaria <input checked="" type="checkbox"/></li> <li>• Cyprus <input checked="" type="checkbox"/></li> <li>• Czech republic <input checked="" type="checkbox"/></li> <li>• Denmark <input checked="" type="checkbox"/></li> <li>• Estonia <input checked="" type="checkbox"/></li> <li>• Finland <input checked="" type="checkbox"/></li> <li>• France <input checked="" type="checkbox"/></li> <li>• Germany <input checked="" type="checkbox"/></li> <li>• Greece <input type="checkbox"/></li> <li>• Hungary <input checked="" type="checkbox"/></li> <li>• Ireland <input checked="" type="checkbox"/></li> <li>• Italy <input checked="" type="checkbox"/></li> <li>• Latvia <input checked="" type="checkbox"/></li> <li>• Lithuania <input checked="" type="checkbox"/></li> </ul>	<ul style="list-style-type: none"> <li>• Luxemburg <input type="checkbox"/></li> <li>• Malta <input checked="" type="checkbox"/></li> <li>• Netherlands <input checked="" type="checkbox"/></li> <li>• Poland <input checked="" type="checkbox"/></li> <li>• Portugal <input checked="" type="checkbox"/></li> <li>• Romania <input checked="" type="checkbox"/></li> <li>• Slovakia <input checked="" type="checkbox"/></li> <li>• Slovenia <input checked="" type="checkbox"/></li> <li>• Spain <input checked="" type="checkbox"/></li> <li>• Sweden <input checked="" type="checkbox"/></li> <li>• UK <input checked="" type="checkbox"/></li> </ul> <p><b>Non EU network members</b></p> <ul style="list-style-type: none"> <li>• Norway <input checked="" type="checkbox"/></li> <li>• Turkey <input checked="" type="checkbox"/></li> </ul>
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Objective No 2: In-patient survey Case studies (price survey)

In total, case studies were undertaken in 27 hospitals in five countries: AT, NO, NL, PO and SK.

Country	Number of participating hospitals in PHIS Case study
Austria	5
Netherlands	3
Portugal	4
Norway	4*
Slovakia	11*
<b>In total</b>	<b>27</b>

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## Selected medicines in PHIS case studies

12 active ingredients

category	Active substance in case study
Oncology	trastuzumab, docetaxel, rituximab, imatinib
Rheumatoid arthritis	etanercept
Immunomodulation	imunoglobulin
Anti-inflammatory	infiximab
Neurology – Multiple Sclerosis	1interferon beta 1A
Cardiology	simvastatin, atorvastatin, amlodipin
Thrombozyte inhibitor	clopidogrel

