REVIEW OF PRESCRIPTION CHARGES IN WESTERN EUROPE,
NORTH AMERICA AND AUSTRALASIA
ACKNOWLEDGEMENT

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Introduction

1. This document contributes to the evidence base for the Partnership Agreement commitment to review prescription charges for people with chronic medical conditions and young people in full time education, which was announced in May 2003.

Background to the Review

2. In the modern world of health care, pharmaceutical drugs are a central part of the treatment for patients. How to contain the cost of this component of health care systems, while providing a fair and effective method of providing drugs to those patients who need them, has been a preoccupation of governments around the world for many years.

3. The main forms of cost containment employed by governments in relation to pharmaceutical drugs are:
   - Price and profit controls applied to pharmaceutical companies, distributors and sellers;
   - Reimbursement systems including patient co-payments, the use of prescriptions and over the counter medication (OTC), the introduction of reference price lists, generic substitution, and drawing up lists of reimbursable drugs;
   - Other fiscal measures, such as having a budget for how much a country will spend on prescription medication; and
   - Quality measures, such as prescription guidelines and the work of NHS Board prescribing advisors.

4. This review of prescription charges focuses on the second of these cost containment measures, and summarises how it has been used in Western Europe, North America and Australasia, looking particularly at the use of patient co-payments. It provides a country by country summary (see Appendix A). It should be noted that, co-payments for medication are complex and vary considerably from country to country, as do health care systems, numbers of reimbursable drugs and co-payment systems.

5. As this variation in policy across countries renders it difficult to draw sound conclusions about whether or not patients pay more or less in Scotland/UK compared to other countries, two case studies based on hypothetical drug prices and usage rates are also included here (see Appendix B).

6. The evidence provided in this review has been derived from a search of a range of pharmaceutical pricing and reimbursement texts, government websites, and the international literature on prescription charging policy, as it relates to patient co-payments. A full list of sources used can be found in the country by country summary (see Appendix A).
Health care systems in Western Europe¹, North America and Australasia

7. As can be seen in Appendix A, there is a huge variety of different health care systems in Western Europe, North America and Australasia. Firstly, in terms of health care systems generally, three main types exist:
   - Predominantly Private Health Care Systems such as the USA,
   - Predominantly Public Health Care Systems such as the UK, and
   - Truly Mixed Systems such as Ireland³-³⁹

However, in looking at health care systems in more detail, it becomes clear that no system can be seen as being exclusively funded by either public or private monies. Even in the USA, Medicare and Medicaid offer publicly funded health care for certain groups⁵.

8. Secondly in terms of medication, a consistent feature of all health care systems is government systems for subsidising the cost of medication for at least some groups of the population³-³⁹.

9. Many countries offer this subsidy only on medications which form part of a list; drugs on this list are normally prescription based medication, rather than OTC drugs. Some countries have ‘negative lists’ of medication which are not reimbursable, while others have ‘positive lists’ of medication which are reimbursable. Positive lists tend to limit what can be reimbursed to a far greater extent, than negative lists, as only those products listed can be reimbursed. The UK operates a loose form of negative list system, whereas many other countries such as Austria have positive lists to reduce their pharmaceutical costs and encourage the use of generics³-³⁹.

¹ Western Europe is defined for the purposes of this review as the Nordic Countries, the United Kingdom, Republic of Ireland, the Benelux countries, Germany, France, the Alpine Countries, the Italian peninsula and the Iberian peninsula.
Patient Co-payments

10. In terms of co-payments for government subsidised prescription medication, all the countries in the review, apart from The Netherlands have some form of co-payment – i.e. patients must make a contribution towards their medication (see table 1). However, the health care system in the Netherlands is currently being reformed, and as part of this reform, it has been proposed that patients will start to pay something towards their drugs. It should also be noted that although Wales is in the process of abolishing its prescription charge, co-payments are being phased out through year on year reductions.

Finally, in Italy regions are now able to introduce their own system of reimbursement, leading to some regions abolishing patient co-payments.

### Table 1: Patient Co-Payments for Medication (Normal Co-Payments)

<table>
<thead>
<tr>
<th>Country</th>
<th>Maximum Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Counties with Almost No Co-Payments</strong></td>
<td></td>
</tr>
<tr>
<td>Netherlands</td>
<td>Theoretically, patients pay the difference in cost between the reference and actual price, but in reality this rarely happens</td>
</tr>
<tr>
<td><strong>Countries with Fixed Co-Payments</strong></td>
<td></td>
</tr>
<tr>
<td>Austria</td>
<td>£3.06 (per pack**)</td>
</tr>
<tr>
<td>Australia</td>
<td>£12.54 (per drug)</td>
</tr>
<tr>
<td>Italy</td>
<td>£2.12-£3.89 (per pack or per prescription in regions where these rates still apply)</td>
</tr>
<tr>
<td>New Zealand</td>
<td>£5.61 (per item)</td>
</tr>
<tr>
<td>UK</td>
<td>£6.50 (per item in England, Scotland and Northern Ireland)</td>
</tr>
<tr>
<td></td>
<td>£4.00 (per item in Wales)</td>
</tr>
<tr>
<td><strong>Countries with Fixed and Percentage Co-Payments</strong></td>
<td></td>
</tr>
<tr>
<td>Finland</td>
<td>£7.07 plus 50% of the remaining cost of the medication</td>
</tr>
<tr>
<td>Germany</td>
<td>£3.54-£7.07 or 10% of the reference cost of the medication</td>
</tr>
<tr>
<td><strong>Countries with Cap Based Co-Payments</strong></td>
<td></td>
</tr>
<tr>
<td>Ireland</td>
<td>£60.10 cap on costs per month</td>
</tr>
<tr>
<td>Sweden</td>
<td>£62.73 cap per year</td>
</tr>
<tr>
<td><strong>Countries with Complex Co-Payments</strong></td>
<td></td>
</tr>
<tr>
<td>Canada</td>
<td>Varied</td>
</tr>
<tr>
<td>USA</td>
<td>Varied</td>
</tr>
<tr>
<td><strong>Countries with Percentage Based Co-Payments</strong></td>
<td></td>
</tr>
<tr>
<td>Belgium</td>
<td>0%, 22.5%, 50-80%, 100% (based on assessed usefulness of medication)</td>
</tr>
<tr>
<td>Denmark</td>
<td>15%, 25%, 50%, 100% (based on drug consumption)</td>
</tr>
<tr>
<td>France</td>
<td>35-65% for serious disease drugs &amp; 65-100% for non-serious disease drugs (based on usefulness of medication)</td>
</tr>
<tr>
<td>Luxemburg</td>
<td>20% for most drugs (0%, 60%, 100% for serious illness, less important medication, supplements respectively)</td>
</tr>
<tr>
<td>Portugal</td>
<td>20% for most generic medication and 30% for most non-generic medication (0%, 50-60% and 70-80% drugs for chronic condition, infections, and drugs still under consideration respectively)</td>
</tr>
<tr>
<td>Spain</td>
<td>40% for most drugs</td>
</tr>
</tbody>
</table>

* It should be noted that although a conversion to sterling is included, cost of living and other aspects of health care systems vary between countries so caution should be taken in interpretation.

** Charges are either per drug prescribed, per pack of a given medicine or per item on a prescription form.
11. As can be seen in table 1, **the most frequent form of co-payment for the countries in this review is, asking patients to pay a percentage of the cost of their medication.** As can be seen above, different geographical locations seem to favour different approaches, with Australasia favouring a fixed charge, Europe a percentage charge, and North America complex co-payment systems.

**Reduced Co-payments and Co-payment Exemptions**

12. **All the countries in this review offer some form of exemption or co-payment reduction for certain groups who might find it hard to pay for the cost of their medication.** The exception is The Netherlands, where medication is practically free for everyone (see table 2) – although the introduction of patient co-payment is being considered at present.

13. **Thirteen of the 18 countries in this review have some form of exemption, or reduced co-payment, for certain medical conditions** e.g. diabetes, or for certain uses of drugs e.g. in life-saving situations. However, apart from the UK, where patients who have exempted medical conditions receive exemptions for *all* of their prescription charges, all these countries **give reductions and exemptions only for the prescribed medication to treat the condition in question**, with occasional specific exceptions e.g. Ireland who give free prescriptions to patients infected with certain disease via blood transfusions.39

14. **Eleven countries have reduced payments or exemptions on the grounds of age, with older people or pensioners receiving additional help.** Other common exemptions and co-payment reductions are for income and disability groups.

