Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

Federal Department of Home Affairs FDHA
**Federal Office of Public Health FOPH**
Health and Accident Insurance Directorate

CH-3003 Bern
FOPH

**Registered mail**
To all pharmaceutical companies concerned

Reference no.: 733.4-9
Our ref.: FRY/AKU
**Bern, 10 December 2021**

## Triennial review of listing requirements in 2022/ Listing of pharmaceuticals for the treatment of congenital conditions in the List of Pharmaceutical Specialties for Congenital Conditions (GG-SL) and in the List of Pharmaceutical Specialties (SL)[1,2,3]

Dear Sir or Madam

Every three years, the Federal Office of Public Health (FOPH) reviews all pharmaceuticals listed in the List of Pharmaceutical Specialties (SL) to determine whether they still meet the requirements for listing. This letter provides a detailed description of the implementation of the triennial review of listing requirements in 2022. Considering in particular the experience in 2017–2019, the FOPH has defined additional rules for the conduct of the review, specifically with regard to the assessment of cost-effectiveness. Most of these rules were already announced in the circular for the 2020 review and are described again below. Also introduced are further rules and modifications based on experience or

[1] La traduction française de cette lettre sera publiée sur le site internet de l'Office fédéral de la santé publique : https://www.bag.admin.ch/bag/fr/home/versicherungen/krankenversicherung/krankenversicherung-leistungen-tarife/Arzneimittel/Ueberpruefung-der-Aufnahmebedingungen-alle-drei-Jahre.html

[2] La traduzione italiana di questa lettera verrà pubblicata sul sito internet dell'Ufficio federale della sanità pubblica: https://www.bag.admin.ch/bag/it/home/versicherungen/krankenversicherung/krankenversicherung-leistungen-tarife/Arzneimittel/Ueberpruefung-der-Aufnahmebedingungen-alle-drei-Jahre.html

[3] The original German version is available on the website of the Federal Office of Public Health: https://www.bag.admin.ch/bag/de/home/versicherungen/krankenversicherung/krankenversicherung-leistungen-tarife/Arzneimittel/Ueberpruefung-der-Aufnahmebedingungen-alle-drei-Jahre.html

Federal Office of Public Health FOPH
Review of Pharmaceuticals Section
Schwarzenburgstrasse 157, CH-3003 Bern
Tel. +41 58 483 96 48, Fax +41 58 462 90 20
ueberpruefung@bag.admin.ch

jurisprudence since 2019.

The rules described herein, particularly the rules on the internal reference price (IRP), essentially apply to all assessments of the criteria of efficacy, appropriateness and cost-effectiveness. Specific rules may apply to assessments in the context of applications for first listing, alterations of limitations, etc.

The second part of this communication describes the transfer of pharmaceuticals from the Congenital Conditions Medication List (GGML), the IV Circular on medical integration measures (KSME) or the SL to the new List of Pharmaceutical Specialties for Congenital Conditions (GG-SL) or the SL.

***Contents***

# A Triennial review of listing requirements

## A.1 Frequency of reviews

Under Art 65*d* para. 1 of the Health Insurance Ordinance of 27 June 1995 (KVV; SR 832.102), every three years the FOPH reviews all pharmaceuticals listed in the SL to determine whether they still meet the requirements for listing. To ensure that the three-year review frequency can be complied with, the FOPH has assigned all SL pharmaceuticals to one of three similarly sized units, according to the therapeutic (IT) group. Each year, one unit is reviewed. Thus, it is assured that around a third of the pharmaceuticals listed in the SL are reviewed per year, and that pharmaceuticals in the same therapeutic group are reviewed in the same year. Under the Amendment of 21 October 2015 to the Healthcare Benefits Ordinance of 29 September 1995 (KLV; SR 832.112.31), the division of therapeutic groups into three units, and the assignment of these units to review years, was specified by the Federal Department of Home Affairs (FDHA) in Art. 34*d* para. 1$^{bis}$ KLV.

