

Turkish Medicines and Medical Devices Agency (TITCK)

- Regulatory approval
- Pricing (ex-factory/retail price, whether reimbursable or not)

Social Security Institution (SGK)

- Pricing (public price, reimbursement price)
- Reimbursement (reimbursement conditions, financing)



Population: 84.680.273 (2021)

GDP per Capita: 9.586,61 \$ (2021)

Healthcare Sector: Universal Health Insurance System

Total Health Expenditure to GDP: 5,0% (2020)

Total Health Expenditure: 249.9 billion TRY (2020)

AUTHORIZATION

Turkish Medicines and Medical Devices Agency (TITCK)

Tasks: Decisions on authorization and ex-factory/retail prices.

Social Security Institution (SGK)

Tasks: Decisions on eligibility for reimbursement, reimbursement prices, reimbursement conditions and financing.

in coordination with

The Ministry of Treasury and Finance, Presidency of Strategy and Budget, academia, and representatives of professional associations

OUT-PATIENT

Pricing in the out-patient sector

Reference Price (in Euro)

× Fixed Exchange Rate

= Ex-Factory Price (in TL)

+Wholesaler Mark-up

+Pharmacy Mark-Up

+VAT

=Retail Price

-Statutorily Discounts

=Reimbursement Price

External RPS. The lowest price of 5 countries (France, Greece, Italy, Portugal and Spain). In addition, ex-factory prices of import/export countries are also taken into account.

The reference price is converted into Turkish Lira ("TL") at a fixed rate which is set in February of each year as 60% of the previous year's annual average of the Euro.

Statutorily regressive mark-ups for all pharmaceuticals changing from 9% to 2%.

Statutorily regressive mark-ups for all pharmaceuticals changing from 28% to 13%.

Standard rate is 18%, but VAT is 8% for all pharmaceuticals.

In order to calculate reimbursement prices, mandatory discount rates varying from 0% to 41% are applied depending on the state and ex-factory prices of the pharmaceuticals. The discount rate for generics is max 28%.

Internal RPS: There are equivalent groups based on the active substance and reimbursement is capped at 5% above the base price in each group. SGK only pays up to 5% over the base price and the remaining is financed out-of-pocket.

Using managed-entry agreements, discount rates and reimbursement prices may be kept confidential.

IN-PATIENT

Pricing in the in-patient/hospital sector

Pricing policies for medicines

Pricing procedures are same as in out-patient sector. In public hospitals, pharmaceuticals are usually procured and distributed by centrally. In addition, hospitals can make individual purchases according to needs. University hospitals and private hospitals make individual purchases.

Four ways of purchasing:

Open tendering, tendering among predetermined competitors, bargaining and direct purchase.

Wholesale remuneration

Same as out-patient sector.

Pharmacy remuneration

No pharmacy remuneration.

VAT: VAT is 8% for all pharmaceuticals.

Reforms/Other

Exchange rate: Fixed to 60% of previous year's average exchange rate since Feb 2019.

Reassessment of price increases: Price Evaluation Commission reassess all the price increases annually

The universal health insurance system operates on the basis of a list of pharmaceutical products for which costs are covered by the SGK. SGK collects contributions from citizens. Also the State pays a subsidy amounting to the one fourth of actually collected contributions of Universal Health Insurance.

Coverage / reimbursement in the out-patient sector

Reimbursement Procedures

Reimbursement Commission

Alternative Reimbursement Commission

Named Patient Programme

Weekly Assessment

Positive list

As of December 2022, 8.358 pharmaceuticals are in coverage. Addition to that, 387 pharmaceuticals are covered via Named Patient Programme.

Internal RPS of cluster of substitutable medicines

Internal Reference Pricing System is used at ATC-5 (active substance) level since 2005. The products of the same active substance in the same pharmaceutical form and dosage have to be in the same equivalent group.

Co-payments

Co-payment rates of medication: 10% of the medication cost for pensioners and their dependents. 20% of the medication cost for other insured persons and their dependents.

Prescription co-payment: 3 TL up to 3 packages/boxes prescribed and plus 1 TL for each of the additional packages/boxes.

Mechanisms for vulnerable groups

Medications for chronic diseases (e.g. cancer, hypertension, diabetes) are exempt from co-payment. Lower co-payment for pensioners and their dependents (10%).

Reforms/Other

Alternative Reimbursement Process: Controlled inclusion of innovative, personalized and high-cost pharmaceuticals in the reimbursement list by managed-entry agreements since 2016.

MEDULA (Medical Communicator) System: The transactions between SGK and health care providers run via MEDULA system since 2007. This system makes the provision process easier and plays very important role for controlling health care expenses.

E-Prescription Application: Prescriptions have been preparing online since 2012 to prevent misuse and abuse in the medication system.

Coverage / reimbursement in the in-patient sector

Reimbursement

In-patient medicines are financed by hospitals under the annual global budget agreements between MoH/universities and SGK. Private hospitals provide in-patient medicines individually and SGK finances them based on the cost of prescription.

Hospital formularies

The positive list of SGK includes in-patient medicines. Hospitals form their own formularies in accordance with positive list.

Co-payment in hospitals

In-patient medications are exempt from co-payment.

Mechanisms for vulnerable groups

No specific mechanisms.

PRICING

REIMBURSEMENT