15. As can be seen in table 2, most countries have a mixture of exemptions and reduced co-payments however three countries only offer exemptions and a further three solely reduced co-payments.
Table 2: Patient Co-Payments for Medication (Reduced and/or Exempt by category*)

<table>
<thead>
<tr>
<th>Country</th>
<th>Use of drug/ Medical Condition</th>
<th>Disabled High Users</th>
<th>Income</th>
<th>Child</th>
<th>Older People</th>
<th>Other e.g. Veterans</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Denmark</td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Finland</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Countries With Reduced Co-Payments, But No Exemptions</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UK</td>
<td></td>
<td>●</td>
<td>●</td>
<td>●</td>
<td>●</td>
<td>●</td>
</tr>
<tr>
<td>Ireland</td>
<td></td>
<td>●</td>
<td>●</td>
<td>●</td>
<td>●</td>
<td>●</td>
</tr>
<tr>
<td>Luxemburg</td>
<td>●</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Countries With Exemptions, But No Reduced Co-Payments</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Austria</td>
<td></td>
<td>●</td>
<td>●</td>
<td>●</td>
<td>●</td>
<td>✓</td>
</tr>
<tr>
<td>Belgium</td>
<td>✗</td>
<td>●</td>
<td>●</td>
<td>●</td>
<td>●</td>
<td>✗</td>
</tr>
<tr>
<td>Canada</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>France</td>
<td>✓</td>
<td>●</td>
<td>●</td>
<td>●</td>
<td>●</td>
<td>●</td>
</tr>
<tr>
<td>Germany</td>
<td>●</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Italy (some regions)</td>
<td>✓</td>
<td>●</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>New Zealand</td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>●</td>
<td>✓</td>
</tr>
<tr>
<td>Portugal</td>
<td>●</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Spain</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>USA</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>●**</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Sweden</td>
<td>●</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td>●</td>
</tr>
<tr>
<td></td>
<td>Countries With Both Reduced Co-Payments and Exemptions</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Totals</td>
<td>13</td>
<td>8</td>
<td>2</td>
<td>10</td>
<td>8</td>
</tr>
</tbody>
</table>

* It should be noted that this table indicates where reductions and exemptions lie. However what these cover within each category vary from country to country. The Netherlands is not included in this table as in reality patients do not pay co-payments.

** Low income pregnant women, children, care home patients.

Key: ✓ = Reduced Payment ● = Exemption (greyed out items indicate that only a partial reduction or exemption is available e.g. New Zealand where children do not pay for prescriptions under 6 year of age)

Caps on Co-payments

16. Although only two countries have reduced co-payments for high users of services or prescription medication (see table 2), it should be noted, that at least 10 of the countries in the review have some form of cap on co-payments. The most common is a cap on how much any patient pays for their prescription medication over a given time period. In some countries, a cap is placed on costs only for certain groups or services.
Case Studies

17. As noted above, the variation in charging policy across countries renders it difficult to draw sound conclusions about whether or not patients pay more or less in Scotland compared to other countries. Given this difficulty, case studies based on a hypothetical range of drug prices and usage rates were considered to look at the impact of differing charge regimes and the use of capping. These case studies showed that:

- At very low drug costs, patients in Scotland pay more, but face lower costs relative to other countries for medium to high priced medication.
- Overall, patients in fixed co-payment regimes, such as the UK, pay more relative to patients in other types of co-payment regime (related to the cost of the medication) when the cost of the medication is low, but pay less when the cost of the drug is high.
- The case studies excluded the Netherlands, where, although in theory patients pay the difference in cost between the reference and actual price, in practice patients make almost no payment.

Conclusion

18. As can be seen in Appendix A and the above, co-payments for medication are complex and vary considerably from country to country as do health care systems, number of reimbursable drugs and co-payment systems. There are however some common themes:

- All the countries in this review offer some form of subsidised prescription medication for at least some of their population. The commonest type of co-payment is to ask patients to pay a percentage of their medication related cost.
- Reduced co-payments and exemptions are available in all the reviewed countries apart from the Netherlands, which has basically free prescription medication for everyone.
- Most countries have a mixture of reduced payments and exemptions.
- The most common exemption and reduced payment category is medical grounds/ the use of the drug for a particular purpose. The UK offers exemption from the cost of all prescriptions on medical grounds. The next most frequent reason for exemption and/or reduced payments is for age (older people) followed by income and disability.
- Most countries also have a cap on how much patients pay for their medication, most frequently by capping how much patients pay in a given time period.

19. All of the above suggests that the UK has a relatively unusual co-payment system for prescription medication. Out of the 18 countries in this review, only the UK and four other countries have a co-payment system based on a fixed price. The UK does not offer reduced co-payments, only exemptions. Only two other countries have this type of system and they do not operate fixed price systems. The UK is also the only country which offers exemptions from all prescription medication costs for those patients given exemption on medical grounds. It can be concluded that the UK has one of the most generous subsidised medication systems of those reviewed.
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APPENDIX A: COUNTRY BY COUNTRY SUMMARY

1. The aim of this Appendix is to provide a country by country summary of each health care system in Western Europe, North America and Australasia focusing on each country’s use of co-payments, that is how much the patient pays towards the cost of their prescription medicines. This review does not explore other cost issues such as pharmaceutical pricing generally, pharmacy related costs or the application of VAT on prescription medications.

2. Two countries are included for Australasia:
   • Australia and
   • New Zealand.

   Two for North America:
   • Canada and
   • USA).

   For Western Europe\(^1\) 14 further countries are included\(^2\):
   • Austria
   • Belgium
   • Denmark
   • Finland
   • France
   • Germany
   • Ireland
   • Italy
   • Luxembourg
   • Netherlands
   • Portugal
   • Spain
   • Sweden
   • UK

3. Countries are presented here by region and then by alphabetical order. Each country summary contains a background section, describing how health care is provided and a patient co-payment section describing how patient charges are applied. For most countries the section on patient co-payments is further broken down into a general section on co-payments and sections on reduced co-payments, co-payment exemptions and caps on co-payments for ease of comparison. A glossary of terms is provided at the end of this review (see Appendix C) for those not familiar with the terms used; alongside this is a full list of the exchange rates used to convert each countries costs into pounds. Conversion rates should however be viewed with caution as the cost of living and the components of each health care system varies from country to country.

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\(^1\) Western Europe is defined for the purposes of this review as the Nordic Countries, the United Kingdom, Republic of Ireland, the Benelux countries, Germany, France, the Alpine Countries, the Italian peninsula and the Iberian peninsula.

\(^2\) Limited here to OECD countries which are members of the European Union.
4. It should be noted that this appendix is not intended to be a full review of the literature around patient co-payments, but rather an overview of current policies in Western Europe, North America and Australasia. It should be noted that information has only been obtained from the available English text for each country.
AUSTRALASIA

AUSTRALIA

Background

5. The national healthcare system in Australia is Medicare. This provides public hospital services free of charge to all residents along with free, or subsidised, out-of-hospital care, such as doctor’s consultations. Medicare is funded through general taxation and a Medicare levy based on income level (1.5% of taxable income or 2.5% for those on high incomes who do not have private insurance). The government also provides a 30% rebate for those who take out private health insurance1.

6. Medicare includes the Pharmaceutical Benefits Scheme (PBS) which provides subsidised access to over 2,600 brands of prescription medicines2. Approximately 90% of prescriptions in Australia are PBS items3.

Patient Co-Payments

7. PBS pays the cost of the medicine up to the list price, above a certain contribution made by the patient. Contribution rates fall into three categories: general patients, concession card holders and Department of Veterans’ Affairs (DVA) orange card holders. These contributions are adjusted yearly and do not cover additional costs of more expensive brands of medicine4. Below the levels shown in table 1, the patient will pay the dispensing price plus any pharmacy fee1.

Table 1: PBS patient contribution amounts as of 1 January 20064

<table>
<thead>
<tr>
<th>Category</th>
<th>Contribution</th>
<th>Contribution (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>General patients</td>
<td>A$29.50</td>
<td>£12.54</td>
</tr>
<tr>
<td>Concession card holders</td>
<td>A$4.70</td>
<td>£2.00</td>
</tr>
<tr>
<td>DVA card holders</td>
<td>A$4.70</td>
<td>£2.00</td>
</tr>
</tbody>
</table>

Reduced Co-Payments

8. Concession and DVA card holders and are entitled to a reduced contribution as shown in table 2. Concession cards include Pensioner Cards, Health Care Cards and Commonwealth Seniors’ Health Cards5. Most concession cards are for people on low incomes. Some concession cards are also available to people who are self-funded retirees who do not receive a pension (please see website for full list of those eligible6).

9. DVA orange cards are cards for veterans and their dependants which give access to PBS medicines at a concession rate7.
Co-Payment Exemptions

10. As can be seen in table 1, under normal circumstances there are no groups of patients, young, old or chronically ill that receive their medicines free of charge.

Cap on Co-Payment

11. A PBS Safety Net is in place in Australia which helps individuals or families who need a lot of medicines in a calendar year with the cost of their medication. Once an individual or family reaches a Safety Net threshold, they can apply for a PBS Safety Net card which entitles them to less expensive (or free) medication for the rest of the calendar year (see table 2).

Table 2: PBS Safety Net thresholds as at 1 January 2006

<table>
<thead>
<tr>
<th>Category</th>
<th>PBS Safety Net threshold (£)</th>
<th>PBS Safety Net threshold (£)</th>
<th>PBS Safety Net contribution</th>
<th>PBS Safety Net contribution (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>General patients</td>
<td>A$960.10</td>
<td>£408.20</td>
<td>A$4.70</td>
<td>£2.00</td>
</tr>
<tr>
<td>Concession card holders</td>
<td>A$253.80</td>
<td>£107.91</td>
<td>Free</td>
<td>Free</td>
</tr>
</tbody>
</table>

12. In addition, a Pharmaceutical Allowance is paid to certain groups of patients to help cover out-of-pocket expenses. This is a non-taxable fortnightly payment of A$5.80 (£2.47) a fortnight for single and A$2.90 (£1.23) a fortnight for each eligible member of a couple (A$5.80 combined) and is available to those receiving a pension, holding a DVA orange card or holding a range of low income allowances. This scheme also entitles the holder to free PBS medicines for the rest of the year, once 52 prescription medicines have been paid for through the PBS in a calendar year.  

