



**THE ASSOCIATION OF  
FINNISH PHARMACIES**

# 2019



THE ASSOCIATION OF FINNISH PHARMACIES (AFP)  
DEVELOPS HIGH STANDARDS OF ETHICAL AND  
PROFESSIONAL COMPETENCE IN PHARMACY SERVICES  
WITHIN THE BROADER HEALTHCARE SECTOR.  
IT ALSO PRODUCES SERVICES FOR ITS MEMBERS  
TO SUPPORT THEIR PHARMACY WORK.

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HEALTH BECAME A PRIORITY

The year 2019 brought to the surface medication problems among the elderly, problems of availability of medicines, and the value of pharmacy. A sound starting point for reforming the pharmacy sector arose.

**DURING A COLOURFUL** election year, no fewer than two governments had to resign prematurely. However, the greatest political interest was neither in the pharmacy sector, and after the election, nor in the social and health-care reform.

The year 2019 will be remembered within the pharmacy field for medication problems in the care of the elderly and increased problems regarding availability of medicines. Both have affected and strained the pharmacies, too.

These problems highlighted the need for more pharmaceutical expertise in healthcare.

Pharmacies have, in fact, offered their support to improve medical treatment procedures in nursing homes and home care. However, in the worst cases, some of these pharmacies in smaller municipalities struggled to survive because medicine supply to some nursing homes was outsourced hundreds of kilometres away.

**AVAILABILITY PROBLEMS** are largely due to the concentration of pharmaceutical manufacturing and raw material production in Asia, which has led to vulnerabilities in the production chain. The effects of any disruptions arising can generally be dealt with at a national level in one of two ways: one can exacerbate the problem, the other can alleviate it.

One the one hand, experiences in neighbouring countries show that centralised distribution of medicines narrows the range of generics and makes it difficult to replace a medicine in the event of a disruption. On the other hand, a smooth flow of information and flexible practices in the use of generic substitutions reduce situations where the customer is left without medication.

Resolving availability issues demands time of the pharmacies, but usually customers receive their medicines.

According to a pharmacy survey carried out by the Association of Finnish Pharmacists (AFP) in the spring, 98% of prescription medicines are dispensed to the customer immediately, 1.5% in the following few days, and only 0.5% are not dispensed at all due to an availability dis-

ruption. However, any lack of medicine is almost always resolved by a generic substitution dispensed by the pharmacy. However, if a new prescription is needed because there is no generic substitute, a doctor will be contacted.

**THE INCREASED** appreciation of pharmacy was also visible in the labour market. Of the hospital districts, Helsinki University Hospital and Kuopio University Hospital in particular have hired ward pharmacists to support treatment: to interview patients and sort out queries regarding medication.

Fimea, the Finnish Medicines Agency, has established 25 new pharmacies in two years. New pharmacies are mainly established in local centres of economic development, often shopping malls, which require a large workforce due to long opening hours.

According to a survey conducted in the summer, more than half (53%) of Finnish pharmacies had suffered from labour shortages in the previous 12 months. Training for employment in the pharmacy field should therefore be increased, even if this is a solution more for the future.

**IN FEBRUARY**, the Ministry of Social Affairs and Health published a memorandum, covering three parliamentary periods, on the reform of pharmacotherapy and distribution of medicines.

The memorandum describes a roadmap which views pharmacies as being part of the broader healthcare sector and that pharmaceutical services need to be reformed as part of that broad sector, because individual changes affect all parts.

The AFP believes that this pharmaceutical roadmap is a good starting point for updating the pharmacy system for the 2020s. In the autumn, the AFP also renewed its own strategy up to 2025.

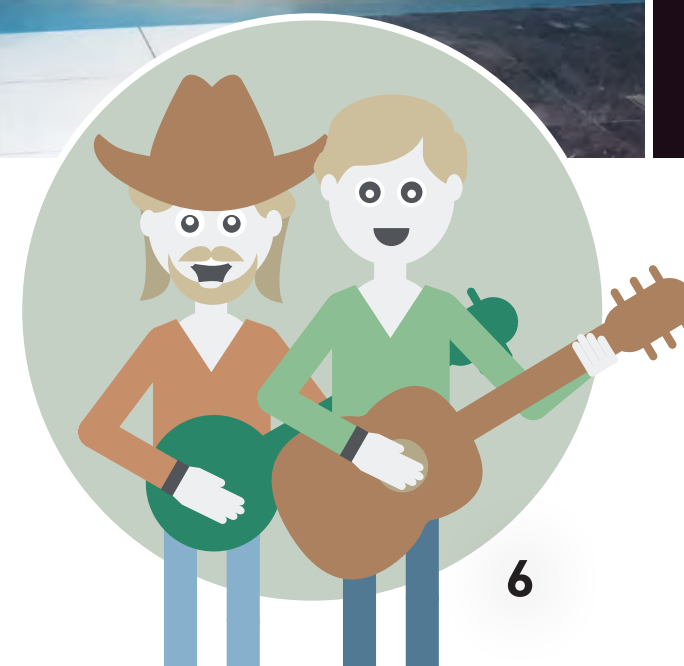
An essential part of the renewed AFP strategy is a pharmacy-owning system based on strong professional expertise, which will be even more firmly integrated into the broader healthcare system.





