



EUROPEAN
FEDERATION
OF PHARMACY
CHAINS

Pharmacies for Patients

Czech Pharmacy Chains Unite Europe, Fight for Quality Patient Care

www.eufpc.eu

Prague, 10 January 2019



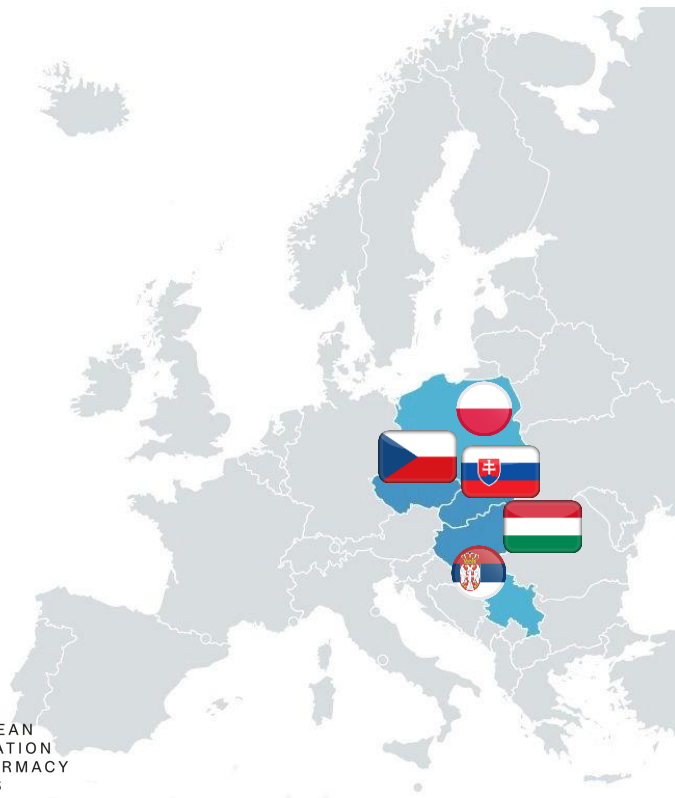
EUROPEAN
FEDERATION
OF PHARMACY
CHAINS

Pharmacies for Patients

01 EFPC – European Pharmacy Sector

www.eufpc.eu

Who We Are



EFPC – European Federation of Pharmacy Chains

Founded on 10 October 2018

Active since 1 January 2019

Members:

ČR: APLS (Asociace provozovatelů lékárenských sítí)

HU: HGYSZ (Hálózatban működő Gyógyszertárak Szövetsége)

SK: APSL (Asociácia prevádzkovateľov sieťových lekární)

Observers:

Poland (PharmaNet)

Serbia

The EFPC was created as a response to negative trends conflicting with patient interests in some Central and Eastern European countries.

Who We Represent



ASOCIACE
PROVOZOVATELŮ
LÉKÁRENSKÝCH SÍTÍ

CZ:

Number of public pharmacies: 2450 (+250 OOVL)
APLS: 650 pharmacies (approx. 26% market share)
Pharmacy professionals: 4000



HGY SZ
HÁLÓZATBAN MŰKÖDŐ GYÓGYSZERTÁRAK SZÖVETSÉGE

HU:

Number of public pharmacies: approx. 2400
HGYSZ: 248 pharmacies (approx. 10% market share)
Pharmacy professionals: 1300



ASOCIÁCIA
PREVÁDZKOVATEĽOV
SIEŤOVÝCH LÉKÁRNÍ
NA SLOVENSKU

SK:

Number of public pharmacies: approx. 2150
APSL: 418 pharmacies (approx. 20% market share)
Pharmacy professionals: 2200

Total:



