



Making Medicines Affordable

EUROPEAN GENERIC MEDICINES ASSOCIATION



Making Medicines Affordable

Developed Markets Italy, Portugal, Spain

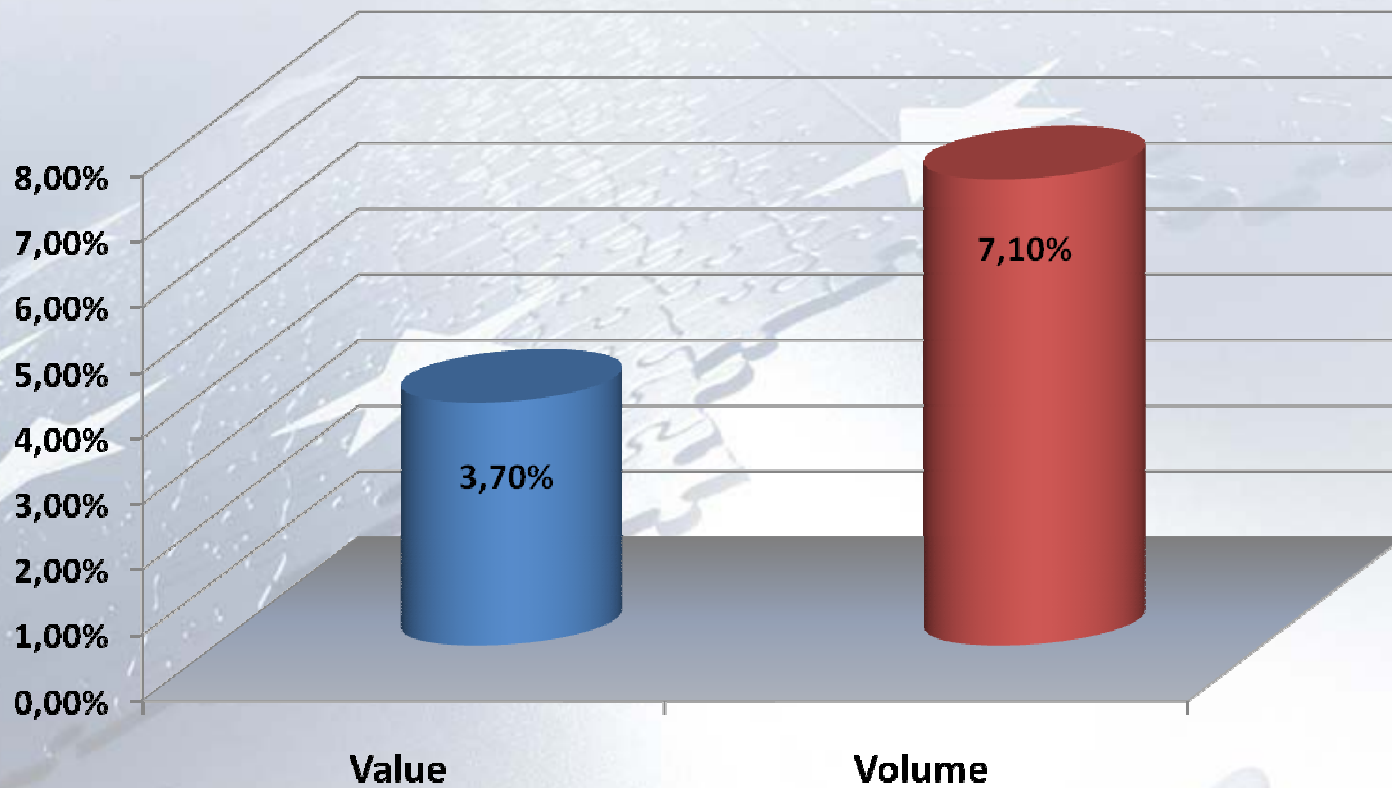
Istanbul, 15th June 2007

Hugo Carradinha

Health Economics Affairs Manager

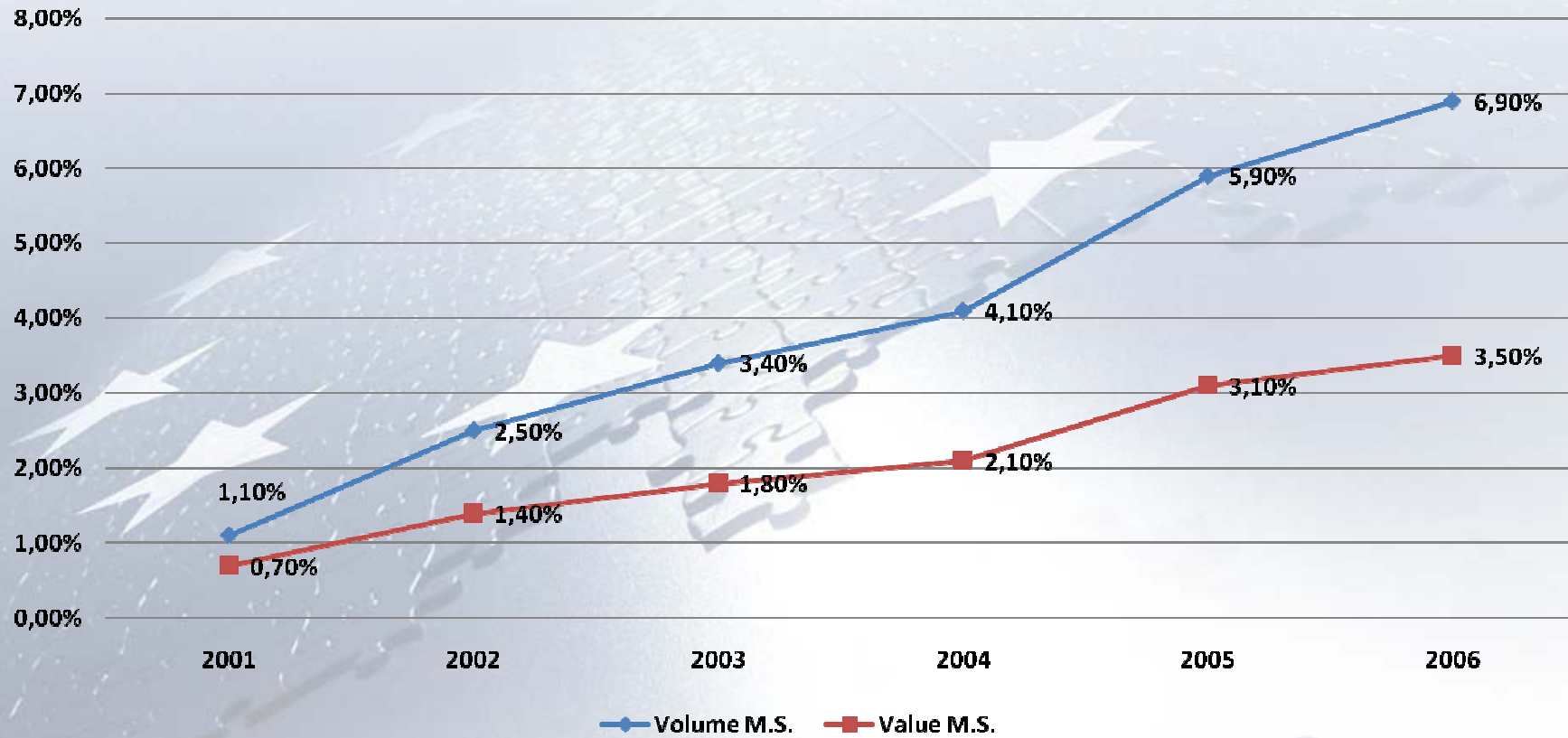
Italy – Current Market Share

Italian Pharmaceutical Market



Source: IMF data 03/07

Italy - Market Share 2001 - 2006



Source: IMF data 12/06

Italy – Ranking of the Top 5 Molecules

Top 5 Generic Molecules	Value (Millions Euros)	Volume (Millions Units)
GABAPENTIN	29,7	114,3
RANITIDINE	16,7	69,0
NIMESULIDE	13,9	237,7
ATENOLOL	13,7	127,9
METHOTREXATE	11,5	6,4

Source: EGA Internal Survey 2006



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Italian Market

Main current:

Drivers:

