

The Association of
Finnish Pharmacies

2011



Apteekkariliitto 
Apotekareförbundet

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The Association of Finnish Pharmacies

develops and promotes high standards of ethical and professional competence in pharmacy services within the broader health sector. It also produces services for its member pharmacies to support the running of their business.

Preparing the reforms

The new government promised to ensure comprehensive availability of medicines for the citizens and a professionally run distribution of medicines.

In January, the Ministry of Social Affairs and Health published the medicines policy for the period up to 2020, which it drew up in cooperation with other actors.

The policy integrates the pharmaceutical service and the pharmacies more closely into the system of social and healthcare services. Pharmacies were often specified as the actors responsible for implementing the policy measures. In the immediate future, the four most important policy goals are the efficient, safe, appropriate and economical use of medicines.

MORE SERVICES

In early February, the amendments to the Medicines Act came into force. These permit the pharmacies to sell non-prescription medicines via their web services, and to establish pharmacy service points in sparsely populated areas where there are no preconditions for running a pharmacy or a subsidiary pharmacy.

The pharmacy development group completed its work and published its final report in March. This report included nearly 30 proposals, for example changes to the pharmacy fee and the medicine tariff system, improvements to the pharmacy network and ways to guarantee the conditions for the development of new pharmacy services.

THE NEW GOVERNMENT PROGRAMME

Parliamentary elections were held in April. After long and difficult negotiations following the election, a six-party "rainbow" coalition government was finally formed, with **Jyrki Katainen** becoming prime minister.

The new government committed itself to the guidelines for the medicines policy. The government programme stated that during its legislative period a key aim for the pharmaceutical service is the creation of an environment for efficient, safe, appropriate and

economical pharmacotherapy for all those requiring it.

The government promised to ensure comprehensive availability of medicines to the citizens under all circumstances, along with a professionally run pharmaceutical distribution system. **Paula Risikko**, who became the minister responsible for medicine issues, confirmed that this also means only pharmacies would be allowed to sell non-prescription medicines.

The government programme stated that reductions to medicine reimbursement costs would lead to savings totalling €113 million by 2015. Moreover, at the budget framework negotiations in the autumn, the government decided that it would start implementing cuts at the beginning of 2013.

The prolonged governmental negotiations made it difficult to begin the implementation of the pharmacy development group's proposals. Not until October did the Ministry of Social Affairs and Health instruct the Finnish Medicines Agency (Fimea) to proceed with these proposals and to prepare the legislation based on them, and to reform the medicine tariff and the pharmacy fee.

CURBING RISING COSTS

At the end of October, the Ministry of Social Affairs and Health set up a working group to consider changes to the medicines reimbursement system, with the two purposes of ensuring that the reimbursement particularly favours those who use a lot of medicines and of ensuring costs

do not prevent people on low incomes from receiving necessary medical care. The working group's most urgent task was to come up with a proposal for the implementation for making savings in the medicine reimbursements, as laid out in the government's programme.

Generic substitution and the reference pricing system for medicines continued to effectively slow down the rise of medicine costs. After two consecutive years of decline, sales of medicines in pharmacies began to grow, by nearly one per cent. However, operating profit shrank by an average of nearly five per cent, as costs climbed. Also, financial disparities among the pharmacies continued to widen.

↓ The pharmacy development group chairperson, Fimea director general Sinikka Rajaniemi, submitted the report to Juha Rehula, minister of social affairs and health, in March.



Taking initiative

The Association of Finnish Pharmacies (AFP) presented proposals for a reform of the medicine tariff system and the pharmacy fee, and improved its financial management.

The AFP was involved in the work of the pharmacy development group, the report of which was published in March. The group made about thirty proposals for developing the pharmacy field, which the AFP and the pharmacies viewed as mainly positive.

However, when it came to reforms most significant to the pharmacies, such as the medicine tariff and the pharmacy fee, the working group found no solution. This was because the reforms had to be cost-neutral to the state economy.

The AFP together with the pharmacy associations prepared for the parliamentary elections held in April by providing information to the candidates. Meetings with the candidates took place in several locations. In addition, a brochure about pharmacy issues was produced for decision-makers.

The AFP announced its model for the reform of the pharmacy fee at the annual spring meeting in April. It proposed increasing the dispensing charge for prescription medicines from €0.39 to €0.92, and linking the charge to the social and healthcare price index. At the same time, the thresholds of the medicine tariff table would be rounded to the nearest even amount. The Association suggested that a small part of the savings achieved through the medicine reference pricing system should be used for funding this necessary reform.

Also, the AFP presented a change to the collecting of the pharmacy fee. This change would result in the main pharmacies and the subsidiary pharmacies paying the fee separately if their combined turnover is less than €3.5 million. This reform would encourage to keeping small subsidiary pharmacies open in remote areas.