1316 pharmacies



7500 pharmacy professionals

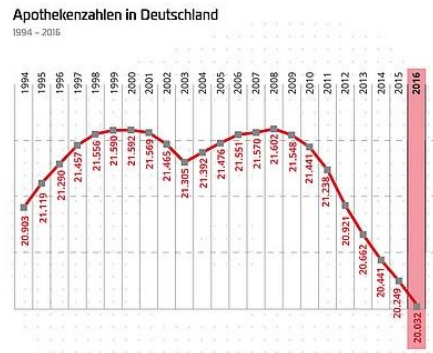
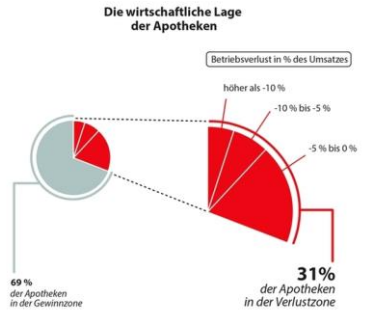


EUROPEAN
FEDERATION
OF PHARMACY
CHAINS



European Pharmacy Sector – Situation

Western Continental Europe: Conservative models are showing serious problems in some areas
 Austria (1/3 of pharmacies reporting losses): Germany (fewest pharmacies since unification):



Alle 38 Stunden schließt in Deutschland eine Apotheke. Für immer.

Die Statistik zeigt es schon heute:平均每 38 Stunden schließt eine Apotheke in Deutschland. Der Zahl der Apotheken in Deutschland sinkt kontinuierlich. In der Statistik sind die Apotheken, die seit ihrer Gründung im Jahr 1994 bis heute existieren, eingeschlossen. Die Zahl der Apotheken, die seit ihrer Gründung im Jahr 1994 bis heute existieren, ist auf 20.032 gesunken.

Die Statistik zeigt es schon heute:平均每 38 Stunden schließt eine Apotheke in Deutschland. Der Zahl der Apotheken in Deutschland sinkt kontinuierlich. In der Statistik sind die Apotheken, die seit ihrer Gründung im Jahr 1994 bis heute existieren, eingeschlossen. Die Zahl der Apotheken, die seit ihrer Gründung im Jahr 1994 bis heute existieren, ist auf 20.032 gesunken.

Schützt die Vor-Ort-Apotheken. Jetzt.

Problems are leading to partial liberalisation of the rigid environment

CEE: Liberal environment being created after 40 years of state monopoly

Part of CEE (states with nationalistic governments): Dismantling of the liberal model



rynekapteki.pl

Rynek aptek: depolonizacja zastąpi repolonizacja?

Polityka Lechwa Finanse i Zarządzanie PRAWO

Autorka: Beata rynekapteki.pl | 2016-01-01, 09:30



European Pharmacy Sector – Developments in Recent Years

Liberal market

Iceland: 1996

Norway: 2001

Sweden: 2010

Italy: 2017

Under pressure to improve patient services

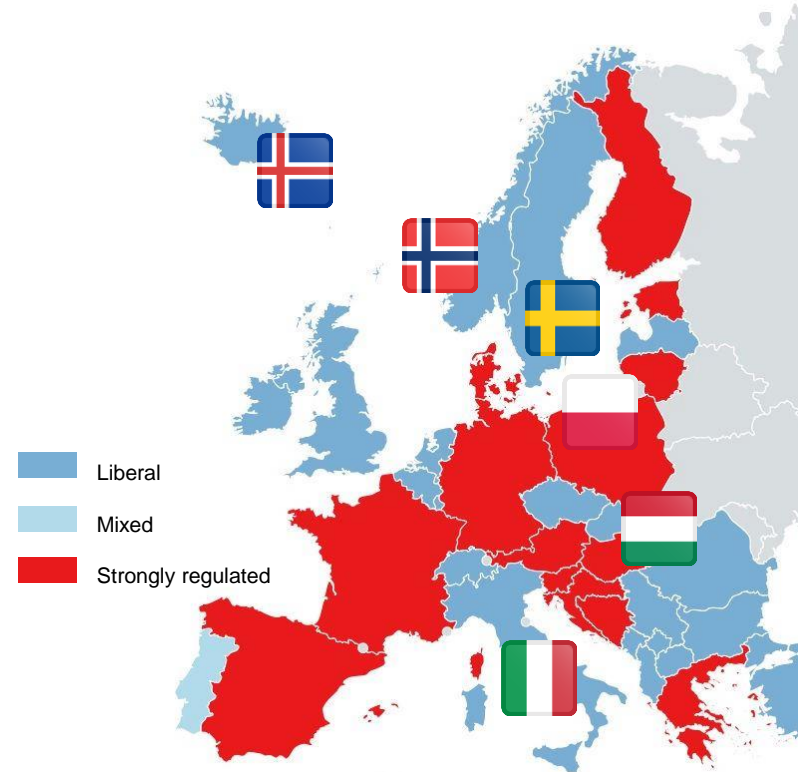
Regulated market

Hungary: 2017

Poland: 2017

In both cases under the slogan: “Pharmacies for Pharmacists”