Source: PHIS Hospital Pharma Report 2010

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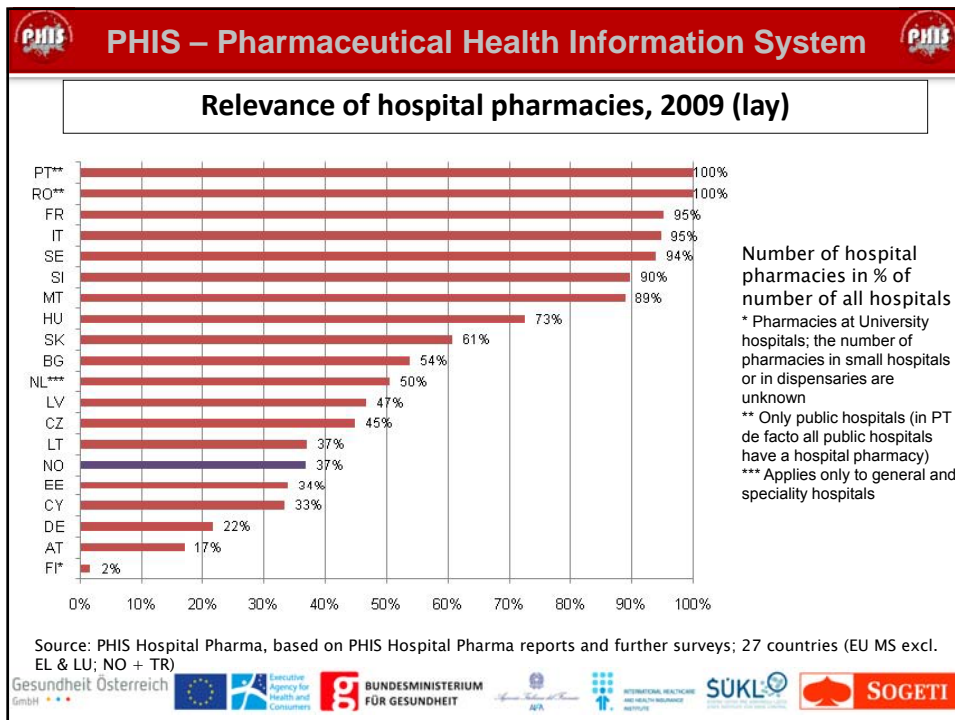
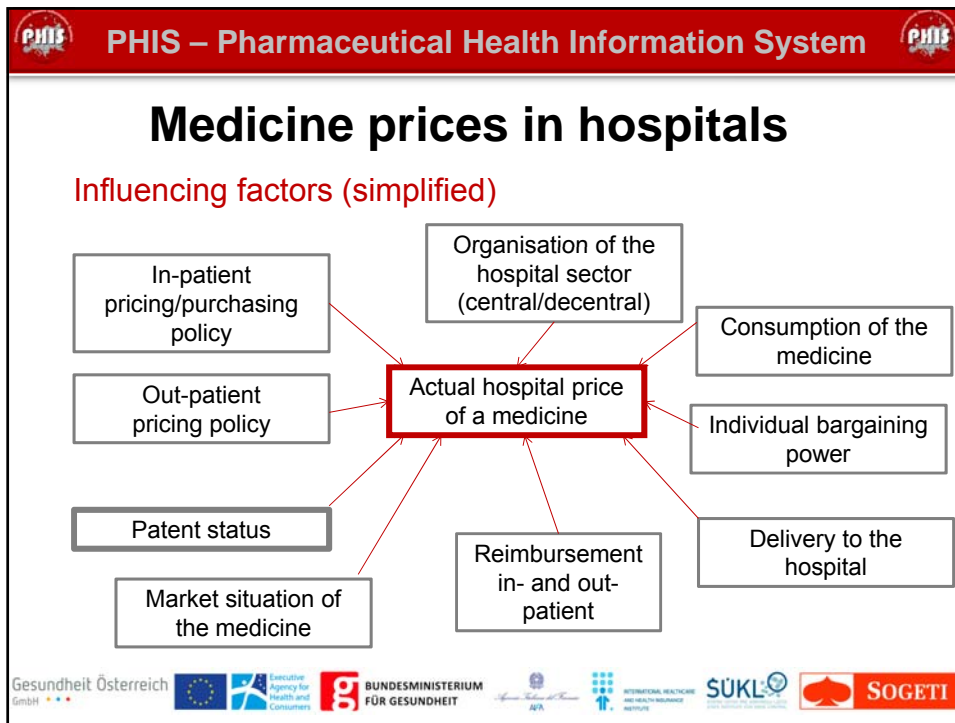
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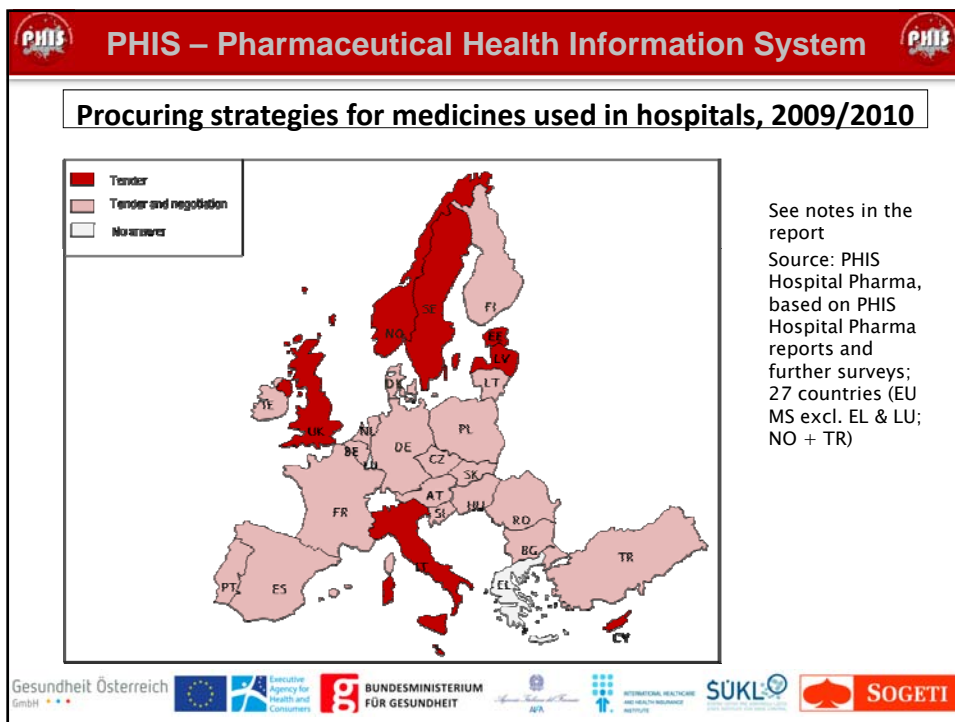
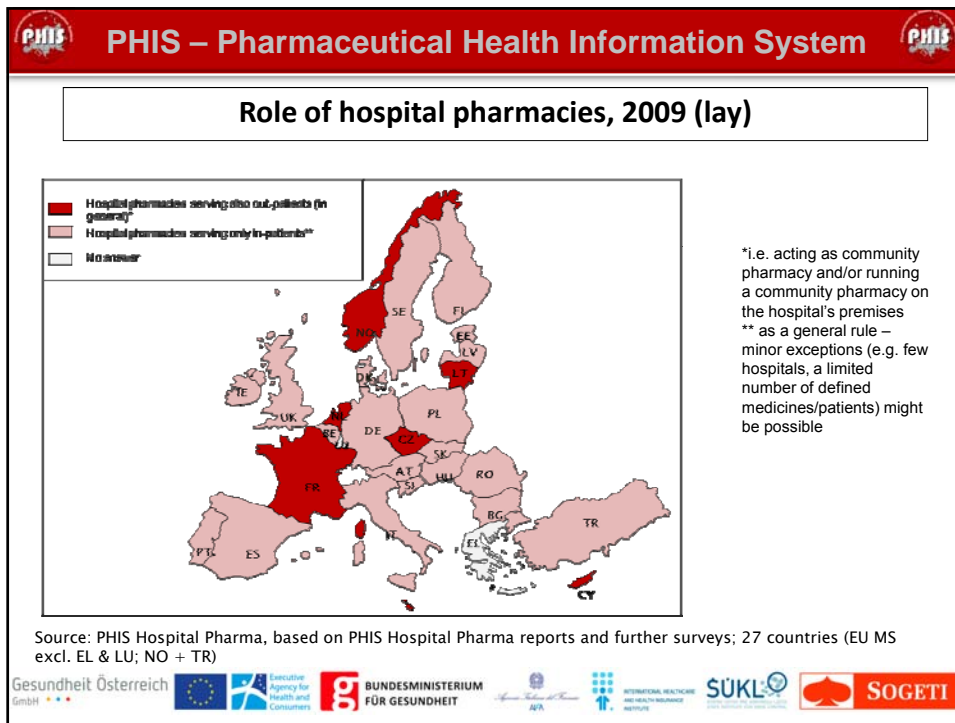
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Availability of actual hospital prices per unit for selected medicines in five European countries						
	Austria (n=5)	Netherlands (n=3)	Norway (n=2)	Portugal (n=4)	Slovakia (n=8)	Total (n=22)
<b>Oncologic medicines</b>						
A	5	3	2	4	1	15
B	5	3	2	4	6	20
C	5	3	2	4	1	15
D	4	1	2	4	n.a.	11
<b>Cardiovascular medicines</b>						
E	1	3	2	3	8	17
F	5	3	2	3	5	18
G	5	3	2	1	7	18
H	5	3	2	4	3	17
<b>Other indications</b>						
I (RA)	1	n.a.	2	4	n.a.	7
J (IM)	5	1	2	1	6	15
K (AI)	3	3	2	4	1	13
L (MS)	1	n.a.	2	4	(a)	7
<b>Total</b>	<b>45</b>	<b>26</b>	<b>24</b>	<b>40</b>	<b>38</b>	<b>173</b>
<b>Percentage</b>	<b>75%</b>	<b>72%</b>	<b>100%</b>	<b>83%</b>	<b>40%</b>	<b>66%</b>

