



The Bulletin

February 2023

This month has seen more discussion, debate and deliberation on the VPAS scheme, I've picked out some interesting articles and viewpoints which I'm sure you will find insightful. Antibiotic demand, supply and price are also causing stirs in the UK market, we have some interesting analysis below by Charles Joynson, WaveData MD.

I hope you enjoy this edition,

Jackie Moss

The EMIG quarterly meeting was held in London this month, and as predicted VPAS was high on the agenda. EMIG's view on the future of VPAS is that it should allow for predictability, affordability and viability.

Leslie Galloway, Chairman of the group, shared the results of a member survey concerned with investment intentions in the UK market. The results are certainly worrying, and align to the insights of our own research on Originator Brand and Branded Generic profitability and viability.

EMIG survey results:

90% of companies will reduce supply of medicines to the UK

85% of companies will downgrade future UK product launches

70% of companies will reduce UK R&D spend



WAVEDATA'S PICK OF THIS MONTH'S TOP NEW STORIES

- Shortages of Flu meds still persist
- DHSC extends HRT SSPS
- Covid is 'Very out of the box' for pharma companies
- Reasons AZ may be locating to Ireland
- PRICE WATCH.....UK: UK Penicillin prices spike in January
- Online pharmacies 'disrupting the market'
- Trio of Covid-19 treatments
- Long term dispenser and manufacturer discounts on antibiotic products

SHORTAGES OF FLU MEDS STILL PERSIST

Pharmacists are seeing ongoing shortages of cold and flu medications, with various brands “out of stock” due to a significant increase in demand. In addition to stock difficulties, prices are now sky-high.

The Proprietary Association of Great Britain (PAGB) – which represents manufacturers of over-the-counter (OTC) medications – has said that there was no shortage of the medicines and that manufacturers were “meeting” increased demand.

Pharmacists are saying that they have empty shelves of “Night Nurse Capsules, Lemsip, Night Nurse liquid, cough bottles, Covonia and Dioralyte – all of which are out of stock.

Source: Chemist and Druggist

DHSC EXTENDS HRT SSPS

The Pharmaceutical Services Negotiating Committee (PSNC) has announced that The Department of Health and Social Care (DHSC) has extended two Serious Shortages Protocols (SSPs) for Estradot HRT patches.

The DHSC originally issued the hormone replacement therapy (HRT) SSPs on January 25 in response to “significant on-going disruption” to the supply of Estradot® 50mcg and 100mcg patches.

Both SSPs were due to expire on the 17th February 17, but these have both been extended.

Source: Chemist and Druggist

COVID IS 'VERY OUT OF THE BOX' FOR PHARMA COMPANIES

Some health companies' quarterly earnings were boosted by COVID-19 products in the past few years, and most are starting to see a shift away from pandemic profits for 2023.

Wells Fargo analyst Mohit Bansal said “Of the three companies reporting earnings this week: “Covid is pretty out of the model. Pfizer (PFE) is probably the only one in our coverage where it’s still a significant part of it because it was their biggest business last year.”

Source: Business News

REASONS AZ MAY BE LOCATING TO IRELAND

AstraZeneca has said in its fourth-quarter results update that it had decided to build a new \$360 million manufacturing facility in Ireland, rather than its home territory of the UK.

AstraZeneca has been making noises for some time that the UK is in danger of losing its standing as a good place for life sciences companies to invest, undermining the government's ambition to make the country a "superpower" in the sector.

Its plans for the new-build factory in Ireland were actually announced in 2021, but what emerged in remarks made by chief executive Pascal Soriot, was confirmation that the original plan had been to build it near AZ's existing manufacturing hubs in Warrington and Speke in the northwest of England.

Source: PharmaPhorum

PRICE WATCH.....UK: UK PENICILLIN PRICES SPIKE IN JANUARY

Our Pricewatch UK feature has seen a first with WaveData's figures for January 2023, as all nine of our top Biggest Risers belonged to the same group of medicines, Penicillins.

Antibiotics shortages seen in recent months have translated to price bumps across multiple molecules and presentations in the UK, according to the latest figures from WaveData.

