

# Variations in Prices and Reimbursement of Medicines in the European Union

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Universal healthcare, access to good quality care, solidarity and equity are all values to which European Union (EU) Member States have committed. Medicines are often a key component of patients' treatment. Thus, equitable access to essential medicines is crucial to public health.

To contribute knowledge to the current situation of equity in access to medicines in the EU, Health Action International (HAI) Europe has developed and implemented a methodology for taking a 'snapshot' of the retail selling price and affordability of a set of medicines in eight Member States. The surveyed medicines consist of first-line treatments for common diseases, such as asthma, pneumonia and hypertension: budesonide dry powder in a dry powder inhaler, salbutamol pressurised suspension in a metered-dose inhaler, amoxicillin tablets/capsules and losartan tablets.

For each of the selected medicines, data has been retrieved for the originator brand and the lowest-priced generic available at the consulted pharmacy.

Affordability is expressed as the percentage of a low-income family's monthly salary that must be allocated to pay for each medicine's standard treatment. The standard treatment cost is calculated on the basis of the patient price. The study family is comprised of one working adult with pneumonia, one non-working adult with hypertension and a 12-year-old child with asthma. Where applicable, statutory minimum wages have been applied; otherwise, the income of the lowest-paid manual worker established as a result of a collective agreement.

Individuals from HAI Europe's network collected the data for the study at private local pharmacies. One pharmacy was consulted per country. Thus, the results provide a snapshot of the retail selling price and affordability of a set of medicines in a specific pharmacy, on a specific day, and cannot be considered as representative of the situation in a particular country. It does, however, demonstrate the reliability of the method, should a representative sample be employed.

The sample of selected countries—Czech Republic, Estonia, France, Germany, Greece, Latvia, Portugal and Sweden—includes a mixture of old and new Member States (year of EU entry prior, and in or after 2004), with different levels on gross domestic product (GDP) per capita, economic contexts (including countries receiving external financial aid) and out-of-pocket expenditure on pharmaceuticals at the time of data collection.

The study results show significant variations of the retail selling price of medicines between different countries. The latter applies to both the price of originator brand medicines and generic medicines. There is evidence that in countries with a lower GDP per capita, certain

medicines are almost equally priced, or even higher priced, than in countries with a relatively higher GDP per capita. This anomaly is even more acute when parity purchasing power is taken into account. It is particularly the case for some medicines in the Czech Republic, Estonia and Latvia. There is also evidence that generic medicines are not always available. Even when they are available, in some cases, the generic can be more expensive than the branded medicine.

Regarding affordability of treatment, although the percentages are not generally high, important differences can be observed. For example, in Latvia, a family has to pay 10 times more for the standard treatment with amoxicillin originator brand than families in France and Greece—and 20 times more for treatment with the losartan originator brand than a family in Germany. In general, in Latvia and Estonia, families must allocate higher percentages of their monthly income to pay for standard treatment medicines.

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