The AFP's financial management was made more efficient by centralising functions at the corporate level. A finance and administration department was set up, the duties of which include monitoring and analysing the economy of the pharmacy sector, the corporation's finances and administration as well as union matters for the AFP and the district associations. The reform aimed at ensuring that the association and its companies continue to operate efficiently. It also strengthened the corporate governance of the association's companies.

At the AFP's autumn meeting in November, pharmacy owner **Marja Ritala** was elected first vice-president and pharmacy owner **Risto Kanerva** second vice-president of the AFP. Pharmacy owner **Riitta Andersin** remained as president of the AFP.



excerpts:

THE SALKO DATABASE WAS COMPLETED. This database, which is produced and maintained by the AFP, facilitates the compiling of information in order to better assess the risks arising from a multimedication regime, and presents it in an easy to read table format. Salko is a tool to enable pharmacies and doctors to perform comprehensive medication reviews and a check of medication.

With the campaign **VARMISTA VALINTASI (CHECK FIRST)** the AFP wants to promote appropriate and safe use of non-prescription medicines. The AFP produced campaign material for the pharmacies inviting customers to ask about self-care medicines and to encourage the pharmacy staff to guide customers in the selection and use of these medicines. Campaigns focussing on pain, allergies, the stomach, skin care and colds were carried out in the AFP's member pharmacies during 2011.



← At the AFP's autumn meeting in November, pharmacy owner Marja Ritala (right) was elected first vice-president and pharmacy owner Risto Kanerva second vice-president of the AFP. Pharmacy owner Riitta Andersin remained as president of the AFP.

our goals:

1 Securing the preconditions for a nationwide pharmacy network which ensures availability of safe medicines all over Finland into the future.

2 Maintaining the practice whereby only pharmacies are allowed to dispense self-care medicines, and thereby upholding patient safety and nationwide availability of medicines.

3 Maintaining the high quality of pharmacy services by working to ensure pharmacies have a sufficiently strong financial base. This requires amending the medicine tariff in order to shift pharmacy income more towards relying on a standard fee earned from services and less on the wholesale prices of medicines.

4 Improving both the pharmacies' new services, such as comprehensive medication reviews and automated dose-dispensing of medicines, and their accessibility to customers.

SILMU, THE ELECTRONIC NOTIFICATION SERVICE, expanded to enable the pharmaceutical companies to include product images and package information in their product information, which the pharmacies can use in their web services, for example. By using Silmu, pharmaceutical companies can electronically announce new products added to the medicinal database, along with changes to products and price, and also notify withdrawal of medicines from the market. It can also be used for sending bulletins for publication on the AFP's extranet Salkku. Tens of pharmaceutical companies already use Silmu.

PUBLIC HEALTH PROGRAMMES (asthma, diabetes and heart) promote the prevention and treatment of our most common chronic diseases, in collaboration with the other healthcare sectors. Local contact persons in pharmacies are responsible for implementing these AFP initiated programmes. At the end of the year, a total of 669 diabetes, 701 asthma and 631 heart contact persons were working in the pharmacies. In 2011, the Pharmacy Diabetes Programme clocked up 10 years of successful work.

AFP's professional pharmacy strategy was updated to respond to the challenges facing the pharmacy field.



The strategy to meet the challenges

The professional pharmacy strategy 2012–2020 guides the development of the Finnish pharmacy field. In addition, it helps individual pharmacies to draw up their own strategies and provides a framework for the AFP's focus areas. The strategy supports the medicines policy guidelines, published by the Ministry of Social Affairs and Health in January 2011 (Medicines policy 2020).

The core of this updated strategy is two-pronged: enhanced customer orientation and greater collaboration with other healthcare actors. Achieving these will require continuous development of services and a reform of the financial base of pharmacies to support the collaboration.

The strategy guidelines state that every citizen should have access to a pharmacy, one which provides high-quality pharmaceutical

services to meet their needs. Pharmacies work to ensure patient safety, and they support successful treatment and promote health. Their new services coupled with closer collaboration with the social and healthcare sector improve patient safety.

The strategy requires structures for developing new approaches, and the legislation has to be amended to enable pharmacy competence to be exploited more widely in the healthcare services. Pharmacies have earned their customers' trust and this should not be compromised in the future.

The professional pharmacy strategy 2012–2020 was drawn up by an AFP working group, and AFP members participated extensively in its preparation. The strategy was adopted unanimously at the AFP's autumn meeting in November.

professional pharmacy values:

Good customer service: coverage, accessibility, equality, quality and professional ethics.

Skills and competence of the personnel.

The primary task is carried out and developed cost-effectively.

Independence and integrity in its role as a societal actor.



vision year 2020:

1 FINNISH PHARMACIES OFFERING their customers the world's best pharmaceutical services.

2 PHARMACIES WORKING seamlessly as part of the social and healthcare system. They have an established responsibility for guiding medical treatments and ensuring successful treatment.

