

The Spanish model of the community pharmacy

A service of private management in the public health system



Brussels, October the 15th of 2008

The Member States must guarantee a fair and equitable access to the different health care resources



- The global strategy of the OMS to achieve “Health for Everybody” is fundamentally directed towards the attainment of a major equity in health between and within the populations as well as between countries.
- The different Member States of the EU have built up different healthcare systems with their own characteristics but maintaining these fundamental values.

The result of these policies is the funding of the different Healthcare Systems, in which one of the goals is the suitability of rendering pharmaceutical services to the health needs of the citizens.

According to its properties and characteristics a drug cannot be purchased as any other consumer good, it requires a different field and rules for action

- **It is important to emphasize a fundamental principle: “drugs consumption must be fair and necessary, encouraging people to use them will adversely affect people’s health and may be the cause of important problems of morbidity and mortality”.**
- **In this case, the market control must be understood as the lower possible consumption with the utmost benefits.**
 - Only following this premise we will achieve a low number of Problems Related with Drugs (MRP), and at the same time sustainable costs that will assure the continuity of a “welfare state”.
- **This intervention and regulations constitute the best use of “social regulations” that we can find in the developed societies and which we can qualify as “social” in order to distinguish them from those strictly economic regulations.**

The welfare roll of the pharmacist

- According to the European directives, the pharmacist, as a drugs technician, has the “responsibility” to give advice to the patients about the proper use of drugs and the detection of the adverse effects.
- Citizens do not have the obligation of knowing all the drugs’ characteristics and must rely on the pharmacists to be advised about their proper use. ■
- It is pharmacist's responsibility to make the patient be committed with his health problem and help him to cover his needs and evaluate the patient expectations through the drugs dispense.

Give all the responsibility to the patient may entail great risk due to an “information asymmetry” which must be compensated with the knowledge and value added given to the drug dispensation by the pharmacist.

The Community Pharmacy inside the National Healthcare System (NHS) as an integrated part in the system

- The principles of the MRP are: Health Promotion, Equity, Universality and Accessibility.

	Hospital	Centros de Atención Primaria	Oficinas de farmacia	Centros de diagnóstico	Centros de tratamiento
Planificación	PB	PB	PB	PB	PB
Financiación	PB	PB	PB	PB	PB
Provisión	PB / PV	PB / PV	PV	PB / PV	PB / PV

Source: Antares Consulting.