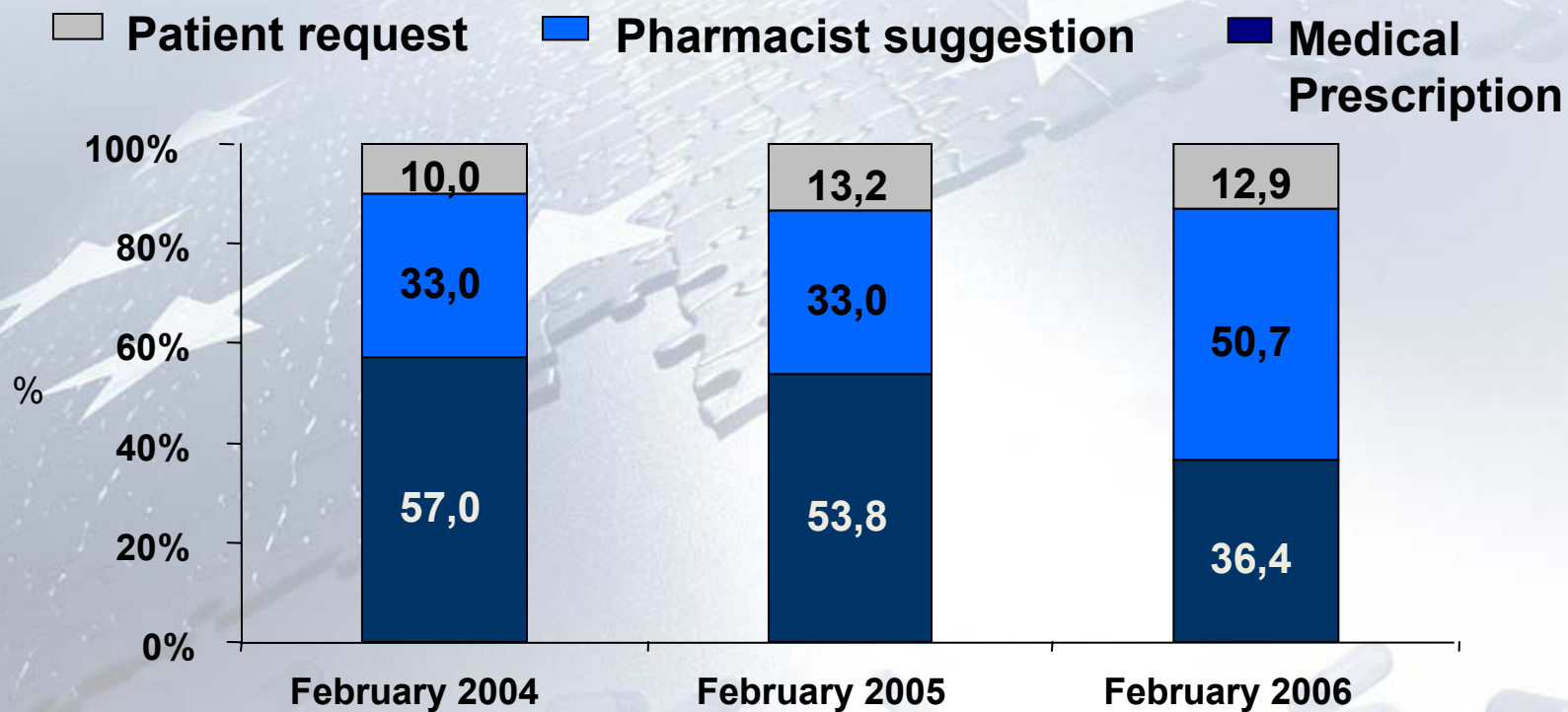
- **Pharmacist Role**
- **AIFA (Italian Medicines Agency) National Campaign**
- **Future SPC expiration.**
- **Increase of positive perception for generic medicines**



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Italian Market

Generic Dispensing



Source:  SEXTANT 2/2006


Sample 500 Physicians; 500 Pharmacists; 1000 patients



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Italian Market


**AIFA (Italian Medicines Agency)
NATIONAL CAMPAIGN
Started In April 2007**



**Si chiamano
farmaci
equivalenti.
Puoi fidarti
di loro.**

800-571661

Di loro si fidano anche il tuo medico e il tuo farmacista. I farmaci equivalenti hanno infatti lo stesso principio attivo, curano allo stesso modo, con pari efficacia e sono più economici dei corrispondenti farmaci di marca.



**Usa bene
i farmaci**
Farmaci equivalenti, un vantaggio per tutti



Una guida per imparare a utilizzare correttamente i medicinali e conoscere i benefici degli "equivalenti"



**Farmaci
equivalenti:
un vantaggio
per tutti**



16





Making Medicines Affordable

Italian Market

Main current:

Hurdles :

- Generic medicines are still “used” by MoH to exclusively reduce prices
- Generic image improvement but still considered second class products
- No specific measures planned from the MoH on generics
- Regional plans and activities regarding generic medicines in contrast with central decision makers
- Division between regions regarding substitution (regions in favour of substitution represent 40% of the market, regions against substitution 15% of the market)



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Italian Market

Key New Developments:

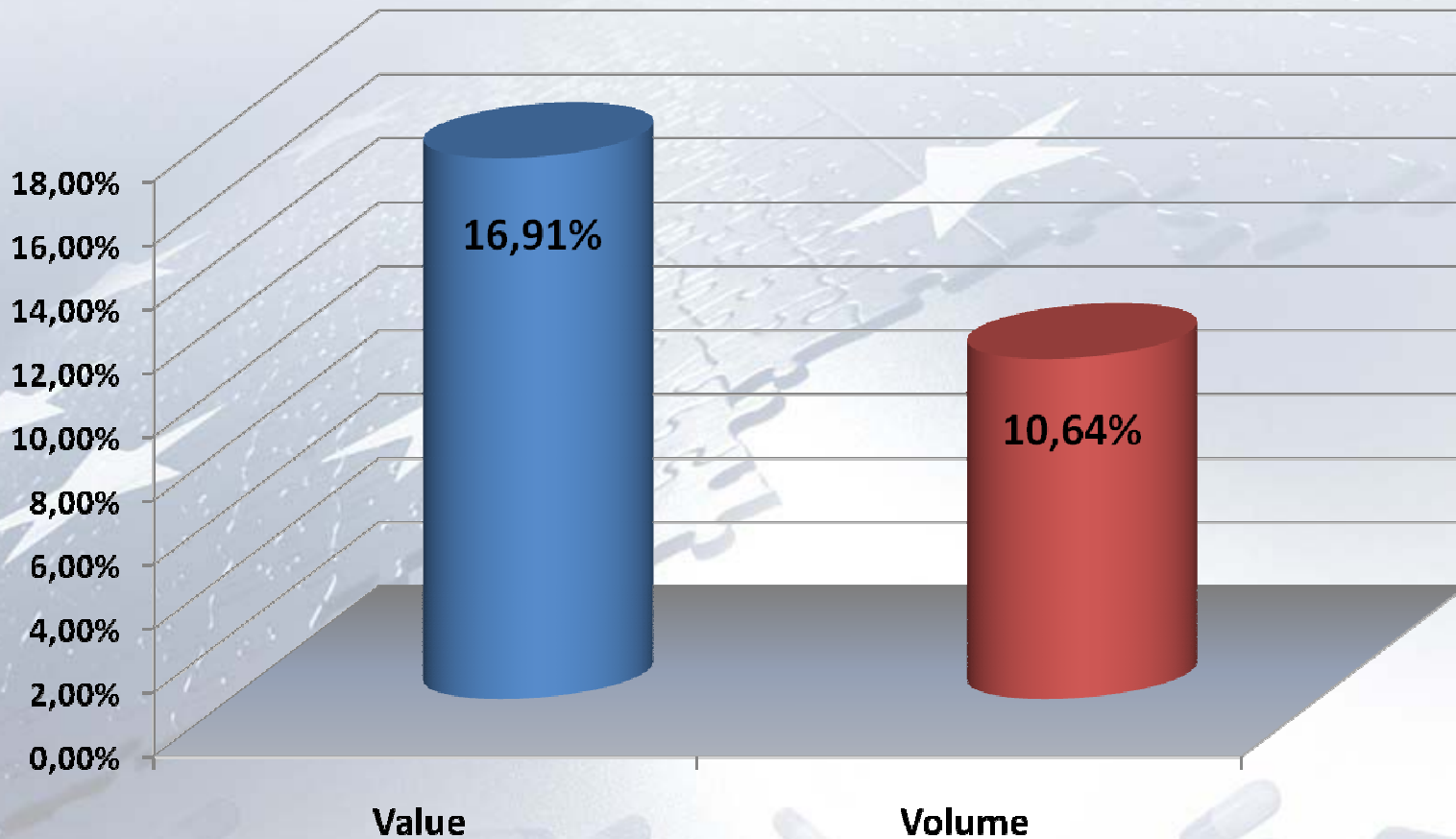
(National Association requests)

- National legislation improvement in term of access to the market
 - National Communication Campaign (in progress)
 - Computerized prescription system
 - 2 POSITION PAPERS UNDER DISCUSSION c/o MoH concerning the P&R system
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Portugal – Current Market Share