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3 This payment rate is effective from 1 January 2006.
NEW ZEALAND

Background

13. The healthcare system in New Zealand is funded mainly through general taxation, supplemented by payments by patients and private health insurance. The government provides free inpatient and outpatient public hospital services, subsidies on prescription items and a range of support services for people with disabilities in the community, however most adults cover the cost of their primary care. Around 1/3 of the population have private health insurance cover (10% of total health expenditure in New Zealand). This cover is not comprehensive but covers people against gap and supplementary costs.

14. The New Zealand Health system provides subsidised access to a list of around 2,600 prescription medicines and related items.

Patient co-payments

15. In New Zealand patients aged 6 and over pay either the price of items or a prescription charge, whichever is the lesser amount. This applies to subsidised items on the list; for non-list items patients have to cover the cost. All patients are also liable for any pharmacy premiums which are applied to their prescription medication. The maximum prescription charge for list items is NZ$15, see table 3.

Table 3: New Zealand maximum patient contribution amounts as of 2005

<table>
<thead>
<tr>
<th>Category</th>
<th>Contribution</th>
<th>Contribution (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Children under 6</td>
<td>No charge</td>
<td>No charge</td>
</tr>
<tr>
<td>Children 6 and over</td>
<td>NZ$10</td>
<td>£3.74</td>
</tr>
<tr>
<td>Adults (18 and over)</td>
<td>NZ$15</td>
<td>£5.61</td>
</tr>
</tbody>
</table>

Reduced Co-Payments

16. A range of concession cards are available in New Zealand. These cards entitle the holders to a reduced contribution as shown in table 4. People on low incomes are eligible for a community services card. A Prescription Subsidy Card is available from a pharmacist if a family pays the government prescription charge on 20 subsidised prescription items a year.

17. For people who visit the doctor more than 12 times in a year a High Use Health Card is available. This entitles the holder to the same reduced prescription charge that the Community Services Card offers, but is not means tested (see table 4).

Table 4: New Zealand patient* reduced maximum contribution amounts as of 2005

<table>
<thead>
<tr>
<th>Category</th>
<th>Contribution</th>
<th>Contribution (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community services card</td>
<td>NZ$3</td>
<td>£1.12</td>
</tr>
<tr>
<td>Prescription subsidy card</td>
<td>NZ$2</td>
<td>£0.75</td>
</tr>
<tr>
<td>Both community services &amp; prescription subsidy cards</td>
<td>No charge</td>
<td>No charge</td>
</tr>
<tr>
<td>High use health card</td>
<td>NZ$3</td>
<td>£1.12</td>
</tr>
</tbody>
</table>

* Cards apply to both adults and children
18. Since 2004, the NZ$3 maximum charge has also applied to medicines accessed through a new network of Primary Health Organisations by all 6-17 year olds, all those over 65 and those living in areas identified as in the greatest need. In theory, this means that, provided they are willing to change how they purchase their medication, individuals within these groups will pay a maximum of NZ$3 rather than the rates in table 3.

Co-Payment Exemptions

19. In New Zealand the only exemption from the prescription charge is on the grounds of age for children under the age of six (see table 3). Any pharmacy premiums are not covered by exemption.

Cap on Co-Payment

20. In New Zealand, holders of both a Community Services Card and a Prescription Subsidy Card do not pay for prescriptions beyond the first 20 in any year (see table 4).
NORTH AMERICA

CANADA

Background

21. The national healthcare system in Canada is Medicare. This funds all healthcare services (including primary and secondary care) to all residents, through federally funded health insurance. It is funded by general taxation at the federal and provincial level. However, the management of healthcare is undertaken by each province. Medicare accounts for 70% of healthcare expenditure; the remaining 30% is made up of patient payments and private insurance for supplementary items. Around 62% of the population has private insurance to cover the cost of prescription medicines, mostly offered through their employer.

22. Each of Canada’s 13 provinces set their own policy regarding co-payment for pharmaceutical items outside of institutional settings e.g. hospitals, nursing homes, etc. However, most provinces subsidise the cost of prescribed medicines for some part of their population through drug benefit programs. Prescription medication in institutional settings is provided at no direct cost to the patient through Medicare.

Patient co-payments

23. Whether a Canadian pays the full amount for their prescribed medication, makes a percentage contribution, or has the full cost of their medication paid for, depends on their access to:

- **Private insurance plans**
  A wide range of plans are available mainly through employers, all with variations to what is covered and patient costs. It is common for patients to pay co-payments or deductibles on top of their insurance premiums.

- **Provincial drug benefit plans**
  Each provincial government in Canada provides some form of assistance for the purchase of prescription medicines. Most of the plans are tax-financed, although in Quebec, those insured under the public plan have to pay an annual premium determined on the basis of income. These prescription drugs insurance programs vary widely from province to province, but most often cover older people (all but two provinces), residents on social assistance and some groups with specific diseases. In addition, some provinces pay some of the cost of prescription medications for all residents (Alberta, British Columbia, Quebec, Manitoba and Saskatchewan). All provincial drug benefit plans include drug lists that favour generic drugs, prescribing guidelines and some combination of deductibles, cost sharing or user fees. Table 5 gives two examples of provincial benefit plans in Canada.

- **Federal programs**
  The federal government has 4 drug programs that provide prescription drug coverage for public service employees, national defence personnel, federal inmates and other groups such as refugees on humanitarian grounds. The level of benefit and co-payment in these schemes also varies.

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4 Similar to the excess paid in the UK on insurance claims.
Table 5: Canadian patient contributions under provincial drug benefit plans in 2 provinces as of 2005

<table>
<thead>
<tr>
<th>Category</th>
<th>Contribution</th>
<th>Contribution (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>British Columbia</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Under 65</td>
<td>30% of the cost of the drug</td>
<td>N/A</td>
</tr>
<tr>
<td></td>
<td>Deductible between 0 -3% of net income depending on net family income</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Maximum contribution equal to between 2-4% of net income depending on net family income</td>
<td></td>
</tr>
<tr>
<td>Over 65</td>
<td>25% of the cost of the drug</td>
<td>N/A</td>
</tr>
<tr>
<td></td>
<td>Deductible between 0 -2% of net income depending on net family income</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Maximum contribution equal to between 1.25-3% of net income depending on net family income</td>
<td></td>
</tr>
<tr>
<td><strong>Ontario</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Over 65</td>
<td>Cn$6.11 per prescription</td>
<td>£2.65</td>
</tr>
<tr>
<td></td>
<td>Cn$100 deductible over a set net income</td>
<td>£43.43</td>
</tr>
<tr>
<td></td>
<td>Cn$2 per prescription for those on low income</td>
<td>£0.87</td>
</tr>
<tr>
<td>Low income residents</td>
<td>Cn$2 per prescription</td>
<td></td>
</tr>
<tr>
<td>with high drug costs</td>
<td>Deductible based on net family income</td>
<td></td>
</tr>
</tbody>
</table>
USA

Background

24. The majority of healthcare in the USA is supported by private insurance. Alongside this, around 14% of the population is covered by Medicare, a federal insurance plan for those aged 65 and over, and some people with disabilities or end stage renal failure under that age. In addition, 12% of the population are covered by the State administered Medicaid which focuses on low income groups regardless of age. Since 1997, the State Children’s Health Insurance Program (SCHIP) has extended Medicaid (or developed a similar scheme) to children in families not able to afford private insurance, but not poor enough to be eligible for Medicaid. SCHIP is the single largest expansion of health insurance coverage for children since the initiation of Medicaid in the mid-1960s. Most private insurance plans are provided by employers. In 2003 it was estimated that just under 16% of the population lacked any form of health insurance either public or private.

25. Medicare has not historically covered prescription medication as part of its benefits. However in 1997 Medicare+choice was introduced which gave patients the option to join Medigap, a private insurance scheme which includes reimbursement for co-payments up to a given limit. About 60% of Medicare recipients opted for Medigap. From 2004 Medicare included a temporary prescription discount drugs card giving a discount on medication for a yearly fee which was to be used until more comprehensive cover was introduced. This also gave a prescription subsidy to very poor families. From the beginning of 2006 more comprehensive cover has been available for a monthly fee which replaces the temporary measures introduced in 2004 and can still be used in conjunction with private insurance. This means that, for a monthly fee, Medicare will pay a certain percentage of the cost of prescription medication.

26. Medicaid is administered individually by each state in the USA so benefits vary widely. However, as part of the option to provide additional Medicaid services at a state level, 50 states plus the District of Columbia have included the provision of prescription medication. The maximum reimbursement for prescription medication is set at a federal level and covers all medically necessary prescription medication regardless of cost. In addition, since 1997 the State Children’s Health Insurance Program (SCHIP) has expanded health insurance to children whose families earn too much money to be eligible for Medicaid, but not enough money to purchase private insurance. States have the option to include their State Children’s Health Insurance Program in Medicaid, to operate it as a separate program or provide it as a mixture of the two.

