Based on ex-factory prices per Standard Unit SU (tablet, vial etc.), price indices were calculated. Study results showed international pharmaceutical price levels (in Euro and purchasing power parities) and expenditure per capita. Observation period was the year 2012. Data were collected via international literature review and based on IMS Health data on file. RESULTS: The international comparison of prices indices based on 25 European countries, average British prices (138) and UK (126) had the highest price indices and in contrast to Netherlands (69) and Romania (69) were at the lower end. In the international country sample, the Netherlands had the highest price index (11.91% of GDP) in 2011, closely followed by France with 11.33% of GDP. Subsequently, Switzerland occupied a leading position based on the determined price index per capita (187) per ex-factory price, followed by Sweden (167). The rear was Romania (45). CONCLUSIONS: In case of converting drug prices with purchasing power parities differences between drug prices in different countries were found. Low income countries reported less affordability of drugs, leaving room for potential problems with drug access, and consequently, a negative impact on health.

**PHP13**

**HOW IS CURRENT PHARMACEUTICALS PRICING POLICY ON GENERICS PERFORMING IN TURKEY REGARDING PRICE EROSION?**

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OBJECTIVES: Generics are commonly accepted to contribute significantly to treating disease by improving the affordability of pharmaceuticals. Once the patent expires for an originator brand, generics erode prices through creating fierce competition. The objective of this study is to investigate on Turkish pharmaceutical policies over generics and how much they lower the prices, and then develop alternative strategies to maintain higher level of price reduction and hence saving.

METHODS: Claims data from Turkish Social Security Institution for all ambulatory care in all insurance categories and markets covered monthly in the period of January 2009 to December 2013. First, the share of generic drugs both in terms of sales volume and market, new discounted public price was higher than the price with no generic. Finally, the price erosion for 15 generics entering the reimbursement list in 2012 as first generics was measured.

RESULTS: Only 48% of all units sold was prescribed as generic drugs, whereas it was only 31% when it comes to value. For 12 equivalent groups, constituting nearly 7% of SSI drug spending, the price erosion was nearly 41% ranging from 8% to 74%. Interestingly, when a first generic having an origina brand whose any form were marketed before 1987 in any country entered the market, new discounted public price was higher than the price with no generic. Finally, in the first year of the first generic entry, on average the prices were only shrink by 39% with an increase of 41% in units sold. CONCLUSIONS: Turkey is not maximizing its full potential with respect to generic medicines. Therefore, it is of great importance to implement policies that will increase the price erosion of generics and also that prices have started to decline in Germany. German prices in the sample are still comparatively higher than the other major European markets, but with most prices in Italy and Spain remaining constant, and those in France converging to the mean, there are clear trends of price corridors shrinking across Europe. The divergence is largely at larger, and converges over time.

**PHP14**

**COST-EFFECTIVENESS OF TARGETED PHARMACOTHERAPY – A SYSTEMATIC REVIEW OF THE LITERATURE**

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OBJECTIVES: Targeted therapies (e.g. trastuzumab, cetuximab) are often said to constitute a new era of medicine. The new agents promise to be more effective and less toxic than existing care. The controversy on costs and effects was the subject of debate. While proponents refer to the enormous cost saving potential due to the avoidance of side effects or hospitalizations for example, opponents expect a massive increase in overall expenses. However, the impact on cost and cost-effectiveness of targeted therapies is a subject of debate, as well as their benefits are not yet clear. This review assesses the cost-effectiveness of targeted therapies.

METHODS: We searched Medline, the Cochrane Library, Scopus, ISI Web of Knowledge and ScienceDirect for relevant articles published between 2001 and 2013. Internet search and scanning reference lists complemented our search.

RESULTS: 487 studies were identified. 50 of them met the inclusion criteria. 39 studies targeted therapies which were excluded from the analysis, and current exchange rates into Euros were used. Given the timeframe, none of the products included in the sample was approved by the AMNOG regulation. The average price of 50 innovative drugs, approved by the European Medicines Agency (EMA) in 2009 or earlier, that are still patent-protected and marketed in each of the top 5 EU markets were considered. The focus was set on the cost of treatments, which are still price differences across countries in 2014, these differences have declined over time. In 2009, the price difference between the highest priced country (Germany) and the lowest one (United Kingdom) was 24%, this figure dropped down to 15% in 2014. The average price of the 50 products declined in all countries and the overall price mean (all countries) slightly decreased - by around 5% - over the period studied: from €303.3 in 2009 to €289.0 in 2014. This global trend of drug prices decrease over time has been observed across all the top 5 EU countries.

CONCLUSIONS: Our data shows that prices slightly decrease over time, and also that prices have started to decline in Germany. German prices in the sample are still comparatively higher than the other major European markets, but with most prices in Italy and Spain remaining constant, and those in France converging to the mean, there are clear trends of price corridors shrinking across Europe. The divergence is largely at larger, and converges over time.

**PHP17**

**LETTING THE DATA SPEAK: A SHIFT OF THE PHARMACEUTICAL SPENDING TO HOUSEHOLDS IN GREECE**

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OBJECTIVES: Since 2009, Greece has implemented a fiscal consolidation programme that includes several reforms and budget cuts in health sector. Indicatively, health expenditure has been reduced by more than 20% between 2009 and 2012. Pharmaceutical sector can be characterized as one of the main sources of these cuts. The objective of this study is to draw some early conclusions regarding the impact of the current pharmaceutical policy on the structure of expenditure and the access to medicines.

METHODS: The data are obtained from the Hellenic Statistical Authority, the national accounts and the household surveys for the period 2009-2012, in order to examine potential changes of the public/private mix of the pharmaceutical expenditure. RESULTS: Public pharmaceutical expenditure fell from €5.1 bn in 2009 to €3 bn in 2012 (42.5%). Private pharmaceutical expenditure was €1.3 bn in 2009, while it was approximately €1.5 bn in 2012 (+24%). The total expenditure dropped by 31.2%. The share of private expenditure on pharmaceuticals has sharply increased during the study period. Specifically, the private expenditure was 20.6% of the total pharmaceutical expenditure in 2009, while it approximated 34% in 2012. CONCLUSIONS: The aforementioned imply that there is a shift from public to private spending for pharmaceuticals between 2009 and 2012. Moreover, preliminary estimates for 2013 suggest that this trend is increasing. Therefore, apart from the existing financial and income constraints, households are in front of an additional financial burden. This change is associated with potential catastrophic expenditures and rationing in patient compliance. The study findings suggest that individuals’ degrees of freedom are constrained and that patients express their preferences by increased out of pocket payments. In the light of the above, the pharmaceutical policy implemented so far can be associated to a sharp “indirect increase” of copayments and coinsurance rates.