Based on trade prices to UK independent pharmacists, the market researcher reported that prices for a number of different penicillin products – including Phenoxymethylpenicillin, Amoxicillin and Flucloxacillin – rose by as much as 167% in January 2023.

Source: Generics Bulletin and WaveData

ONLINE PHARMACIES 'DISRUPTING THE MARKET'

Online pharmacies "continue to disrupt and influence the market" after the pandemic growth period, with electronic prescriptions seeing increasing usage.

In October 2022, electronic prescriptions accounted for 95.7% of all prescriptions dispensed, compared to 74% in October 2019.

This "growth" gave patients increased "choice and freedom" as to where their prescriptions were dispensed, and many opted to use online pharmacies for convenience in the early days of the pandemic.

Source: Chemist and Druggist

TRIO OF COVID-19 TREATMENTS

The NICE final draft guidance has recommended three COVID-19 treatments as options for adults. They are Pfizer’s Paxlovid, GSK’s Xevudy and Roche’s RoActemra. This ensures people at the highest risk will have access to COVID-19 therapies. The Paxlovid, Xevudy and RoActemra therapies were recommended because there was evidence suggesting they are effective in treating COVID-19. Furthermore, these treatments were found to be cost-effective.

Source: PharmaTimes

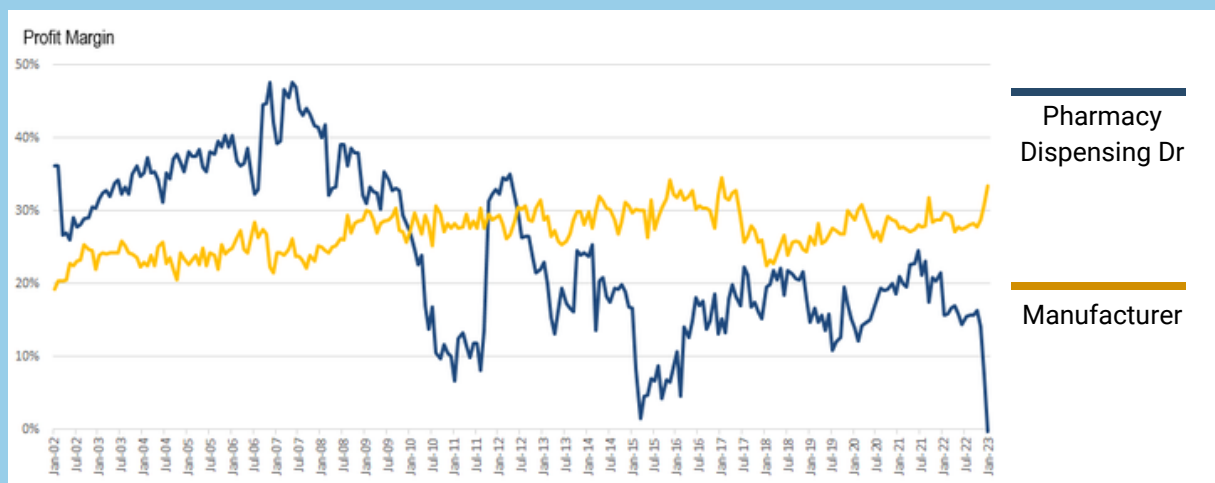
LONG TERM DISPENSER AND MANUFACTURER DISCOUNTS ON ANTIBIOTIC PRODUCTS

With Antibiotics pricing hitting the headlines again this month, WaveData looked at prices and profit margins of both generic and branded antibiotics across the market.

With manufacturing costs unknown, WaveData used the minimum market price as an estimate when calculating manufacturers potential profit. Dispensing Doctors and Pharmacies potential margins were calculated as the difference between the average market price and the reimbursement price.

Whilst the manufacturers projection is more stable, the calculation does not take into account the 2023 VPAS rebate. At 26.5% this is very close to the estimated margin, raising questions as to the sustainability and market attractiveness to both branded and branded generic manufacturers. Will unprofitability equal market withdrawal?