**1** News presenter Matti Rönkä and chairman Risto Kanerva took on the roles of identical twins in Susanna Laine's Red Nose Day interview in Tohloppi, Tampere. The AFP was the main collaborator in the campaign. | **2** The red nose, the green cross and the other participants from the AFP went out into the centre of Helsinki with their Red Nose Day collection boxes. And collections in pharmacies generated almost 54 000 euros for the world's children. | **3** Charlotte Sandler, Pharmaceutical Director of the AFP, came fifth

on the Health Adviser of the Year list, published by Mediutiset, a Finnish healthcare magazine for professionals. Sandler and the AFP are energetically looking for solutions to medication safety risks, the explanatory statement said. | **4** Sari Westermarck, Second Vice-President of the AFP, was re-elected as a member of the Executive Committee of the Community Pharmacy Section at the International Pharmaceutical Federation's World Congress (FIP), held in Abu Dhabi. | **5** The face of the Mielinhuu mental health



fundraising event, singer Ellinoora compiled a poem about anxiety among her fans. Sales of ribbons and promotional products in pharmacies generated almost 27 000 euros for mental health promotion and crisis assistance. Pharmacies took part in the campaign for the second time. | **6** Social media video "Ask for advice about your ailments in a pharmacy, not in discussion forums" was wanted for first language and literature e-learning material in upper high schools. The audio version of the campaign was entered in the Kaiku competition for the Social Radio Advertisement of the Year.



**T**he establishment of new pharmacies moved forward, and in the Helsinki metropolitan area, for example, it was confirmed that ten more pharmacies would open.

In Finland, at least twenty-five new pharmacies were established over two years, and there will for example be four more pharmacies in Vantaa and six in Espoo.

Under current law, pharmacies are no longer assigned specific locations, but are allowed to locate freely in their area (municipality or part of a municipality). Decisions made in the cities of Vantaa and Espoo regarding pharmacies removed restrictions governing locations, i.e. both new and old pharmacies are free to choose where to locate.

The only exception is the Jorvi hospital area in Espoo, which was defined as being a separate area in order to ensure that pharmacy services are available in that area.

### SHOPPING CENTRES ATTRACT

As regulations governing pharmacy location are liberalised, pharmacies will seek out shopping centres, transport hubs and other busy places. This is happening all over the country.

For most customers, the change will bring pharmacy services closer to them: to and from work or while shopping, and pharmacy opening hours are typically lengthening in shopping centres.

For pharmacies, the change offers modern facilities, to take advantage of digitalisation and automation, interaction with other entrepreneurs, a safer environment and more customers.

For example, in Tampere, and also in Kallio, in Helsinki, brick-and-mortar pharmacies have gradually moved to shopping malls. The same thing is happening in the countryside.

By the end of 2019, most pharmacies in Helsinki no longer had fixed location areas, i.e. they were able to move freely to a location of their own choice, within the city boundary. However, 15 Helsinki pharmacies still have assigned locations to guarantee pharmacy services in those 15 areas, and Fimea is looking into whether these are still needed.

### PHARMACIES TO HOSPITALS

**IN THE YEAR 2019**, the first pharmacies were established in hospitals to serve patients. In fact, the first such pharmacy, Tammedica Pharmacy, had already opened at Tampere University Hospital (TAYS) during the previous year, but initially it operated in temporary premises and did not move to the university hospital's new buildings until September 2019. A pharmacy also opened at the beginning of 2019 in the main lobby of Kuopio University Hospital (KYS).

In the autumn, Fimea granted a licence to pharmacy owner Anssi Pulkkinen (pictured) to open a pharmacy in Jorvi Hospital, Espoo. The pharmacy opened in the lobby in February 2020.

This hospital pharmacy serves the staff, and also patients who have just been discharged, thus providing them with easy access to medicines on their way home if they are ill or convalescing.

# MORE PHARMACIES



**T**he history of medicine transportation took off in a new direction in September when a packet of ibuprofen was transferred by air from Lauttis Pharmacy to the Lauttasaari Senior Home, both in Helsinki.

Finland's first delivery of medicines by air using a drone was a project between the Association of Finnish Pharmacies (AFP) and pharmaceutical company Orion, in which two research groups at Aalto University participated.

