



# KEY FIGURES 2020

## Pharmacies and pharmaceuticals in Norway

### PHARMACY OWNERSHIP

Norwegian pharmacies are mainly run as private enterprises. Only the hospital pharmacies are owned by the public sector (Regional Health Authorities). Nevertheless, the pharmacies are considered part of the Norwegian health service.

In 2001, Norway liberalized the pharmacy system. The new legislation led to a great change in ownership – one of the greater changes in the sector’s 400-year history. Since then an increasing portion of pharmacies are owned by pharmacy chains. The four main chains are called Apotek 1, Boots apotek, Vitusapotek and Ditt apotek. To manage a pharmacy, you need the appropriate professional training, including a master’s degree in pharmacy.

Three large international pharmacy companies, each vertically integrated with a pharmaceutical wholesaler, own 84 per cent of all pharmacies in Norway.

<i>Pharmacy chain</i>	<i>Wholesaler</i>	<i>Owner</i>
Boots	Alliance Healthcare Norge AS	Walgreens Boots Alliance (USA)
Vitusapotek	NMD 1	McKesson Corporation (USA)
Apotek 1	Apotek 1 Gruppen AS	Phoenix (German)

Figure 1: Overview of pharmacy chains, wholesalers and owners in the Norwegian pharmacy market

Today the Norwegian pharmacy sector is recognized by:

- Free establishment of pharmacies – no establishment criteria
- Free ownership of pharmacies – except pharmaceutical manufacturers and doctors
- Pharmacy managers must hold a master’s degree in pharmacy
- No limit of the number of pharmacies that can be owned by one pharmacy owner – horizontally integrated pharmacy chains are allowed
- Vertical integration between wholesalers and pharmacies/ pharmacy chains is allowed

As a result of the changes in the Pharmacy Act in 2001, the general public has considerably better accessibility to pharmacies, as the number of pharmacies has increased from 399 in February 2001 to a total of 988 at the end of 2020.



## PHARMACIES

The Norwegian Pharmacy Act defines a pharmacy as a physically accessible place for drug sale to end-users where drug-related guidance is provided. Pharmacies ensures safe deliveries of drugs to end users and contributes to the correct drug use in the population. As of 2020 internet pharmacies can operate in Norway if they are part of a physical pharmacy.

By the end of 2020 there were **988** pharmacies in Norway, among these **956** are community pharmacies and **32** are hospital pharmacies.

*Community pharmacy* is a pharmacy where dispensing of medicines happens under the supervision of a pharmacist.

*Hospital pharmacy* is a pharmacy co-located with a public or private hospital and where drug supply to the hospital is the main task.

<i>Year (1<sup>st</sup> of January)</i>	<i>Number of pharmacies</i>	<i>inhabitants per pharmacy</i>
<i>2021</i>	<i>988</i>	<i>5 433</i>
<i>2020</i>	<i>958</i>	<i>5 562</i>
<i>2019</i>	<i>934</i>	<i>5 670</i>
<i>2018</i>	<i>899</i>	<i>5 849</i>
<i>2017</i>	<i>868</i>	<i>6 007</i>
<i>2016</i>	<i>834</i>	<i>6 194</i>
<i>2015</i>	<i>800</i>	<i>6 386</i>
<i>2014</i>	<i>767</i>	<i>6 586</i>
<i>2013</i>	<i>738</i>	<i>6 756</i>
<i>2012</i>	<i>707</i>	<i>6 959</i>
<i>2011</i>	<i>682</i>	<i>7 123</i>

(Figure 2: Number of pharmacies and inhabitants per pharmacy 2011-2021)

On average, there were 5,433 inhabitants per pharmacy as of 1<sup>st</sup> of January 2021. At the end of 2000, the average number of inhabitants per pharmacy was 11,280.



## EMPLOYEES and PHARMACY EDUCATION

Most of those working at pharmacies are trained health-care professionals. The two main groups are Pharmacists and Pharmacy technicians.

Pharmacy managers, pharmacists and prescriptionists all share the general title of pharmacist. They are entitled to independently dispense prescribed medications and are highly qualified to advise customers and other healthcare personnel on the correct use of medications.

Pharmacy technicians are not entitled to dispense prescribed medications, but they have a very important role to play in terms of customer service – speaking to customers, providing information to the public, looking after stock and administrative tasks.

### Pharmacy manager

The pharmacy manager runs the pharmacy and ensure that the requirements of the pharmacy's business are fulfilled. The pharmacist is responsible for the professional and financial operation of the pharmacy, and the overall responsibility of the pharmacist's employees. You must have a master's degree or Cand.pharm to become a pharmacy manager.