Pharmacies should chiefly serve patients, however





EUROPEAN
FEDERATION
OF PHARMACY
CHAINS

Pharmacies for Patients

02 EFPC – Reasons for establishing

www.eufpc.eu

EFPC – Reasons for Creation



EUROPEAN
FEDERATION
OF PHARMACY
CHAINS

We want to protect the legitimate interests of

- Patients
- Pharmacists - employees
- Owners



There are many good reasons why we founded the federation – for now we list the five main ones

Quality of Care Provided in Czech Pharmacies

1

The results of controls conducted by the State Institute for Drug Control of the Czech Republic (SÚKL) constitute the most reliable and credible tool for measuring pharmacy quality:

- A scale of 1 to 3 is used to rank the seriousness of shortcomings.

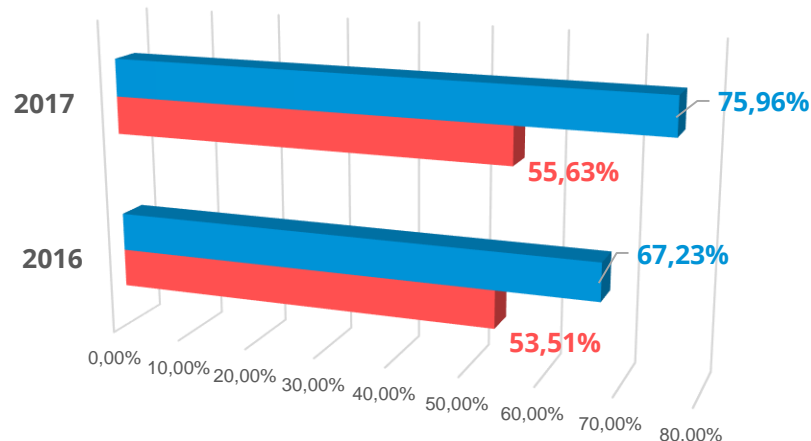
The results of the SÚKL controls show that majority of pharmacies in the chain have

- a better than average ranking and less serious shortcomings

Ranking 3 – “serious shortcomings”

- Examples: expired ingredients in stock, use of expired ingredients, dispensation of void/expired prescriptions
- **5.46% APLS** vs. **15.20% OTHERS**

% Ranked 1



■ chain pharmacies APLS ■ other pharmacies



SÚKL controls found no shortcomings in **75.96%** of APLS pharmacies

Source: APLS Analysis

Quality of Care Services in Czech Republic and Slovakia

Mgr. Irena Storová MHA, Director of the State Institute for Drug Control (Czech Republic)

*“Without wanting to elevate or overlook anyone, I think that **chain pharmacies have made great progress**. Chain managers have done a great job for their pharmacies and pharmacists by centralising a lot of operating procedures and monitoring their standing in our oversight efforts. This has really helped improved quality: **we tend to find minimum shortcomings in these pharmacies.**”*



source : apatykar.cz



PharmDr. Zuzana Baťová, PhD, Director of the State Institute for Drug Control (Slovakia)

*“We don´t see any differences in the quality of care between chain pharmacies and non-chain pharmacies. **Staffing, materials and technical equipment are always equal.**”*



source: apatykar.cz



We are not just talking about quality standards, but also about education. Chain pharmacies in the Czech Republic, Slovakia and Hungary invest more than **CZK 50 million per year** in the **professional development** of their employees.