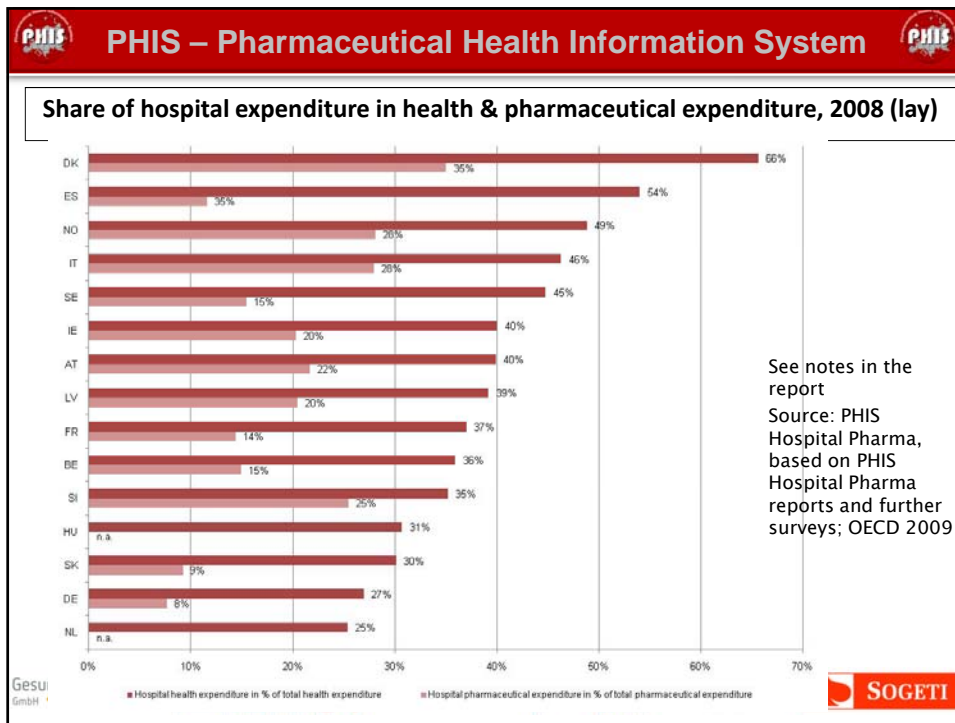


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<b>Case study – Overview of results</b>						
<p>Availability of price data for the hospital setting and out-patient sector, cross country comparison of actual hospital prices, differences between the average of hospital list prices and actual hospital prices, comparison between hospital prices (official and actual) and out-patient prices, comparison on product level.</p>						
<ul style="list-style-type: none"> <li>• Medicine prices in hospitals</li> <li>• Price comparison           <ul style="list-style-type: none"> <li>– Intra-country, cross-country comparison</li> <li>– Comparison on product level</li> </ul> </li> </ul>						
						









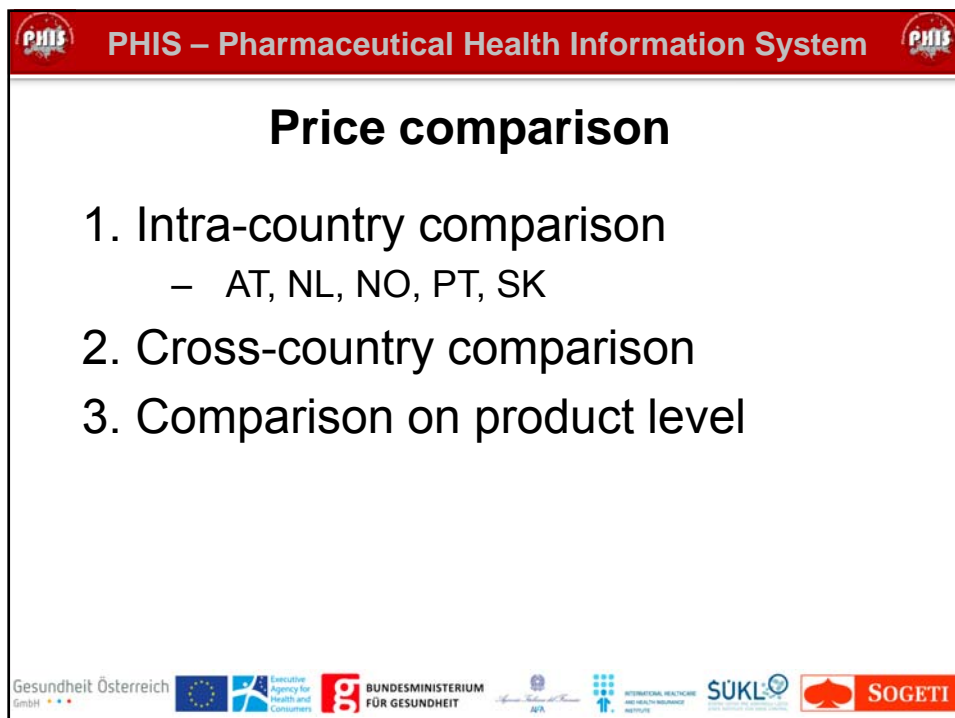
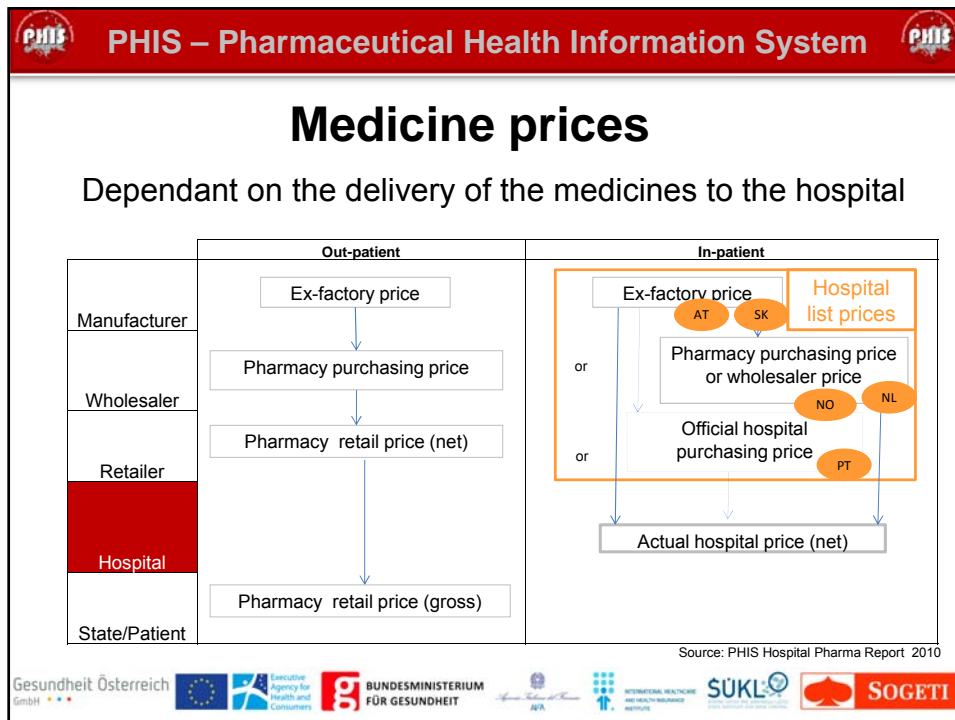
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### Pricing policy in PHIS case study countries