3 PHARMACIES HELPING customers to take responsibility for enhancing and maintaining their own health. Pharmacy work will increase customers' well-being and the success of medical treatments.

4 PHARMACIES RESPONDING to the challenges presented by developments in medical treatments.

5 PHARMACY SERVICES being easily accessible and the same services being available nationwide. The current pharmacy system will be maintained because it is able to develop professionally and financially, and respond to changing customer needs.

mission:

THE PHARMACY WORKS as part of the health sector both ensuring safe, efficient, economical and comprehensive distribution of medicines and also providing pharmaceutical services and health-enhancing information. The aim is to make sure citizens have access to medicines and to support successful medical treatment, and to encourage customers to manage their own health.



Electronic prescriptions adopted by pharmacies by leaps and bounds.

ePrescription made speedy progress

Pharmacies prepared for the introduction of ePrescription by procuring technical readiness, training their staff, and acquiring smart cards.

At the start of the year, the AFP published a timetable for pharmacies to join the ePrescription system. They, in turn, submitted their applications to the Social Insurance Institution (SII). The first pharmacies to link up to the system were in Kotka and in Turku, and followed gradually by the rest of Finland.

The biggest challenge was to equip the pharmaceutical personnel in all pharmacies with a smart card. These personal cards permit staff to retrieve ePrescriptions from the SII prescription centre. The centre automatically checks the register of the National Supervisory Authority for Welfare and Health (Valvira) to verify whether the person who dispensed the medicine is either a licensed pharmaceutical assistant or practising staff pharmacist.



↑ Proprietary pharmacist Anna-Riitta Siira from Lappajärvi pharmacy received her personal smart card from Iiro Salonen of the AFP at the Annual Spring Meeting. Her pharmacy dispensed its first electronic prescriptions in January 2012.

Early in the year, the National Supervisory Authority for Welfare and Health (Valvira) and the Population Register Centre granted the AFP an exemption permit to register smart cards. The AFP staff distributed personal cards to more than 430 pharmacy owners at the Annual Spring Meeting in April. The remaining 170 or so pharmacy owners collected their cards later, either from the AFP or at a regional ePrescription training course. About 5 000 cards for the other pharmaceutical staff were mailed directly to the pharmacies, where the pharmacy owners distributed them to their staff.

The AFP facilitated the introduction of ePrescription in other ways, too. It published a manual, created an auditing tool and arranged online courses. In collaboration with local pharmacy associations, the AFP held twenty-five regional training courses for the introduction of ePrescription. AFP experts gave lectures at the courses in twenty healthcare districts.

ePrescription has reduced the number of prescription forgeries and the need for paper archiving in pharmacies, but the importance of data protection and security has increased. Electronic prescriptions have brought costs for pharmacies, too, as they have had to make considerable investments in new equipment required by the system. By the end of the year, customers were able to collect their medicines via an electronic prescription in as many as 614 pharmacies.

info:

How ePrescription works

CUSTOMERS HAVING AN ELECTRONIC PRESCRIPTION can pick up their medicine in any pharmacy. They should take with them a patient instruction given to them by the doctor plus their personal health insurance card, the Kela card, to ensure a smooth transaction.

Doctors will continue to write traditional paper prescriptions if a customer prefers. However, customers derive several benefits from using ePrescription: prescriptions are stored securely, and medication information and medical treatment are easier to manage, in which case patient safety is improved as well.

Customers can easily view their own prescription data in the National Archive of Health Information (www.kanta.fi) either using their online banking user ID plus a password or via an electronic ID card.



In the headlines

Praise from customers

FINNS ARE VERY SATISFIED with their pharmacy service, revealed a survey carried out by Taloustutkimus (an independent full service market research company) for the AFP in February.

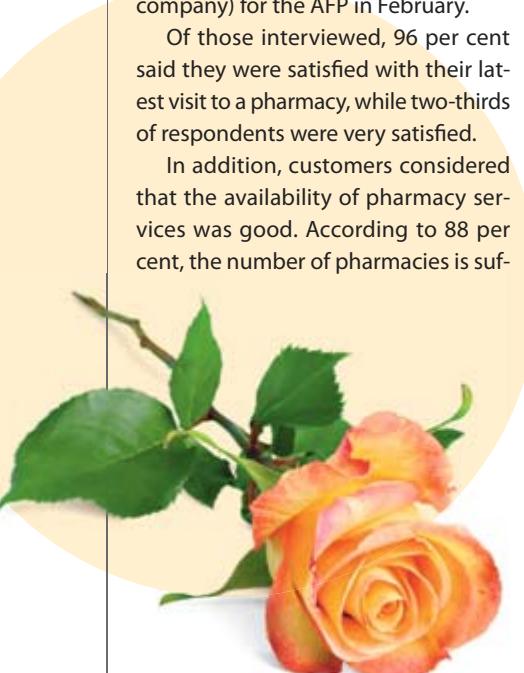
Of those interviewed, 96 per cent said they were satisfied with their latest visit to a pharmacy, while two-thirds of respondents were very satisfied.

