

Cyprus

Recent and planned developments in pharmaceutical policies 2017

Special topic: hospital medicines

CHANGES IN PRICING

Pricing policies refer to the private sector

Biennial recalibration of the pricing policy expected to be made by the end of 2017 (review completed)

The edict on price cut, which was issued in 2015 by the former minister of Health, pertaining to the across the board price cut by 8.5% on the wholesale price has been abolished (in companion with price freezing) due to the long lasting dispute with the companies.

CHANGES IN REIMBURSEMENT

Absence of reimbursement system

About 75% of the population has access to state-financed, public healthcare free of charge, others have to pay a fee or rely on the private healthcare sector. Medicines funded by the state are procured centrally by the Ministry of Health via tender and supplied through the public sector. Other medicinal products are supplied by private actors, according to the Ministry of Health regulations in line with EU regulation.

Hospital formulary provides contemporary information about medicines available from public hospitals and health care centers.

OTHERS CHANGES

Educational and information activities: The Pharmaceutical Services has launched an upgrading website which includes the price list for medicinal products and the formulary of medicines which provides contemporary information about medicines available from public hospitals and health care centres. Much more, through the e-services module, users can search for registered medicinal products and have access to the Product Information Leaflet and other information such as pack sizes, product content, manufacturers etc.

HOSPITAL MEDICINES

There is no discrimination between in and out patient sector

The Ministry of Health is responsible for ensuring that pharmaceutical products are available for and accessible by users of the public health system. Procurement, storage, distribution and dispensing (including the management and the provision of service for all public out-patient and in-patient pharmacy services) of pharmaceutical products are key activities of the Ministry of Health and constitute a large proportion of the current budget.

Nearly 1800 pharmaceutical products are procured for use in the public sector after review and approval by the Drugs Committee. The Ministry of Health has developed a high-level of expertise in procurement procedures which deliver substantial cost reductions compared with purchasing at list prices. Procurement is achieved centrally mainly through public tender procedures and is divided into the open invitation procedure and the negotiation procedure. Through the open invitation procedure, suppliers are invited to submit bids which are subsequently evaluated and awards are made to the lowest price bid which meets the needs of the public sector. Through the negotiation procedure, manufacturers are invited to a negotiation process based on an ex-ante fixed volume. The open invitation procedure is predominantly meant for pharmaceutical products where originator product patents have expired, and therefore there is a potential for competition from generic manufacturers. For patented pharmaceutical products, the negotiation procedure is applicable. In both cases offers and negotiations are handled and evaluated by the tendering department. Procurement is undertaken in accordance with National Law.