In 2022, Unit C, comprising pharmaceuticals in the following IT groups, is to be reviewed:

| **IT group** | **REVIEW YEAR 2022** |
|---|---|
| **2/52** | Cardiovascular |
| **3/53** | Pulmonary and respiratory |
| **8/58** | Infectious diseases |
| **9/59** | Gynaecology |
| **11/61** | Ophthalmology |
| **12/62** | Otorhinolaryngology |
| **20** | Other pharmaceuticals, complementary medicine |

A list of the originator products to be reviewed in 2022 is published on the FOPH website at: www.foph.admin.ch > Insurances > Health insurance > Benefits and tariffs > Pharmaceuticals and medicinal products > Triennial review of drugs

## A.2 Exemptions

In the following cases, pharmaceuticals in Unit C are exempted from the 2022 triennial review:

- The first triennial review is carried out at the earliest in the second year after listing in the SL (Art. 34*d* para. 2 let. b KLV). Exempted from the review, therefore, are originator products which, as of 1 January 2022, have been listed in the SL for less than 13 months – i.e. which were first listed in the SL on or after 1 January 2021. These originator products in Unit C will not be subject to a triennial review until 2025.
- If an originator product has been reviewed in connection with an extension of indications or an alteration of limitations, in accordance with Art. 65*f* para. 4 KVV, by determination of the external reference price (ERP) and internal reference price (IRP), then the next triennial review is carried out at the earliest in the second year after the extension of indications or alteration of limitations. The next triennial review of the listing requirements for these Unit C originator products for which an extension of indications or alteration of limitations was performed in 2021, or will be performed before the completion of the triennial review in 2022, will not take place until 2025 (Art. 34*d* para. 2 let. a KLV).
- Originator products listed in the SL for a limited period or with limited-period extensions of the limitation or with indications reimbursed for a limited period are not subject to a triennial review of listing requirements. Part of Section E.1.2 of the SL Manual is accordingly revoked. For these

pharmaceuticals, a standard application is to be submitted in good time prior to the expiry of the specified period. The listing requirements will be reviewed in connection with this submission.

### A.3 Online portal

To minimise the effort required for both parties and to shorten communication paths, the FOPH grants originator product authorisation holders access to an online portal where data on efficacy, appropriateness and cost-effectiveness is to be submitted. Relevant documents – such as cover letters, basis for calculations, references, etc. – can be uploaded to the portal in pdf format. Documentation is not to be sent to the FOPH via any other channels (post, e-mail).

For the procedure to run smoothly, the authorisation holder must enter the information in the online portal in good time. Under Art. 68 para. 1 let. f KVV, a pharmaceutical will be removed from the SL if the authorisation holder refuses to submit the documentation necessary for the triennial review of listing requirements.

#### A.3.1 2022 online portal

The online portal will be accessible from 10 January 2022 at:

**https://bag.hcisolutions.ch/Ueberpruefung2022**

The authorisation holder's data is protected by a user-specific password. Please note that User IDs and passwords are case sensitive. For your company, the User ID and password are as follows:

**User ID:**

**Password:**

For the individual criteria, instructions are provided on the online portal.

To ensure error-free operation of the online portal, it may only be opened in one browser window at a time.

#### A.3.2 Previous years' online portals

The 2017–2021 portals can still be accessed. The URLs of the websites changed on 1 January 2020. Data entered in the portal in previous years will still be available to authorisation holders at the new URLs with the passwords generated for each of the years in question.

Access data:

| **Review year** | **New URL** |
|---|---|
| 2017 | https://bag.hcisolutions.ch/Ueberpruefung2017 |
| 2018 | https://bag.hcisolutions.ch/Ueberpruefung2018 |
| 2019 | https://bag.hcisolutions.ch/Ueberpruefung2019 |
| 2020 | https://bag.hcisolutions.ch/Ueberpruefung2020 |
| 2021 | https://bag.hcisolutions.ch/Ueberpruefung2021 |

### A.4 Groups of dosage forms

The various dosage forms of a pharmaceutical are divided into **16 different groups** (Section E.1.3 of the SL Manual). A separate assessment of the listing requirements is carried out for each group.