Drones are able to take off vertically at high speed and, under optimal conditions, fly at a maximum speed of 60 kilometres per hour for a distance of more than one hundred kilometres. In cities, drones have official departure points and well-defined flight routes.

In an archipelago or another hard-to-reach area, they can work well, for example, in situations where the customer has difficulty to get to a pharmacy due to illness. As technology advances, robotic transportation may become commonplace for everyone.

#### NEW TECHNOLOGIES FOR PHARMACEUTICAL LOGISTICS

The digitalisation of sales and transportation of medicines took a big step forward when the new e-commerce platform for pharmacies was completed. The first pharmacy migrated its online service to the eAPTEEKKI platform during the summer, and by the end of the year around a dozen pharmacies had introduced that service.

In 2020, the number of online pharmacies is estimated to increase to more than 150.

The platform, developed by the AFP, makes online transactions very easy to use. Medicines can be ordered ready to be picked up from a pharmacy or directly delivered to your door.

In several cities, pharmacy partner Eezery delivers orders placed by 4pm on the same day, and at its fastest within four hours. Several pharmacies started these speedy home deliveries already in April and expanded to dozens of locations during the summer.

Eezery is a kind of logistics Uber. However, its operation is closely controlled: the AFP has participated in driver training, and the quality of medicine shipments is guaranteed by way of, for example, temperature monitoring.

# MEDICINE TAKES TO THE AIR

*Drones can work well in, for example, an archipelago area or other hard-to-reach areas and in situations where the customer has difficulty accessing a pharmacy due to illness.*





**T**he number of problems of obtaining medicines increased again. In 2019, Fimea received almost 1 700 reports of interruptions in supply, which is almost 500 more than during the previous year.

In part, that number increased more because, in the autumn, the way interruptions had to be reported changed: each medicine packet size had to be reported separately. Previously, different packet sizes of the same medicine could be included in the same report.

Pharmacies also reported that shortages of medicines worsened. A survey by the Association of Finnish Pharmacies (AFP) showed that availability disruptions increased in the autumn in two out of three pharmacies.

The disruptions particularly concerned medicines that have been on the market for a long time and the production of which is concentrated in Asia. It is estimated that China produces the majority of all active ingredients in medicines.

In recent years, China has significantly tightened its environmental and occupational safety requirements for this industry, which has led to plant closures. Moreover, factory fires and explosions, and environmental problems have also reduced levels of production.

Disruptions in the narrowed production process are

directly visible in the global pharmaceutical market, including in Finland.

#### PROBLEMS ARE USUALLY SOLVED IN THE PHARMACY

Availability disruptions received a lot of media attention, especially during the summer, which might have given a gloomier picture of the situation than was actually the case. Although medicine supply disruptions have increased in recent years, the situation remains better in Finland than in many of its neighbours.

According to a survey of reliability of dispensing carried out by the AFP (spring 2019), 98 per cent of prescription medicines are available on demand in pharmacies, 1.5% are available in the following few days if preordered. Only 0.5 per cent of prescriptions cannot be dispensed due to a delivery disruption.

In most cases, the solution is for the pharmacy to replace the missing medicine with a generic equivalent. 95% of pharmacies thought that this should in fact be made easier and that they should have a wider range of opportunities to switch to an available generic medicine.

This would be facilitated if pharmacies could dispense the same prescription but the dosages would be at a different strength, and this could be done without consulting a doctor. For example, if Amlodipine 10 mg

tablets were not available, pharmacies could dispense two Amlodipine 5 mg tablets instead. This is the case, for example, in Norway, where the authority issues case-by-case instructions in the event of supply disruptions.

According to pharmacies, 10–20 per cent of the problems required them to contact a doctor. They estimated that the supply disruptions caused an average of 2.5 hours of extra work per week in inventory management and medicine logistics, and 4 hours per week in customer service.



The pharmacists' journal APTEKKARI reported on Norway's difficulties in February.

# EVENTS IN CHINA PRESENTED CHALLENGES



## SERVICE VOUCHERS WERE INTRODUCED IN DOSE DISPENSING

**THE FIRST BIG** service providers began to take advantage of the freedom of choice in dose dispensing of medicines when 2 700 customers of the joint municipal authority for social and healthcare services in North-Carelia, called Siun sote, and 1 400 customers in the City of Oulu moved to a system of service vouchers.

Siun sote wanted to harmonise practices, reduce administration and improve pharmacovigilance, which it estimates saves 140 000 euros a year. In Oulu, the transition from a process of tendering to a voucher system does not affect costs.

The goals of Siun sote and the City of Oulu are largely the same: to increase freedom of choice and medicine safety; to keep local pharmacies alive; and to prevent the majority of dose dispensing being in the hands of a few large pharmacies. Pharmacies participated in the work to achieve all three goals.