Country	Sector	Main pricing policy	Scope of medicines covered	in form of
AT	in-patient	key purchasing policy/policies	all	price negotiation, directly by hospital or purchasing groups
		supplementary purchasing policy/policies	all	tendering by purchasing groups
NL	In-patient	key purchasing policy/policies	all	tendering by purchasing groups
		supplementary purchasing policy/policies	all	price negotiation, directly by hospital or purchasing groups
NO	in-patient	key purchasing policy/policies	all	centralised tendering
PT	In-patient	key purchasing policy/policies	all	price negotiation, directly by hospital or purchasing groups
		supplementary purchasing policy/policies	all	centralised tendering
SK	In-patient	key purchasing policy/policies	all	(competitive) price negotiation, directly by hospital or purchasing groups
		supplementary purchasing policy/policies	all	tendering

PHIS Database

Source: DDPI Report 2008 and updates; PHIS Hospital Pharma Report 2010

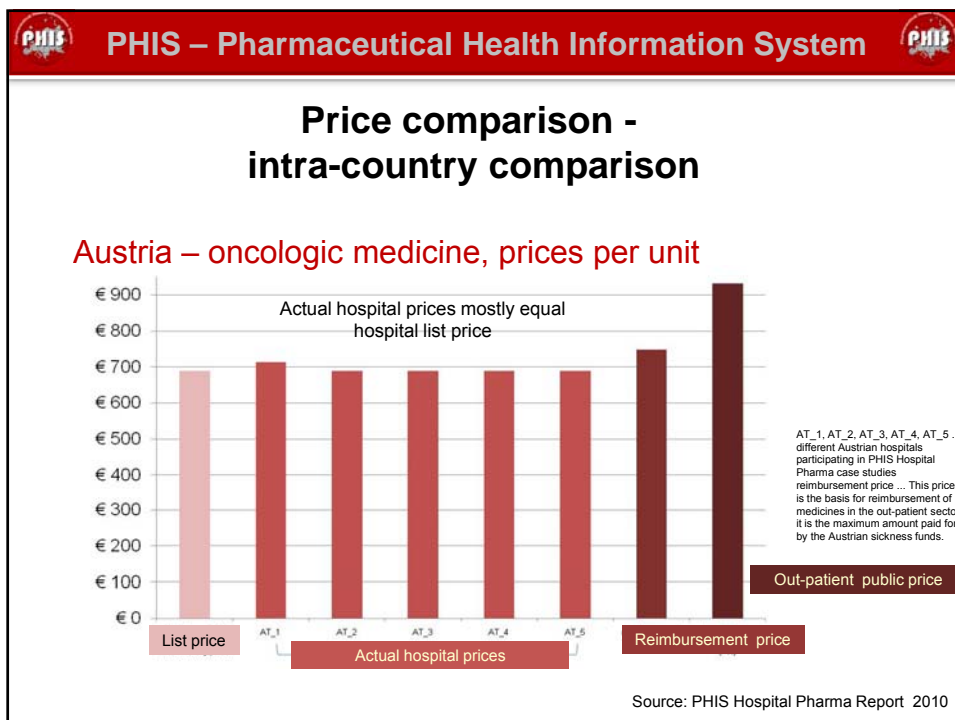


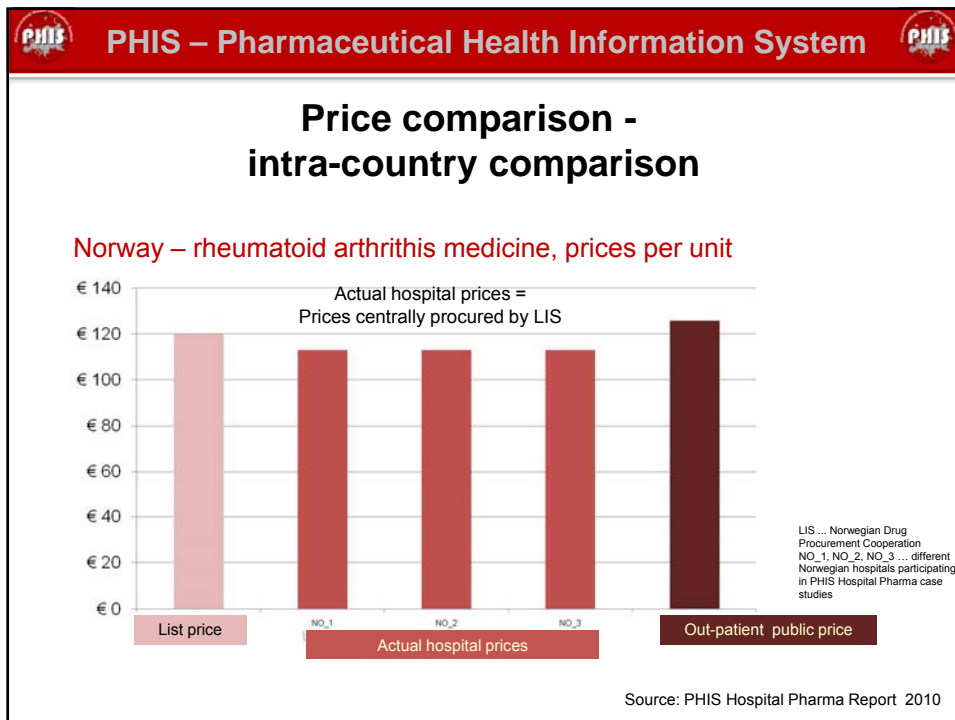
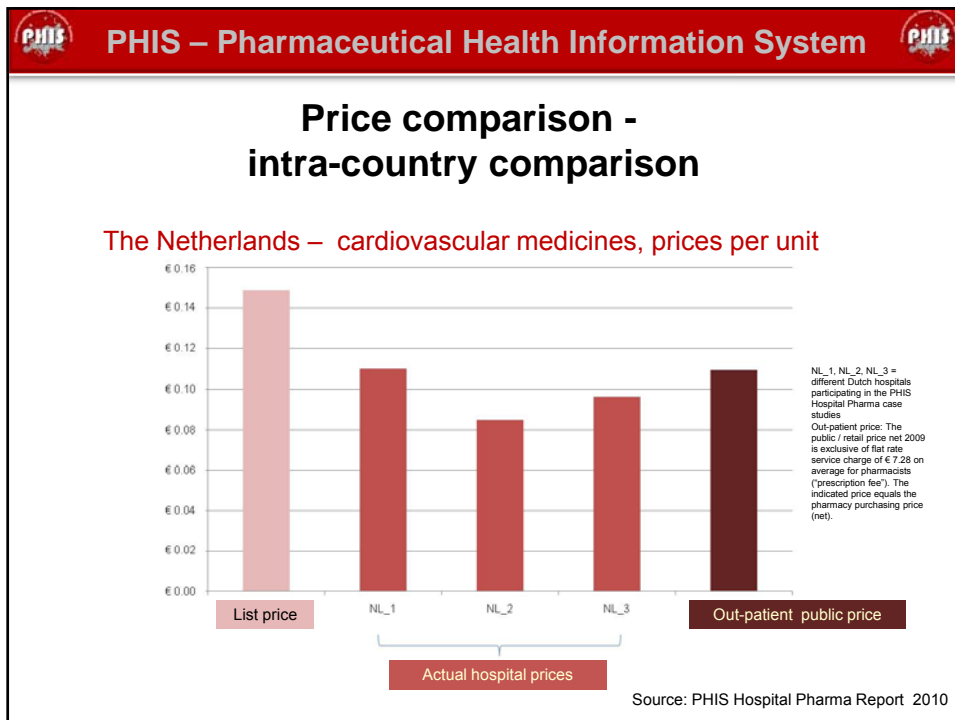
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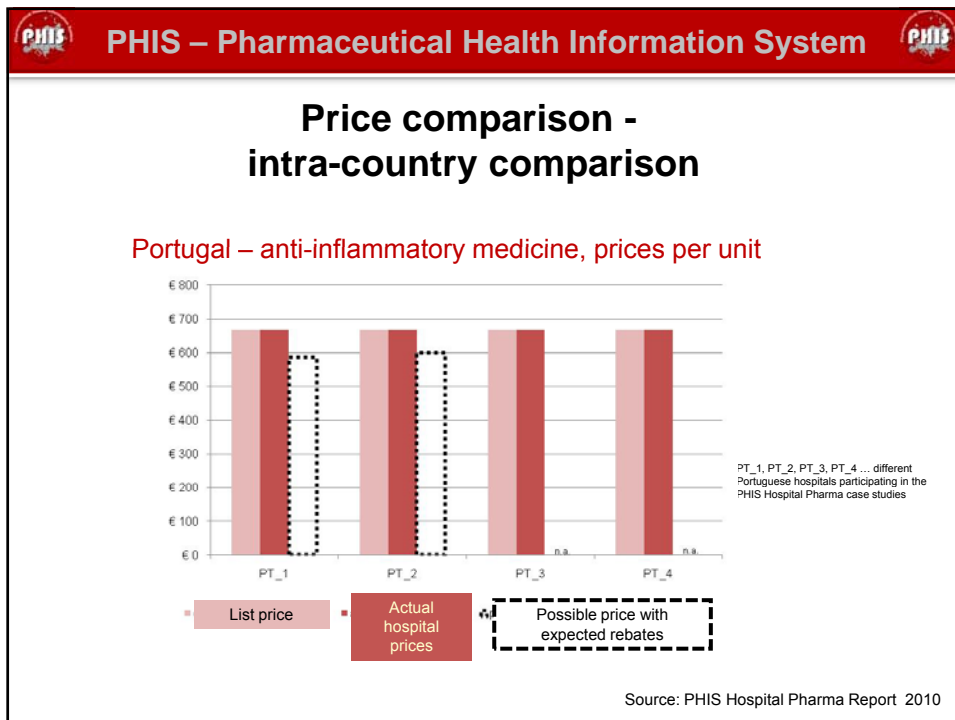
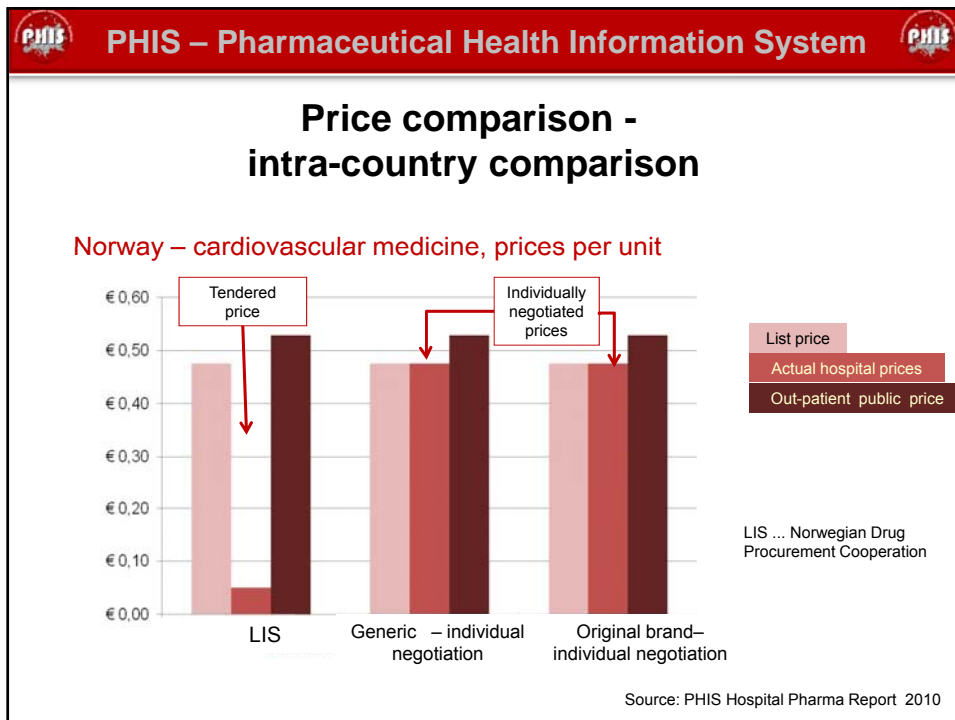
## Price comparison

