

# PHARMACY AND HOSPITAL MARKET INDICATORS SUGGEST GENERIC SUBSTITUTION SCHEME INCREASED COMPETITION IN FINLAND

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## CONCLUSION

- In Finland in 1995–2008 numbers of marketers, trade names (products) and sales packages increased more in the pharmacy market.
- Pharmacy market indicators suggest an increase in competition, and may partly be explained by the introduction of generic substitution scheme on April 2003.
- Number of substances increased steadily in a linear fashion from 1995 to 2006, but since 2006 the incremental growth of substances in the pharmacy market has exceeded the expected level based on previous data.
- The generic substitution scheme does not seem to have affected this increasing trend.

## RESULTS

- In 2008 pharmacy market the total number of marketers was 35% (23% in hospital market), substances 19% (20%), trade names 50% (30%), and packages 29% (11%) higher than in 1995.
- Compared to 1995, the pharmacy market S/M indicator in 2008 was 0.89 (0.98 in hospital market), whereas T/M was 1.12 (1.06), P/M was 0.96 (0.91), T/S was 1.26 (1.09), P/T was 0.86 (0.85), and P/S was 1.08 (0.93).
- A comparison of the years before and after the introduction of the generic substitution scheme shows that the number of marketers (+25%) and trade names (+26%) in the pharmacy market increased, while the number of substances (+7%) remained broadly unchanged.

## METHODS

- Total numbers of marketers (M), substances (S), trade names (T) and packages (P) (1995–2008) were extracted from the market database SLD Pharma (Finnish Pharmaceutical Data Ltd.).
- All our numbers are based on medicines with a marketing authorisation and positive annual wholesale figures.
- Total number and indicator (S/M, T/M, P/M, T/S, P/T, P/S) analyses were segmented by markets (pharmacy, hospital) and calendar year.
- We compared figures in 2008 to base year 1995 by an index.

## OBJECTIVES

- In 2008, pharmaceuticals were sold in Finland to the value of approximately EUR 2.7 billion (a 6.5% reduction from 2007).
- However, pharmacy and hospital markets may have performed in different ways.
- In this study, our purpose was to develop and test descriptive performance indicators for pharmaceutical market dynamics in Finland.

TABLE 1

Mean numbers of basic data and performance indicators before and after the introduction of generic substitution scheme for pharmaceuticals in Finland on 1 April 2005

Mean numbers per year		Pharmaceutical market					
		Pharmacy			Hospital		
		Before	After	Index	Before	After	Index
<b>Basic data</b>							
Marketers	M	89	111	1,25	108	123	1,14
Active substances	S	766	822	1,07	910	991	1,09
Trade names	T	1327	1670	1,26	1629	1905	1,17
Packages	P	4515	5180	1,15	5208	5449	1,05
<b>Performance indicators</b>							
<i>Primary</i>							
Active substances / Marketer	S/M	8,7	7,4	0,86	8,4	8,1	0,96
Trade names / Active substance	T/S	1,7	2,0	1,17	1,8	1,9	1,07
Packages / Active substance	P/S	5,9	6,3	1,07	5,7	5,5	0,96
<i>Secondary</i>							
Trade names / Marketer	T/M	15,0	15,1	1,01	15,1	15,5	1,03
Packages / Marketer	P/M	51,1	46,8	0,92	48,3	44,4	0,92
Packages / Trade name	P/T	3,4	3,1	0,91	3,2	2,9	0,89

Before = Years 1995–2002 before the introduction of generic substitution scheme

After = Years 2004–2008 after the introduction of generic substitution scheme

Index = Mean after divided by mean before

Pharmacy = Pharmacy prescriptions (Rx) and over-the-counter (OTC)

FIGURE 1

Active substances in Finnish pharmacy and hospital markets during 1995–2009