### A.5 Assessment of efficacy and appropriateness

In the triennial review of listing requirements, efficacy and appropriateness are assessed on the basis of Art. 65 and 65*a* KVV.

While approval by Swissmedic is a prerequisite for listing of a pharmaceutical in the SL, it is not in itself decisive for a positive evaluation of efficacy and appropriateness by the FOPH. Reference by the authorisation holder to the approval granted by Swissmedic is not sufficient to demonstrate that the efficacy and appropriateness criteria are met.

Using the online portal, authorisation holders comment separately on efficacy and appropriateness. They are required to report, in particular, changes crucial for the evaluation compared to the last review/listing/alteration of limitations, such as new or updated study results, meta-analyses, guidelines, etc. They can also upload new data and information – in particular, publications on clinical trials.

The FOPH evaluates the fulfilment of the criteria on the basis of the information submitted. It may also take additional information into account (e.g. clinical studies, meta-analyses, Health Technology Assessments [HTA], guidelines, etc.).

### A.6. Assessment of cost-effectiveness

#### A.6.1 Determination of the external reference price (ERP)

Under Art. 34*a*$^{bis}$ KLV, the ERP is determined on the basis of a comparison with prices in Germany, Denmark, the UK, the Netherlands, France, Austria, Belgium, Finland and Sweden. Comparisons are made with the same pharmaceutical in the reference countries, irrespective of the name, authorisation holder and reimbursement status of the product in the reference country, and irrespective of whether the Swiss authorisation holder can influence the ex-factory price (EFP) in the reference country. Originator products with the same active substance/s and the same dosage form are considered to be the same pharmaceuticals. No account is taken of different indications in Switzerland and the reference countries. Likewise, no account is taken of pharmaceuticals subject to parallel imports in the reference countries. Medical products may be considered to be the same pharmaceuticals and thus be taken into account in the determination of the ERP.

The cut-off date for the ERP is 1 January 2022 (Art. 34*e* para. 1 KLV). For the ERP, the EFP in the various reference countries is essentially to be taken into account. While the EFP is not published in Denmark, the UK, the Netherlands, Finland or Sweden, pharmacy purchase prices (Netherlands, Denmark, Finland, Sweden) or wholesale prices (UK) are publicly accessible. For these reference countries, the EFP can be calculated by deducting the following wholesale margins, as specified in Art. 34*b* para. 1 KLV:

- Denmark: 6.5% of the pharmacy purchase price
- UK: 12.5% of the wholesale price
- Netherlands: 6.5% of the pharmacy purchase price
- Finland: 3% of the pharmacy purchase price
- Sweden: 2.7% of the pharmacy purchase price

The (publicly known) mandatory manufacturer's rebate in Germany is also taken into account for the ERP (Art. 65*b* para. 4 KVV in conjunction with Art. 34*b* para. 2 KLV). This generally amounts to 7% for originator products (5.88% after sales tax) and 16% for off-patent originator products (13.44% after sales tax). A different rebate provided by a pharmaceutical company can be taken into account if it is appropriately recorded in the Lauer-Taxe (cf. Section C.3.4 of the SL Manual).

If the authorisation holder can demonstrate that the actual wholesale margin, or the actual manufacturer's rebate, differs from the values given in Art. 34*b* para. 1 and 2 KLV, then the actual

wholesale margin, or the actual manufacturer's rebate, will be deducted (Art. 34*b* para. 3 KLV). Confirmations of the price provided by the authorisation holder in the reference country, an authority or an association are to be uploaded to the portal as supporting documentation; differing wholesale margins and/or manufacturer's rebates should also be documented. If the authorisation holder receives no information from a country on the EFP or the wholesale margin, then the above-mentioned wholesale margins are to be used.