**T**he year of crisis in care for the elderly began in January with the suspension of the operation of a nursing home in western Finland. It soon became apparent that serious problems were occurring all over Finland, and the supervisory authority had to intervene in the activities of several units.

Medication safety was compromised: medicines could be handled by an untrained worker, kept in unauthorised storage, and mis-dispensed, because they did not even have a doctor's prescription.

The crisis also had positive effects, however. Attention began to be paid to medication safety, and the major care providers became more interested in the automated dose dispensing of medicines. Moreover, Espoo and other municipalities in Western Uusimaa decided to require all private service providers to use automated dosing.

The Association of Finnish Pharmacies (AFP) suggested that the auditing of medication matters should be made mandatory by the Act on Care Services for Older Persons. Pharmacies began to provide more support for the development of medical treatment procedures.

Helsinki City Home Care Services decided to develop medication safety in cooperation with pharmacies. This care service trialled the service to support safe medical treatment in the city centre.

Medication problems observed in service housing and home care also detrimentally affects family caregiving. Professors Sirkka-Liisa Kivelä (emerita) and Marja Airaksinen, who have studied care in the family, suggested that pharmacies start making publicly funded home visits to family care households.

The crisis also highlighted the great responsibility of the local pharmacy for supplying medicines for the elderly.

As part of the outsourcing of the nursing home in Viernä plans were made to move the distribution of medicines outside the locality. However, the residents protested in force and signed a petition in support of their local pharmacy.

# CRISIS IN ELDERLY CARE



# THE VALUE OF PHARMACY INCREASED

The year 2019 highlighted shortcomings united by one thing: more pharmaceutical expertise is needed.

Tutors Juuso Hänninen, Nella Laurikkala, Noora Jansson and Simo Hintikka provide guidance to new pharmacy students (in the background) at the University of Helsinki.

## DEVELOPMENT OF MEDICAL TREATMENTS

**ADVANCED MEDICAL TREATMENTS** help more and more Finns. However, they require more pharmacy experts in hospitals and in pharmacies.

Hospital pharmacists have in fact begun to move from medicine logistics to treatment support: medication identification and assessment. Helsinki University Hospital (HUS) and Kuopio University Hospital (KYS) are leading the way.

Fimea stated that pharmacies may be able to replace prescribed biological medicines with cheaper biosimilars within the next few years.

## GROWTH OF DEPARTMENTAL PHARMACY

**HUS PHARMACY** had over a hundred departmental pharmacists and needed dozens more. By mid-September, it had in fact hired 58 pharmacists, of which 28 were newly created posts.

HUS also recruited pharmacists because the Kanta digital services were neither able to provide an up-to-date medication list nor prescriptions for medicines in such form that these services could be transferred directly to the patient information system. Kanta produces and manages patient data for the social welfare

and healthcare sector; citizens are able to access their personal health information, as well.

Pharmacists interviewed patients in consulting rooms and updated the medication lists.

Doctors and nurses do not have enough time to update all medications, even though it improves safety.

According to a survey conducted by the Apteekkarilehti journal at the end of the year, almost all hospital districts would like to hire more pharmaceutical professionals for wards, emergency services and primary healthcare to travel around municipalities.

## NEW PHARMACIES

**FIMEA HAS ESTABLISHED** at least 25 new pharmacies in two years. 70-80 pharmacists are needed for the ten new pharmacies in the Helsinki metropolitan area alone.

## PHARMACEUTICAL CHAOS IN ELDERLY CARE

**MEDICATION PROBLEMS** in elderly care revealed the need for more pharmaceutical expertise in nursing homes and home care. Pharmacies offer both audits and the service to support safe medical treatment when there is fine-tuning of medication processes, automated dose dispensing and other pharmaceutical logistics.

## LABOUR SHORTAGE WORSENS

**THE INCREASED VALUE** of pharmacy is also visible in the labour market. According to a survey conducted by the Association of Finnish Pharmacies (AFP) in the summer, more than half (53%) of Finnish pharmacies had suffered labour shortages during the previous 12 months, and one third (34%) stated that the labour shortage had worsened at the beginning of the year 2019. The situation was worst in Päijät-Häme — due to the turmoil of structural change — where almost every pharmacy (94%) had recruitment problems.

Training in the field should therefore be increased in order that the number of pharmacy graduates corresponds to the increased demand for pharmacy services.

The AFP surveyed the labour force situation at the turn of June-July. 486, i.e. 80 per cent of the AFP's member pharmacies, replied to the survey.