27. In addition to the insurance programs listed above, drugs companies and other groups offer additional forms of help for specific groups and for specific prescription medications as part of the Partnership for Prescription Assistance Program. This program is aimed at those with prescription medication costs not covered by private or government insurance.

Patient co-payments

28. About 16% of Americans pay the full price for their prescription medications as they are not covered by either a private or a public insurance plan (see table 6).
Table 6: USA co-payments as of 2006

<table>
<thead>
<tr>
<th>Category</th>
<th>Contribution</th>
<th>Contribution (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>No private or public insurance</td>
<td>Full price of prescription medication with some possibility of drug company support</td>
<td>Full price</td>
</tr>
<tr>
<td>Private Insurance (tiered plans)</td>
<td>$9-$29</td>
<td>£5.22 - £16.82</td>
</tr>
<tr>
<td>Medicare (excluding reduced payments, see below)</td>
<td>25% of cost up to $2,250 100% between $2,250 and $5,100* 5% above $5,100</td>
<td>Up to £1,305.52 - £1,305.52 - £2,958.51 Above £2,958.51</td>
</tr>
<tr>
<td>Medicaid</td>
<td>$0.50-$3</td>
<td>£0.29 - £1.74</td>
</tr>
</tbody>
</table>

* Patients pay the full cost of their drugs in the new middle band with Medicare.

29. Most private health care plans include some form of co-payment or deductible. The type of insurance plan will determine what this payment will be. These range from tiered plans which determine patients’ co-payments on the basis of whether the prescription is filled with a generic, preferred brand or non-preferred brand. Such plans are becoming increasingly common (63% of employee plans). In 2003, the typical co-payment for a tiered plan was $9 for generics, $19 for preferred and $29 for non-preferred brands (see table 6). Other plans are either single tier (asking patients to pay a single flat rate regardless of whether the medicine is generic or a preferred brand), or ask the patient to pay a percentage of the cost of the prescription item.

30. For those patients who are eligible for Medicare\(^1\), for $35 (£20.30) a month (excluding an annual deductible of $250 (£145.03), Medicare will pay 75% of the cost of their prescription medication up to a limit of $2,250. Between $2,250 and $5,100, patients are not eligible for any additional help, however above $5,100 Medicare will pay 95% of a patient’s medicine costs as part of ‘catastrophic cover’\(^1\). This prescription medication cover is available in conjunction with private and employer based insurance. Medicare cover includes all the prescription medicines included in Medicaid, along with smoking cessation products and insulin\(^1\). The type of Medicare plan will determine whether an open or closed formulary is available to the patient.

31. For those eligible for Medicaid\(^2\), states may impose small co-payments. The use of co-payments for prescription drugs varies from state to state. Nineteen states have no co-payment, and the majority of the remaining states require a co-payment ranging from 50 cents (£0.29) for generic drugs to $3.00 (£1.74) for brand-name prescriptions (see table 6). Cost sharing limits are set by Federal regulation and have not changed in many years\(^2\). SCHIP co-payments are similar to those for Medicaid.

Reduced Co-Payments and Cap on Co-Payment

32. For those patients who are eligible for Medicare and are on low incomes, additional assistance is available for prescribed medication. For the very poorest there is no co-payment above $5,100 and for those almost as poor a reduced co-payment of $2-$5 (£1.16 - £2.90) exists above this limit\(^3\).
Co-Payment Exemptions

33. For those on low income eligible for Medicaid, some groups are totally exempt from cost-sharing by law:
   - pregnant women,
   - children under age 18, and
   - hospital or nursing home patients who are expected to contribute most of their income to institutional care

In addition, as mentioned above, 19 states have no co-payment for those on Medicaid.\(^{21}\)

34. Some Americans can gain exemption from the costs of paying for their prescription medications through the Partnership for Prescription Assistance. This is an organisation offering a single point of access to the 475 plus public and private patient assistance programs, including more than 150 programs offered by pharmaceutical companies. Each program is different but might include patients being given free or almost free prescription drugs from the company that produces them or having their prescription cost paid by a charitable organisation.\(^{18}\)
EUROPE

AUSTRIA

Background
35. Health care in Austria is based around a compulsory social insurance system with contributions from employees and employers. The system covers 99% of Austrians, with 74% actually making payments, and 25% being co-insured spouses, children and other dependants. The remaining 1% is covered by institutions caring for the sick. The amount paid to insurers is based solely on income, and is set down in law. Insurers are geographically based, or are based around particular occupations e.g. railway workers. Health insurance and general taxation covers 2/3 of total health costs, the rest is covered by patient payment and private insurance. About a quarter of Austrians have private health insurance.

36. Austria’s social insurance system includes reimbursement for a list of prescription medications known as the ‘green box’. There are two other lists of drugs awaiting inclusion, also known as ‘boxes’. Drugs outside of these boxes can however be reimbursed under exceptional circumstances. In 2001, approximately three quarters of all medication in Austria was paid for through social insurance.

Patient co-payments
37. Austrian patients pay a co-payment for each pack of prescription medication prescribed. In 2004, the cost per pack was €4.35 (£3.06). Alongside this, patients pay an additional co-payment per health insurance certificate of €3.60 (£2.54), for each visit to their health insurance linked doctor.

Reduced Co-Payments
38. Farmers, civil servants and the self-employed pay a lower co-payment for doctor consultations.

Co-Payment Exemptions
39. Prescription medications for notifiable diseases are exempt from co-payments, as are prescriptions for patients on social assistance. Some exemptions are also available for children, disabled and retired patients.

Cap on Co-Payment
40. In Austria there is no general cap on co-payments, however caps do exist for different types of services.
BELGIUM

Background

41. The Belgian health care system is based on a health insurance system. It is provided by Belgium’s three regions, overseen by the federal government and covers 99.9% of the population. It includes a list of reimbursable prescription medication. Funding is provided through health insurance contributions and general taxation (79%), patient co-payments (18%) and private insurance (3%)\(^1\).

Patient co-payments

42. In Belgium patients pay a percentage of the cost of their prescription medication\(^1\). The cost they pay depends on what category their medication falls into within the list of reimbursable items (see table 7).

Table 7: Belgian co-payments as of 2005\(^1\)

<table>
<thead>
<tr>
<th>Category</th>
<th>Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>A (Life saving medication)</td>
<td>0%</td>
</tr>
<tr>
<td>B (Important therapeutic medication)</td>
<td>22.5%</td>
</tr>
<tr>
<td>C (Drugs for symptomatic treatment of chronic conditions, vaccines, painkillers and contraceptives)</td>
<td>50-80%</td>
</tr>
<tr>
<td>D Not reimbursable</td>
<td>100%</td>
</tr>
</tbody>
</table>

Reduced Co-Payments

43. A reduced co-payment of 15% is available for medication in category B for disabled people depending on their income; pensioners; widows and widowers /their dependants; and orphans. In addition, for patients who have agreed to have their entire medical details collected into one file, there is a 30% reduction in co-payments if they get their medication prescribed through the doctor who holds this list\(^1\).

44. In addition as can be seen in table 7, the co-payment rates in Belgium are based on medical grounds with patients paying a lower co-payment for certain medical needs\(^1\).

Co-Payment Exemptions

45. Life saving medication is free in Belgium (Category A in table 7). Such medication includes treatments for cancer, HIV/AIDS and diabetes\(^1\).

Cap on Co-Payment

46. Although there is no cap on co-payment in Belgium, for category B and some category C prescription medications there is a maximum co-payment per item (see table 8). This cap is lower for those eligible for a reduced co-payment e.g. €10.00 (£7.07) for combined painkillers and vaccines\(^1\).
Table 8: Belgian caps on co-payments as of 2005

<table>
<thead>
<tr>
<th>Category</th>
<th>Cap</th>
<th>Cap (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A (Life saving medication)</td>
<td>No applicable</td>
<td>No applicable</td>
</tr>
<tr>
<td>B (Important therapeutic medication)</td>
<td>€10.00 (small pack)</td>
<td>£7.07 (small pack)</td>
</tr>
<tr>
<td></td>
<td>€15.10 (large pack)</td>
<td>£10.68 (large pack)</td>
</tr>
<tr>
<td>C Vaccines, painkillers</td>
<td>€16.70</td>
<td>£11.80</td>
</tr>
<tr>
<td>Other Category C</td>
<td>Not applicable</td>
<td>Not applicable</td>
</tr>
<tr>
<td>D Not reimbursable</td>
<td>Not applicable</td>
<td>Not applicable</td>
</tr>
</tbody>
</table>
DENMARK

Background

47. In Denmark the National Health Service provides universal coverage. Currently it is administered by Denmark’s counties, but is overseen nationally. 85% of the health care expenditure comes from taxation. However, health care in Denmark is likely to change in 2007 to a regional funded system, supported by a new national health care tax. Supplementary private insurance is dominated by one insurer which insures 35% of the population.

