

PORTUGAL

Recent changes in pharmaceutical policy measures and developments in pharmaceutical expenditure

Major changes in pharmaceutical policy in 2012-2013

Pricing

- **Generic prices:** new price difference – 50% lower than the original (01/2012); the original price reference is the average original prices in the two years before the first generic price request (08/2012)
- **International reference pricing:** countries changed from Spain, Italy and Slovenia (01/2012) to Spain, France and Slovakia (04/2013)
- **Annual price revision:** non-generics (04/2012 and 04/2013); generics (05/2012); hospital medicines not previously assessed and with sales above 1M€ (04/2013)
- **Margin changes:** defined a fixed values plus regressive margins by price ranges for wholesale, pharmacies (01/2012)

Reimbursement

- **Reference price system:** created the possibility to have reference price and clusters by ATC level 4

Other changes

- **Agreement between Ministry of Health and Pharmaceutical Industry** about expenditure limits in line with Memorandum of Understanding on specific economy policy conditionality (IMF, EC, ECB), establishing claw-back payment above: 1196M€ ambulatory and 870M€ hospital
- **INN prescribing:** mandatory INN prescribing for all active substances (06/2012)
- Rules for prescription, dispensing and accountability of medicines

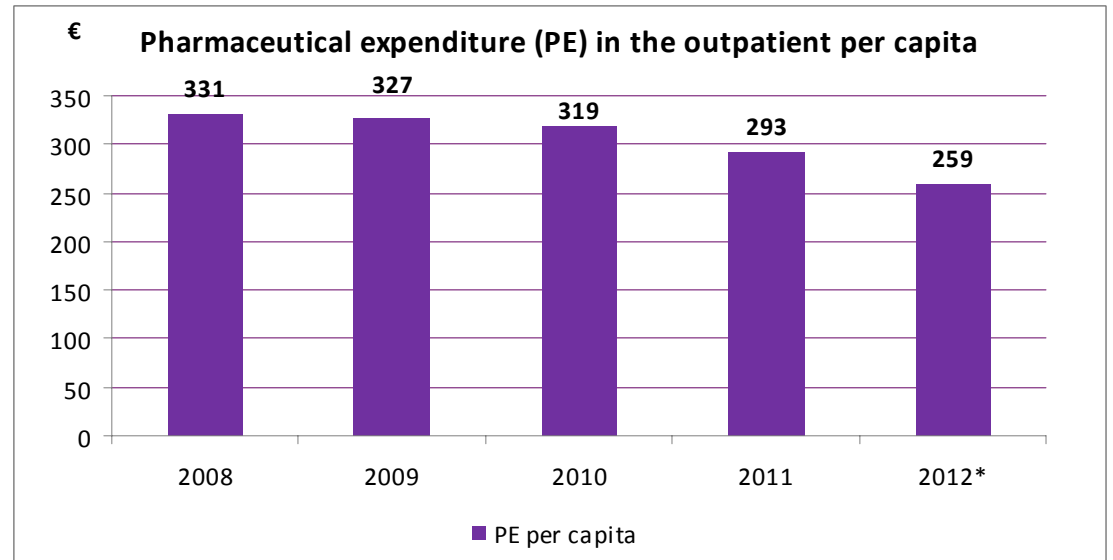
Outlook

A "national pharmacy and therapeutic commission" is being implemented and will be responsible for:

- Identification and prioritizing therapeutic areas;
- Developing/monitoring the Drug National Formulary and for the utilization protocols;
- Exchange of information and best practices among NHS hospitals;
- Developing effective strategies to promote rational use of medicines across the different levels of health care and interface management.

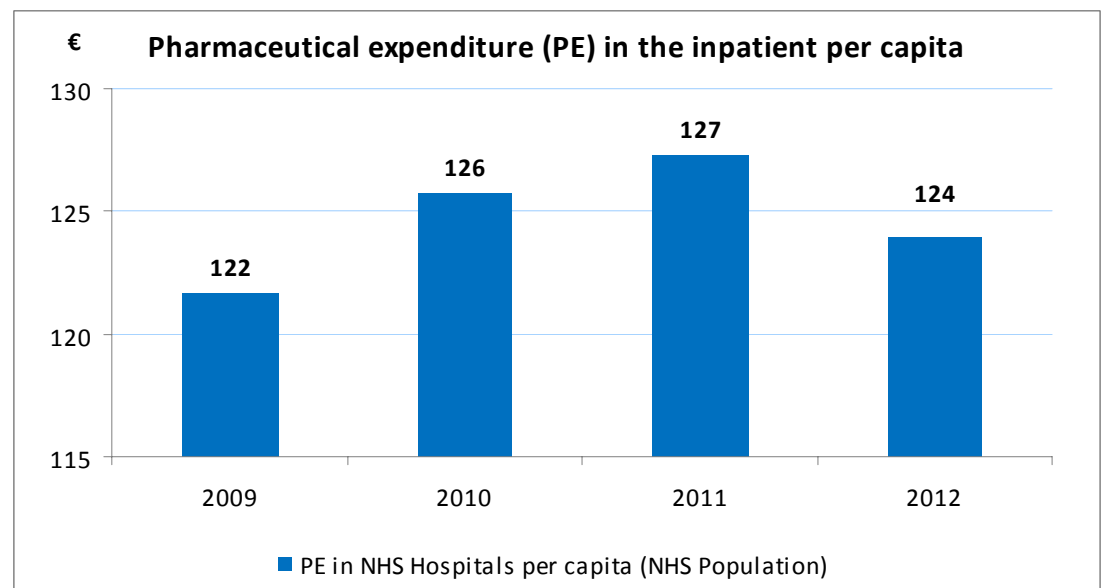
Development of pharmaceutical expenditure in the last 5 available years

Out-patient sector



Source: Total (IMS Health); NHS (Ministry of Health)
*data for 2012 is provisional

In-patient sector



Source: NHS hospitals (Ministry of Health)

Impact of measures and evaluation

Pharmaceutical expenditures monitoring: Generic share in total market: 25% (volume); NHS expenditure: -10,7% (ambulatory); Patients expenditure -15,2% (ambulatory) and -1,1% (hospital); the volume growth was 2,5%: 2012 data

Price Monitoring: Estimated savings concerning the 2012 revision of prices resulted in: total market savings: -38M€ (Generics: -13 M€ + Brands: -25M€); NHS expenditure savings: -17M€ (Generics: -6 M€ + Brands: -11M€); Patient savings: -10M€