PHYSICIANS’ ATTITUDES TO AND EXPERIENCE WITH INCREASED USE OF INDIVIDUAL REIMBURSEMENT VERSUS GENERAL REIMBURSEMENT OF NEW IMPORTANT PHARMACEUTICALS
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OBJECTIVES: In 2003 a restrictive reimbursement scheme, advocating increased individual reimbursement versus general reimbursement of new important pharmaceuticals, was implemented in Norway. This study was conducted 18 months after implementation, and investigates physician self-reported attitudes to and experience with the scheme from a clinical and administrative perspective. METHODS: Practicing physicians (n = 1399) from the NMA Research Panel were surveyed (73 question self-administered questionnaire) by mail, December 2004. The response rate was 71% (n = 993). Only data from respondents involved with the scheme in 2004 (n = 605; 61%) were analysed in this sub-study of 24 questions. Physicians’ attitudes and experience were addressed through 17 claims about the scheme and evaluated on Likert scales, in addition to questions on resource use and number of applications, referrals and application approvals/rejections. RESULTS: Of the 605 respondents in this sub-study, 87% agreed that the individual reimbursement scheme was complicated and demanding. Only 37% reported approval of all applications. Rejected applications were appealed by 26% of the physicians, 31% re-submitted/referred to specialists, 22% requested written justification, 21% recommended patients to pay for the pharmaceutical themselves, whilst 14% did nothing. The majority of physicians (71%) were dissatisfied with the scheme and 54% were dissatisfied with the application-process. In contrast, only 11% were satisfied with the scheme and 14% with the application-process. Fifty-seven percent reported that the scheme restricted physicians from prescribing the pharmaceutical they consider clinically best for a patient and 52% of patients choose to pay for the pharmaceutical themselves. Self-reported use of time to administrate individual applications (n = 110,000), was estimated to 11 physician-labour years and a cost of 42 million NOK in 2004. CONCLUSIONS: The majority of physicians in Norway are dissatisfied with the governments increased use of individual reimbursement. The results indicate that the scheme generates high administrative costs and may have negative consequences for patients.

TELEMEDICINE IN THE U.S. MEDICARE PROGRAM: 2007 REIMBURSEMENT IMPLICATIONS
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OBJECTIVE: Reform legislation has expanded the U.S. Medicare program for eligible telemedicine services and has required establishment of a process to add or delete covered services on an annual basis. This study explores the current reimbursement status of Medicare telemedicine reimbursement and its potential implications for 2007. METHODS: The Medicare rationale and historic progress of telemedicine coverage and reimbursement was constructed within a worksheet format. Major changes and additions to the program were highlighted and examined. A timeline of legislative and regulatory decisions was prepared. Criteria for coverage and payment were identified and summarized. Current definitions of required equipment and exceptions to these requirements were identified and their evolution tracked. The potential for 2007 reimbursement changes was evaluated. RESULTS: A summary of findings follows. The Medicare telemedicine program contains four major covered types of service that can now be performed by eight categories of specified professionals. Two types of geographic areas are eligible, although certain demonstration programs may be eligible regardless of geographic location. Billing and payment requires the use of stipulated codes. The process to add or delete services annually has been implemented. Each transaction must contain two sites; “distant” and “originating”. There are five types of originating sites. Payment is funded differently for “distant” versus “originating”. The required equipment is primarily represented by interactive telecommunications systems, although asynchronous technology is allowed in restricted instances. An upcoming Medicare report to Congress may recommend further expansion of the telemedicine program in 2007. CONCLUSIONS: Medicare telemedicine coverage and payment has continued to expand but remains restricted to certain geographic areas and to certain service provider sites. Health care decision-makers, including managers and payers, must be made better aware of the multiple benefits and efficiencies that telemedicine offers to both service providers and to patients.

PHARMACOECONOMIC ANALYSIS OF THE USE OF DRUGS FROM REIMBURSEMENT LIST IN RUSSIA
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OBJECTIVES: To estimate volumes and structure of consumption of the drugs received by separate categories of citizens which have the right to free-of-charge reception under reimbursement program (DLO) in 2005 in Tatarstan (on example Tatarstan region). To allocate diseases having the greatest prevalence and/or the greatest financial load for budget. METHODS: In 2004 there was not the federal reimbursement system. In 2005 DLO was launched. A total of 216,722 persons have the right to receive drugs by DLO. We received the information on each of 2,543,599 purposes of drugs. Ischemic illness of heart, hypertonic illness, diabetes, cancer of a mammary gland were leaders on volume. Expenses Ischemic illness of heart, hypertonic illness, diabetes, cancer of a mammary gland were leaders on volume of expense. One thousand patients with these diagnosis were randomized. We compared their therapy in 2004 vs. 2005. RESULTS: Total cost of DLO in Tatarstan in 2005 was €26,368,244. Average cost of one recipe in 2005 in DLO was €10.5. Average expenses for one patient in 2005 a year in DLO was €124. The maximal expenses for one patient was €23,534. On ischemic illness of heart 7% of charges are necessary, arterial hypertension 9%, diabetes 16%, oncology 19%. CONCLUSION: Introduction of system of reimbursement has rendered beneficial effect on quality of treatment of patients 2005 vs. 2004 percentage of patients on a regular basis received drug therapy in occasion of cardiovascular diseases (with the miss no more than three months for a year) has grown from 15,8% up to 32.8%.

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GENERIC COMPETITION: EFFECT ON PRICES AND SUBSTITUTION EFFECTS
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OBJECTIVES: To calculate a price index for pharmaceuticals in Sweden and to examine the effects of generic competition on patented pharmaceuticals. METHODS: Price and volume data