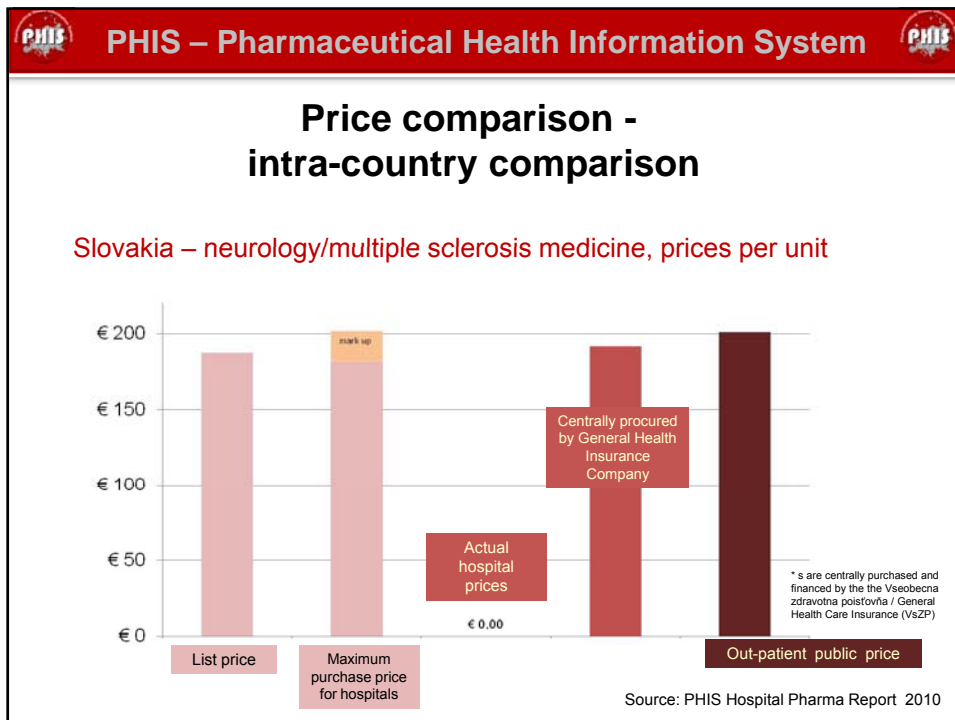
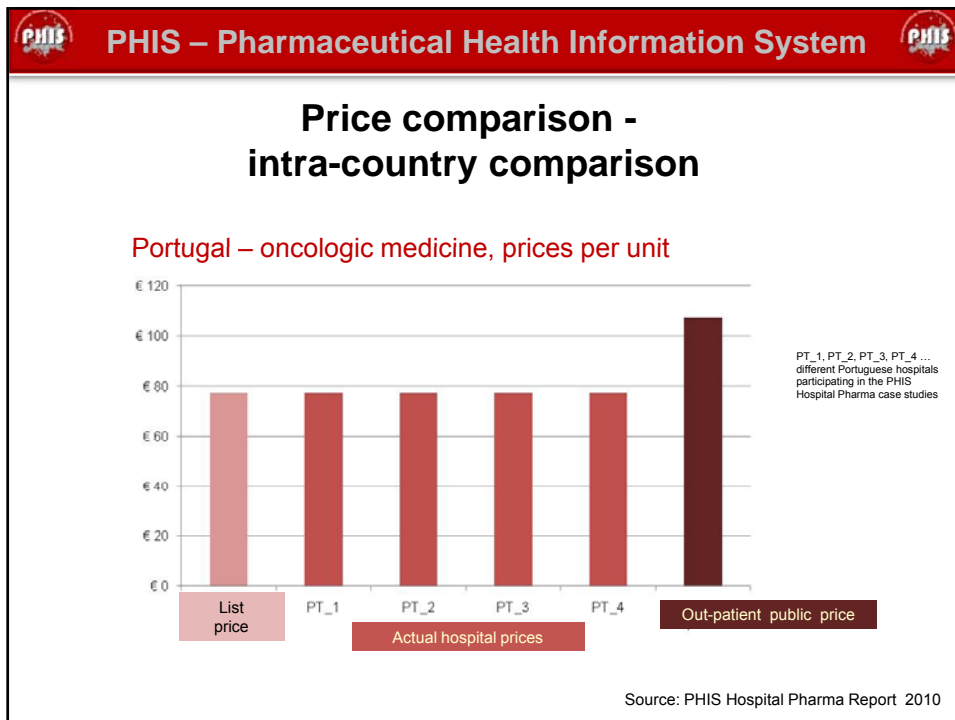
1. Intra-country comparison
  - AT, NL, NO, PT, SK
2. Cross-country comparison
3. Comparison on product level