48. As part of the National Health Service in Denmark there is a list of reimbursable prescription medications.

Patient co-payments

49. Patients pay a percentage of the cost of their prescription pharmaceuticals per year (see table 9).

Table 9: Danish co-payments per year as of 2005

<table>
<thead>
<tr>
<th>Annual Drugs Consumption</th>
<th>Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>DKr0-DKr520 (£0-£49.43)</td>
<td>100%</td>
</tr>
<tr>
<td>DKr521-DKr1,259 (£49.52-£119.67)</td>
<td>50%</td>
</tr>
<tr>
<td>DKr1,260-DKr2,949 (£119.76-£280.31)</td>
<td>25%</td>
</tr>
<tr>
<td>DKr2,950-DKr3,805 (£280.40-£361.67)</td>
<td>15%</td>
</tr>
</tbody>
</table>

Reduced Co-Payments

50. Patients under the age of 18 pay 50% of the cost of their prescription medication between DKr0-DKr1,259 (£0-£119.67), after which the regular co-payment rates apply. Pensioners and those below pensionable age on low income can get assistance in paying for their prescription medication.

Co-Payment Exemptions

51. There are no exemptions under the Danish system.

Cap on Co-Payment

52. The contribution for chronically ill patients whose annual drugs consumption exceeds DKr3,806 (£361.77) drops to 0%.
FINLAND

Background

53. Finland’s health care system covers the entire population and is funded through taxation. Responsibility for providing health care is decentralised. Patient charges are a feature of the system with the maximum charges being set by statute\(^1\).

54. As part of the system, any prescription medication approved by the pharmaceutical pricing board is reimbursable\(^2\).

Patient co-payments

55. Patient co-payments in Finland are based on the reimbursement category of the prescription medication (see table 10).

Table 10: Finnish co-payments* per year as of 2005\(^1\)

<table>
<thead>
<tr>
<th>Category</th>
<th>Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic</td>
<td>€10 (£7.07) plus 50% of the remaining cost</td>
</tr>
<tr>
<td>Lower special category (chronic conditions e.g. asthma, hypertension,</td>
<td>€5 (£3.54) plus 25% of the remaining cost</td>
</tr>
<tr>
<td>coronary heart disease and rheumatoid arthritis)</td>
<td></td>
</tr>
<tr>
<td>Upper special category (life threatening and severe chronic conditions</td>
<td>€5 (£3.54) plus 0% of the remaining cost</td>
</tr>
<tr>
<td>e.g. cancer, diabetes, psychotic disorders and epilepsy)</td>
<td></td>
</tr>
</tbody>
</table>

*Prescriptions collected at the same time for the same category of medication attract only one fixed payment.

Reduced Co-Payments

56. In Finland, patients with certain chronic, severe chronic, or life threatening conditions pay reduced co-payments (see table 10).

Co-Payment Exemptions

57. There are no co-payment exemptions in Finland. Every patient pays a set co-payment and a percentage of the cost of the prescription medication\(^1\) depending on the category under which the medication falls.

Cap on Co-Payment

58. There is an annual cap on patients’ expenditure on reimbursable drugs which was €604.72 (£425.87) in 2004\(^1\).
FRANCE

Background

59. The French have a system of statutory health insurance which has almost universal coverage. In addition, 90% of the population belong to supplementary sickness or private insurance schemes. Most of the French health care expenditure is financed through employee and employer contributions (75%). The rest comes from patient payments and private insurance.

60. Under the French system, to gain reimbursement a medication must be registered on lists of approved medication.

Patient co-payments

61. French patients have to pay a percentage of the cost of their prescription medication up to the reference price for that drug, plus any cost above that up to the dispensing price (see table 11). Co-payments in France depend on the seriousness of the disease and the benefit the French government has assessed that the medication has. The majority of people in France cover the difference between their co-payment and the reference price through private and other insurances. This does not however tend to cover the cost above the reference price.

Table 11: French co-payments per year as of 2005

<table>
<thead>
<tr>
<th>Category</th>
<th>Contribution (serious disease)</th>
<th>Contribution (non-serious disease)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Major Benefit</td>
<td>35%</td>
<td>65%</td>
</tr>
<tr>
<td>Moderate Benefit</td>
<td>35%</td>
<td>65%</td>
</tr>
<tr>
<td>Modest Benefit</td>
<td>65%</td>
<td>65%</td>
</tr>
<tr>
<td>Insufficient Benefit</td>
<td>65%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Reduced Co-Payments

62. As can be seen in table 11, co-payments are less for serious diseases where the drug being used is seen as having major or moderate benefit to the patient.

Co-Payment Exemptions

63. Co-payment exemptions are available for a list of 30 serious diseases; disabled patients; expectant mothers in the last four months of pregnancy; the unemployed; those on low incomes; and for the treatment of other chronic conditions and those needing multiple therapies on a named patient basis.

Cap on Co-Payment

64. There is no general cap on co-payments in France.
GERMANY

Background

65. Germany has a highly decentralised statutory health care system covering 90% of its population. The remainder is either uninsured, or has some other form of insurance. The German statutory system is financed through payroll contributions and general taxes (80%) and the remainder is made up from patient payments and private insurance.

66. In 2004, a series of reforms of the health care and pharmaceutical market came into effect in Germany. As part of this system, the state covers approximately 80% of the total cost of prescription medication. German patients also have to pay a fee for doctor consultations.

Patient co-payments

67. Since 2004, patients in Germany have had to pay 10% of the reference cost of the medication plus any difference between this and the retail cost. In addition, there is a minimum contribution per pack (see table 12).

Table 12: German co-payments per year as of 2005

<table>
<thead>
<tr>
<th>Category</th>
<th>Contribution</th>
<th>Contribution (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>€5-10 per pack or 10% of the reference cost of the prescription medication</td>
<td>£3.54-£7.07 or 10% of the reference cost of the prescription medication</td>
</tr>
</tbody>
</table>

Reduced Co-Payments

68. Under the German system since 2004 patients taking part in disease management programs or preventative medical checkups benefit from reduced co-payments or lower health insurance contributions.

Co-Payment Exemptions

69. Since January 2004 only children under 18 are totally exempt from co-payments.

Cap on Co-Payment

70. Also since January 2004 chronically ill patients in certain settings e.g. certain types of nursing homes, or with certain disabilities e.g. the severely disabled, who pay at least 1% of their gross family income on medical treatment and services, and anyone who contributed 2% of their gross family income on co-payments have a cap on any further payments above these levels. These percentages can be further reduced depending on whether a person has a spouse and the number of children in the family.
IRELAND

Background

71. The national health care system in Ireland combines a public health care system for eligible groups (mostly those on low incomes and those aged over 70) with fee-based services for those who are not. Eligible patients, around 29% of the population, receive a medical card and are entitled to free GP services, prescribed drugs and medicines, public hospital services, dental services, optical services aural services, maternity and infant care services, a range of community care and personal social services. The rest of the population, who are not eligible for a medical card, are entitled to free public hospital services but pay in-patient and out-patient hospital charges. They are also entitled to subsidised prescribed drugs and medicines and maternity and infant care services. This group is not entitled to free GP services.

72. The Irish health system includes a list of prescribed drugs and medicines and certain medical and surgical aids and appliances which are available to all its population either free, or at a subsidised rate.

Patient co-payments

73. In Ireland patients either pay for their prescription medications up to a monthly cap, after which the state covers the cost, or receive some, or all, of their prescription medication free.

Reduced Co-Payments

74. There are no reduced co-payments for prescription medication in the Irish healthcare system; all medicines are either free or charged for. There is however a cap on the amount of co-payment for those who are not eligible for free prescriptions.

Co-Payment Exemptions

75. Members of the population who are eligible for a medical card and people who contracted Hepatitis C from the use of Human Immunoglobulin-Anti-D, or from the receipt within Ireland of any blood product, or certain people who have had a blood transfusion, are entitled to get approved prescribed drugs and medicines free of charge.

76. Child health services, including childhood vaccinations, are provided free of charge to all children regardless of their parents’ circumstances. Otherwise children and young people under the age of 18 have the same benefits as their parents.

77. In addition, people suffering from certain diseases or disabilities qualify for free prescribed medicines for that disease regardless of their medical card status (approximately 2% of the population). These include:

---

5 Medical cards are available to residents with a pension or allowance. These are mainly for people over 65, deserted wives, one parent families, orphans, blind people, and disabled people, people on low income / unemployed, or people with infectious diseases. People claiming hardship may also be eligible for a Medical Card and are dealt with individually on merit.
• Mental handicap
• Mental illness (for people under 16 only)
• Phenylketonuria
• Cystic fibrosis
• Spina bifida
• Hydrocephalous
• Diabetes mellitus
• Diabetes insipidus
• Haemophilia
• Cerebral palsy
• Epilepsy
• Multiple sclerosis
• Muscular dystrophies,
• Parkinsonism
• Acute leukaemia
• Conditions associated with Thalidomide

**Cap on Co-Payment**

78. A Drugs Payment Scheme operates in Ireland which provides a €85 (£60.10) cap per calendar month on the amount an individual or family has to pay towards their prescription medications.
ITALY

Background

79. Italy operates a national health care system which provides universal coverage. Services are funded by national and local taxation as well as patient charges. Services are overseen by the country’s regions, but operated by health authorities below that level. Around 10% of the population are covered by private health insurance1.

