

# Fair And Affordable Pricing (FAAP)

Platform for strategic cooperation within and above the V4+ group

***Facing the challenges: Equity, Sustainability and  
Access***

***Lisbon, 29-30 November 2018***

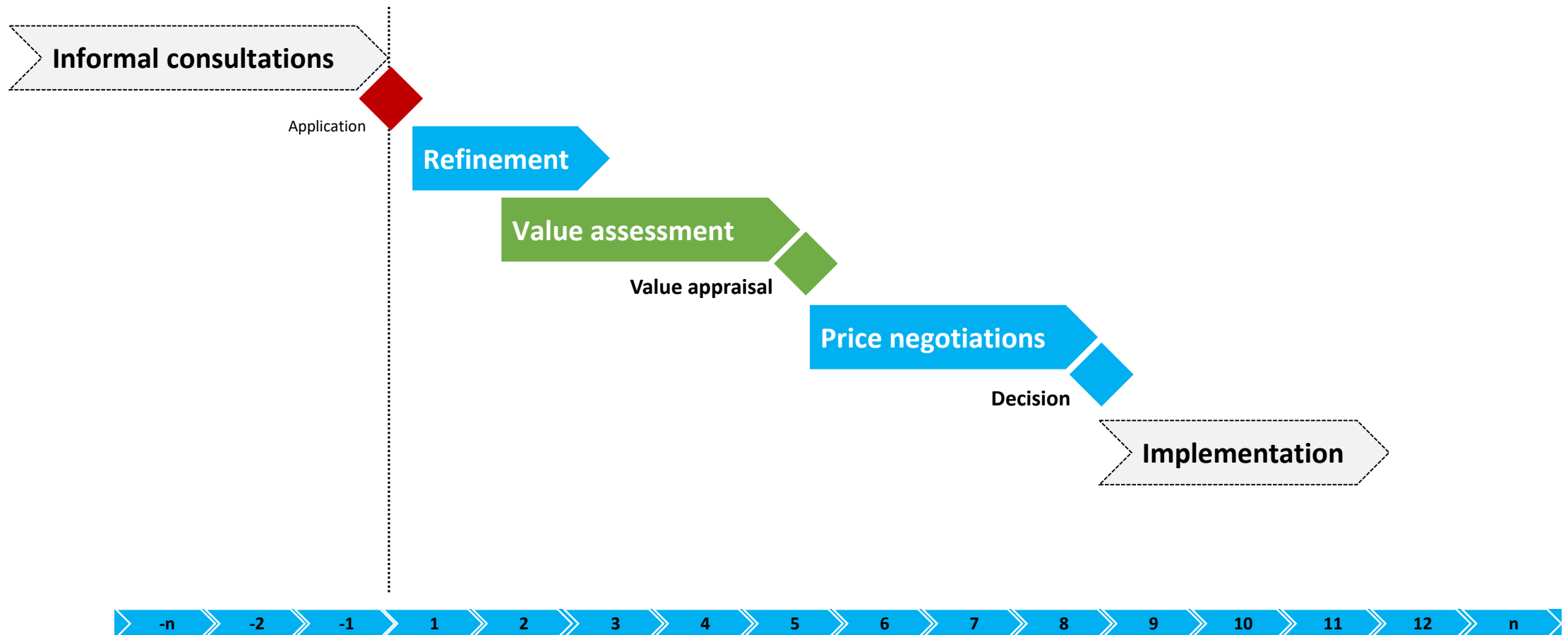
**Dominik Dziurda**

**FAAP Coordination Committee**

Agency of Health Technology Assessment and  
Tarrification, Warsaw, Poland

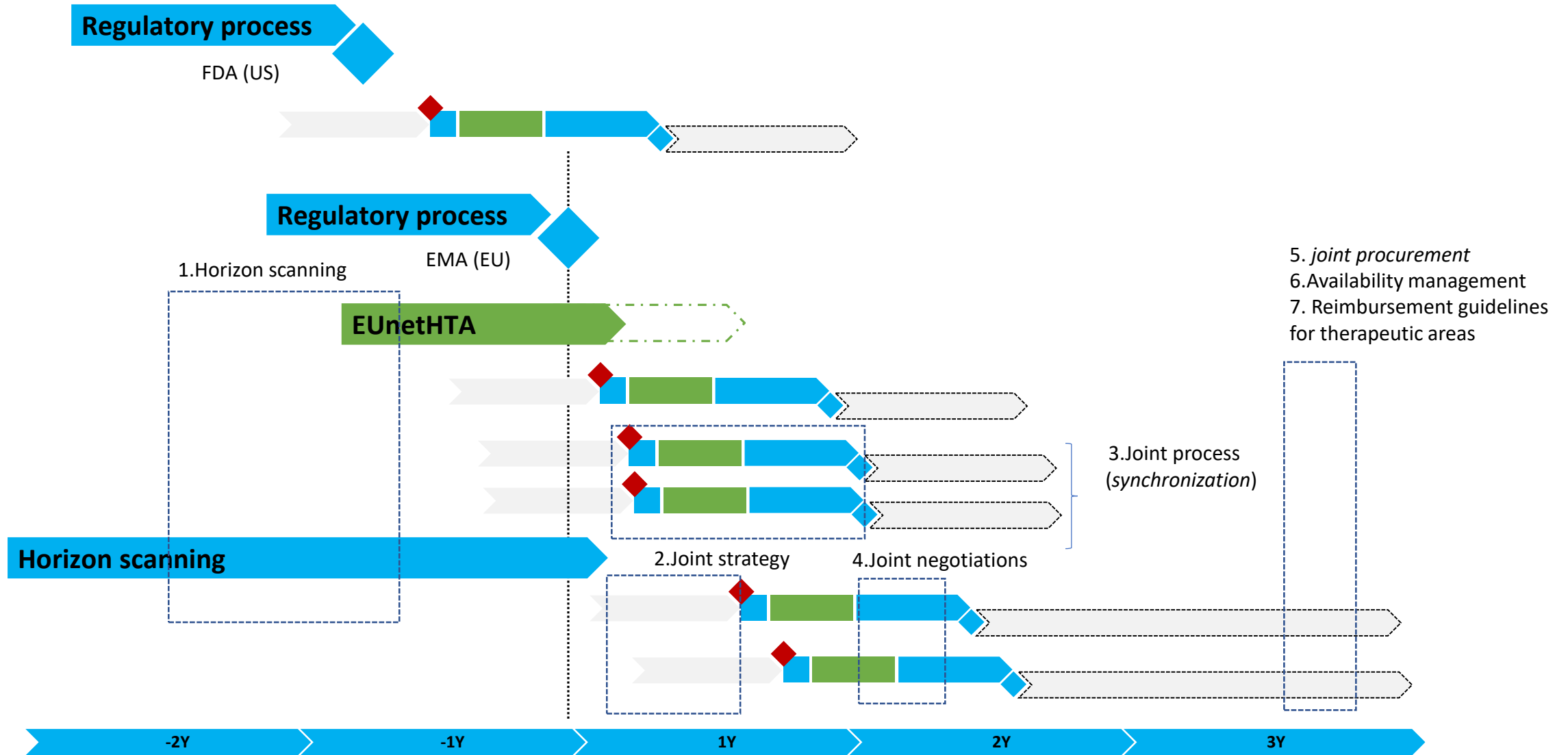
# Fair and affordable pricing (FAAP) - diagnosis (1/2)

Reimbursement process (*Country perspective*)



# Fair and affordable pricing (FAAP) – diagnosis (2/2)

Reimbursement process (*EU perspective*)



# Fair and affordable pricing (FAAP)

## General facts

Area	
<b>Legal basis</b>	Memorandum of Understanding on cooperation in the field of fair and affordable pricing of medicinal products of 3 <sup>rd</sup> of March 2017, Warsaw, Poland
<b>Strategic objectives</b>	To improve and facilitate access to effective and affordable medicinal products for the service of citizens of the countries involved To develop methods and modalities of cooperation and negotiations
<b>Participants</b>	Hungary, Republic of Lithuania, Republic of Poland, Slovak Republic, Czech Republic ( <i>observer status</i> ), Latvia ( <i>invited guest</i> )
<b>Activities</b>	7 regional meetings, technical consultation on specific disease areas (e.g. breast cancer)