Portuguese Pharmaceutical Market

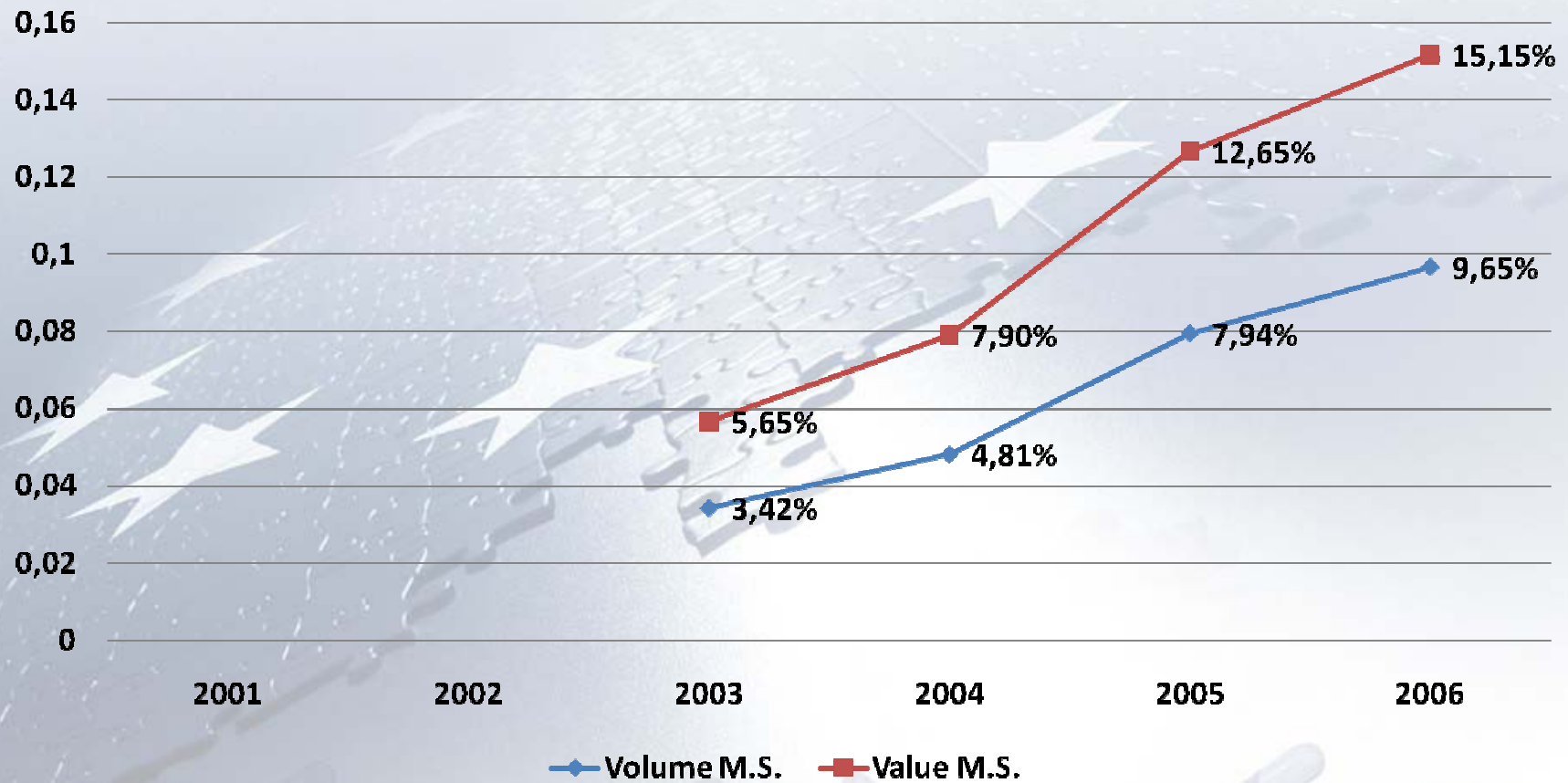


Source: APOGEN 03/07



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Portugal - Market Share 2001 - 2006



Source: APOGEN 03/07

Portugal – Ranking of the Top 5 Molecules

Top 5 Generic Molecules	Value (Million Euros)	Volume (Million Units)
SINVASTATINE	48,2	89,2
OMEPRAZOL	46,4	67,5
PRAVASTATIN	9,6	15,5
FLUOXETINE	9,2	26,9
ENALAPRIL	7,8	27,9

Source: EGA Internal Survey
2006



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Portuguese Market

Main current:

Drivers:

- **Doctors traditionally trained to prescribe by INN**
- **Campaigns promoted by the government**
- **Public awareness regarding generic medicines**
- **Reference price system**



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Portuguese Market