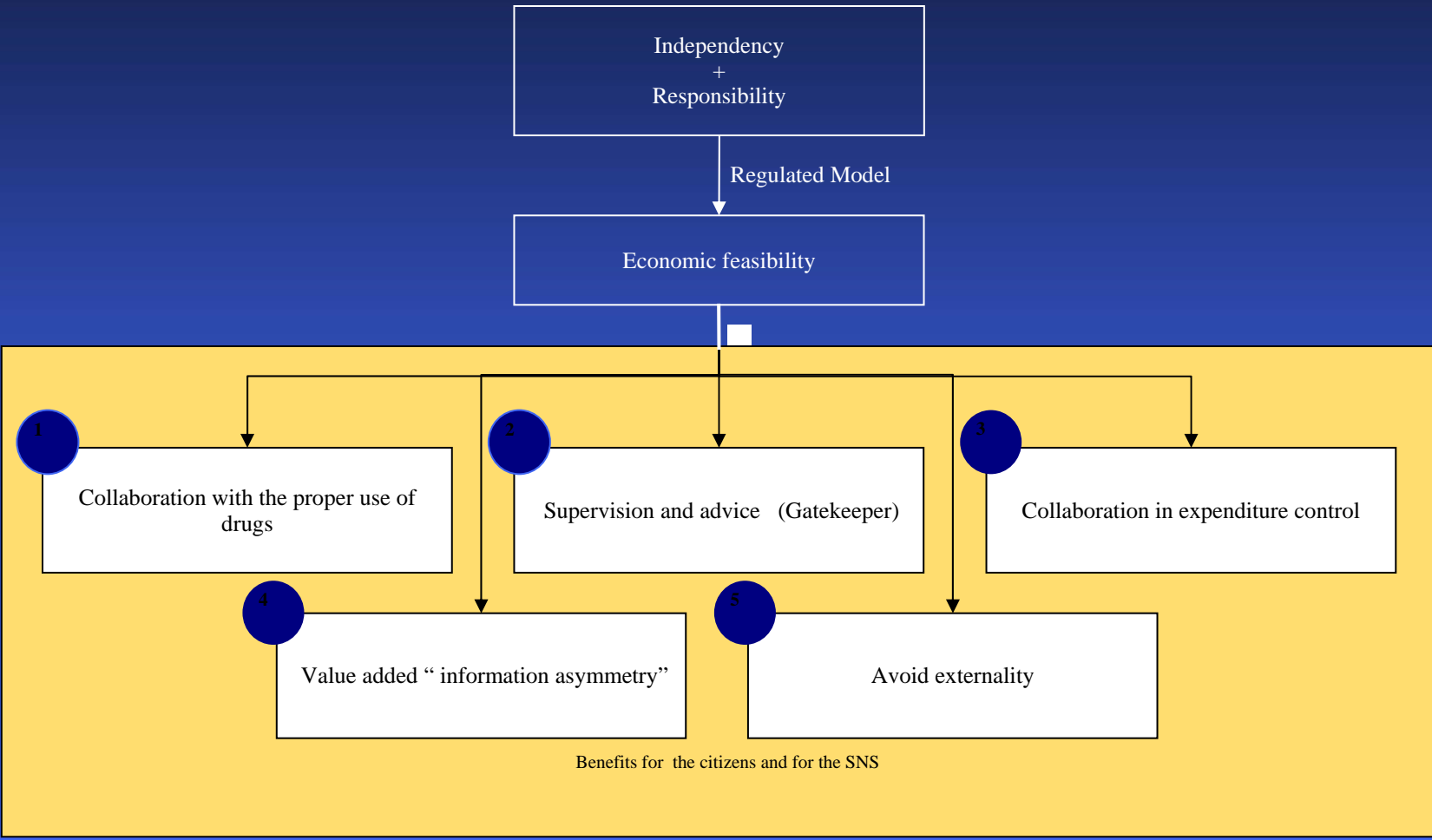
PB: Public
PV: Private

The tendency of the Spanish healthcare model is to turn the public healthcare service supply into a private services supply but not the financing nor the planning.

Proprietorship/Ownership of the Community Pharmacy

- **The binomial proprietorship/ownership, assures the independency of the professionals when taking decisions, taking into account that the “vertical integration”, the non pharmaceutical people or societies proprietorship may turn into conflict of interests:**
 - Those cases where the ownership has an interest in the industry, distribution or prescription of a drug may be conditioned when dispensing certain drugs.
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- **If a “chain” company acquires a group of pharmacies of a specific geographical area, that company may act under parameters that may complicate the competence, not only in the dispensation of drugs but also regarding to the relationship of the “wholesale distribution” or the Pharmacy Industry.**

The present model clear and transparently gives benefit to the patients



The annual ratio, from each Spanish community pharmacy there are 8.800 complementary healthcare interventions to the drugs dispensation.

Profesional sanitario	2005		2006	
	Total	%	Total	%
Médico de familia	3.036	35%	3.672	36%
Médico de otra especialidad	2.920	34%	3.264	32%
Farmacéutico	2.189	25%	2.711	26%
Enfermero	275	3%	320	3%
Otros profesionales sanitarios	187	2%	309	3%
TOTAL	8.607	100%	10.276	100%

Medidas de contención del gasto farmacéutico	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	Total
Revisión general de precios de venta de los laboratorios (PVL)	✓						✓						✓	3
Revisión específica de precios de venta de los laboratorios (PVL)				✓	✓				✓					3
Descuento obligatorio de los laboratorios													✓	1
Modificación de los márgenes de las Oficinas de Farmacia					✓			✓			✓		✓	4
Modificación de los márgenes de los mayoristas					✓		✓	✓					✓	4
Sistemas de precios de referencia								✓		✓	✓	✓		4
Introducción de productos genéricos (EFG)					✓									1
Modificación del tipo de copago	✓	✓	✓											3
Modificación del tipo del IVA	✓		✓											2
Aportación de las Oficinas de Farmacia		✓						✓						2
Financiación selectiva de medicamentos	✓					✓								2
Financiación de la receta electrónica													✓	1
Total	4	2	2	1	4	1	2	4	1	1	2	1	4	29

Source: Antares Consulting

Ordering

1) Service Capillarity

- Health care Authorities establish some criteria for the geographical and demographical planning with the aim of **bringing closer to the citizens the community pharmacies in all the Spanish territory in an equitable way.**
- In Spain, the medium average of **inhabitants per community pharmacy is 2.143, the 4th lowest of the European Union.** The community pharmacy has a medium average of 2 pharmacists per each community pharmacy. The model shows that **1.071 inhabitants has easy access to a professional pharmacist.**

2) Service continuity

- **Health Care Authorities also regulates the minimum on-duty services.** In this way it is granted a complete 24h service.