In addition, customers considered that the availability of pharmacy services was good. According to 88 per cent, the number of pharmacies is suf-

ficient and 83 per cent of those interviewed were content with the business hours. A clear majority (70%) indicated that future availability of the pharmacy services should be guaranteed by regulating the location of pharmacies.

Fifty-six per cent of customers interviewed said they were particularly pleased with the pharmacies' readiness to serve. According to the survey, customers felt that the most important pharmacy services are the checking of medicine compatibility, medical guidance and receiving the SII reimbursement directly at the pharmacy at the same time as they bought their medicines.

The survey also showed that customers find the pharmacy staff's guidance to be the most important source of medicine advice. This is followed by advice from doctors and the directions on patient leaflets in medicine packages. Nearly half of those questioned thought that the best location for a pharmacy is a shopping centre, and over a quarter of customers prefer to go to a pharmacy located adjacent to a health centre or a medical centre.



Reliability of medicine dispensing

RELIABILITY OF DISPENSING IN PHARMACIES remained at a very high level, despite the reference pricing system for medicines, and increased interruptions in production, a survey showed.

This annual survey was conducted in February and involved 86 pharmacies, which, during the survey week, dispensed a total of over 88 500 prescriptions.

Pharmacies achieved a 98.5 per cent certainty of dispensing of prescription medicines during the same day; moreover, there was a 98.4 per cent certainty that the customer received at least some of the prescribed medicines on the spot.

As in previous years, the main reason for a particular medicine being unavailable was limited demand: it is ordered only when needed.



The AFP revamped its website

THE AFP REVAMPED its website to match its new look.

The new website now has links to selected content of the websites of the AFP's magazines (Apteekkari and Terveydeksi!) and Facebook.

Links to the latest web news in the Apteekkari-lehti (Apteekkari.fi) and in Terveydeksi! plus the AFP CEO's blog appear on the AFP homepage. The site has videos about the pharmacy field and services, too.

Users can search the site for AFP member pharmacies by name, address, or other search criteria. This pharmacy search will also inform users which pharmacies offer special services, and the languages, besides Finnish and Swedish, in which service is provided. There is a limited site in English, too.



Training pharmacy of the year

VARKAUDEN VANHA APTEEKKI pharmacy was awarded the title of training pharmacy of the year.

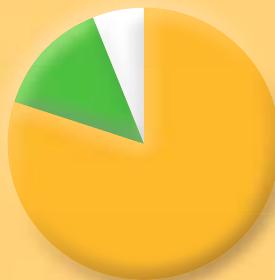
According to the working group that announced the Training Pharmacy of the Year award, Varkauden Vanha Apteekki pharmacy gives students the opportunity to experience a wide range of pharmacy activities, the training periods are well planned and learning is monitored during feedback discussions.

The title Training Pharmacy of the Year is based on student feedback and since 1992 it has been awarded to a pharmacy in which the training period for pharmacy students has been carried out in an exemplary manner.

▼ The Training Pharmacy of the Year award was announced at the Pharmacy Days to proprietary pharmacist Kirsi Puurunen (right), staff pharmacist Tarja Niskanen, responsible for teaching, and pharmaceutical assistants Teija Tuovinen and Terhi Korhonen.



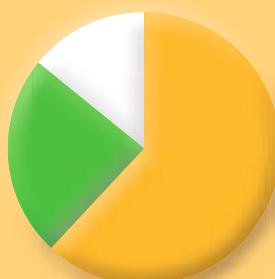
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■ BREAKDOWN OF SALES IN COMMUNITY PHARMACIES 2011

Prescription medicines	80%
Non-prescription medicines	14%
Others	6%

Source: The Association of Finnish Pharmacies



■ BREAKDOWN OF THE INCOME FROM MEDICINES SALES 2011 (estimated)

Industry and wholesaling	62%
Community pharmacy	24%
State	14%

Pharmacies' share



■ BREAKDOWN OF TOTAL HEALTHCARE EXPENDITURE 2010

Specialised medical and hospital care	34%
Primary healthcare*	18%
Other expenditure	28%
Dental care	6%
Medicines in non-institutional care	14%

*excluding occupational healthcare, student healthcare and dental care

In 2010, the total expenditure on healthcare was €16.017 billion (8.9% of GNP), or about €2 986 per capita. Of the total healthcare expenditure, only 3.4% was spent on maintaining the nationwide and dense community pharmacy network.

