



Commercial Bulletin

Monthly Service

British patients 'struggling to get vital drugs because wholesalers exporting them abroad'

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The Royal Pharmaceutical Society (RPSGB) has called for urgent action and says that patients are being put at risk by the situation.

Although the society has yet to hear of patients suffering serious harm because of the shortage it warns that it is only a matter of time before they do.

Pharmacies are facing difficulties acquiring around 40 drugs, including some to treat blood pressure, cancer and epilepsy.

Last week ministers announced that they would hold an industry summit to try to tackle the problem.

They have accused a few "unscrupulous people" for triggering the difficulties, by putting profits before the care of patients.

The issue has been caused by the disparity between the

euro and the pound, which makes it more profitable to export medicines from Britain to the Eurozone. The price British pharmacists pay for medicines is set by an agreement between the government and the drugs industry.

David Pruce, from the Royal Pharmaceutical Society, said that people's lives were being put at risk.

"We're already seeing patients going without their medicines for days and potentially weeks," he said.

"It's only a matter of time before it becomes much more serious."

Drugs affected include medications for lung disease, depression, schizophrenia and asthma.

Across Britain pharmacists warn that they have to spend long periods trying to find

supplies of the medicines so that they can dispense them to patients.

They warn that this also limits the amount of time they have to help patients and advise them on how to safely take their medication.

"It is a very few unscrupulous people that are putting profits before patients," said Mike O'Brien, the Health Minister. "Rather than selling drugs to NHS patients as they should, they are selling them abroad for greater profit."

The RSPGB also warned that the situation was a "complex" problem to solve and called for all those involved in the drugs supply chain, including pharmaceutical companies, to attend the summit.

Telegraph 16/02/10

Ireland's "ridiculous" expensive generics slammed

The situation in Ireland whereby some generics are 50% more expensive than their branded equivalents has been described as "unique in Europe" and "ridiculous".

The comments came from Michael Barry, clinical director of the National Centre for Pharmacoeconomics who told *Irish Medical Times* of the "extraordinary situation" where patients in Ireland pay a premium for the generic product. He was speaking a couple of weeks after research-based drugmakers in the country cut the prices of almost 300 of their most widely-prescribed medicines by 40%.

That move is aimed at saving the state 94 million euros over the next full year. However, Dr Barry told the newspaper that "doctors are encouraged to prescribe generics on the basis that it enhances cost-effectiveness, but this is no longer the case". He added that "it is ridiculous – there is no other country in Europe where the original proprietary drugs are cheaper than the generic equivalents".

Minister for Health Mary Harney recently told the Irish parliament she was disappointed that member companies of the Association of Pharmaceutical Manufacturers of Ireland (APMI) have not offered any reductions as yet in the price of generics and medicines they supply. She said the government's current agreement with APMI expires on September 1 this year "and it is my firm intention to obtain savings...of at least an equivalent level to those secured from the Irish Pharmaceutical Healthcare Association", ie the research-based group.

Ms Harney added that "such an outcome would yield savings of approximately 27 million euros in a full year".

Pharmatimes 17/02/10

Special points of interest

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UNEASE OVER BID FOR 100 LONDON POLYCLINICS

Industry leaders have urged caution over plans to install over 100 new polyclinics in London by 2013.

Pharmacies are expected to feature in the polyclinics, NHS London revealed. But these could be new contracts or linked to existing networks, the organisation said.

But experts warned the clinics needed to be carefully planned, with input from LPCs, to avoid damaging

the existing pharmacy network.

London PCTs have now developed plans for 102 polyclinics with “the vast majority” expected to be fully operational by the end of 2013.

NHS London said pharmacies would have a “key role” in improving patients’ health and wellbeing. “Pharmacies around the polyclinic hub will be equally important in providing patients with a supportive network of health services in the community,” it added.

Alastair Buxton, head of NHS services at PSNC, warned: “PCTs need to look at the potential impact on the existing network of community pharmacies and agree on measures to deal with that.”

C+D understands the NPA and some London LPCs have worked with NHS London in developing guidance for health trusts on the matter.

Chemist & Druggist 11/02/10

C+D SENATE PUTS GENERIC SUBSTITUTION IN THE DOCK

Plans for pharmacists to swap selected branded products for their generic versions have been dissected by industry leaders at the third C+D Senate.

Introducing generic substitution as proposed by the Department of Health (DH) could damage relations with the public, the think-tank warned. And the moves were not the best way for pharmacists to help cut NHS costs, the Senators said.

However some advantages, such as the opportunity it might present for pharmacists to engage with patients, were identified.

Having to think about swapping the drugs, which would be allowed unless GPs ticked a box to say they didn’t want it to happen, could prove a distraction for pharmacists, the Senate warned.

C+D Senator Tricia Kennerley, group healthcare public affairs director for Alliance Boots, said: “I’m concerned that pharmacists are so busy and this is yet another thing that we’re asking them to manage.”

Other Senators said swapping drugs in this way could confuse patients, who might think pharmacists were doing it to save money for themselves.