## “MEDICINE IS NOT A SPECIAL OFFER PRODUCT”

**THE YEAR 2019** brought a new government in Finland and a new Minister of Social Affairs and Health. Aino-Kaisa Pekonen (Left Alliance) immediately had to deal with the reforms to the Medicines Act that were still on the table, along with the medicine availability disruptions that had worsened during the summer.

Pekonen said that reforms to improve legislation, such as the rules defining the storage of medicines in nursing homes, will be made without delay. However, she expressed great reservations about the proposal on price competition for self-care medicines.

– I very much believe that medicines should be taken only when needed. Turning a medicine into a special offer product is a bad idea because that would increase unnecessary use, the new minister outlined in an interview with Apteekkarilehti.

Pekonen was even more critical of liberalising the sales of self-care medicines because of the negative experiences in neighbouring countries.

Pekonen, who has a nursing background, said that she appreciated the pharmaceutical expertise of pharmacies and pharmacy professionals and hoped that they would have time to review medication lists and address the issue of over-medication, for example.

The government announced that it would begin preparations for a comprehensive reform of the Medicines Act in accordance with an official memorandum from the Ministry of Social Affairs and Health, a so-called roadmap.



## COOPERATION ON PRESCRIPTIONS WITH ESTONIA STARTED

**THE FINNISH ELECTRONIC** prescription started operating in Estonian pharmacies in March, making it the first cross-border healthcare service in Europe.

The service benefits, for example, passengers who have left their medicines at home or who are on a longer-stay visit. However, these prescriptions are not for narcotics, CNS medicines or preparations sold under a special permit.

Towards the end of 2019, it was confirmed that Estonian prescriptions can be used in Finland from March 2020. The same will apply to Croatia, and by the end of 2021, other EU countries will join the system, too.

## VERIFICATION OF AUTHENTICITY IMPROVED

**A NEW EUROPEAN SYSTEM** for verifying the authenticity of a medicine was introduced in Finland in February. The packages were tagged with a unique identifier and an anti-tampering mechanism such as a self-adhesive seal, security cap or tear tape.

The package is identified in the pharmacy by a scanner, and the integrity of the security mechanism is checked.

Although counterfeit medicines have never been found in a Finnish pharmacy, they are a major problem in the world and a growing threat in Europe as well.



## THE FALSE PHARMACY CONTINUED OPERATING, THE AUTHORITY REACTED STRONGLY

**DESPITE THE BAN** and periodic penalty payment, Suomen Apteekkiyhtiöt, (Finnish Pharmacy Companies) continued with its misleading marketing and appeared in telephone sales as a pharmacy, even though it does not have a pharmacy licence.

The Consumer Ombudsman reacted and, on the basis of her inquiries, demanded that a fine of EUR 100 000 ordered by the Market Court must be imposed and a new ban be placed on the company. In addition, to drive home the message, the company should pay a penalty payment of EUR 150 000 because the previous ban failed to prevent it from violating consumer protection law.



## RUNNING ERRANDS ON BEHALF OF OTHERS MADE EASIER

**IN THE SUMMER**, an electronic authorisation was introduced in pharmacies to allow the purchasing of medicines for others, on behalf of family members or relatives, for example. This was the first time that such electronic authorisation was used in store transactions.

The service helps, for instance, parents and carers of minors to take care of their family members or other loved ones. The authorisation is given via the e-Authorizations service Suomi.fi, which is a part of the Digital and Population Data Services agency.

No patient's documents or Kela social security card are required - the pharmacy checks the right of transaction in its system.



# THE PHARMACY SYSTEM IN BRIEF

**ALMOST EVERY** municipality has at least one pharmacy. The pharmacies’ online services complement the services of bricks-and-mortar pharmacies, and the pharmacy service points provide medicines in areas where there is no pharmacy.

The running of a pharmacy in Finland requires a licence, which is 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 in line with the criteria defined in the Medicines Act.

Fimea also makes decisions based on an assessment of needs regarding the establishment of new pharmacies and subsidiary pharmacies. A new pharmacy or a subsidiary pharmacy is often established on the initiative of a municipal authority.

Citizens of countries other than Finland may apply for a pharmacy licence, but such a licence cannot be granted unless they have received Finnish authorisation to be a pharmacist in Finland.

A community pharmacy licence is granted for a specific catchment area, typically a municipality. In large municipalities and in cities, there may be several such pharmacy catchment areas and each of them may have several pharmacies. Within a particular catchment, a pharmacy may be located without restrictions, for example close to an existing pharmacy. However, the siting of a subsidiary pharmacy is more strictly regulated.

A proprietary pharmacist is permitted to hold only one pharmacy licence and a maximum of three subsidiary pharmacy licences at one time, except in the case of a change of ownership of a pharmacy. Fimea may also grant permission to a proprietary pharmacist to establish 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. Also, subject to the permission of Fimea, a proprietary pharmacist may establish an online service, i.e. an online pharmacy, through which to sell medicines.