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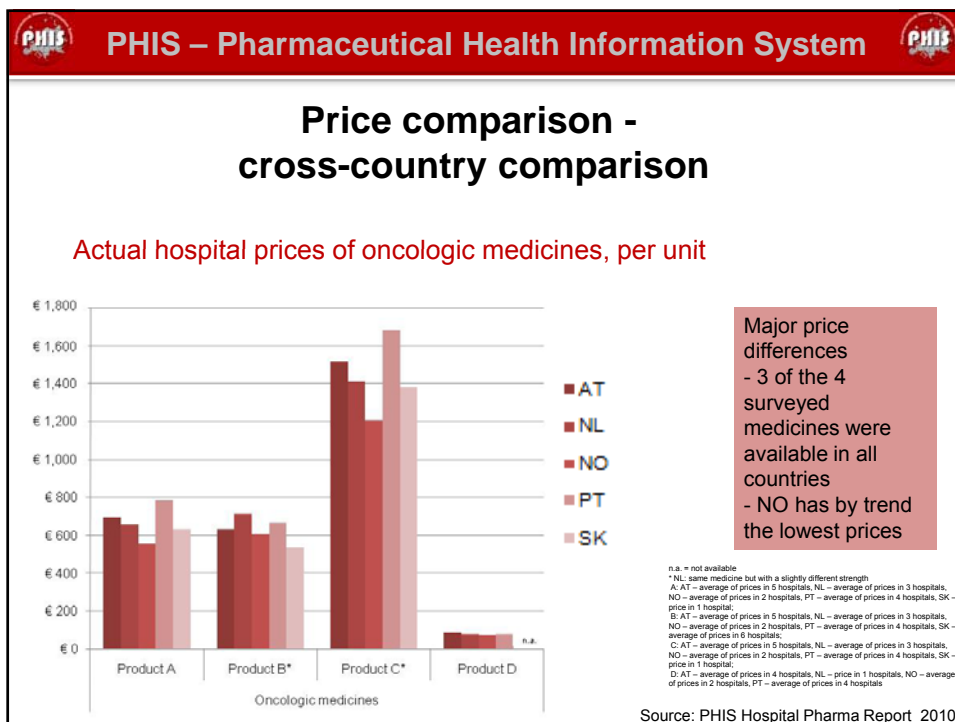


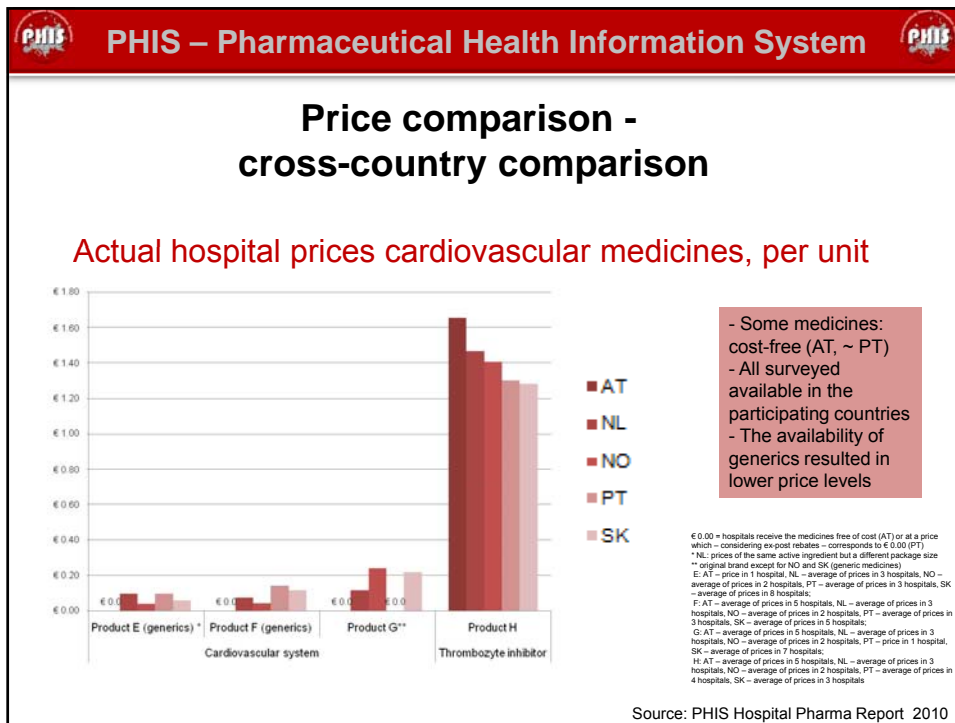
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## Price comparison