Quality of Care Provided in Czech Pharmacies

High-quality care and longer opening hours make pharmacy chains the leaders of pharmaceutical patient care

Pharmacy chains and pharmacies in major hospitals serve customers even during the weekends and at night

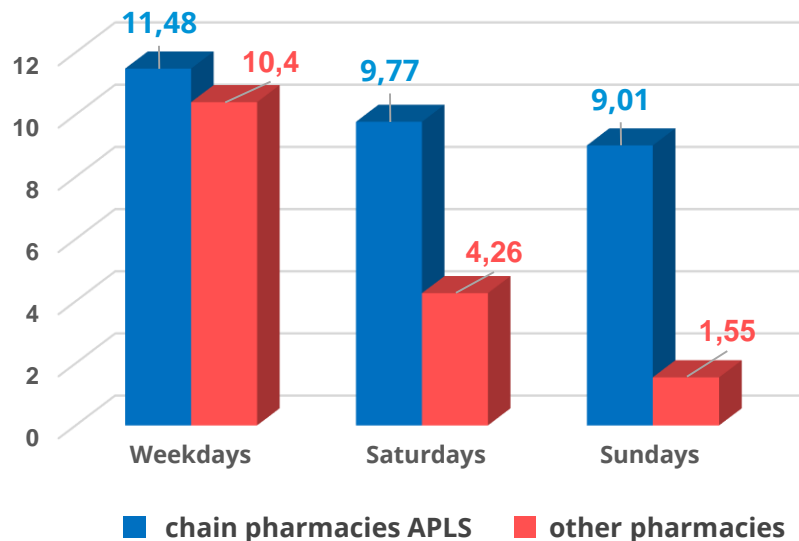
- The research sample included **160 cities** in the Czech Republic with a population ranging **from 8,000 to 150,000**.
- The pharmacy with the longest opening hours from the respective pharmacy group (one private and one chain) was selected for comparison.



Average hours on Sundays

9 hours APLS vs. **1 ½ hours OTHERS**

(longest) average opening hours



Source: **APLS Analysis**

Emergency Pharmacy Services in Slovakia

2

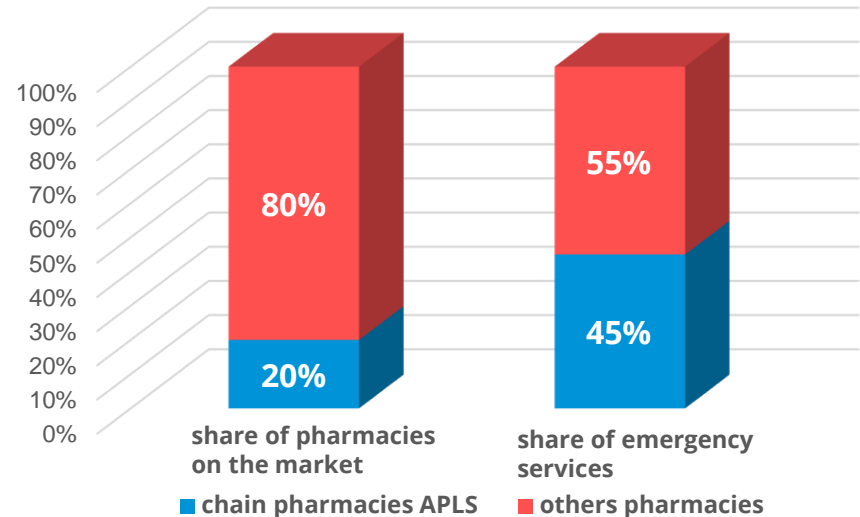
Pharmacies in the APLS provide almost half of all emergency services in Slovakia

- From July to December 2018: **63 069 hours** of emergency pharmacy services, which is almost half of all **pharmacy emergency services in Slovakia**.

Under current legislation, there are, unfortunately, also some problems:

- More than **49% of pharmacists** have problems commuting home when the service closes.
- Emergency pharmaceutical services mean a fundamental increase in **salary and operating costs (EUR 1300 per year per pharmacy)**, which are not taken into account by the government.

Slovakia



Source: APSL Analysis

Impact of the Hungarian System

3

In 2017, Hungary, under Orban's government, became the only post-socialist country to complete the expropriation of its pharmacies.