# Fair And Affordable Pricing (FAAP)

Political and socioeconomic determinants



- Population of 56 mln of citizens within active collaboration with potential to extend to almost 70 mln
- Political collaboration within Visegrad group is a driving force for this initiative

	Population on 1 January 2016	Health spending total, US dollars/capita, 2016*	Pharmaceutical spending US dollars/capita, retail market, 2016*
Poland	37 967 209	1 784	369
Czech Republic	10 553 843	2 482	433
Hungary	9 830 485	1 966	566
Slovakia	5 426 252	2 170	566
Lithuania	2 888 558	1 992	541
Latvia	1 968 957	1 597	452

Source: EUROSTAT data | OECD data | <https://data.oecd.org/healthres/pharmaceutical-spending.htm#indicator-chart> | <https://data.oecd.org/healthres/health-spending.htm#indicator-chart> | \*using economy-wide PPPs

# FAAP Initiative

## Key ideas/principles underlying the Initiative

1. Similar socioeconomic and health-related needs and challenges as well as geographic proximity as an underlying factors for close collaboration between Participants
2. Focus on facilitation of access to effective and affordable medicinal products for the service of citizens of the countries involved
3. FAAP initiative should be perceived as a complementary, missing element allowing better proactive preparation of local reimbursement systems for innovation (regional topic-specific reimbursement strategy)
4. Focus on certain modalities of pricing - any variables which specify the availability of medicinal products within national reimbursement system e.g.: clinical characteristics of patients, length of treatment, expected reimbursement mechanism, financial conditions etc.
5. The Memorandum which constitutes the legal basis for the FAAP initiative is not intended to create any legal obligations under domestic or international law.

# Fair and affordable pricing (FAAP)

## Structure and resources

<b>Governing body</b>	Ministers of Health	Decision-taking body
<b>Process management</b>	Coordination committee (designated representatives of each participating country)	Process coordination, Manage communication on behalf of coordination committee. Chairman (Dominik Dziurda, PL) Vice-chairman (Neringa Bernotiene, LT)
<b>Working groups</b>	Analytical group (topic focused technical team) Legal group (legal counsels from each participating country)	Preparation of supportive analytical materials SL, LT, HU, PL (coordination) Legal advice to coordination committee Hungarian leadership

# Fair and affordable pricing (FAAP)

## Ways of working

Area	
<b>Assumption</b>	Mutual cooperation can make public reimbursement system more efficient
<b>Objectives (What)</b>	To <u>improve and facilitate access</u> to <u>effective and affordable</u> medicinal products To develop methods and modalities of <u>cooperation</u> and <u>negotiations</u>
<b>Methods (How?)</b>	<ul style="list-style-type: none"><li>• Participation in expert meetings</li><li>• Exchanging information</li><li>• Organizing pilot negotiations</li></ul>
<b>Pilot negotiations</b>	<p><i>Tactical goal</i> To achieve common position on certain confidential modalities of pricing of medicinal products (<i>in specific context</i>)</p> <p><i>Strategic goal</i> To <u>develop effective procedures of negotiations</u> To identify elements, that can be included into International Agreement</p>



# Fair and affordable pricing (FAAP)

## SUMMARY

- The ultimate goal of FAP initiative is the development of methods and modalities of cooperation and negotiations with MAHs concerning pricing of certain medicinal technologies in order to improve and facilitate access to effective and affordable medicinal products on V4+ level.
- Above can be delivered through long-time cooperation focused on:
  - Building an active institutional network within the region
  - Exchange of expertise and experience in the field of reimbursement and pricing
  - Common assessment of desired options for treatment management
- Taking learning-by-doing / pilot approach the process assumes preparation of coherent regional negotiation strategy of development of public reimbursement system for specific disease area, which could stand as guidelines for national processes
- Pilot process should allow to build recommendation on development an International Agreement concerning fair pricing

# Fair And Affordable Pricing (FAAP)

Platform for strategic cooperation within and above the V4+ group

***Facing the challenges: Equity, Sustainability and  
Access***

***Lisbon 29-30 November 2018***

**Dominik Dziurda**

**FAAP Coordination Committee**

Agency of Health Technology Assessment and  
Tarrification, Warsaw, Poland