Main current:

Drivers:



Example of a campaign launched by the government to promote the use of generics

Advertising of a Symposium – Organised by the Portuguese Medicines Agency

medicamentos
GENÉRICOS

Simpósio
"Medicamentos Genéricos
em Portugal e na Europa"
21 de Junho de 2007
Centro de Congressos do Estoril



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Portuguese Market

Main current:

Hurdles :

- **Doctors under pressure by originators and with false ideas on generic quality**
 - **Pharmacists have low margins with Generic Medicines**
 - **Non-Coherent Generic Policy by the government**
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Portuguese Market

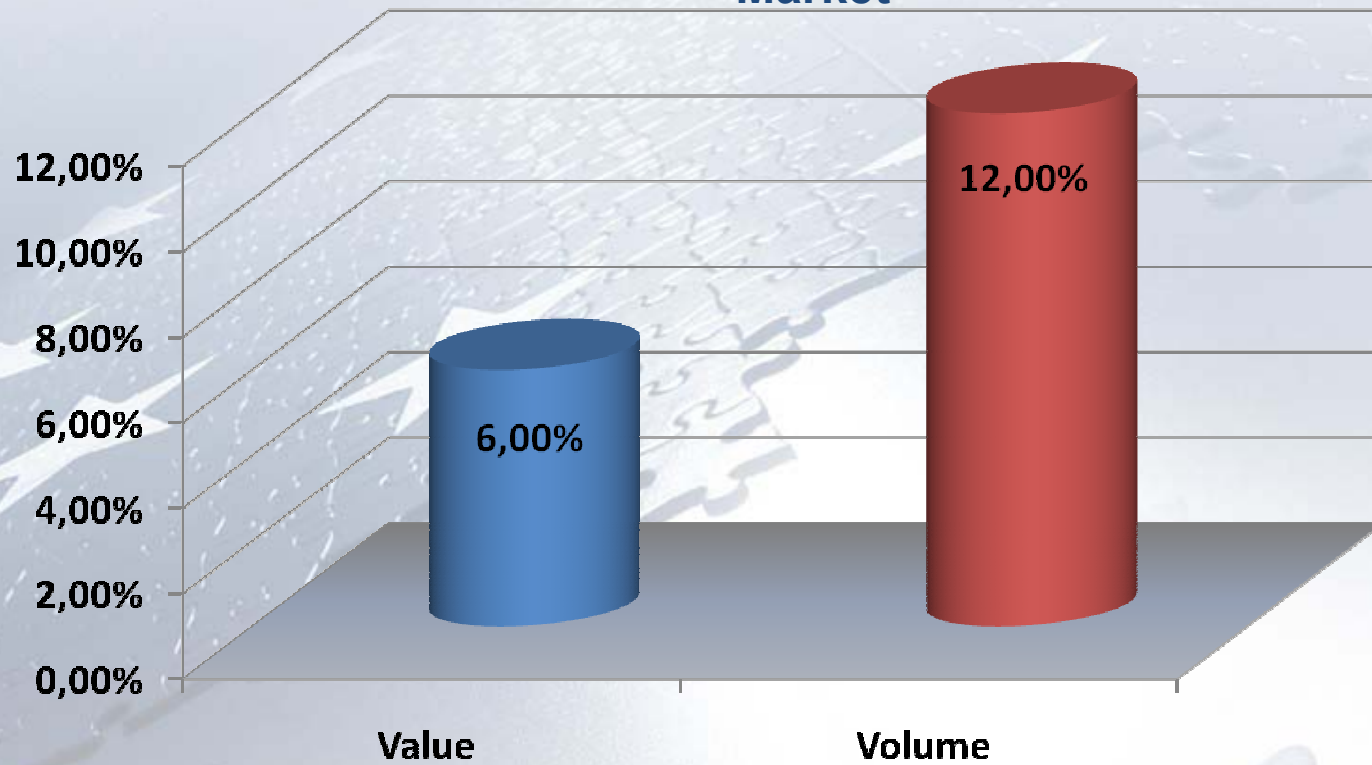
Key New Developments:

- **New campaign on Generics promoted by the State:**
 - TV and Radio Spots
 - Outdoors
 - Leaflets and posters in Pharmacies and Hospitals
 - Daily newspaper advertising
 - Road show for health centres and hospitals
 - **New law, trying to pass on industry discounts to users**
 - **New law reducing only 20% of RP, for Generic medicines where the price is under 10 Euros**
 - **MA fast track for new molecules referred to on the last point**
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Spain – Current Market Share

Spanish Pharmaceutical Market

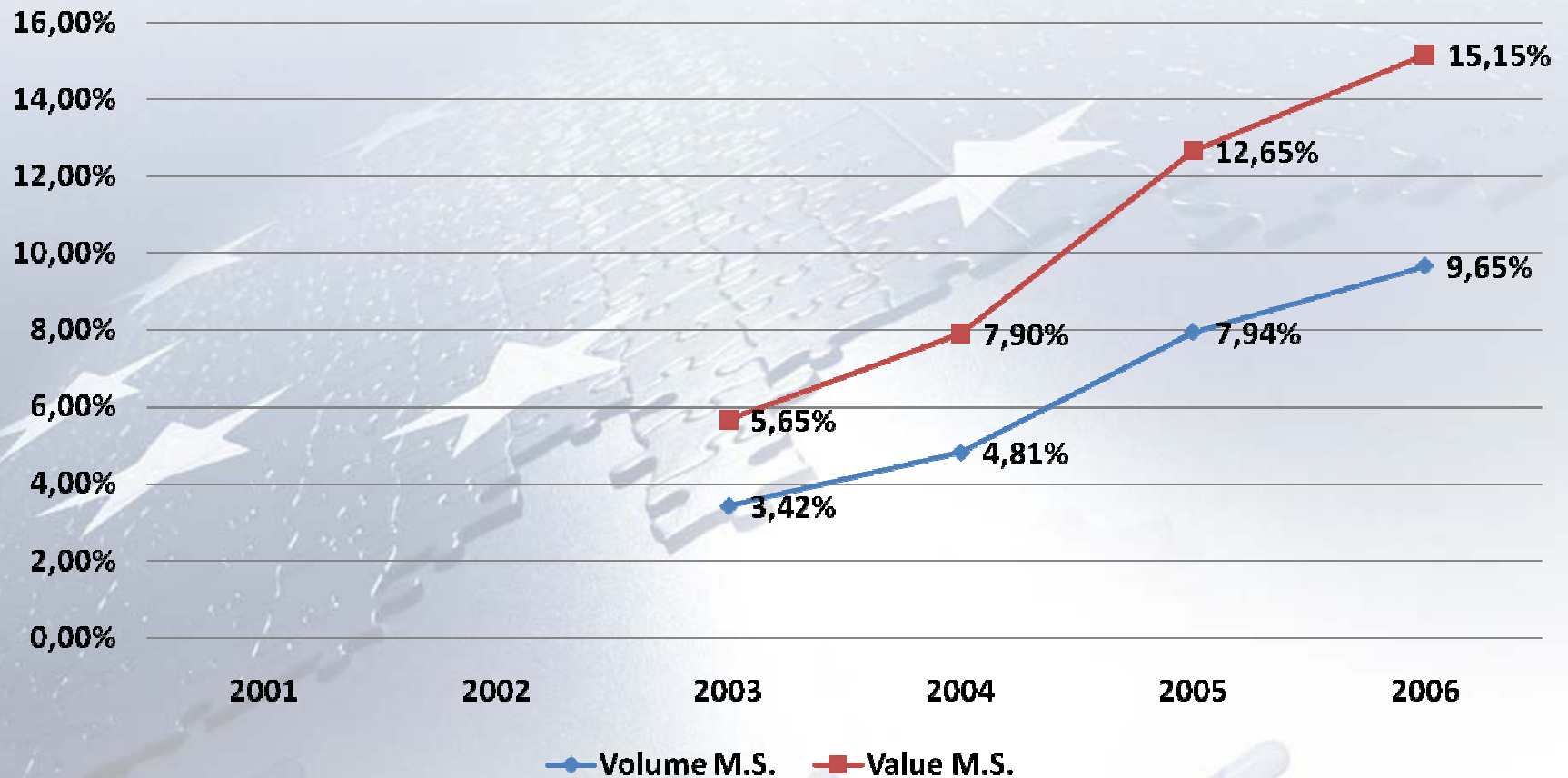


Source: AESEG



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Spain - Market Share 2001 -2006