80. As part of this system, since 1994 there has been a list of four groups of prescription medications each with different reimbursement rates27. However, since 2001 group B medication within this list has been abolished and partially reinstated several times (see below).

Patient co-payments

81. Since 2001, patients in most regions pay a co-payment for group A medication, or pay for their medication costs in full under group C27. However, as Italian health care is regionally based, the type of co-payment under group A varies, with some regions charging per pack (between €3-€5.50 -£2.12-£3.89) and others per prescription; while others have abolished charges. In all regions patients have to pay the difference between the reference and actual price1.

Table 13: Italian co-payments since 19941, 3, 28

<table>
<thead>
<tr>
<th>Group</th>
<th>Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>A: drugs for severe and chronic illness</td>
<td>0% + a charge per pack or per prescription</td>
</tr>
<tr>
<td>B: drugs of therapeutic importance not included in group A</td>
<td>50% until 2001 abolished until 2002 20-50% until 2003 ceased to exist since 2003</td>
</tr>
<tr>
<td>C: drugs not included in groups A and B</td>
<td>100%</td>
</tr>
</tbody>
</table>

Reduced Co-Payments

82. Some Italian regions have introduced reduced co-payments for patients with chronic conditions and those on low incomes1.

Co-Payment Exemptions

83. Due to the nature of the Italian co-payment system patients receiving drugs under group A, for severe and chronic illness, do not pay for their medication but are not exempt from a co-payment per pack or per prescription, except in those regions who have abolished co-payments altogether.
Cap on Co-Payment

84. There is no cap on co-payments set by the central government in Italy however regions have the ability to set their own charges at a local level. It was not possible from available information to assess whether any have introduced a cap.
LUXEMBOURG

Background

85. Luxembourg operates its health care through a Union of Sickness Funds. As part of this system a comprehensive list of approved drugs is kept. This makes up Luxembourg’s national formulary and forms the basis of its reimbursement system29.

Patient co-payments

86. In Luxembourg patients pay a percentage of the cost of their medication; in general this is a 20% contribution.

Table 14: Luxembourg co-payments 199929

<table>
<thead>
<tr>
<th>Group</th>
<th>Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preferential rate: drugs which have a precise therapeutic purpose e.g. long-term or particularly serious illnesses (cancer, severe hypertension, etc.)</td>
<td>0%</td>
</tr>
<tr>
<td>Normal rate (most drugs)</td>
<td>20%</td>
</tr>
<tr>
<td>Reduced rate: drugs classed as for “comfort” purposes, e.g. minor painkillers, anti-flu drugs, energizers</td>
<td>60%</td>
</tr>
<tr>
<td>Non-reimbursed items (vitamin supplements, tonics and several products officially approved for use in Luxembourg)</td>
<td>100%</td>
</tr>
</tbody>
</table>

Reduced Co-Payments

87. Rather than a reduced co-payment rate, some prescription medications, such as minor painkillers and flu relief, incur a higher co-payment (60%), while most drugs incur a 20% charge (see table 14).

Co-Payment Exemptions

88. Prescription medications for long term conditions or serious illness, such as cancer or hypertension, are free in Luxembourg (see table 14).

Cap on Co-Payment

89. There does not appear to be a prescription co-payment cap within the Luxembourg health care system.
NETHERLANDS

Background

90. The health care system in the Netherlands is made up of a mixture of public and private funding. There are various types of insurance covering hospital care and primary care, which together account for 43% of all health care expenditure. About 60% of the population are compulsorily insured by public health insurance funds which are income linked. The Dutch government determines the cover that these funds provide. This includes in-patient services, primary care and prescription medication\(^1\). Prescription medications are reimbursable if they form part of an approved list of medications; this includes products that are generally reimbursable and a number of prescription medications which are only reimbursable under special circumstances\(^1\).

91. People who earn more than €32,600\(^1\) (£23,051.41), or who are not aged 65 or over, are not eligible for public insurance and have to take out private insurance. Private insurance companies set their own premiums, generally based on the risk of illness. A special private insurance scheme ensures affordable care for the elderly and the chronically ill\(^3\).

92. The Dutch government are introducing a new health insurance system in 2006, consisting of a single compulsory standard insurance scheme for curative care. Under this new system there will no longer be a distinction between public and private health insurance\(^3\).

Patient co-payments

93. Currently patients have to make a payment towards their prescription medication for annex 1A drugs equal to the difference between the reference cost and the cost of the medication on the shelf. Up until 2006, in reality this has meant that very few prescription medications attracted any co-payment (0.5% of pharmaceutical expenditure). In 2006 however, it is likely that this will change with patients paying the difference between the lowest priced drug in each reference price group and the cost of the drug they are prescribed\(^1\).

Table 15: Co-payments in the Netherlands 2005\(^1\)

<table>
<thead>
<tr>
<th>Group*</th>
<th>Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annex 1A: similar interchangeable products reimbursed according to a reference price system</td>
<td>Difference between the reference price and the cost of the drug on the shelf</td>
</tr>
<tr>
<td>Annex 1B: Unique products not part of the reference price system</td>
<td>0%</td>
</tr>
<tr>
<td>Annex 2: Medicines reimbursed under specific circumstances</td>
<td>0%</td>
</tr>
</tbody>
</table>

*Over the counter medication was removed from the reimbursement system in 2004
PORTUGAL

Background

94. The health care system in Portugal provides universal free health care for all, financed through general taxation. Alongside this there are private insurance schemes (17% of the population) and insurance for employees (25% of the population). Health care is administered regionally and overseen nationally.

95. As part of the national system, prescription medication is reimbursable under four different rates (see below).

Patient co-payments

96. In Portugal, patients pay a percentage of the cost of the prescription medication they are prescribed (see table 16). The percentage paid is 10% less for generic drugs.

Table 16: Co-payments in Portugal 2005

<table>
<thead>
<tr>
<th>Category</th>
<th>Contribution (generic)</th>
<th>Contribution (non generic)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Category A: Essential Drugs for chronic conditions e.g.</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>diabetes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Category B: most prescription medication</td>
<td>20%</td>
<td>30%</td>
</tr>
<tr>
<td>Category C: anti-infectives, vaccines, immunoglobulin,</td>
<td>50%</td>
<td>60%</td>
</tr>
<tr>
<td>anti-parasitics and sera</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Category D: transitional category while drug is being</td>
<td>70%</td>
<td>80%</td>
</tr>
<tr>
<td>assessed</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

97. In 1995 private sector prescriptions were subject to the same cost-sharing as Portugal’s national health system. This policy was introduced to reduce the number of private prescriptions being repeated as NHS prescriptions.

Reduced Co-Payments

98. Low income pensioners are eligible for a further 15% of the cost of their prescriptions.

Co-Payment Exemptions

99. Prescription medication for some chronic conditions is exempt from any co-payment (see table 16). The following therapeutic categories are fully covered:

- anti-diabetic drugs
- anti-epileptic drugs
- anti-Parkinson drugs
- anti-neoplastic and immuno-modulator drugs
- growth and anti-diuretic hormones
- specific drugs for haemodialysis
- drugs for cystic fibrosis treatment
- drugs for glaucoma treatment
- drugs for haemophilia treatment
anti-tuberculosis and anti-leprous drugs\textsuperscript{31}.

**Cap on Co-Payment**

100. There appears to be no cap on co-payments under the Portuguese system.
SPAIN

Background

101. The Spanish health care system is free and universally available to all its residents. It is financed through general taxation and social security contributions. Almost all the population is covered by this system. As the system is run by each region, minimum levels of health services are set out centrally by law. 22% of the Spanish population are also covered by private health insurance.

102. As part of the national health system in Spain the level of co-payment, pricing and reimbursement of pharmaceutical medicines is set by the central government.

Patient co-payments

103. In Spain, there are two groups of drugs that are reimbursable (see table 17).

Table 17: Co-payments in Spain 2005

<table>
<thead>
<tr>
<th>Category</th>
<th>Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class R (Chronic Conditions)</td>
<td>10%</td>
</tr>
<tr>
<td>Group N (most drugs)</td>
<td>40%</td>
</tr>
<tr>
<td>All other medication</td>
<td>100%</td>
</tr>
</tbody>
</table>

Reduced Co-Payments

104. In Spain patients pay less for drugs related to chronic conditions (see table 17).

Co-Payment Exemptions

105. Retired people, those with disabilities, or injured at work as well as some other groups, receive their R and N medication free of charge. In 2003 these groups covered just under 70% of reimbursements.

Cap on Co-Payment

106. Although there is no cap on co-payments generally, there is a cap of €2.63 (£1.86) per prescription for those with chronic conditions.
SWEDEN

Background

107. Health care in Sweden is universal and is provided by Sweden’s 20 county councils and one local authority. It is primarily financed through local taxation (80%), as well as grants and payments for certain services from central government (19%). Patient fees amount to 4% of county council revenue. There is no private health insurance provision in Sweden.

108. As part of the health care system there are 6,000 registered pharmaceutical medicines.

Patient co-payments

109. Patients in Sweden pay the entire cost of their prescription medications up to SEK900 (£70.57). In addition there is a fee for consulting a doctor in Sweden which ranges from SEK100-SEK150 (£7.84-£11.76).

