



Common language and understanding in pharmaceutical pricing and reimbursement – How glossaries and reporting systems can support

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–The members of the PPRI network

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Reference pricing ?

External price referencing
External reference pricing
Therapeutic reference pricing
Internal price referencing
Internal reference pricing
Therapeutic price referencing
Reference price system

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What do you think about this mark-up?

~~The pharmacy mark-up is 35% of the pharmacy retail price net.~~

The pharmacy mark-up is 35% of the **pharmacy purchasing price (wholesale price)**.

The pharmacy **margin** is 25.93% of the pharmacy retail price net.

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A contradiction?

In country A
(= EU Member
State) the costs of
production are
considered as a
criterion in the
pricing decision of
the competent
authorities.

Looking at the
major pricing
policies and
procedures in the
EU, cost-plus
pricing is no longer
applied.

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Why is there a need for a common language?

- » Information sharing among authorities, researchers, stakeholders, etc. (experience from PPRI network meetings)
- » Presentations about national systems
- » Reports / articles in scientific papers (cross-national studies)
- » Benchmarking exercises, databases
- » Interpretation / analysis of price data

This is an issue for all stakeholders!

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History of our Glossary

- » Need for a common language was identified (PPRI)
 - Networking meetings
 - PPRI Pharma Profiles
- » Need for updating and enlarging e.g. hospital pharma (PHIS)
 - PHIS Hospital Pharma Report, PHIS Pharma Profiles
 - Indicators and database
- » Need for constant monitoring and revision (WHO CC)
 - New developments
 - Exchange with other institutions – **feed-back is welcome**
- » Need for disseminating and promoting a common language
 - Training sessions
 - Local translations
 - Impact on other glossaries

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Availability of our terminology work

- » Methodology know-how
 - Based on previous glossaries (e.g. OECD, WHO)
 - Cooperation with other institutions (e.g. AIFA, NCPE, NICE, CNAMTS, HOPE, EAHP)
 - Background methodology paper
- » Online search
 - Terms
 - Abbreviations, synonyms, preferred terms
- » Downloads
 - PHIS Glossary (<http://phis.goeg.at> , <http://whocc.goeg.at>)
 - German version
 - Dutch and Spanish drafts under review

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PHIS - Pharmaceutical Health Information System

About PHIS | PHIS Organisation | Meetings | **Glossary** | PHIS Library | PHIS Database | Hospital Pharma | Dissemination | Contact | Members

Glossary

- Work package Terminology
- PHIS glossary
 - Search
 - Download
 - Preferred Terms
 - Abbreviations
 - Synonym Terms

Preferred Terms

a | l | A | B | C | D | E | F | G | H | I | J | K | L | M | N | O | P | Q | R | S | T | U | V | W | X | Y | Z

Reference price system

Reference price system

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PHIS

Networks
The glossary cooperates with authorities and payers from many European countries and beyond.

Database
Our database provides a global comparative data about pharmaceutical systems and policies in the European countries.