Source: National Institute of Health and Welfare and the AFP

In the headlines



Pharmacies provide the best customer service

FINNS EXPERIENCE noticeably better customer service in the pharmacies than they do in grocery stores, according to

the EPSI Rating study published in the autumn.

This nationwide and independent study showed that pharmacy customers are the most satisfied and loyal in Finland. The trump cards of the pharmacies are their location, opening hours and friendly and professional service.

The pharmacy sector received a customer satisfaction index of 81.4 points out of one hundred; grocery stores scored only 74 points. Moreover, the satisfaction index of Finnish pharmacies is high even by international standards: in Sweden, for instance, the corresponding figure is 71.7.

The EPSI Rating survey, which interviewed a random sample of just under 2000 Finns nationwide, is part of the European EPSI Rating (Extended Performance Satisfaction Index) system. It is a European analytical method used in several European countries.



The *Terveydeksi!* magazine maintained its readership

READING OF MAGAZINES in general has been declining, according to the Finnish National Readership Survey. However, this is not the case with *Terveydeksi!*, the readership of which remained almost unchanged in 2011.

Terveydeksi! engaged 1 217 000 readers, making it the fourth most widely read magazine in Finland, after *Pirkka*, *Yhteishyvä* and the *OP-Pohjola* customer magazines, and, for the first time, *Kuukausiliite*, the monthly supplement of the daily newspaper *Helsingin Sanomat*, had fewer readers than *Terveydeksi!*.

The magazine is available in the AFP's member pharmacies – in other words in nearly all Finnish pharmacies. It comes out four times a year, and it can also be read online at www.terveydeksi.fi.

The European Commission backed down

THE EUROPEAN COMMISSION dropped all of its actions regarding ownership and establishment of pharmacies which it had started against several EU countries. The infringement proceedings concerned Austria, Bulgaria, Cyprus, France, Italy, Germany, Greece, Portugal and Spain. The Commission considered that national legislation in these countries excessively restricts pharmacy ownership and establishment.

The decision by the Commission to stop all these actions was based on two previous rulings of the European Court of Justice in which the

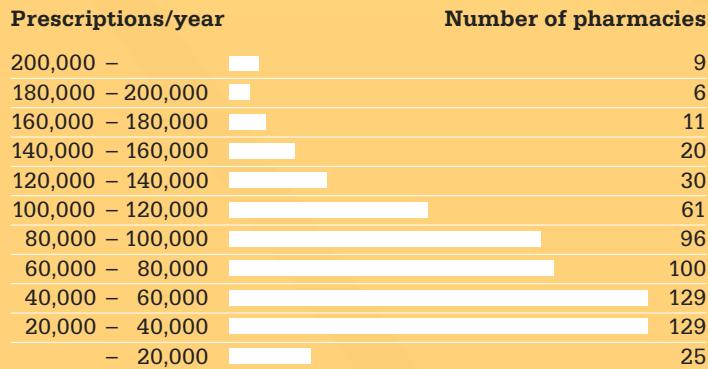
court concluded that restrictions on pharmacy ownership and establishment are justified on public health grounds.

– The Commission's decision vindicates our position, i.e. that member states must have the right to regulate their pharmacy sector in a manner which best serves the needs of their citizens. These ongoing actions have led to uncertainty and instability in the pharmacy sector during the past six years, commented **John Chave**, Secretary-General of the Pharmaceutical Group of the European Union (PGEU).

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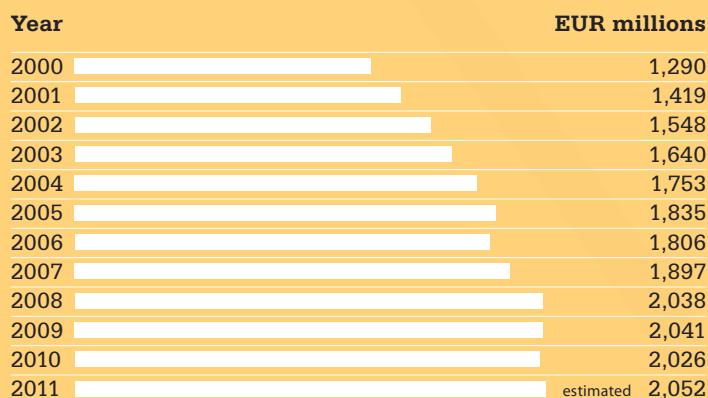
Source: The Association of Finnish Pharmacies

■ PRIVATE COMMUNITY PHARMACIES ACCORDING TO SIZE (2010)



Source: The Association of Finnish Pharmacies

■ TURNOVER OF PRIVATE COMMUNITY PHARMACIES



Source: The Association of Finnish Pharmacies

■ STAFF IN COMMUNITY PHARMACIES (31.12.)

