

# UKRAINE

## Ministry of Health of Ukraine

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### Pharmaceutical pricing and reimbursement policies in Ukraine

In Ukraine, a new edition of the National Essential Medicines List (NEML) (427 INNs) has been approved, based on the WHO 20-th EML (2017)

Medicines included in the NEML are to be procured and reimbursed at the expense of the state budget

Out-patient sector	Out-patient sector	Out-patient sector
	Out-patient sector	Out-patient sector
In-patient sector	In-patient sector	In-patient sector
	In-patient sector	In-patient sector

#### Pricing in the out-patient sector for medicines, the cost of which is reimbursed from budget funds

##### Medicines pricing policy:

From 2017 Ukraine introduced state regulation of the prices on medicines for the treatment of cardiovascular diseases, type II diabetes and asthma, the cost of which are reimbursed from the budget funds. The list of reimbursed medicines includes 23 INNs, that are included in the NEML

##### Pricing procedure:

Price regulation is carried out by comparing prices in 5 reference countries (Poland, Latvia, Slovakia, Hungary, Czech Republic). Based on data from 5 reference countries the wholesale marginal prices for 23 INNs are established and recalculated into the recommended by WHO daily dose (DDD).

##### Regulation of mark-ups:

###### Affordable medicines Program:

On the list of 23 INNs for the treatment of cardiovascular diseases, type II diabetes and asthma, which are included in the NEML, mark-ups are set:

*Wholesale is 10 %*

*Retail is 15 %*

###### Program to reimburse the cost of insulin:

*Wholesale is 10 %*

*Retail is 10 %*

##### Additionally:

- The next mark-ups on medicinal products purchased at the expense of the state budget and local budgets are set:

*Wholesale is not higher than 10 %*

*Retail is not higher than 10 %*

-For medicines that are included in the NEML, margins are set:

*Wholesale is not higher than 10 %*

*Regressive retail margins in % ratio (from 10 to 25%) depending on the cost of the medicine*

#### Reimbursement in the out-patient sector

##### Government Program "Affordable Medicines"

The program operates with a list of 23 INN medicines for the treatment of cardiovascular diseases, type II diabetes mellitus and bronchial asthma, that are included in the NEML and the cost of which is reimbursed at the expense of the state budget.

For today, the Register of medicines, the cost of which is fully or partially reimbursed, contains 254 brands of medicines (78 brands are dispensed for free, without co-payment):

195 (61 – for free) – cardiovascular diseases

45 (11 – for free) - type II diabetes mellitus

14 (6 – for free) – bronchial asthma

*Medications are prescribed via an electronic prescription.*

*Program is administered by the National Health Service of Ukraine*

##### Government program to reimburse the cost of insulin for patients with type I diabetes

- Patients who receive insulin are included in the Register of patients who need insulin therapy

- Patients receive insulin for free or with a co-payment

- The register of prices for insulin preparations, approved by order of the Ministry of Health of Ukraine, contains 77 brand insulin preparations that are dispensed to patients with a co-payment (in the form of cartridge / syringe pens) \*

\* and without co-payment in the form of vials

- Reimbursement of the cost of insulin is carried out at a level not higher than the approved price (reimbursement price) in the Register

- The reference price (reimbursement price) for foreign-produced insulin preparations is calculated based on prices in reference countries (Bulgaria, Moldova, Poland, Slovakia, Czech Republic, Latvia, Serbia and Hungary)

##### The plans for 2020:

- Prescribe insulin products via an electronic prescription

- Transfer the administration of the insulin reimbursement program to the National Health Service of Ukraine

#### Reimbursement and pricing of medicines in the in-patient sector

##### Reference pricing:

From October 2019, the state regulation of prices for 23 INNs of medicines, which are purchased for budget funds and included in the National List of Essential Medicines (NEML) has been introduced. Price regulation mechanism is similar to the Affordable Medicines program mechanism where comparing prices in 5 reference countries (Poland, Latvia, Slovakia, Hungary, Czech Republic) is performed. As a result of this comparison, a marginal wholesale price for purchases is set.

##### Criteria by which the medicines from NEML fall under reference pricing:

- annual procurement of such medicines (by INN) is more than 5 million. UAH (USD 202,000)

- prices in Ukraine for this category of medicines are higher in comparison with reference countries (Poland, Latvia, Slovakia, Hungary, Czech Republic)

##### Procurement and provision of medicines to patients:

- Centralized procurement of medicines at the expense of the state budget are carried out by international organizations that procure the medicinal products under the order of the Ministry of Health of Ukraine to cover the main therapeutic areas (oncology, tuberculosis, hepatitis, autism, etc. – 40 programs/diseases in total) on the basis of tender proposals from pharmaceuticals manufacturers

- Procurement of medicines that are included in the NEML by the second health care facilities and ensuring the need of patients that undergo treatment in these facilities

- Procurement of medicines under regional programs, that operate in the regions

- From April 2020, the introduction of the packages of guaranteed medical services, the cost of which is covered from the state budget via National Health Service of Ukraine (NHSU) administration, on basis of health care facilities contracting.