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Peter Cleere, T.D.
Dáil Éireann,
Leinster House,
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19th March 2025

PQ: 9615/25
To ask the Minister for Health her views on matters raised in correspondence (details supplied). -Peter 'Chap' Cleer

Details Supplied:
Since the 1st of February Paxlovid tablets which are used for the treatment of Covid in patients with underlying conditions is now available to buy at 1008.62 from United Drug Wholesaler. While before this date United Drug Wholesaler would supply the pharmacy with the drug on receipt of a prescription. No charge would come to the pharmacy as the HSE reimbursed the Wholesaler directly. Unfortunately with only two drug wholesalers in the country pharmacies are branded with a "Main" and "Secondary" wholesaler. Our "Main" wholesaler gives us 8% discount to cover the 8% reduction in reimbursement price, so we are not dispensing medicines at a loss If I were to order Paxlovid today, it is only supplied by my "Secondary" wholesaler who give me no discount to counteract the 8% reimbursement deduction. So, I would be selling at a loss. Under HSE reimbursement I would receive 925.92 for the cost of the drug and 3.50 dispensing fee, incurring a loss of 82.70. Due to this loss, I will be unable to supply this much needed drug to my patients. Also, under the current contract I have with the HSE I am unable to charge the patient the difference.

Dear Deputy Cleer,

The Health Service Executive has been requested to reply directly to you in the context of the above Parliamentary Question (Reference 9615/25), which you submitted to the Minister for Health for response.

The HSE robustly assesses applications for pricing and reimbursement to make sure that it can stretch available resources as far as possible and to deliver the best value in relation to each medicine and ultimately more medicines to Irish citizens and patients.

HSE decisions on which medicines are reimbursed by the taxpayer are made on objective, scientific and economic grounds.

There are formal processes which govern applications for the pricing and reimbursement of medicines, and new uses of existing medicines, to be funded and / or reimbursed.

The HSE considers the following criteria prior to making any decision on pricing / reimbursement in line with the Health (Pricing and Supply of Medical Goods) Act 2013:
(1) The health needs of the public,
(2) The cost effectiveness of meeting health needs by supplying the item concerned rather than providing other health services,
(3) The availability and suitability of items for supply or reimbursement,
(4) The proposed costs, benefits, and risks of the item or listed item relative to therapeutically similar items or listed items provided in other health service settings and the level of certainty in relation to the evidence of those costs, benefits and risks,
(5) The potential or actual budget impact of the item or listed item,
(6) The clinical need for the item or listed item,
(7) The appropriate level of clinical supervision required in relation to the item to ensure patient safety,
(8) The efficacy (performance in trial), effectiveness (performance in real situations) and added therapeutic benefit against existing standards of treatment (how much better it treats a condition than existing therapies) and
(9) The resources available to the HSE

Following the formal processes outlined above, Paxlovid® was added to the Reimbursement List effective 1st February 2025. The agreed reimbursement price is published online and included in the relevant circular attached.

Under the Public Service Pay and Pensions Act 2017 (Payments to Community Pharmacy Contractors) Regulations 2019 (as amended):

“Ex-factory price”, with respect to a particular drug item at a particular time, means the price of that item determined in accordance with the relevant agreements in force at that time between the Health Service Executive and the representative bodies of suppliers of such items.

“fridge item” means a drug item which must be kept in refrigerated storage conditions of between 2 and 8 degrees Celsius as stated in the summary of product characteristics for that item.

“Ingredient cost” means -
(a) in the case of fridge items, the ex-factory price together with a wholesale mark-up of 12 per cent, and
(b) in the case of any other drug item, the ex-factory price together with a wholesale mark-up of 8 per cent.

The wholesale mark-up of 8% as set out in legislation is incorporated into the agreed reimbursement price. The agreed reimbursement price is between the HSE and the Marketing Authorisation Holder whose product is on the Reimbursement List. This is the ingredient cost paid to Community Pharmacy Contactors. The HSE have no authority to go outside of the wholesale mark-up set down in the regulations. It is a matter for the individual Community Pharmacy Contractor on how they procure medicines from licensed

wholesalers. This includes what wholesalers the contractor uses and their terms and conditions including what discounts are applied. These are not matters for the HSE.

The Public Service Pay and Pensions Act 2017 (Payments to Community Pharmacy Contractors) Regulations 2019 (as amended) sets out the fees payable to community pharmacy contractors under the state scheme. The HSE have no authority to go outside the fees set down in legislation.

The Marketing Authorisation Holder for Paxlovid® has confirmed that the product is available for supply through United Drug and Uniphar.

Yours sincerely,

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