Source: AESEG

Spain – Ranking of the Top 5 Molecules

Top 5 Generic Molecules	Value (Million Euros)	Volume (Million Units)
OMEPRAZOL	91,0	485,4
ENALAPRIL	34,0	271,2
SIMVASTATIN	33,3	134,3
AMOXICILLIN	32,9	209,5
PAROXETINE	23,4	48,2



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Spanish Market

Main current:

Drivers:

– INN prescription

- Government promotion INN prescriptions
- 1 out of 3 are INN Prescriptions
- The Region of Andalusia has 70% of INN Prescription

– Pharmacists moving towards Generic medicines

– Reimbursement process for Generic medicines

- (approval time decreased from 119 days in 2005 to 70 days in 2007)



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Spanish Market

Main current:

Hurdles :

- **Reference Companies attempts to stop Generic expansion (Patent protection)**
 - Current legal cases: atorvastatina - Pfizer, calcitonina - Alfa B, losartan - MSD
 - **Present law regarding prices on the Spanish Market**
 - **Physicians' perception of Generic medicines**
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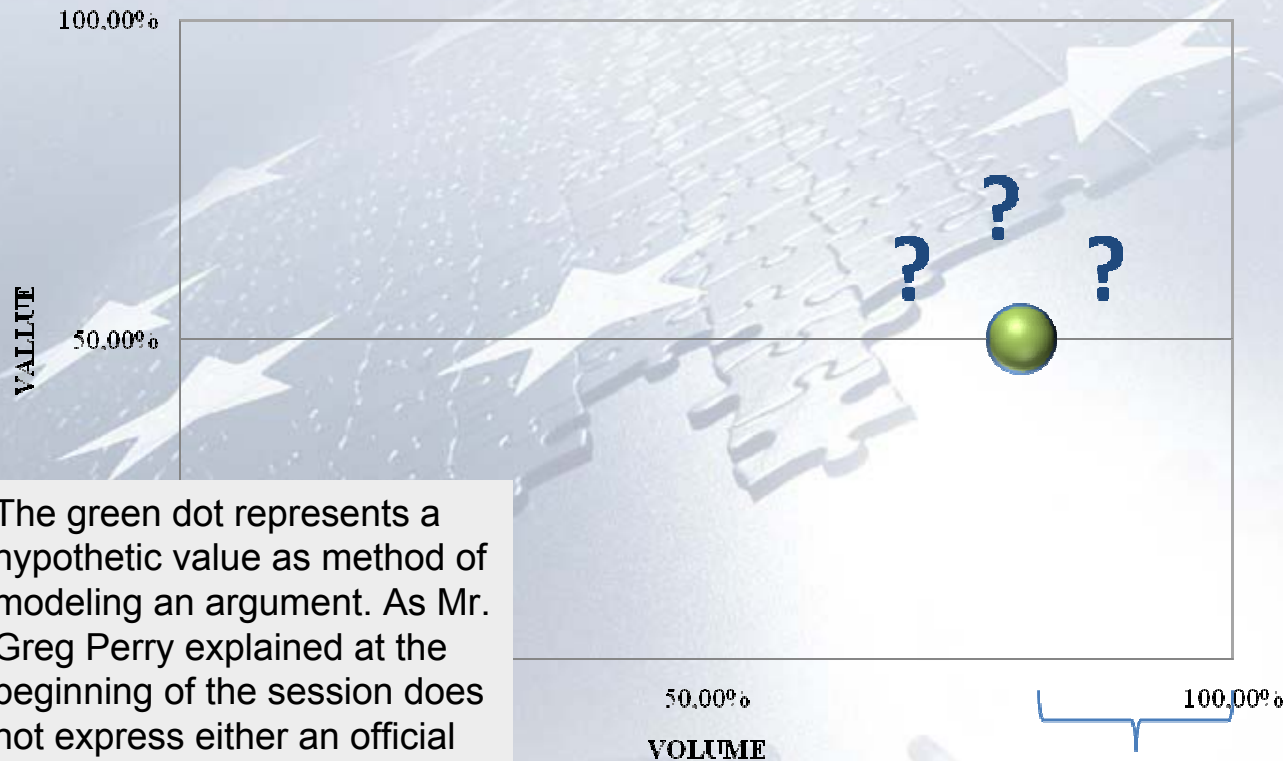
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Current Situation



Source: EGA Internal Survey
2006

Countries Optimal Solution?