Figures include staff in university pharmacies

	2007	2008	2009	2010	2011
Proprietary pharmacists	590	582	594	594	585
Staff pharmacists	816	807	802	813	780
Pharmaceutical assistants	3,839	3,830	3,844	3,840	3,635
Technical staff	3,060	3,070	3,071	3,032	3,456
Total	8,305	8,289	8,311	8,279	8,456

Genetic testing introduced in pharmacies

THE FIRST GENETIC TESTS developed in Finland enabling consumers to determine their susceptibility to lactose intolerance and vein thrombosis came on sale in some pharmacies. About 200 000 Finns are genetically at risk of vein thrombosis and 900 000 are prone to lactose intolerance.

Test packs are available in pharmacies, at a cost of about €100. At home, users take a swab sample from the inside of the cheek. After sending it for analysis, they receive a written reply in about two weeks.

How the pharmacy system works

Pharmacy licence

To establish or run a community pharmacy in Finland requires a pharmacy licence, granted by the Finnish Medicines Agency (Fimea). When a pharmacy licence becomes vacant, Fimea announces that it can be applied for, and grants that licence to the best qualified applicant.

Fimea also makes decisions, based on means tests, regarding the establishment of new pharmacies and subsidiary pharmacies. To qualify for a pharmacy licence, the applicant must be both a citizen of a country in the European Economic Area and an authorised pharmacist. A community pharmacy licence is granted for a specific catchment area, typically a municipality but, in a city, there may be several such catchments. Within a particular catchment area a pharmacy may be relocated freely, for example close to an existing pharmacy. However, the siting of a subsidiary pharmacy is more strictly regulated.

A proprietary pharmacist may hold only one pharmacy licence and up to three subsidiary pharmacy licences at one time. Fimea can also grant a licence to establish pharmacy service points within the outlying districts of the pharmacy's own catchment area or beyond into a neighbouring municipality or a village centre. These service points may only be established in areas where there are no preconditions for running a pharmacy or a subsidiary pharmacy.

A subsidiary pharmacy can be turned into an independent pharmacy only if granted by Fimea. Establishing of a pharmacy chain is impossible in Finland. A pharmacy licence is granted to a specified individual and it may not be sold on or leased out. The proprietary pharmacist has both professional and financial responsibility for that pharmacy. The pharmacy licence is terminated when the holder reaches 68 years.

Several duties are attached to the pharmacy licence, the most important being to ensure good availability of medicines.

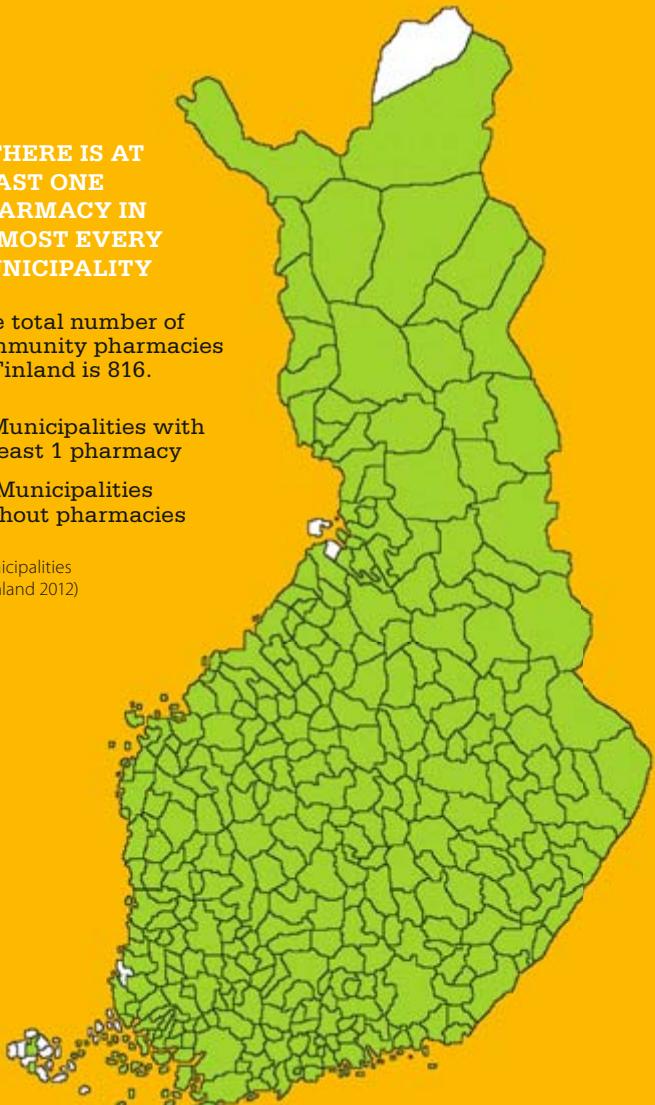
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- THERE IS AT LEAST ONE PHARMACY IN ALMOST EVERY MUNICIPALITY

The total number of community pharmacies in Finland is 816.

