

## LATVIA

### Recent and planned developments in pharmaceutical policies 2016

#### Special topic: Pricing and reimbursement policies for biosimilars

D E V E L O P M E N T S	<b>CHANGES IN PRICING</b>	<b>CHANGES IN REIMBURSEMENT</b>
	<ul style="list-style-type: none"> <li>• 01/06/2015: changes in pricing of parallel traded medicines:               <ol style="list-style-type: none"> <li>1) parallel traded medicine should be cheaper than the medicine to which the parallel trade is performed</li> <li>2) prices of parallel traded medicines are updated every month</li> </ol> </li> </ul>	<ul style="list-style-type: none"> <li>• 01/07/2015: Positive List updates - at least 4 times per year</li> <li>• 01/07/2015: reimbursement rate for psoriasis, Crohn disease and ulcerative colitis increased from 50% to 75%</li> <li>• 01/01/2016: reimbursement rate for hepatitis B and C increased from 75% to 100%</li> </ul>
	<b>OTHER CHANGES</b>	
	<ul style="list-style-type: none"> <li>• No other changes</li> </ul>	
S P E C I A L  T O P I C	<b>POLICIES FOR BIOSIMILARS</b>	
	<p>The pricing procedure for biosimilars is the same as for other new products:</p> <ul style="list-style-type: none"> <li>• price linkage to the medicines in the Positive List:           <ul style="list-style-type: none"> <li>- the first follower should be 30% cheaper than the medicine in the Positive List,</li> <li>- the second and the third – 10% cheaper than the cheapest medicine in the cluster,</li> <li>- following ones – 5% cheaper than the cheapest medicine in the cluster;</li> </ul> </li> <li>• external price referencing.</li> </ul> <p>There are no centralised or large tenders for biologicals/biosimilars in Latvia.</p> <p>The reimbursement procedure is the same for all medicines: the decision is based on therapeutic and economic evaluation.</p> <p>The reference price system is applied in Latvia.</p> <p>The INN prescribing for newly diagnosed patients is mandatory in Latvia. If an INN is prescribed, a pharmacist has to dispense the reference (cheapest) medicine.</p> <p>Taking into account the price difference between biologicals and biosimilars due to high copayments in most occasions patients are switched to the cheapest biologic medicine in Latvia.</p> <p>The above mentioned approach has promoted:</p> <ul style="list-style-type: none"> <li>• the competition between manufacturers,</li> <li>• prescription of the cheapest product,</li> <li>• reimbursement budget savings due to reduction of prices,</li> <li>• improved access for patients</li> </ul>	