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Sean Sherlock, T.D.
Dáil Éireann,
Leinster House,
Kildare Street,
Dublin 2.

15th October 2024

PQ: 39312/24

To ask the Minister for Health further to Parliamentary Question No. 2092 of 23 July 2024, (A) - the reason only €61.9 million of the €98 million allocated to new medicines was spent during 2021, 2022 and 2023, according to the answer provided by the HSE; (B) - the way the unspent funds were utilised; and if he will make a statement on the matter. -Sean Sherlock

Dear Deputy Sherlock,

The Health Service Executive has been requested to reply directly to you in the context of the above Parliamentary Question (Reference 39312/24), which you submitted to the Minister for Health for response.

(A) - the reason only €61.9 million of the €98 million allocated to new medicines was spent during 2021, 2022 and 2023, according to the answer provided by the HSE;

Please note the PCRS portion of the response excluded Acutes.

CPU conducted 125 commercial negotiation meetings with Pharmaceutical Industry representatives in 2022 and a further 104 commercial negotiation meetings in 2023 in order to progress application and achieve best value for money for the State. The stats for 2021 are unavailable. A key element of the drugs approval process is avoided costs. The avoided costs are following price reductions as a consequence of assessments (carried out by the National Centre for Pharmacoeconomics) and by commercial negotiations conducted by the small team of negotiators within the Corporate Pharmaceutical Unit in PCRS. At the time of the drug being approved the 5 year Avoided Costs of the 2021-2023 drugs was estimated to be not less than €834m. This avoided cost resulted in an underspend/saving on New Drugs.

(B) - the way the unspent funds were utilised; and if he will make a statement on the matter. -Sean Sherlock

Please note any unspent money was utilised on growth in demand for existing drugs.

Please find attached some further information on the matter.

Yours sincerely,

A handwritten signature in cursive script, appearing to read 'Suzanne Doyle'.

Suzanne Doyle
Primary Care Reimbursement Service

The Health Service Executive operates the General Medical Services Scheme, which includes Medical Cards and GP Visit Cards, under the Health Act 1970, as amended. It has established a dedicated contact service for members of the Oireachtas specifically for queries relating to the status of Medical Cards and GP Visit Cards applications, which the Deputy / Senator may wish to use for an earlier response. Tel: 01-8647180 / email: Oireachtas.pcrs@hse.ie

2021 New Drugs – Year spend is €85.1m

- During 2021 the HSE approved a total of 52 drugs, of which 29 were new medicines and 23 are licence extensions/new uses of existing medicines.
- Of the 52 drugs approved, 39 drugs were funded from the €50m new drugs allocation – of the 39 drugs recommended 15 were for ODMS, 17 High Tech, 4 Hospital and 3 GMS.

2022 New Drugs – Year spend is €37.8m (€40.7m Incl. Acute)

- During 2022, a total of 60 new medicines were approved by the HSE, 30 of which are new medicines while 30 are licence extensions/new uses of existing medicines.
- 36 of these medicines were approved on a cost-minimisation basis relative to existing therapies. The remaining 24 of drugs approved fall within the €37.8m new drug allocation. – of the 24 recommended by Drugs Group 11 were for ODMS, 10 High Tech, 2 Hospital and 1 CDS.

2023 New Drugs – Year Spend is €18.13m

- During 2023, a total of 36 new medicines were approved by the HSE, 15 of which are new medicines while 22 are licence extensions/new uses of existing medicines.
- Of the 22 new medicines/new uses of existing medicines recommended / approved by the Drugs Group / HSE EMT in 2023: 10 are High Tech, 7 are ODMS, 3 are CDS & 2 are Hospital medicines.