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- **The 59% of the EU countries (which worths the 74% of the EU total population) there is a binomial proprietorship / ownership.**

 - **The 63 of the UE countries (which worths the 59% of the UE total population)there are pharmaceutical ordering.**



Concertation

- **The community pharmacies and the SNS establishes an agreement for the provision of services. In this agreement, the pharmacy license holder of the community pharmacy undertakes the following tasks:**

1. Drug and financed health products dispense.
2. Invoicing according to the contract economic regulations.
3. Temporary finance of the dispensed drugs and health products.
4. Continuous delivery of health care information to the Administration.
5. Health promotion (Campaigns).
6. Pharmaceutical surveillance and security alert management of drugs and health products.



“Assistant yield” of the different models of pharmacists according to attendance parameters

- We refer to “pharmaceutical care yield” to that group of situations and activities whose target is to increase the service accessibility, improve the security and enforce the pharmaceutical care.

RA= Accesibility+security+assistance

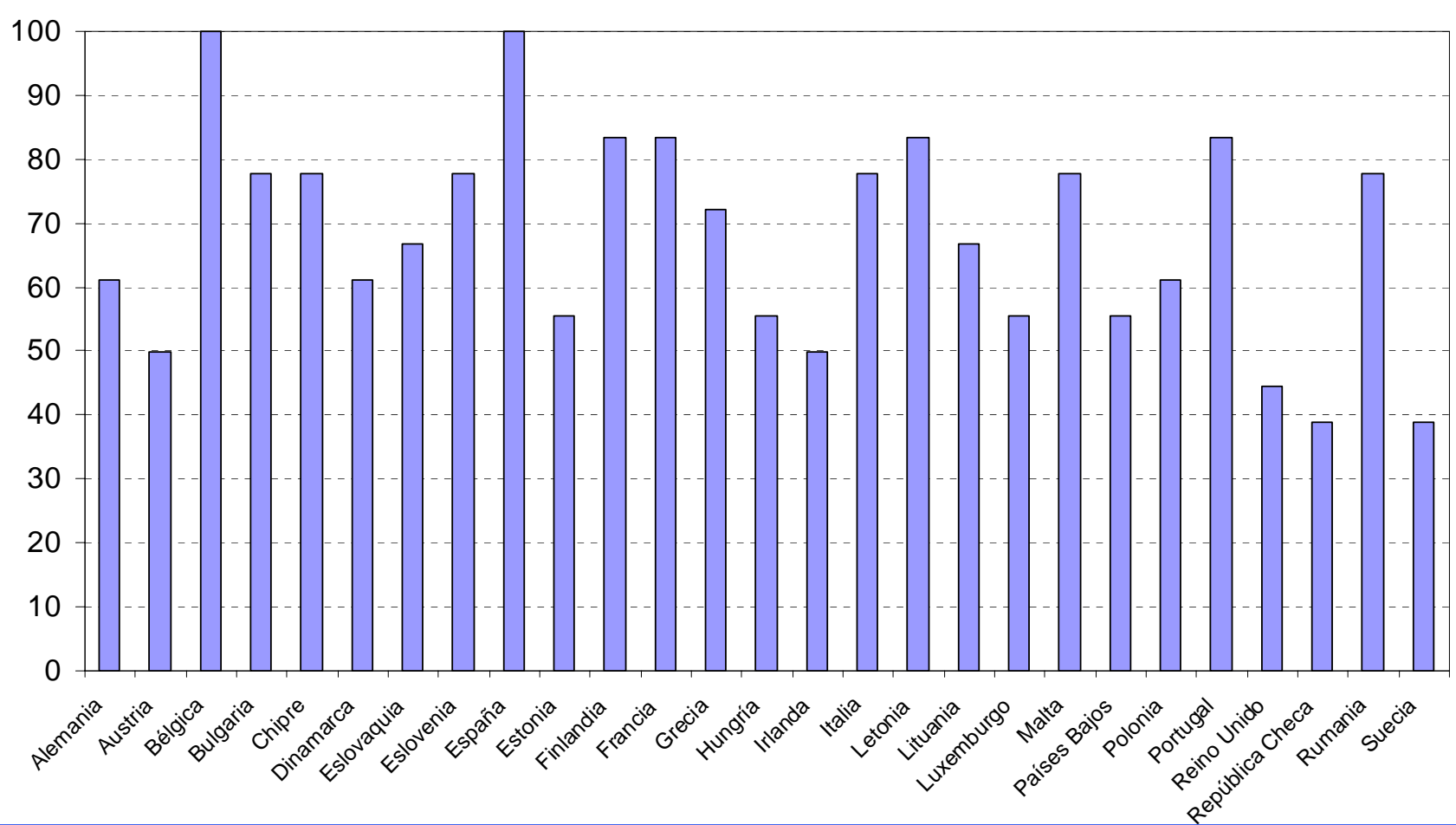


We have evaluated the “ pharmaceutical care yield” according to the following:

- Capillarity
- Ratio
- Drugs substitution
- Additional services
- Pharmacist obligatory presence
- Drug sales through the Internet
- Drug sales out of the channel



Comparative graph of "Pharmaceutical care yield"



Final Reflections

Member States exclusive responsibility

- The European Union cannot have access to the regulation of a health care service since that is a sole competence of the Member States and the community pharmacy is a part of the Health Care System, without failing in the fulfillment of any rule of the Community law.
- According to the Court of Justice Case Law, an activity, which by its nature, its regulation and its object is unconnected to the economic interchange frame, it is not subject to the applications of the Treaty rules of competence.



Pharmacy service is integrated inside the national health care services

- The National Health Care Systems are built under the fundamental principles of equity and universality of the health services.
- Pharmacy service benefit is part of the health care model. Mistrusting it means mistrust the whole system.
- The community pharmacy ruling frame cannot be understood without considering its collaboration work with the Public Health Care System in the pharmacy service. This collaboration is considered essential for the assistance supply and it comes regulated by the collaboration agreements between Professional Colleges.

Community Pharmacy regulation (I)

- **Health policy will be oriented to overcome the territory and social unbalance, this principle only will be achieved completely under a planned system. This planned system helps the equity principle whenever the Health Care Administrations lay the foundations of an effective equity.**