## PHARMACY CHAINS ARE PROHIBITED IN FINLAND

**A PHARMACY** licence is granted to a specified individual and it may not be sold on or leased out, nor may the licence obligations be transferred to a third party.

The proprietary pharmacist has both professional and financial responsibilities for her/his pharmacy. The pharmacy licence is terminated when the proprietary pharmacist reaches 68 years. The Medicines Act classes a proprietary pharmacist as a private entrepreneur and the pharmacy as a sole trader business entity.

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

## AVERAGE PHARMACY 2019 (estimated)

Turnover:	€3.9 million
Prescriptions/year:	89 900
Pharmacy tax to the State:	about € 287 000 (About 7% of medicine sales)
Staff (incl. part-time staff):	10 (proprietary pharmacists, staff pharmacists, 5 pharmaceutical assistants, 3 technical assistants/ others)

Source: The Association of Finnish Pharmacies

## NUMBER OF PHARMACIES AND SUBSIDIARIES [31.12.]

Figures include university pharmacies

	1970	1980	1990	2000	2010	2019
Pharmacies	561	564	576	595	618	623
Subsidiaries	97	126	173	201	194	196
Total	658	690	749	796	812	819

Source: The Association of Finnish Pharmacies

## PRESCRIPTIONS DISPENSED BY COMMUNITY PHARMACIES (millions of prescriptions)

2013	2014	2015	2016	2017	2019*
51.7	53.4	55.8	58.8	60.9	65.7

Source: Finnish Statistics on Medicines 2018  
\* estimated/The Association of Finnish Pharmacies

Due to changes on 1.4.2015 to the registration of dose-dispensing and to dose-dispensing prescriptions, the statistics based on the number of prescriptions dispensed are not comparable to the statistics before 2015.

## THE MEDICINE TARIFF

**THE MEDICINE** tariff decided by the Council of State sets a retail price of a medicine according to a national wholesale price (see table). Hence, a pharmacy never decides the price of a medicine; it is decided by the State.

Retail prices of medicines are the same in all community pharmacies because the wholesale price is the same for all pharmacies, and the retail price is always based on the medicine tariff. Discounts on medicine purchases made by pharmacies are not allowed.

The medicine tariff is “counter-progressive”, i.e. the proportion of the sales margin decreases as the wholesale price of a medicine goes up.

Regulation of the medicine price ensures that medicine prices are reasonable and that there is equal treatment of citizens throughout the country.

819

THE TOTAL NUMBER OF COMMUNITY PHARMACIES IN FINLAND IS 819

## PHARMACY TAX

**PHARMACIES PAY** a pharmacy tax to the State on the basis of a table decided by Parliament each year. The pharmacy tax provides an income of approx. €190 million per year to the State. The tax is based on the turnover of the sales of prescription and OTC medicines and it is progressive.

In particular, the pharmacy tax gives the State a bigger cut of the incomes of large pharmacies and thus adjusts the financial result of pharmacies of different sizes. The effect of the pharmacy tax is that a small pharmacy will earn proportionally more from the sale of the same medicine than a large pharmacy.

The smallest pharmacies are exempt from the pharmacy tax; for the larger pharmacies, the tax is over 10 per cent of the turnover from the sales of medicines.

## MEDICINE RETAIL PRICE AT THE PHARMACY

Medicine tariff decided by the Council of State 17.10.2013

Wholesale price (€)	Prescription	Self-care medicine
0–9,25	1,45 x wholesale price + VAT 10 %	1,5 x wholesale price + 0,50 € + VAT 10 %
9,26–46,25	1,35 x wholesale price + 0,92 € + VAT 10 %	1,4 x wholesale price + 1,43 € + VAT 10 %
46,26–100,91	1,25 x wholesale price + 5,54 € + VAT 10 %	1,3 x wholesale price + 6,05 € + VAT 10 %
100,92–420,47	1,15 x wholesale price + 15,63 € + VAT 10 %	1,2 x wholesale price + 16,15 € + VAT 10 %
over 420,47	1,1 x wholesale price + 36,65 € + VAT 10 %	1,125 x wholesale price + 47,68 € + VAT 10 %

An administration fee of €2.39 (incl. VAT) per transaction, which is not dependent on the number of items sold, is added to the retail price of prescription medicines and self-care medicines dispensed by prescription.