Reduced Co-Payments

110. Reduced co-payments are available in the Swedish health care system for high users (this means above a ceiling of SEK900 (£70.57) they pay between 10-50% of the cost of their medication up to a limit of SEK1,800 (£141.15).

Co-Payment Exemptions

111. All medical treatment for children and young people under the age of 20 is free. Patients also receive insulin free.

Cap on Co-Payment

112. In Sweden there is a ‘high cost ceiling’ on prescription costs, where patients who have paid a total of SEK900 (£70.57) receive free medical care and subsidised prescription medication for the rest of the 12 month period. For prescription medication this means that patients in Sweden never pay more than SEK1,800 (£141.15) in any 12 month period.
UK

Background

113. The United Kingdom is made up of four countries; England, Northern Ireland, Scotland and Wales. Health care across the United Kingdom is universal and free at the point of use however there are charges for some services e.g. prescription medications. In addition approximately 11% of the population have private health insurance.

114. Since 1998 Scotland and Wales have had devolved government. The process of devolution in Northern Ireland’s Assembly is currently still under negotiation, after devolution was suspended in 2002. Since devolution, health care has been administered by Scotland and Wales. In England, health care is governed from Westminster.

115. In the UK there is a list of drugs which cannot be prescribed by GPs and a list of drugs that can only be prescribed under certain circumstances however most medications are reimbursable. Medication prescribed by the NHS has attracted a prescription charge since 1952, apart from a brief period between 1965 and 1968 when prescription charging in the UK was abolished. It was however reintroduced in 1968, to save the exchequer money, albeit with extended exemptions, and has continued to apply across the UK since that date, until the recent decision to abolish prescription charges in Wales (see below).

Patient co-payments

116. In the United Kingdom patients pay a flat rate co-payment for their prescription medication. In England, Northern Ireland and Scotland this is £6.50. However in Wales, prescription charges are in the process of being abolished. This is being done through a phased reduction of £1.00 per year. The prescription charge in Wales is currently £4.00. In 2002, co-payments across the UK amounted to 6% of the total NHS drugs bill, the rest being paid for by the government.

Reduced Co-Payments

117. Due to the nature of the UK health system there are no reduced co-payments.

Co-Payment Exemptions

118. In the UK approximately half the population are eligible for free prescriptions. This amounted to 86% of prescriptions dispensed in 2003. There is a range of exemptions from prescription medication related co-payments. These include age related exemptions including:

- Patients under 16
- Patients under 19 in full time education, and
- Patients aged 60 or over

Exemption on medical grounds:
• Patients with a valid exemption certificate showing a medical exemption\textsuperscript{6}
• Patients with a valid exemption certificate showing that the patient is an expectant mother or has given birth within the last 12 months, and
• Patients with a valid exemption certificate showing evidence of being a war disablement pensioner (exemption applies only for drugs and appliances to treat the accepted disablement)
• People with a continuing physical disability with a valid exemption certificate, and
• Prescriptions for all contraceptives are available free regardless of a person’s status.

Exemption on the grounds of low income:
• People in receipt of Income Support, or Income-based Jobseeker’s Allowance, or People Credit guarantee credit (also available to partners of this group)
• People entitled to, or named on, a valid NHS tax credit exemption certificate or
• People on the NHS Low Income Scheme\textsuperscript{37}.

119. In addition, young people aged under 25 are entitled to free prescriptions in Wales\textsuperscript{38}.

120. It should also be noted that hospital based medication is dispensed free of charge.

\textbf{Cap on Co-Payment}

121. Throughout the UK there is a cap on prescription charges for high use patients. Patients can apply for a prepayment certificate which limits the amount that they pay per year and per quarter for their prescription medication. After purchasing the pre payment certificate, patients do not pay anything further for their prescriptions for the time period the certificate is valid for. In England, Scotland and Northern Ireland, the cost of a prescription prepayment certificate is currently £33.90 for four months and £93.20 for 12 months. However for Wales, as they are in the process of abolishing prescription charges, it is £ 20.93 for a 4 month Pre-Payment Certificate and £57.46 for a 12 month certificate\textsuperscript{38}.

\textsuperscript{6} Forms of hypoadrenalism (including Addison’s disease) for which specific substitution therapy is essential; diabetes insipidus or other forms of hypopituitarism; Diabetes mellitus (except where treatment is by diet alone); hypoparathyroidism; myasthenia gravis; myxodoema, or other conditions which require supplemental thyroid hormone; epilepsy requiring continuous anti-convulsive therapy; a permanent fistula, requiring an appliance or continuous surgical dressing; and continuing physical disability, which prevents the patient from leaving his/her residence without the help of another person. Temporary disabilities do not count even if they last for several months\textsuperscript{38}. 
BIBLIOGRAPHY

APPENDIX B: COMPARISON OF CO-PAYMENT IN SCOTLAND AND OTHER COUNTRIES

CASE STUDIES

1. The variation in reimbursement policy across countries renders it difficult to draw sound conclusions about whether or not patients pay more or less in Scotland compared to other countries.

2. Many countries have systems whereby patients pay a percentage of the medication cost, or are reimbursed a given percentage of the cost. It will only be possible to make a fair comparison of the generosity of the various systems if the cost across countries for a given medication is the same. In reality this is not the case; there is wide variations due to a variety of different reasons.

3. Furthermore, the cost of a medication to the patient is often dependent on whether a particular medication is included on a government administered ‘positive’ list – where items are eligible for reimbursement by public health systems and/or insurance companies – or on a ‘negative’ list – where medicines are non-reimbursable.

4. The result is that a given medication in one country may be on the positive list and therefore eligible for reimbursement, but may be on the negative list or not reimbursable or only available over-the-counter (OTC) in another country. Patients in the country that has the particular medication available, for example OTC may have to pay the full cost of the drug, whereas in the other country, patients may have to pay much less, for the same medication as it is reimbursable.

5. For these reasons, it is not appropriate to compare co-payments through identification of specific medications. Instead, two case studies have been developed that consider the price patients would pay, based on a hypothetical range of prices and usage rates.

6. The countries chosen in the sample reflect a range of different co-payment systems, including at least one country for each of the types in Table 1 of the summary and introduction section, with two exceptions. Netherlands has almost no Co-Payments and has therefore been excluded from the tables, rather than include a set of zero-results – this should be borne in mind when considering the conclusions. Countries with complex co-payment systems across regions/states have also been excluded as it is not possible to compare these countries with Scotland on a manageable basis. For simplicity, a number of further assumptions have been made:

- The medication is eligible for reimbursement;
- The medication is not available over-the-counter;
- The same amount of the medication is dispensed;
- There are no exemptions or reduced payments.

1 Costs are taken from the relevant pages in Appendix A.
Case Study 1

7. The first case study shows the price paid by the patient, based on a hypothetical medicine cost of £1, £5, £10 and £20.

Table 1: Case Study 1 - No exemptions

<table>
<thead>
<tr>
<th>Country</th>
<th>Type of Co-Payment Scheme</th>
<th>£1</th>
<th>£5</th>
<th>£10</th>
<th>£20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scotland</td>
<td>Fixed Co-Payments</td>
<td>6.50</td>
<td>6.50</td>
<td>6.50</td>
<td>6.50</td>
</tr>
<tr>
<td>Australia</td>
<td>Maximum Co-Payments</td>
<td>1.00</td>
<td>5.00</td>
<td>10.00</td>
<td>12.54</td>
</tr>
<tr>
<td>New Zealand†</td>
<td>Fixed Co-Payments</td>
<td>5.61</td>
<td>5.61</td>
<td>5.61</td>
<td>5.61</td>
</tr>
<tr>
<td>Finland</td>
<td>Fixed and Percentage Co-Payments</td>
<td>7.07</td>
<td>7.07</td>
<td>8.54</td>
<td>13.54</td>
</tr>
<tr>
<td>Denmark</td>
<td>Percentage Based Co-Payments</td>
<td>1.00</td>
<td>5.00</td>
<td>10.00</td>
<td>20.00</td>
</tr>
<tr>
<td>France†</td>
<td>Percentage Based Co-Payments</td>
<td>A 35p</td>
<td>1.75</td>
<td>3.50</td>
<td>7.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>B 65p</td>
<td>3.25</td>
<td>6.50</td>
<td>13.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>C 1.00</td>
<td>5.00</td>
<td>10.00</td>
<td>20.00</td>
</tr>
<tr>
<td>Spain</td>
<td>Percentage Based Co-Payments</td>
<td>40p</td>
<td>2.00</td>
<td>4.00</td>
<td>8.00</td>
</tr>
<tr>
<td>Ireland</td>
<td>Cap Based Co-Payments</td>
<td>1.00</td>
<td>5.00</td>
<td>10.00</td>
<td>20.00</td>
</tr>
</tbody>
</table>

* prices have been converted to £ sterling based on exchange rates as set out in the glossary

‡ Pharmacy fees have not been included

† range depends on the seriousness of the disease and usefulness of medication (A) serious disease with at least moderate benefit; (B) serious disease with modest or insufficient benefit, or non-serious disease with at least modest benefit; (C) non-serious disease with insufficient benefit

- The fixed co-payment scheme in Scotland means that patients pay £6.50 regardless of the price of the medication

- In Australia, patients pay the full cost up to a maximum of £12.54 per item plus pharmacy fees

- New Zealand, patients pay a fixed co-payment of £5.61 per item

- In Finland, patients pay 50% of the excess plus a fixed co-payment of £7.07 (€10)

- In Denmark, patients pay the full cost of up to an annual limit of £49, after which patients pay a reduced contribution *(see below).*

- In France, patients are reimbursed 35%, 65% or 100% of the cost of a medication, depending on the seriousness of the condition and the therapeutic status of the medication

- In Spain, patients pay 40% of the price of the medication
• In **Ireland**, patients pay the full cost of medication up to a maximum of £60.10 per month (€85)

8. The results show that at a price of either £1 or £5, patients in Scotland would face the second highest payment after Finland. At these prices it is Spanish and French patients that face the lowest payment. However, at a price of £10 Scottish patients pay a relatively lower amount than some of the other countries considered. At a price of £20, only New Zealand patients would face a lower payment. The type of co-payment scheme employed has a significant impact on relative costs. For example, Scotland has a fixed co-payment, so as the price of medications increase; patients continue to pay the £6.50, which is lower than what would have to be paid in other countries when the cost of the medication is high.