- Municipalities with at least 1 pharmacy
- Municipalities without pharmacies

(municipalities in Finland 2012)



■ NUMBER OF PHARMACIES AND SUBSIDIARIES (31.12.)

Figures include university pharmacies

	1970	1980	1990	2000	2010	2011
Pharmacies	561	564	576	595	618	621
Subsidiaries	97	126	173	201	194	195
Total	658	690	749	796	812	816

m works

info:

Source: The Association of Finnish Pharmacies

AVERAGE PHARMACY 2011

Turnover:	approx €3.3 million
Prescriptions/year:	73,500
Pharmacy fee to the state:	about €193 000 (about 6% of turnover)
Staff:	11 (proprietary pharmacist + staff pharmacist + 5 pharmaceutical assistants + 5 technical assistants) (incl. part-time staff)

PRESCRIPTIONS DISPENSED BY COMMUNITY PHARMACIES (millions of prescriptions)

2006	2007	2008	2009	2010	2011
43.4	45.6	47.9	48.6	50.0	51.0

RETAIL PRICE AT PHARMACY

Medicine tariff decided by the Council of State 11.12.2002

Wholesale price (€) Retail price at pharmacy (€)

0 – 9.25	1,5 x wholesale price + 0.50 € + VAT 9%
9.26 – 46.25	1,4 x wholesale price + 1.43 € + VAT 9%
46.26 – 100.91	1,3 x wholesale price + 6.05 € + VAT 9%
100.92 – 420.47	1,2 x wholesale price + 16.15 € + VAT 9%
420.48 –	1,125 x wholesale price + 47.68 € + VAT 9%

PHARMACY FEE TO THE STATE

Change in the Pharmacy Fee Act 1 334/16.12.2011

Pharmacy's annual turnover (€)	Pharmacy fee at the lower turnover limit (€)	Fee-% exceeding turnover at lower limit
871,393 – 1,016,139	0	6.00 %
1,016,139 – 1,306,607	8,685	7.00 %
1,306,607 – 1,596,749	29,018	8.00 %
1,596,749 – 2,033,572	52,229	9.00 %
2,033,572 – 2,613,212	91,543	9.50 %
2,613,212 – 3,194,464	146,609	10.00 %
3,194,464 – 3,775,394	204,734	10.25 %
3,775,394 – 4,792,503	264,279	10.50 %
4,792,503 – 6,243,857	371,076	10.75 %
6,243,857 –	527,096	11.00 %

2

Medicine tariff

Prices of medicines are the same in all community pharmacies because the Council of State determines retail prices based on the medicine tariff. In turn, the medicine tariff sets a retail price on a medicine according to a national wholesale price, which is the same for all pharmacies (see table). No discounts on medicine purchases are permitted.

The medicine tariff is "counter-progressive", i.e. the proportion of the commission from sales decreases as the wholesale price of a medicine goes up.

Pharmacy fee

The pharmacy fee, in effect a tax, has a considerable impact on the finances of a community pharmacy. Community pharmacies pay the pharmacy fee to the state. The fee gives the state an income of about €120 million per year. The pharmacy fee regulates the relative profitability of pharmacies of different sizes when the prices of medicines are the same in all pharmacies.

The pharmacy fee is based on the turnover of the pharmacy and it is progressive (0–11% of turnover). The smallest pharmacies do not pay any pharmacy fee (see table). This fee is mainly paid only on sales of medicines to the general public.

The effect of the fee is that a smaller pharmacy, compared with a larger pharmacy, will earn a little more from the sale of a medicine when the price of the medicine is the same.

The Association's companies

PharmaService Ltd

PHEMASERVICE PRODUCES services for the pharmacies to support the automated dose-dispensing of medicines. In addition, it subcontracts out the preparation of some nutrient additives for sale in the pharmacies.

The company produced pre-packed medicines for nearly 300 pharmacies. These medicines were distributed to the pharmacies for their customers. Most of the patients covered by this service use a range of medicines, suffer from several illnesses, and are either home nursing customers or they live in sheltered accommodation.

The dose-dispensing service increases patient safety because it includes a check of the customer's medication. According to a study by PharmaService, this check of interactions between medicines can prevent serious problems and substantially improve patient safety.

The pharmacies were given a wider range of options for ordering the pre-packed doses following the introduction of software compatible with programs for the pharmacies. These options are available alongside the Timo ordering system.

In addition, a new sachet made of better quality materials was introduced along with a new storage box for the sachet string.

The capacity and reliability of dose-dispensing successfully met the demands of rising numbers of customers and pharmacies, and the company's financial situation improved.

In October, PharmaService marked its 10th anniversary with an open-doors event, a seminar on dose-dispensing and a reception.

