



KEY FIGURES 2017

Pharmacies and pharmaceuticals in Norway

PHARMACY OWNERSHIP

In 2001, Norway liberalized the pharmacy system of ownership and establishment. Today the Norwegian pharmacy sector is recognized by:

- Free establishment of pharmacies – no establishment criteria
- Free ownership of pharmacies – anyone can own pharmacies, except pharmaceutical manufacturers and doctors
- 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

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 delivery of drugs to end users and contributes to the correct drug use in the population. As of 2017 internet pharmacies can operate in Norway, if they are part of a physical pharmacy.

At the end of 2017 there were **899** pharmacies in Norway, among these **867** 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 one of the main tasks.

<i>Year (1st of January)</i>	<i>Number of pharmacies</i>	<i>inhabitants per pharmacy</i>
2018	899	5850
2017	868	6057
2016	834	6200
2015	800	6386
2014	767	6577
2013	738	6756
2012	707	6959
2011	682	7123

(Figure 1: Number of pharmacies and inhabitants per pharmacy 2011-2018)

**EMPLOYEES**

Professionals in pharmacies mainly consist of pharmacists and pharmacy technicians. Both groups are authorized healthcare professionals. To be able to dispense drug remedies independently one must be a pharmacist.

<i>Category</i>	<i>Community pharmacy</i>	<i>Hospital pharmacy</i>	<i>Total (People)</i>
Pharmacist, master's degree	1624	489	2113
Pharmacist, Bachelor's degree	1545	113	1658
Pharmacy Technician	2792	600	3392
Other education	1288	168	1456
Total	7249	1370	8619

(Figure 2: Total number of employees, type of pharmacy and education level)

CONSUMPTION (2017)

All prescription medicines: 2 666 million DDD (+2.9 % from 2016)

Non-prescription medicines (sold by pharmacies): 283 million DDD (-2.8 % from 2016)

<i>Active substance</i>	<i>DDD (million)</i>	<i>DDD (per inhabitant)</i>
1. Atorvastatin (Lipitor)	156.3	29.5
2. Acetylsalicylic acid (Albyl-E)	118.1	22.3
3. Simvastatin (Zocor)	65.7	12.4
4. Cetirizine (Zyrtec)	63.2	11.9
5. Natriumfluoride (Flux)	61.3	11.6

(Figure 3: Medicines with highest consumption)

In 2017 the **total spending on pharmaceuticals** was 27.1 billion NOK (Incl. 25 % VAT). The **average spending on pharmaceutical** was 5 076 NOK per inhabitant (incl. 25 % VAT). Over 3 770 NOK were paid by the Norwegian state (Approx. 75 %).

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

Pharmacies' total turnover: NOK 35.1 billion (+6.7 % from 2016)

Community pharmacies: NOK 27.4 billion (+6.2 % from 2016)

Hospital pharmacies: NOK 7.6 billion (+8.2% from 2016)

	<i>Community pharmacy</i>	<i>Hospital pharmacy</i>	<i>Total</i>
	<i>(mill. NOK)</i>	<i>(mill. NOK)</i>	<i>(mill. NOK)</i>
Prescriptions medicines	17 637 (6.7 %)	6 742 (8.9 %)	24 401 (7.4 %)
Non-prescription medicines	2 592 (6.6 %)	135 (5.6 %)	2 727 (6.5 %)
Other pharmacy goods	7 199 (4.7 %)	722 (2.9 %)	7 973 (4.6 %)
Total	27 428 (6.2 %)	7 648 (8.2 %)	35 102 (6.7 %)

(Figure 4: Total turnover, type of pharmacy and medicine type)

Medicines with highest turnover

1. Adalimumab (Humira)
2. Apiksaban (Eliquis)
3. Infliximab (Remicade)
4. Paracetamol (Paracet)
5. Etanercept (Enbrel)

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 Authorities¹ (RHAs) have taken an increasing part of the pharmaceutical costs. From 2016 to 2017 the cost connected to the H-prescription scheme increased with 26.5 per cent. One of the main reasons for this is the inclusion of new medicines (cancer drugs and PAH-drugs) in this scheme. As of 2018, the number of drugs included in the H-prescription scheme is further increased by the inclusion of drugs for the treatment of asthma, HIV, hepatitis B and Mastocytosis.

¹ Regional health authorities are the four regional institutions owning the public hospitals in Norway.

**Blue prescriptions**

Paid by the state: The National Insurance Scheme (NIS) cover 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: According to § 8 the patients pay a share for blue prescriptions. For 2017 the limit was 2 205 NOK. The total self-payment for prescription drugs in 2017 amounted to just over NOK 1.2 billion, 10.5 per cent of total sales (10,7 billion NOK) for these drugs.

H-prescriptions: For some medicines, 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 2017 (mill. NOK)</i>	<i>Change From 2016-17</i>	<i>Share of total turnover 2017</i>
Blue prescriptions (paid by the state)	10 662	+ 2.2 %	43.8 %
Hospital (Regional Health Authorities) and other institutions (municipal)	4 652	+ 11.5 %	19.1 %
H-prescriptions (Regional Health Authorities)	4 158	+ 26.5 %	17.1 %
White prescriptions	3 206	+ 0.2 %	13.2 %
Blue prescriptions (paid by the patient)	1 245	+ 2.5 %	5.1 %
Other prescriptions ²	442	+ 18.3 %	1.8 %

(Figure 5: Type of prescriptions and turnover, change in turnover and share of total turnover)

² Includes vet. prescriptions



PRICE-SETTING

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

1. The maximum purchase price for pharmacies is set (by Statens legemiddelverk) 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 %

(Figure 6: Price-setting changes from 2017 to 2018)

*Pharmacy purchase price

Price-setting for generics

Medicines that are subject to generic substitution should follow the system of “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 prices³ 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.

³ Pharmacy purchase price



PHARMACY SERVICES

The Pharmacy chains in Norway do service campaigns like diabetes screening, control of blood pressure, control of cholesterol and so on.

Medisinstart

In December 2017, the Norwegian Parliament approved the introduction of a pilot project with New Medicine Service (Medisinstart) in pharmacies. At the same time, they granted NOK 4 million over the national budget. This means that 9,000 heart patients can receive the service for free in Norwegian pharmacies in 2018. «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.

Checking inhaler technique

This service was officially launched in 2016 by the Minister of Health. Since then more than 100,000 inhaler technique instructional services have been completed. The pharmacies report that 7 out of 10 patients who received the service were not correctly administering their inhaled medicines and hence their technique was corrected.