### Pharmacist

An expert on pharmaceuticals and has taken a five-year (master) university course in the subject. In Norway you can study at [University of Oslo](#), [University of Bergen](#), [UiT The Arctic University of Norway](#) and [NTNU](#).

### Prescriptionist

To become a prescriptionist, you need to take a three-year university college course (Bachelor of Pharmacy). In Norway you can study at [OsloMet](#), [Nord University](#) and [UiT The Arctic University of Norway](#).

### Pharmacy technician

The training for pharmacy technicians is a sixth-form college course within health and social sciences.

<i>Category</i>	<i>Man-years (2020)</i>
Pharmacist, master's degree	2 116
Pharmacist, Bachelor's degree	1 638
Pharmacy Technician	2 598
Other education	561
<b>Total</b>	<b>6 913</b>

Figure 3: Pharmacy employees and their education

**CONSUMPTION**

All prescription medicines: 2 904 million DDD (+2.9 % from 2019)

Non-prescription medicines (sold by pharmacies): 213 million DDD (-6.6 % from 2019)

<b>Top five substance (2020)</b>	<b>DDD (per inhabitant)</b>	<b>% change</b>
1. Atorvastatin (Lipitor)	38.9	12.8 %
2. Acetylsalicylic acid (Albyl-E)	20.9	- 3.7 %
3. Kandesartan (Atacand)	14.3	6.3 %
4. Amlodipin (Norvasc)	13.6	1.8 %
5. Paracetamol (Paracet)	13.5	4.7 %

(Figure 4: Medicines with highest consumption)

In 2020 the **total spending on pharmaceuticals** was 30.5 billion NOK (Incl. 25 % VAT), Approx. 3,0 billion Euro. The **average spending on pharmaceuticals** was 5 686 NOK per inhabitant (incl. 25 % VAT). Approx. 80 per cent were paid by the Norwegian state.

**TOTAL TURNOVER (all figures incl. 25 % VAT)**

Pharmacies' total turnover: NOK 40.2 billion (+6.9 % from 2019)

Community pharmacies: NOK 32 billion (+8.4 % from 2019)

Hospital pharmacies: NOK 8.2 billion (+1.7 % from 2019)

	<b>Community pharmacy</b>	<b>Hospital pharmacy</b>	<b>Total</b>
	<b>(mill. NOK)</b>	<b>(mill. NOK)</b>	<b>(mill. NOK)</b>
Prescriptions medicines	20 476 (7.8 %)	6 970 (1.0 %)	27 447 (6.0 %)
Non-prescription medicines	2 931 (6.1 %)	142 (-0.1 %)	3 073 (5.8 %)
Other pharmacy goods	8 567 (10.6 %)	1 162 (6.6 %)	9 729 (10.1 %)
<b>Total</b>	<b>31 974 (8.4 %)</b>	<b>8 275 (1.7 %)</b>	<b>40 249 (6.9 %)</b>

(Figure 5: Total turnover, type of pharmacy and medicine type)

**Medicines with highest turnover**

1. Apiksaban (Eliquis)
2. Pembrolizumab (Keytruda)
3. Renalidomid (Revlimid)
4. Paracetamol (Paracet)
5. Nivolumab (Opdivo)



## PHARMACEUTICAL FINANCING

In Norway, prescription medicines are financed by the state through the reimbursable prescription regime, also called “blue prescriptions” and the regional health authorities (H-prescriptions and medicines used in hospitals), by other health institutions and by the patients through self-payment (usually called “white prescriptions”).

In recent years, the Regional Health Authorities<sup>1</sup> (RHAs) have taken an increasing part of the pharmaceutical costs. One of the main reasons is the inclusion of new medicines in the H-prescription scheme. Since 2010, expenses in the H-prescription scheme have risen by 517 %, whereas the expenses in the blue prescription scheme have risen by 38 %.

### Blue prescriptions

*Paid by the state:* The National Insurance Scheme (NIS) covers expenses for medicines, medical supplies etc. prescribed by a physician for outside hospital-use. The coverage is limited to the treatment of serious illnesses or of risk factors that are likely to cause or intensify serious illness and where there is a need or risk of recurring treatment over a prolonged period of time.

*Paid by the patient:* The patients pay a co-payment for blue prescriptions. For 2020 the limit was 2 460 NOK. The total self-payment for prescription drugs in 2020 amounted to just over NOK 1.5 billion, 12.5 per cent of total sales (12.2 billion NOK) for these drugs.

**H-prescriptions:** For some medicines prescribed by hospital doctors, the RHAs are given a special financial responsibility, even though treatment is outside hospitals. This includes disease-modifying, biological drugs for of rheumatic disorders - the so-called TNF inhibitors, some medicines for the treatment of multiple sclerosis (MS) and cancer drugs etc.

