Czech Pharmacy Chains Unite Europe, Fight for Quality Patient Care

Prague, 10 January 2019
01 EFPC – European Pharmacy Sector
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 mukodo Gyogyszertárak Szovetsége)
SK: APSL (Asociácia prevádzkovatelor siet'ových 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

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

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

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

**Total:**
- 1316 pharmacies
- 7500 pharmacy professionals

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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):

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

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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
EFPC – Reasons for establishing
EFPC – Reasons for Creation

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

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**

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

Source: APLS Analysis

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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

Source: APLS Analysis
Emergency Pharmacy Services in Slovakia

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.

Source: APSL Analysis

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Impact of the Hungarian System

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.
Polish Regulation Affected Everyone

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](http://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