- In 2011, the Hungarian parliament adopted a law requiring that, effective 1 January 2017, a 51% share in a pharmacy be owned by a pharmacist.
- **More than two-thirds of pharmacists did not want to buy the pharmacy** and only about 4 % of them wanted to use the loan offered by the state for this purpose.

2018: A sharp decline in the availability of pharmaceutical care in unappealing locations.



Commission silent over Hungary's pharmacy ownership law

By Sarantis Michalopoulos | EURACTIV.com

21. 3. 2017



A pharmacy in Budapest (Unipatika.hu)

EXCLUSIVE / An EU infringement procedure launched against Hungary about a law that regulates pharmacies has been unjustifiably stalled for more than two years, raising concerns among foreign investors.

In 2010, Hungary's Fidesz-led government decided to amend a law that regulates the operation of pharmacies. The amended "Gyftv" law, in particular, required pharmacists, who are basically Hungarians, to become the majority shareholders of the pharmacies they work in.

In addition to that, another regulation prevented investors from holding shares in more than four pharmacies, which blocked any expansion of pharmacy chains in the market. Approximately 40% of existing pharmacy chains belong to investors from other EU member states.

Budapest's move triggered the reaction of foreign investors, who claimed that the new regulations violated the EU single market rules and pose a threat to the liberalisation of the sector which started in 2006.

There are also fears that it could set a precedent and create spill-over effects in other EU pharmaceutical markets.

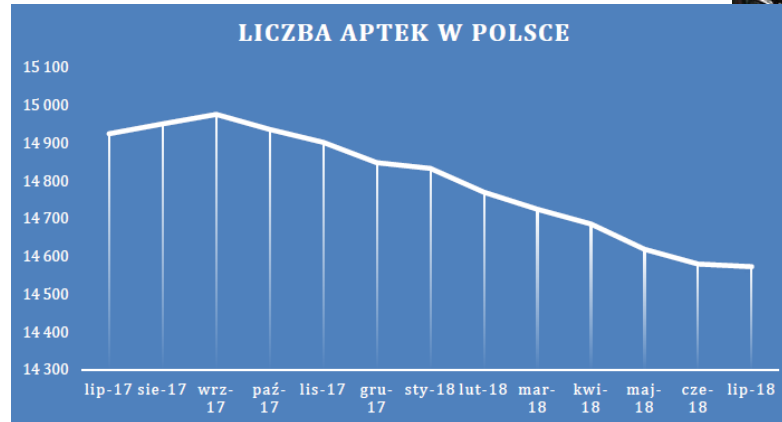
For several years, Hungarian Prime Minister Viktor Orbán has kept "surprising" Western investors with exotic new laws.

Polish Regulation Affected Everyone

4

On 25 June 2017, the Polish parliament turned the pharmaceutical market on its head. The typical open system suddenly became one of the most rigid and closed systems in Europe. Unlike Hungary, the law was accepted without retroactivity.

Within a year, the number of pharmacies in Poland declined. A total of 352 pharmacies were closed in the cities and more than 100 in countryside (one of the objectives of the amendment had been to encourage the establishment of pharmacies in the countryside).



- Regulation of the pharma sector in Poland was part of a campaign with the nationalistic slogan “Repolonisation of pharmacies.” In fact, only 4% of the Polish market was in the hands of foreign investors (594 pharmacies out of 14,780)

source: www.pharmanet.org.pl

Savings for Patients

- **Savings on operating costs lead to more resources for innovation in pharma**
- **Private brands = greater availability of medicine**
- **Only pharmacy chains are able to offer patients cheaper drug options in the form of their own brand products** (of the same or higher quality)

Example: Dr.Max CZ

- Total savings for patients if all its own brand products sold:



CZK 250,000.000 per year

- Seasonal example – savings on two cough medicine products (own brand vs. anchor products)



Ambroxol Dr.Max/Mucosolvan: approx. CZK 2,000.000/per year

Tussical Dr.Max/Stoptussin: approx. CZK 5,000,000/per year

Pharmacies for Patients