1. Intra-country comparison
  - AT, NL, NO, PT, SK
2. Cross-country comparison
3. Comparison on product level

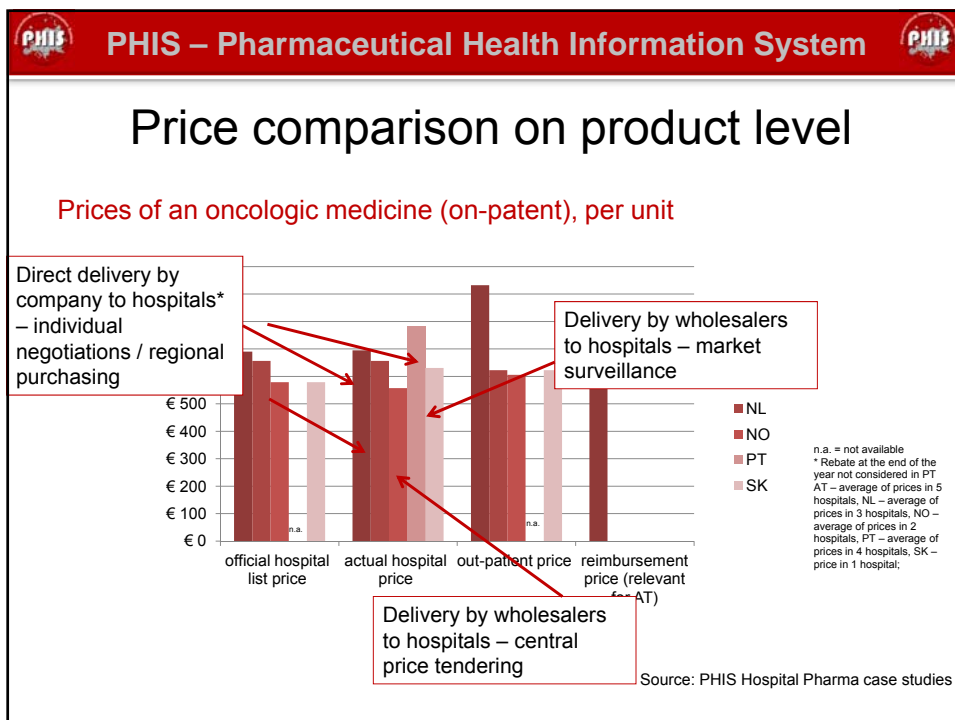
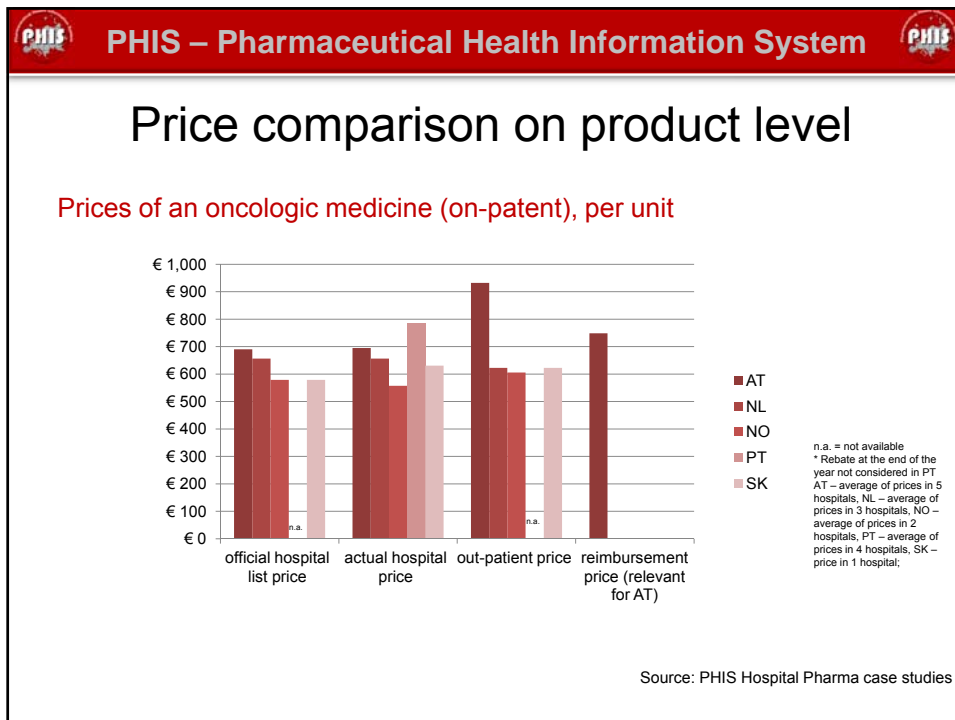






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- ### Price comparison
1. Intra-country comparison
    - AT, NL, NO, PT, SK
  2. Cross-country comparison
  3. Comparison on product level
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### PHIS Hospital Pharma - Discounts and rebates- outcomes

- In the in-patient sector, confidential discounts, and, to a lesser extend, rebates and cost free medicines are common in countries
- Apart from Italy with mandatory discounts to the NHS, discounts were always commercial and as such usually kept confidential.
- Free-cost medicines (i.e. medicines provided without payment) were reported to be a practice in six countries, whereas it is legally forbidden in another six countries.
- Discounts are more likely to be provided where there are (off-patent) therapeutic alternatives available.
- Large discounts and cost-free provision appear to be a practice for „strategic products“ which account for high volume and expenditure in the out-patient sector
- In four of the five case study countries (AT, NL,PO,SK) discounts were granted in individual negotiations between suppliers and hospitals for some of the surveyed products. In NO no role for discounts (tenders centrally)

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### PHIS Hospital Pharma – Interface management - outcomes

- The amount of price reduction granted to hospitals which eventually leads to a lower price compared to the out-patient sector depends on the therapeutic class.
- In the case of just one on-patent product being available like cancer medicines of the survey, price reductions are less likely.
- Price reductions, including cost- free medicines, are granted to products which are of strategic relevance for manufacturers, i.e. medicines which are to be continued in the out-patient sector (e.g. cardiovascular medicines).
- Onset of therapy in in-patient sector could substantially influence the out-patient practices in therapeutic options.

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## Interface management

**An urgent need for interfacement management has been expressed, however there are few good-practice examples**

**Example Denmark**







Hospital pharmaceutical formularies at the hospitals are coordinated with the list of recommendations for medicines in the primary care sector

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## Summary/1

- Procurement is not necessarily the major purchasing policy for medicines in the in-patient sector
- For high-cost medicines in hospitals some countries introduced specific financing schemes
- Monitoring of prices, expenditure and consumption is common standard in hospitals – a lack of hospital expenditure and consumption data at national level
- Instruments of a rational use of medicines have been implemented for long in hospitals
- Hospital pharmacists play a key role in hospitals with regard to quality assurance from a therapeutic point of view & from an economic perspective
- An urgent need for interface management has been expressed

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## Summary/2

- Prices of medicines used in hospitals are usually not published – if so, only maximum list prices are available
- The actual hospital prices are usually less than the maximum list prices although the amount varies by therapeutic class of medicines.
- Discounts are less likely to be provided where there is only an on-patent product available.
- Instruments of a rational use of medicines have been implemented for long in hospitals
- For some “strategic” products prices in the hospital sector are considerably lower than in the out-patient sector

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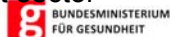


## Conclusions

- The pharmaceutical dialogue between the in-patient and out-patient sector should be strengthened, and further interface management activities be launched.
- The PHIS project could be seen as a starting point for further analyses.
- Knowledge on the in-patient pharmaceutical sector needs to be widely spread.
- Statistics for surveying expenditure and consumption at national level should be

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## Lessons learned / Discussion

- **Prices of medicines in hospitals:**
  - Joint purchasing leads by trend to lower hospital prices
  - Discounts are very common → even free products (AT, ~ PT, ~SK)
  - On-patent medicines – low negotiation potential
  - The availability of generics resulted in lower price levels also in hospitals
- **Relevant issues:**
  - Transparency of the prices
  - Business economics and national economics
  - Interface management needs to be improved to recognize onset of treatment option in hospitals followed in outpatient sector

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## Take home message

- Communication on prices of pharmaceuticals within country among hospital management could be improved.
- Understanding of processes inter-country is needed in order to benchmark the prices in hospital.
- Pharmaceutical policy and price setting differs in out-patient and in-patient sector.
- Motivation for physicians to rational use of medicines in hospital awards can save budget.
- GPs and physicians- specialists in out-patient sector and their communication is important with physicians in hospitals on prescribing patterns when patient released from hospital.

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**Thank you**

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