Wholesale margins of 0% will not be accepted. If a foreign authorisation holder claims direct distribution and cannot document the level of the actual wholesale margin, then the following minimum margins are applicable (Section E.1.7 of the SL Manual):

- Denmark: 3% of the pharmacy purchase price, but not more than DKK 224 for patented originator products; 5% of the pharmacy purchase price, but not more than DKK 224 for off-patent originator products
- UK: 2% of the wholesale price
- Netherlands: 6.5% of the pharmacy purchase price, but not more than EUR 30
- Finland: 3% of the pharmacy purchase price, but not more than EUR 30
- Sweden: 2.7% of the pharmacy purchase price, but not more than SEK 167

The EFP in the reference countries is converted to Swiss francs on the basis of a yearly average (Swiss National Bank) exchange rate determined by the FOPH (Art. 34*c* para. 2 KLV). For the triennial review of listing requirements in 2022, the average exchange rates for the period January 2021 to December 2021 are applicable, published by the FOPH by 4 January 2022 at the latest. The exchange rates are available on the online portal.

Serving as a basis for determination of the ERP is the **highest-selling** package in a group over the last twelve months in Switzerland (Art. 65*d* para. 2 KVV in conjunction with Art. 34*c* para. 2 KLV). To determine the highest-selling package, the FOPH can request the authorisation holder to provide the relevant sales figures.

If the package size or dosage strength of the highest-selling package is not available in the reference countries, then the prices of the most comparable package size and dosage strength available in these countries are to be indicated. The prices of different packages with the same dosage strength and different dosage strengths with the same package size are to be increased or decreased in a linear manner.

The authorisation holder must report to the FOPH, via the online portal, by **15 February 2022** the EFP applicable on 1 January 2022 for the highest-selling package in each group in the reference countries (Art. 34*e* para. 1 KLV), as well as uploading confirmations of the price from all the reference countries.

### A.6.2 Determination of the internal reference price (IRP)

#### A.6.2.1 Choice of comparators

To determine the IRP in accordance with Art. 65*b* para. 2 let. b KVV, comparisons are made with originator products which are listed in the SL at the time of the review and used to treat the same medical condition (Art. 34*f* para. 1 KLV).

Use in the same indication (therapeutic alternative) is the factor determining the choice of comparator. This may be the case particularly for pharmaceuticals belonging to the same class of active substance. Pharmaceuticals belonging to other classes of active substance may, however, also be taken into account for the purposes of the IRP if this is appropriate.

Pharmaceuticals used in different lines of treatment do not count as therapeutic alternatives. This does not apply to pharmaceuticals which, due to lower efficacy and/or tolerability, are only reimbursed in a later line of treatment. To determine the IRP in these cases, pharmaceuticals from the earlier line of treatment can also be considered, provided that they cost less than the pharmaceuticals used in the later line of treatment. This is because there is no justification for a therapy that is only used in a later line of treatment, on the grounds of lower efficacy or tolerability, being more expensive than a therapy with better efficacy and tolerability.

For purposes of selection, the prescribing information, the SL (limitations) and national and international guidelines are taken into account. The comparison group may also comprise only a selection of possible comparators – in other words, it need not be made up of all the eligible (i.e. comparable) pharmaceuticals.. In particular, exceptionally expensive products of equal efficacy may be excluded from the comparison (Federal Supreme Court ruling BGE 143 V 369).