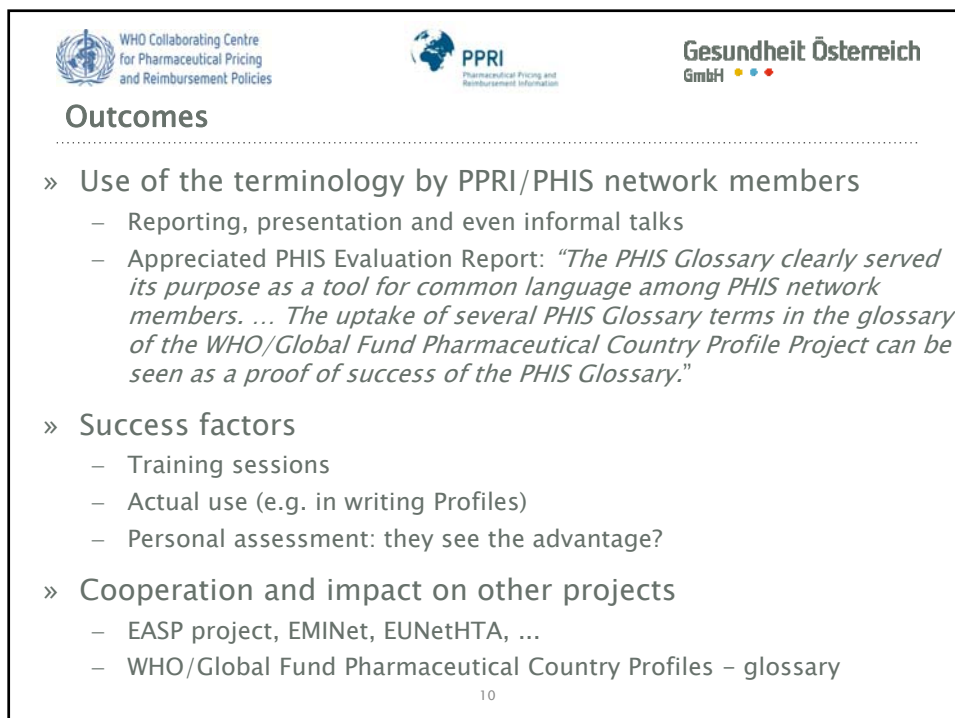
Publications
Use after a broad range of reports, studies, posters, etc. about pharmaceutical systems of many countries and pharmaceutical policy analyses.

Glossary
To promote a common understanding we develop a glossary of pharmaceutical terms in English and German.

News
WHO CC Website.
One year after its inauguration, the WHO CC launches its website

PPRI Conference 2011
Vienna, 29/30 September

News Records



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Outcomes

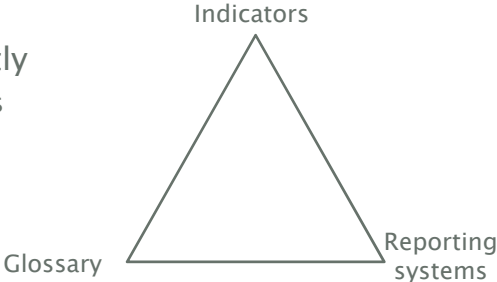
- » Use of the terminology by PPRI/PHIS network members
 - Reporting, presentation and even informal talks
 - Appreciated PHIS Evaluation Report: *“The PHIS Glossary clearly served its purpose as a tool for common language among PHIS network members. ... The uptake of several PHIS Glossary terms in the glossary of the WHO/Global Fund Pharmaceutical Country Profile Project can be seen as a proof of success of the PHIS Glossary.”*
- » Success factors
 - Training sessions
 - Actual use (e.g. in writing Profiles)
 - Personal assessment: they see the advantage?
- » Cooperation and impact on other projects
 - EASP project, EMINet, EUNetHTA, ...
 - WHO/Global Fund Pharmaceutical Country Profiles – glossary

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Linkage to indicators and reporting systems

- » Need to be precise, e.g. as prerequisite for benchmarking
 - E.g. as prerequisite for benchmarking / comparisons
 - Databases
- » To interpret data correctly
 - Understanding limitations
 - Identifying gaps





Example: Pharmaceutical expenditure

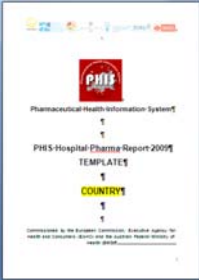
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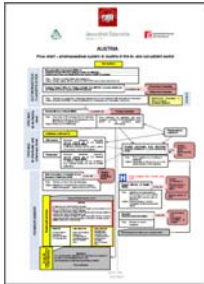




Reporting systems









Information at a glance
vs.
detailed reports

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Take home messages

- » Be clear in your language and concepts!
- » Definitions help to display gaps and limitations, sometimes comparability is not possible.
- » There is a link between terminology, indicators, reporting systems.
- » Such tools need to be constantly reviewed and updated.
- » Exchange with other institutions is important.

Feel free to

- Use our tools (glossary, templates, etc.)
- Provide any feed-back, suggestions, comments

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*The Tower of Babel, Pieter Bruegel the Elder
Kunsthistorisches Museum, Vienna*