Founded: 2001

Ownership: The AFP 51%, Orion 49%

Turnover 2011: €3.6 million

Staff: 48

CEO: Risto Suominen



Pharmadata Ltd

PHEMADATA DELIVERS data technology services and solutions to pharmacies. Its products are Salix, Procurro, Presto, Proselecta, pd3 and the pharmacy network Apteekkiverkko. Pharmadata also offers consultation and training.

The Salix system operates in 460 pharmacy outlets in Finland. It is not only easy to use, it also facilitates the operating of ePrescription.

Provision of the Apteekkiverkko service was put out to tender; new firewalls were installed in the pharmacies computers in the spring of 2011. Duplicate firewalls and a wireless back-up connection were productised and can now be ordered by those pharmacies using Sonera data connections.

Pharmadata's Pd3 is the first centralised new-generation data system to do away with the necessity for the pharmacy staff to do such tasks as backing up copies and program updates. The piloting of the system was initiated in one subsidiary pharmacy in 2010 and continued into 2011 in another pharmacy.

Salix and the pd-products (Procurro, Presto and Proselecta) performed very satisfactorily, and are well worth considering when pharmacies are thinking about developing their operations. In the future, these pd-products will also operate in the pd3 system.

Founded: 1989

Ownership: The AFP 100%

Turnover 2011: €6.6 million

Staff: 20

CEO: Jukka Litmanen

← PharmaService CEO Risto Suominen, presented a new, easier-to-use sachet material and handy cardboard storage box at the press event in October.

The AFP companies complement the AFP range of services to pharmacies. PharmaService celebrated its 10th anniversary and the reform of Medifon began.



↑ New Medifon CEO Mika Flink began a company reform.

Medifon Ltd

MEDIFON LTD is a wholesale business selling specialist products and general commodities for pharmacies. It is also an importer.

Its range of merchandise totals around 400 products, the most important being thermal signatures, bags, thermometers, foot-care products and wound dressings. Most of the products are distributed via medicine distributor Tamro.

The Medifon web pages (medifon.fi) give information about all of the company's merchandise. Pharmacies can place orders for products via the company's online shop.

At the end of 2011, the company began a process to reform the business during 2012. This process will bring about big changes in the way Medifon runs its business, with the aim of enabling it to better adapt to changing market environments and to create added value for the member pharmacies of the AFP.

Founded: 1981

Ownership: The AFP 100%

Turnover 2011: €2.9 million

Staff: 6

CEO: Mika Flink

PharmaPress Ltd

PHARMAPRESS, the communications and publishing company, produces communications services both for the AFP and its member pharmacies. It publishes Apteekkarilehti and also Terveydeksil, the pharmacy customer magazine for AFP member pharmacies, plus a number of books, guides and other literature.

Two new products from PharmaPress this year were Apteekkikalenteri 2011–2012 (a pharmacy calendar) and the Apteekinhoidon käzikirja 2011 (a handbook for pharmacy owners).

The company improved the magazines Terveydeksil and Apteekkarilehti and their online services. The websites of both magazines are regularly updated, and each has an electronic newsletter. Terveydeksil is now on Facebook.

PharmaPress arranged the exhibition that accompanied the Annual Spring Meeting event that was held at Marina Congress Center in Helsinki, in April.

Founded: 1997

Ownership: The AFP 100%

Turnover 2011: €1.3 million

Staff: 3 + 2 (IATOD)

CEO: Erkki Kostainen



The Board 2011

RIITTA ANDERSIN	President	Turenki Pharmacy	2
TAPIO RYTILÄ	1st Vice-President	Hollola Pharmacy	1
MARJA RITALA	2nd Vice-President	Kangasala Pharmacy	3
RIIKKA AAHE		Medena Pharmacy, Helsinki	5
RISTO KANERVA		Humalisto Pharmacy, Turku	11
EIJA KARI		Vesanto Pharmacy	4
SINIKKA KESSELI-PULKKINEN		Pohja Pharmacy	14
LEENA KOLJONEN		Tohmajärvi Pharmacy	(not in the picture)
KAI NIEMINEN		Farma Pharmacy, Järvenpää	(not in the picture)
HEINO PERNILÄ		Laitilan Uusi ApteeKKI Pharmacy	(not in the picture)
KIRSI PIETILÄ		Malmi Pharmacy, Helsinki	10
MERJA POIKALA		Elimäki Pharmacy	12
TERTTU PUURUNEN		Hyrynsalmi Pharmacy	7
EILA TERVOLA		Tesoma Pharmacy, Tampere	(not in the picture)
OLLI SILLANTAKA		Hankasalmi Pharmacy	6
TAPIO SUNDELL		Medi Pharmacy, Pietarsaari	9
MINNA JAANSON		<i>Deputy member (for Kai Nieminen)</i>	8
EIJA KUUSELA		<i>Deputy member (for Eila Tervola)</i>	13



Contact our experts for further information



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