## PHARMACY TAX TO THE STATE

Pharmacy Tax Act 770/2016 (in force since 1.1.2017)

Pharmacy’s annual turnover (€)	Pharmacy tax at the lower turnover limit (€)	Tax % exceeding turnover (€) at the lower limit
871 393 — 1 016 139	0	6,10 %
1 016 139 — 1 306 607	8 830	7,15 %
1 306 607 — 1 596 749	29 598	8,15 %
1 596 749 — 2 033 572	53 245	9,20 %
2 033 572 — 2 613 212	93 432	9,70 %
2 613 212 — 3 194 464	149 657	10,20 %
3 194 464 — 3 775 394	208 945	10,45 %
3 775 394 — 4 792 503	269 652	10,70 %
4 792 503 — 6 243 857	378 483	10,95 %
6 243 857 —	537 406	11,20 %

## PHARMACY TAX WHEN A PHARMACY HAS A SUBSIDIARY PHARMACY

Total turnover of the main pharmacy and the subsidiary pharmacy (€)	Pharmacy tax
under 2.6 million	Separately for the main and the subsidiary pharmacy, no subsidiary pharmacy deduction
2.6 – 3.5 million	Partly separately and partly together for the main and the subsidiary pharmacy (according to a separate table)
over 3.5 million	Main and subsidiary pharmacy together, a subsidiary pharmacy deduction



STAFF IN COMMUNITY PHARMACIES [31.12.]

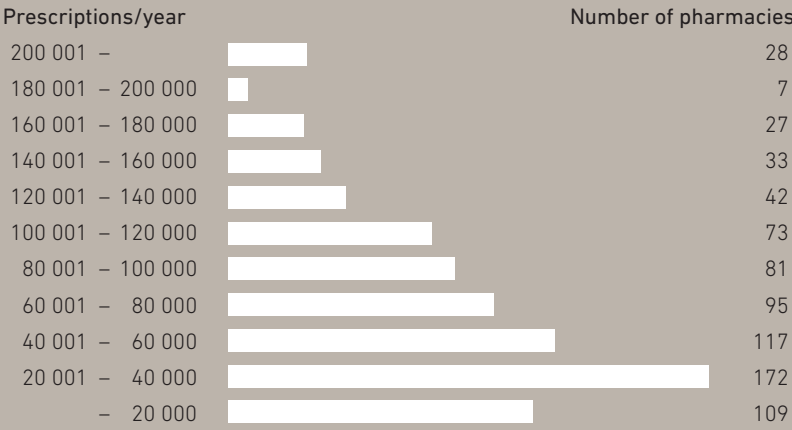
Figures also include staff in university pharmacies

	2013	2014	2015	2016	2017	2018
Proprietary pharmacists	588	592	590	594	597	603
Staff pharmacists	752	741	767	772	779	792
Pharmaceutical assistants	3 681	3 691	3 617	3 724	3 853	3 868
Technical staff etc.	3 515	3 498	3 472	3 486	3 391	3 399
Total	8 536	8 522	8 446	8 576	8 620	8 662

At the end of 2019, there were 602 proprietary pharmacists working in Finland. The pharmacies employed a total of about 8,500 people (including staff in University Pharmacies). The distribution by personnel / staff position is no longer recorded.

Source: Finnish Association of Pharmacists

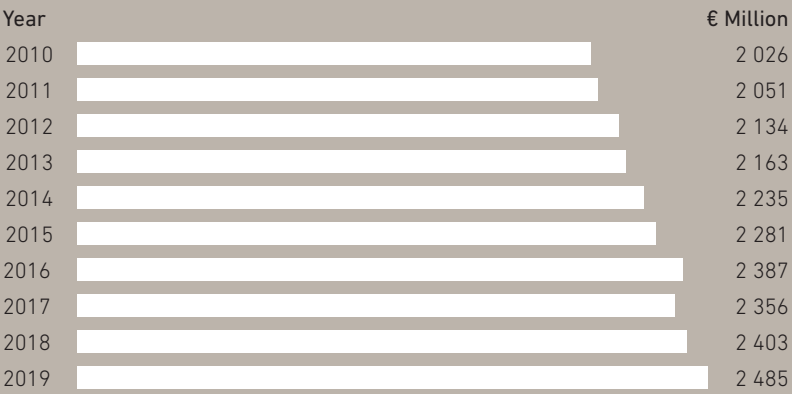
PRIVATE COMMUNITY PHARMACY OUTLETS ACCORDING TO SIZE 2019



Source: The Association of Finnish Pharmacies, incl. 98% of all pharmacy outlets

Due to changes in registering dose-dispensing and dose-dispensing prescriptions in pharmacies that came into force on 1.4.2015, the statistics are not comparable with those before 2015.

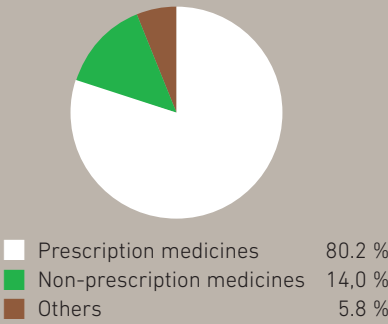
TURNOVER OF PRIVATE COMMUNITY PHARMACIES [ex. VAT]



Source: The Association of Finnish Pharmacies | \*estimated

The statistics will be updated at apteekkariliitto.fi.