In the case of pharmacies and dispensing doctors the picture is much more erratic, with a number of peaks and troughs, and an overall decline in profitability over the long term trend. Dispensers are obliged to provide these life-saving products, whether they make a profit or not. Low discounts will not have made business survival any easier. Without changes to the Drug Tariff to improve profitability could we see even more pharmacies close in the near future?



WAVEDATA TOP 20

Here are the most commonly investigated products on WaveData Live in the last 35 days. Both UK and PI prices were viewed, average prices are shown.

Product	Nov-22	Dec-22	Jan-23	Feb-23
Omeprazole Caps 20mg 28	£1.21	£2.47	£2.69	£2.63
Sitagliptin Tabs 100mg 28	£26.56	£25.55	£24.48	£26.62
Carbocisteine Caps 375mg 120	£8.60	£14.84	£12.81	£11.55
Paracetamol Caplets 500mg 100	£0.80	£0.79	£1.19	£1.49
Apixaban Tabs 5mg 56	£51.02	£51.64	£50.03	£51.22
Gabapentin Tabs 600mg 100	£14.19	£17.84	£17.56	£29.13
Amoxicillin Caps 500mg 21	£1.74	£2.12	£2.70	£2.78
Atorvastatin Tabs 20mg 28	£0.41	£0.53	£0.55	£0.57
Atorvastatin Tabs 10mg 28	£0.20	£0.25	£0.26	£0.27
Lansoprazole Caps 30mg 28	£0.78	£0.95	£0.93	£0.93
Metformin Tabs 500mg 28	£0.37	£0.39	£0.37	£0.35
Lansoprazole Caps 15mg 28	£0.54	£0.73	£0.74	£0.67
Atorvastatin Tabs 40mg 28	£0.53	£0.72	£0.74	£0.77
Apixaban Tabs 2.5mg 60	£54.22	£55.38	£54.33	£54.85
Citalopram Tabs 20mg 28	£1.74	£1.53	£1.37	£1.45
Alendronate Tabs 70mg 4	£5.11	£4.00	£3.04	£2.94
Finasteride Tabs 5mg 28	£4.49	£4.47	£4.38	£4.34
Amlodipine Besilate Tabs 10mg 28	£0.28	£0.35	£0.39	£0.47
Mometasone Furoate Aqueous Nasal Spray 50mcg 1 (140 Doses)	£2.62	£3.14	£3.84	£4.26
Omeprazole Caps 10mg 28	£0.59	£1.07	£1.21	£1.32

FUTURE EVENTS

Organiser	Date	Venue
EMIG Market Access Group meeting	2nd March	London
EMIG HR Group Teams meeting	7th March	Online
A Proportionate Approach to Technology Appraisals (NICE)	9th March	Online
A perspective on how 2022 began defining the new normal (IQVIA)	9th March	Online
How to prepare and submit to SMC (ABPI)	13th - 14th March	Online
Driving Net-Zero Industry Transformation: From Plan To Action	22nd - 24th March	Germany
EMIG Scotland	23rd March	Edinburgh
Next steps for pharmacy in healthcare delivery in England	28th March	Online
The 5th International Congress on Controversies in Fibromyalgia	30th - 31st March	Austria
Clinical Studies with Medical Devices and IVDs	30th - 31st March	Austria
EMIG Wales Group	18th April	Online
Next steps for diagnostics and medical devices in England	18th April	Online
The UK Manufacturing & Supply Chain Conference & Exhibition	20th April	Milton Keynes
Tackling long COVID in Ireland - priorities for services, strategy development, research	20th April	Online
The 3rd International Conference on Lysosomal Diseases	20th - 21st April	London
Cell and Gene Therapy Summit	24th - 25th April	Brussels
Next steps for stroke prevention, treatment and care in the UK	27th April	Online
ABPI Annual Conference	27th April	London
Priorities for rare disease diagnosis, care and treatment in England	28th April	Online
Medicines Manufacturing Industry Partnership (MMIP)	16th May	Co Durham
Cannabis Business Europe	25th - 26th May	Frankfurt

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- [WaveData BPPI](#): UK Pharma Pricing up to 10 years
- [WaveData ScriptMap](#): GP Prescribing Data updated monthly

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