- **One of the SNS characteristics common to the Member States is the public finance of the health care service (75%), which makes mandatory a planning that assures the equity on the resources distribution.**

Community Pharmacy regulation (II)

- **The Spanish community pharmacy rule, considers them as a health facilities where a private activity is carried out, whose public interest makes them subject to criteria of planning, herewith creating a contractual relation State/Pharmacist, and where the planning means a health care need in defense of the service to the citizens.**
- **The pharmacy planning law regulates, under an integrating perspective of the different participating sectors of the distribution and dispensation of drugs and health care products, the planning criteria for the establishment of community pharmacies in their territory, as well as the definition for the pharmacy assistance that must be performed by the pharmacist in his/her work in the different facilities and health care services.**

It is important to make and analysis of the pharmacy model under health care and assistance parameters

- Drug market cannot be analyzed outside the healthcare system frame.
- The regulation of the drugs use (authorization, control, prescription and dispensation) has to have a strictly “social” character not an economic one.
- When we analyze the yield of the community pharmacy we have to consider it inside the pharmaceutical and health care scope, if the evaluation is only made inside the sphere of economic productivity, we will forget the real target: the citizens health.
- The economic viability of the community pharmacies is considered as the: collaboration for the proper use of drugs, collaboration in reducing of the health care expenditure, added value that faces the “information asymmetry”, supervision and counseling (“Gatekeeper”) and “externalities” minimization.



Security

- From the different Member States a rational use of drugs, looking for mechanisms that do not encourage its improper use.
- Due to the properties and direct impact of drugs in the population health it requires a different rules and frame of action different from any other consumption good.
- The rules of the free market, outside the health care characteristics drugs frame can lead to a greater consumption of drugs which can also turn out into a major problems of public healthcare.



Assistance point of view

- The binomial proprietorship / ownership ensures the professional independence and responsibility, because there is no a conflict of interests with other points of the drug chain.
- The pharmacists has the obligation of informing the patients about the dispensed drugs in order to minimize the “asymmetric information”.



The Member States had integrated the pharmacy provision with different nature regulations into their different Health Care Systems. Any change that ignores the characteristics of each one of them can lead to major problems for the global health care provision, since there is no evidence that can certify that a deregulation in Spain may be considered a complete benefit for the citizens.