But Jonathan Mason, a C+D Senator and the DH community pharmacy clinical director, urged pharmacists to express their views in the consultation the DH is currently holding on the plans. And he said of the proposals: “If you’re having to explain to a patient why it is you’re changing what the doctor prescribed, it is an opportunity to get in there and talk to the patient about their medicines and engage in dialogue.”

Mr Mason was joined by key representatives from LPCs; multiples including Day Lewis, Rowlands and Superdrug; NHS Alliance and Actavis.

Chemist & Druggist 11/02/10

Difficult times for reimporters

Berlin - The weak British pound puts the reimporters in Great Britain under pressure. In the past two years the kingdom has changed from an import to an export market, with severe consequences for the parallel importers: Their business has dramatically caved in. The industry is reacting with savings and redundancies – and hoping for better times.

“**We** are fighting for survival”, Richard Freudenberg, head of the industry’s association, told PHARMA ADHOC. In 2007 the sales volume still amounted to around 100 million pounds; now it has shrunk to 50 million pounds. There are no official figures concerning the number of

employees that the 14 parallel importers have so far dismissed. **Admittedly**, new chances could in theory arise for the parallel importers in the market, which is subject to a quota: When the pharmaceutical company Pfizer began to have its products delivered only by a particular wholesaler three years ago, the demand for imports actually increased. However, since manufacturers in other countries such as Greece and Spain also began to tighten the reins, purchasing has become significantly more difficult there. The weak pound is only worsening the situation.

The opinion in the industry is that a switch from import to export is also not a solution. Due to the measures imposed by manufacturers, the purchasing

possibilities are limited, according to Freudenberg; it is difficult to even procure sufficient quantities.

According to information from the association head, the parallel importers are preparing for a barren spell, which could last at least until the end of the year. The enterprisers hope that together with the British economy, the pound – and thereby also import – will again pick up. After all, following the crisis in the 1990s, there was also a fast recovery.

Pharma Adhoc 24/02/10



Virgin bursts onto primary care scene with £4m Assura buy

The Virgin Group has bought itself a place in the primary care market by pocketing the majority stake of healthcare giant Assura's medical services business.

Following rumours reported by *PharmaTimes* UK News last month, the company, which is led by billionaire business wizard Richard Branson, has now snapped up 75.1% of Assura Medical Limited, one of the UK's biggest owners of GP practices which runs no less than 30 GP Provider Organisation (GPCo) businesses.

According to Assura, its GPCos provide a range of "high quality primary and intermediate community-based NHS services", including Darzi-style GP-led health centres, outpatient and diagnostics services, and day care surgery, servicing more than three million patients in England and thereby providing Virgin with a major channel into the sector.

Branson has set up a newly incorporated company - Virgin Healthcare - to take on Assura's business, for which it has paid £4 million. However, proceeds of the sale will be reinvested by Assura into the new group as a loan, in return for 24.9% of the ordinary share capital of Virgin Healthcare.

Virgin has been after a hook into general practice for some time now. It was close to attaining its goal back in 2008, announcing plans to open a series of GP-led surgeries across the country, but was later forced into a temporary retreat reportedly because of difficult economic conditions.

"**Healthcare** is a sector that the Virgin Group has been extremely interested in entering for some time but we have always said that the partner and the timing had to be right - with Assura we believe we have found the perfect partner," noted Branson.

'Passion for patients'

"**The** Assura Medical business is underpinned by a passion for patients, a strong focus for delivering quality and safe health outcomes and a commitment to work in partnership with those who deliver healthcare," he said, and added that both companies will continue to develop the business, "working alongside our NHS partners, to bring excellent, high-quality services right to the heart of patients' communities".

Assura's chief executive Richard Burrell will join the board of Virgin Healthcare alongside Patrick McCall and Gaurav Batra from the Virgin Group, and a total of 75 staff will transfer form Assura Medical, including Bart Johnson and Dr Vivienne McVey, who will lead the new management team, the firm said.

Pharmatimes 03/03/10

To find out why Omeprazole issues are still not resolved, go to <http://www.wavedata.co.uk/news2.asp> and view our article from this months Generics Bulletin.

WaveData

Lexon joins BAPW

The British Association of Pharmaceutical Wholesalers (BAPW) has accepted a new member, Lexon UK. The addition means the BAPW now has 11 members, all full-line wholesalers.

Chemist & Druggist 13/03/10

W A V E D A T A - T O P T E N P R O D U C T S

According to WaveData, these were the most commonly investigated products in searches of the online pricing data at www.wavedata.net

Both uk and pi prices were viewed for each product, giving some indication of where the focus was in February 2010

Lansoprazole Caps 15mg 28

Lansoprazole Caps 30mg 28

Baclofen Tabs 10mg 84

Clopidogrel Tabs 75mg 28

Clopidogrel Tabs 75mg 30

Gliclazide Tabs 80mg 28

Hydrocortisone Tabs 10mg 30

Omeprazole Caps 40mg 28

Simvastatin Tabs 40mg 28

Tamsulosin MR Caps 400mcg 30

This bulletin now goes out to 980 plus people, and it is growing each month.

If you would like to add or suggest any articles/comments, please let me know by the 14th April 2010, as I will be issuing the next one on the 21st April 2010

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