BREAKDOWN OF SALES IN COMMUNITY PHARMACIES 2019 [estimated]



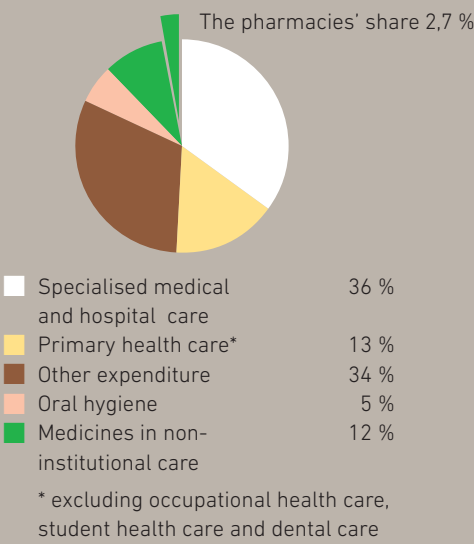
Source: The Association of Finnish Pharmacies

BREAKDOWN OF THE INCOME FROM MEDICINES SALES 2018



Source: The Association of Finnish Pharmacies

BREAKDOWN OF TOTAL HEALTH CARE EXPENDITURE 2017



Due to rounding off, the sum may differ from one hundred. | Sources: National Institute for Health and Welfare (THL) and the Association of Finnish Pharmacies

The total expenditure on health care at current prices in 2017 was totally €20,6 billion (9,2% of GNP, or about €3742 per capita. Of the total health care expenditure, only 2,7% was spent on maintaining the nationwide community pharmacy network.

THE AFP GROUP OF COMPANIES

The Association’s companies complement the AFP range of services to pharmacies.

MEDIFON LTD

**FOUNDED:** 1981  
**OWNERSHIP:** THE AFP 100 %  
**TURNOVER 2019:** APPROX. €33 MILLION  
**STAFF:** 43  
**CEO:** MIKA FLINK

**MEDIFON** is the wholesale business, distributor and importer for proprietary pharmacies. From its distribution centre, located in Espoo, the company distributes its own products throughout the country and also the products of its principals. The company is responsible for the AFP member pharmacies' own-label product line, APTEEKKI products; also, it buys, distributes and markets these products. Additionally, the company markets and distributes a wide range of other free trade products and other special pharmacy supplies. It also has wholesale rights for medicines.

PHARMADATA LTD

**FOUNDED:** 1989  
**OWNERSHIP:** THE AFP (100 %)  
**TURNOVER 2019:** € 9,4 MILLION  
**STAFF:** 48  
**CEO:** ILKKA TOIVOLA

**PHARMADATA** is the leading company for producing data systems and data communication solutions for pharmacies. Its products are the pharmacy systems pd3 and Salix, and the pharmacy network Apteekkiverkko, plus EasyMedi, SecureMedi, Procuro, Presto and other pd-products. Pharmadata also offers Service Desk services, software training and project and pharmacy-specific invoicing services.

PHARMAPRESS LTD

**FOUNDED:** 1997  
**OWNERSHIP:** THE AFP (100 %)  
**TURNOVER 2019:** € 1.2 MILLION  
**STAFF:** 4 + 5 (IATOD)  
**CEO:** ERKKI KOSTIAINEN

**PHARMAPRESS** is a communications and publishing company that produces high quality and effective communications services for both the AFP and its member pharmacies. It produces and publishes journals within the pharmacy field: APTEEKKARI, the journal for proprietary pharmacists and partners; Terveysteksti!, the magazine for pharmacy customers; Meidän APTEEKKI, the magazine for proprietary pharmacists, their staff and pharmacy students. Additionally, Pharmapress arranges further training for pharmacy staff, events and exhibitions, and also publishes books, guides and other literature, together with their electronic applications.

The Association of Finnish Pharmacies owns a 25 per cent minority share in Farmania Oy, which offers personnel leasing services for pharmacies.



THE BOARD OF THE ASSOCIATION OF FINNISH PHARMACIES  
ELECTED AT THE 2019 ANNUAL AUTUMN MEETING



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**KIRSI PIETILÄ**, 1ST VP  
AURINKO PHARMACY  
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**ANNA WESTERLING**  
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EXECUTIVE BOARD



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EXPERTS



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pharmacies, medicine  
**010 6801 422**



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e-prescription  
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Terveystiedä! magazine,  
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**010 6801 462**



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# PHARMACY



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