Justifiable savings brought by generic medicines through price differentiation

The green dot represents a hypothetical value as method of modeling an argument. As Mr. Greg Perry explained at the beginning of the session does not express either an official figure or position of EGA.

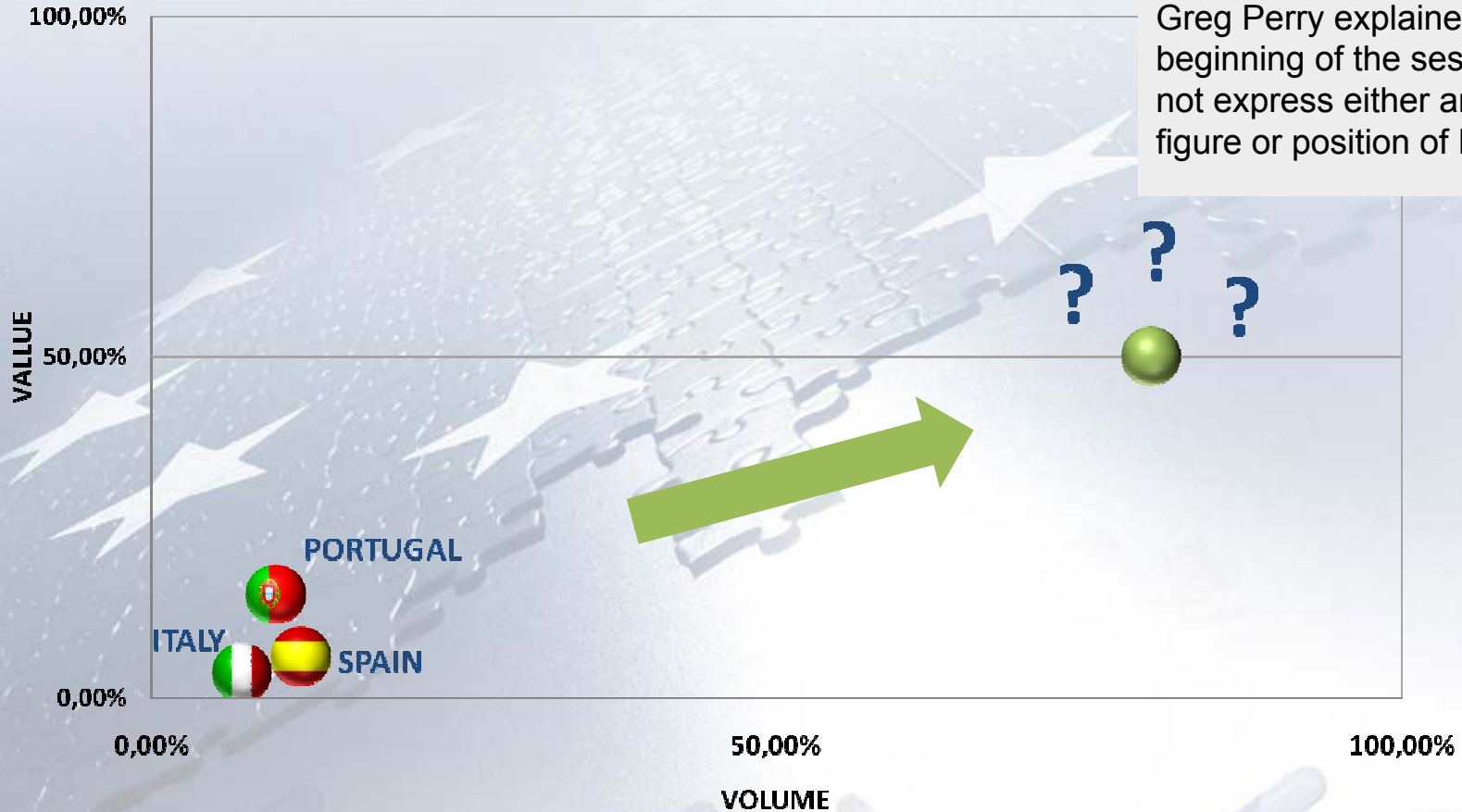
Room for Innovation and Competition on the Market



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What direction should countries take?

The green dot represents a hypothetical value as method of modeling an argument. As Mr. Greg Perry explained at the beginning of the session does not express either an official figure or position of EGA.



Source: EGA Internal Survey
2006

The 7 Recommendations of the Simoens Report and how the countries are implementing them

Simoens Report Recommendation	Italy	Portugal	Spain
1 - Introduce a coherent generic medicines policy	X	X	X
2 - Encourage price differentiation/ Competition within existing regulatory frameworks	✓	✓	✓
3 - Disseminate pricing information to actors	X	✓	✓
4 - Increase confidence of actors in generic medicines	✓	✓	✓
5 - Provide incentives for physicians to prescribe generic medicines	✓	X	X
6 - Remove financial disincentives for pharmacists to dispense generic medicines	X	X	X
7 - Provide incentives for patients to demand generic medicines	✓	X	✓

Source: National Associations



Making Medicines Affordable

Thank you very much for your attention

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