**Case Study 2**

9. Case study 2 considers the cost to patients needing medication on a regular basis. Many of the countries surveyed have a cap in place to protect those who may require a lot of medication. These ceilings can be on each item, or prescription, on all prescriptions collected at the same time, or on a monthly or annual basis.

10. To illustrate the impact of capping, the following table shows the cost for a patient requiring 25 items or prescriptions for one type of medication in a year. The same assumptions apply as in case study 1, namely that: the medication is eligible for reimbursement; the medication is not available over-the-counter; the same amount of the medication is dispensed and; there are no exemptions or reduced payments.

<table>
<thead>
<tr>
<th>Country</th>
<th>Type of Co-Payment Scheme</th>
<th>£1</th>
<th>£5</th>
<th>£10</th>
<th>£20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scotland</td>
<td>Fixed Co-Payments</td>
<td>93.20</td>
<td>93.20</td>
<td>93.20</td>
<td>93.20</td>
</tr>
<tr>
<td>Australia</td>
<td>Fixed Co-Payments</td>
<td>25</td>
<td>125</td>
<td>250</td>
<td>313.50</td>
</tr>
<tr>
<td>New Zealand</td>
<td>Fixed Co-Payments</td>
<td>112</td>
<td>112</td>
<td>112</td>
<td>112</td>
</tr>
<tr>
<td>Finland</td>
<td>Fixed and Percentage Co-Payments</td>
<td>176.75</td>
<td>176.75</td>
<td>213.38</td>
<td>338.38</td>
</tr>
<tr>
<td>Denmark</td>
<td>Percentage Based Co-Payments</td>
<td>25</td>
<td>86</td>
<td>117</td>
<td>129.69</td>
</tr>
<tr>
<td>France†</td>
<td>Percentage Based Co-Payments</td>
<td>A 8.75</td>
<td>43.75</td>
<td>87.50</td>
<td>175.00</td>
</tr>
<tr>
<td></td>
<td>B 16.25</td>
<td>25.00</td>
<td>81.25</td>
<td>162.50</td>
<td>325.00</td>
</tr>
<tr>
<td></td>
<td>C 25.00</td>
<td>125.00</td>
<td>162.50</td>
<td>250.00</td>
<td>500.00</td>
</tr>
<tr>
<td>Spain</td>
<td>Percentage Based Co-Payments</td>
<td>10</td>
<td>50</td>
<td>100</td>
<td>200</td>
</tr>
<tr>
<td>Ireland</td>
<td>Cap Based Co-Payments</td>
<td>25</td>
<td>125</td>
<td>250</td>
<td>500</td>
</tr>
</tbody>
</table>

* intense user defined as someone requiring 25 prescriptions in a year. It is assumed that these prescriptions are collected two at a time throughout the year

** prices have been converted to £ sterling based on exchange rates as set out in the glossary
In **Scotland**, those who require regular medication can purchase a Prescription Pre-Payment Certificate (PPC). The cost of the PPC is £93.20 for 12 months. After purchasing the PPC, the patient will not be required to pay anything further for their prescription medication for the length of time the certificate is valid. Therefore, if a patient needs 25 prescription’s for the medication to be filled, the PPC – at a cost of £93.20 – would save the holder £69.30 per year.

**Australia** has a per item maximum of £12.54. A person requiring 25 items will pay a maximum of £313.50 for medications priced £20 or more.

In **Finland**, the standard payment rule – 50% of the excess above a fixed charge of £7.07 (€10) – applies to all collected by the patient at the same time. The costs in the table are calculated assuming that patients who require 25 prescriptions for the item a year collect these one at a time. Finland has an annual ceiling of £413 (€605). However, at the prices given patients will not benefit from the ceiling.

In **Denmark**, patients pay the full cost of the medication up to an annual limit of £49, 50% of the cost from £49 to £120, 25% of the cost from £120 to £280, and 15% of the cost from £280 up to a limit of £362, after which the patient contribution falls to zero.

In **France** and **Spain**, there are no ceilings and so the patient will simply pay 25 times the normal co-payment.

**Ireland** has a monthly ceiling of £60 (€85). For the purposes of this example we have assumed that the medication is collected evenly throughout the year and the patient therefore does not benefit from the ceiling.

In **New Zealand**, patients pay for a maximum of 20 items per year. At a cost of £5.61 per item, this means the annual ceiling is £112. The patient requiring 25 items can therefore make an annual saving of £28.

11. The results show that when the cost of the drug is low, intense users would pay the least amount in France and Spain compared to other countries. However, as the cost of the medication increases it is Scotland that has the lowest charge.

12. The above case studies show that patients face higher co-payments in Scotland, compared to some other countries if the cost of the medication is low, but a lower charge relative to other countries for more expensive medications. This is true for patients requiring a medication only once, as well as for those who require large quantities or regular medication throughout the year.
APPENDIX C: GLOSSARY AND CONVERSION RATES

GLOSSARY

Co-insurance
Co-insurance, where a patient pays a fixed proportion of the total cost of their treatment.

Co-payment
Co-payments are the payments patients make towards their prescription medication, these can be fixed amounts (similar to the prescription charge in the UK) or a percentage of the cost of a medication, different types of drugs may attract a different percentages.

Co-payment cap
This is where there is a maximum that a patient will be charged for their prescription medication e.g. the prepayment certificates in the UK. This can be per month or per year.

Co-payment exemption
Co-payment exemptions are where certain groups do not have to pay towards their prescription medication e.g. pregnant women in the UK.

Deductible
Deductibles are where a patient pays a set amount of money towards their prescriptions, similar to an insurance excess.

Reduced co-payment
A reduced co-payment is where certain patients pay less towards their prescription medication e.g. people on low income.
## THE CONVERSION RATES\(^1\) USED IN APPENDIX A

<table>
<thead>
<tr>
<th>Country</th>
<th>£1 buys, at date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>A$2.35202, at 1(^{st}) January 2006</td>
</tr>
<tr>
<td>New Zealand</td>
<td>NZ$2.67284, at 1(^{st}) January 2005</td>
</tr>
<tr>
<td>Canada</td>
<td>Cn$2.30244, at 1(^{st}) January 2005</td>
</tr>
<tr>
<td>USA</td>
<td>$1.72384, at 1(^{st}) January 2006; $1.61140, at 1(^{st}) January 2003</td>
</tr>
<tr>
<td>Austria</td>
<td>ECU1.41995, at 1(^{st}) January 2004</td>
</tr>
<tr>
<td>Belgium</td>
<td>ECU1.41423, at 1(^{st}) January 2005</td>
</tr>
<tr>
<td>Denmark</td>
<td>ECU1.41423, at 1(^{st}) January 2005</td>
</tr>
<tr>
<td>Finland</td>
<td>ECU1.41423, at 1(^{st}) January 2005; ECU1.41995, at 1(^{st}) January 2004</td>
</tr>
<tr>
<td>France</td>
<td>No amounts quoted</td>
</tr>
<tr>
<td>Germany</td>
<td>ECU1.41423, at 1(^{st}) January 2005</td>
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<td>Italy</td>
<td>ECU1.41423, at 1(^{st}) January 2005</td>
</tr>
<tr>
<td>Luxembourg</td>
<td>No amounts quoted</td>
</tr>
<tr>
<td>Netherlands</td>
<td>ECU1.41423, at 1(^{st}) January 2005</td>
</tr>
<tr>
<td>Portugal</td>
<td>No amounts quoted</td>
</tr>
<tr>
<td>Spain</td>
<td>ECU1.41423, at 1(^{st}) January 2005</td>
</tr>
<tr>
<td>Sweden</td>
<td>SEK12.75283, at 1(^{st}) January 2005</td>
</tr>
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\(^1\) [http://forium.money.msn.co.uk/currency/uk/currency_converter.html](http://forium.money.msn.co.uk/currency/uk/currency_converter.html) [Accessed 18/01/2006]