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Austrian Federal Ministry of Health

Main Association of Austrian Social Security Institutions



Pharmaceutical provision in hospitals

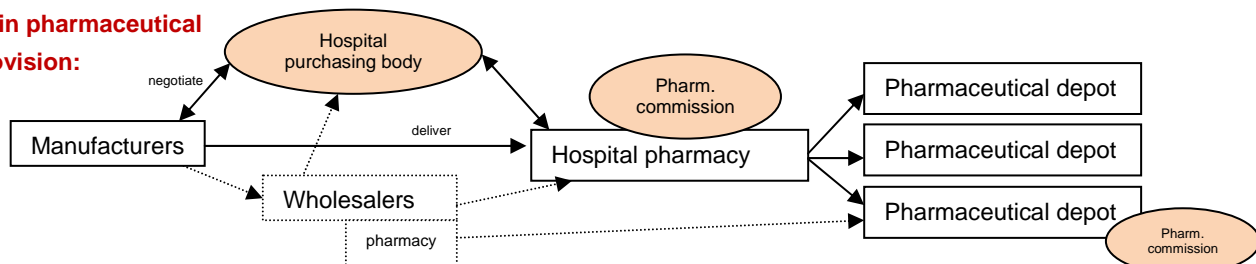
Most of the in-patient treatments are realised in **public hospitals** whereof the majority is **owned by the Austrian provinces**. Hospitals are often integrated in hospital owner associations.

The **pharmaceutical provision** in hospitals is either organised by

- **hospital pharmacies** (only 17 % of all hospitals have a hospital pharmacy) or
- **pharmaceutical depots** in small hospitals.

All hospital pharmacies (except for 5) serve in-patients only.

Main pharmaceutical provision:



Purchasing of medicines in the hospital sector

- Organised in a **decentralised way** (decisions taken individually by the hospitals and hospital owner associations).
- In most hospitals **pharmaceutical purchasing bodies** (e.g. the chief hospital pharmacist or a designated purchasing department) are in charge.
- Major purchasing strategy: **direct negotiations with manufacturers. Public procurement procedures** are only launched in rare cases, but **rising trend**.
- Agreed **prices** are mostly **below the manufacturer price (special discounts)**; a small portion of medicines is given **cost-free** to hospitals. Medicine **prices** are **not publicly available**.
- Wholesalers do not play a significant role (the max. mark-ups are indeed regulated).

Financing of medicines in the hospital sector

- Integrated in the **lump sums** which can be generated for **reimbursement (diagnosis-related case groups (DRG))**; some oncological medicines present the only exception.
- **Patients do not** have to provide **extra payments** for medicines.
- The **basis for the eligibility** of a medicine to be used and to be reimbursed is the **hospital pharmaceutical formulary** (per hospital or hospital owner association)
- The **decision making body** is the **pharmaceutical commission** (consisting of the chief hospital pharmacist, the chief doctor, the chief nurse, the administrative director and in some provinces a representative of the regional sickness funds).

Evaluation and interface management

- **Consumption, prescriptions** and **prices** are frequently monitored by **hospitals pharmacists and hospital administration**.
- In Austria the funding of the in-patient and the out-patient sector is **organised separately** which might lead to some **responsibility and interface management problems**.
- There are different **projects** to improve the cooperation between the in-patient and out-patient sector.