**White prescriptions:** Pharmaceuticals not covered by NIS, health authorities or municipalities are called white prescriptions and are generally paid by the patient. This often applies to short-term treatment, such as painkillers, sleepers, and antibiotics.

	<i>Turnover 2020 (mill. NOK)</i>	<i>Change From 2019-20</i>	<i>Share of total turnover 2020</i>
Blue prescriptions (paid by the state)	10 709	+ 7.8 %	39.1 %
Hospital (Regional Health Authorities) and other institutions (municipal)	5 336	+ 3.4 %	19.5 %
H-prescriptions (Regional Health Authorities)	5 852	+ 5.9 %	21.3 %
White prescriptions	3 413	+ 2.4 %	12.5 %
Blue prescriptions (paid by the patient)	1 527	+ 10.1 %	5.6 %
Other prescriptions <sup>2</sup>	587	+ 15.0 %	2.1 %

(Figure 6: Type of prescriptions by payer and turnover, change in turnover and share of total turnover)

<sup>1</sup> Regional health authorities are the four regional institutions owning the public hospitals in Norway.

<sup>2</sup> Includes vet. prescriptions



## PRICE-SETTING

The authorities decide the maximum price for prescription medicines in Norway and “trinnpris” for generics.

1. The maximum purchase price for pharmacies is set by Statens legemiddelverk (The Norwegian Medicines Agency) as the average price of the three lowest market prices in nine European countries.
2. The pharmacies’ maximum mark-up consists of a percentage addition to the pharmacies’ purchase price combined with a fixed additional amount per package, as shown in table:

	AIP*	% addition	NOK per package	NOK per package (A/B)	Refrigeration addition
2017	NOK 0 - 200 NOK > 200	7.0 % 2.25 %	25 NOK	15 NOK	0 %
2018	All	2.25 %	29 NOK	15 NOK	0,5 %
2019	All	2.00 %	29 NOK	19 NOK	0.5 %

(Figure 7: Price-setting changes from 2017 to 2019)

\*Pharmacy purchase price

### Price-setting for generics

Medicines that are subject to generic substitution should follow the system of “trinnpris” (“stepped prices”). The authorities have decided that pharmacies shall offer patients at least one generic alternative at a price that is considerably lower than the maximum price. These prices are called “trinnpris” (stepped prices). The prices<sup>3</sup> are cut up to 96 %.

### Hospital medicines and secret prices

Hospital medicines are largely purchased on a tender basis, and affect the medicines available for prescribing. An increasing number of expensive medicines are subject to tender and included in the formulary lists. Prescribing outside of formulary lists will be increasingly difficult. This also applies for H-prescriptions (see above). The trend of transferring high-cost medicines to the H-prescription category is also a trend for less expensive drugs (e.g. for hepatitis B).

The discounts which are achieved through tenders are confidential. Hence, the actual market prices (after discounts) are not publicly available information, but known to doctors, dispensing pharmacists and other groups of health personnel.

<sup>3</sup> Pharmacy purchase price



## PHARMACY SERVICES

### **New Medicine Service**

New Medicine Service «Medisinstart» is a new pharmacy service intended for patients with cardiovascular diseases starting up with a new medicine. The service consists of two follow-up consultations with a pharmacist. The first at 1-2 weeks and the second at 3-5 weeks after start of the new medicine. By the end of 2020, more than 30,000 consultations had been made. This is an increase by 44 percent from 2019. “New Medicine Service” has continued to be a popular service through the pandemic because the pharmacists were able to do it by phone.

### **Checking inhaler technique**

This service was officially launched in 2016 by the Minister of Health. In 2020, there was a decrease in the number of inhalation-technique guidance by 16 percent. It has been possible to carry out this service in the pharmacy, but strict infection control measures explain the decline compared to the previous year. However, with over 62,000 inhalation instructions, the pharmacies show that they manage to deliver the service in a good way in a demanding time.

### **Vaccination of seasonal flu**

Vaccination of seasonal flu in pharmacies has developed from a pilot project in 2017 to a national service in 2020. Despite the authorities' decision to prioritize flu vaccines to risk groups, the interest in taking the flu vaccine in pharmacies has been record high. In 2020, around 900 pharmacies have administered more than 100,000 influenza vaccines, compared with almost 33,000 influenza vaccines in 2019. The pharmacies have increased access to influenza vaccines for the Norwegian population by 20 per cent. Of the nearly 100,000 vaccines in pharmacies, 77,000 were ordered by a pharmacist.