Likewise relevant for the choice of comparators is the pharmaceutical form, or membership of a particular group (cf. Section A.4, "Groups of dosage forms"). For example, oral forms are compared with oral forms, parenteral with parenteral, etc. Comparison with other pharmaceutical forms is possible if no comparators in the same form are listed in the SL and thus assigned to the same group for review. Pharmaceuticals in the oral and oral delayed-release groups can be compared with pharmaceuticals in the oral and oral delayed-release groups if they represent therapeutic alternatives and are comparable in terms of cost-effectiveness. For example, a pharmaceutical in the oral group can be compared with pharmaceuticals in the oral and oral delayed-release groups if the specified conditions are met.
In the assessment of patented originator products, research and development costs are generally taken into account; accordingly, they are normally compared with patented originator products. If off-patent originator products are also to be considered in the determination of the IRP for patented originator products, the prices of these pharmaceuticals before the first price reduction following patent expiry will be taken into account for the IRP. If a "review of the listing requirements after patent expiry" was conducted in accordance with Article 65*e* KVV, the prices before the price reduction will be taken into account in the context of this review (Section E.1.9 of the SL Manual).

Off-patent originator products are compared with off-patent originator products (Section E.1.9 of the SL Manual).

If a patented pharmaceutical is compared with a combination of more than one pharmaceutical (e.g. pharmaceutical A and pharmaceutical B) for the purposes of the IRP, consideration will be given to whether or not the patent for the comparators has expired (this rule does not apply to fixed-dose combination products [FDCs]; for these, see the separate rules below):

a) The comparators are still patented: the current prices of the comparators are taken into account.

b) One comparator is still patented (e.g. pharmaceutical A) and the second is off-patent (e.g. pharmacueticals B): the current prices of the comparators are taken into account, including Drug B, which is off-patent.

c) Both comparators are off-patent: the price before patent expiry is taken into account for the pharmacuetical (e.g. pharmaceutical A) whose patent expired later. For the other pharmaceutical (pharmaceutical B), the current price is taken into account.

The authorisation holder must indicate to the FOPH whether a "review of the listing requirements after patent expiry" has been conducted in accordance with Art. 65*e* KVV for the pharmaceutical concerned. If such a review has taken place, the date of this review is to be indicated. In addition, details of the relevant patents and their expiry dates are to be provided to the FOPH. The FOPH will take into consideration any patents entered by the authorisation holder in the online portal by 15 February 2022.

If an originator product is a "me-too" product, which has shown no therapeutic improvement over the existing originator product listed in the SL, the research and development costs are not taken into account, irrespective of the patent status (Art. 65*b* para. 6 KVV). Determination of the IRP involves comparison with off-patent originator products. Pharmaceuticals approved by Swissmedic as products with known active pharmaceutical ingredients and not listed as generics in the SL are also considered to be "me-too" products and are assessed as such. "Me-too" products and products with known active pharmaceutical ingredients may also be included in the determination of the IRP for off-patent originator products.

In the case of pharmaceuticals with a number of different indications, the IRP is determined for the main indication. The authorisation holder must report the main indication to the FOPH and provide a justification, based for example on prevalence statistics. The line of treatment in which a pharmaceutical is used is also to be taken into account in the determination of the main indication. The FOPH has the option of specifying conditions and requirements for other indications, so that the pharmaceutical also

meets the criterion of cost-effectiveness in these indications (Section E.1.9.1 of the SL Manual). If the price level for a secondary indication is lower than the cost-effective EFP newly determined for the main indication, reimbursement levels can be set in an indication-specific manner. The different reimbursement levels can then be specified as a requirement in accordance with Art. 65 para. 5 KVV, using a reimbursement model.

The price of the pharmaceutical under review itself and other formulations of the same pharmaceutical are not taken into account in the determination of the IRP level (Federal Administrative Court ruling C-6105/2013 of 13 February 2017). Co-marketing medicines for which the basic products are listed in the SL are likewise not taken into consideration for the IRP.

If a comparator product is the subject of an appeal, the comparator product may be taken into consideration for the IRP, although exceptionally expensive comparators of equal efficacy may be excluded (see above). If a comparator which is the subject of an appeal is taken into consideration for the IRP, then, on completion of the review, it will be specified as a requirement that the price is to be reviewed once again if the prices of the comparator in question have to be adjusted as a result of a court ruling. In this case, the FOPH will take into consideration the new price of the comparator concerned. When the subsequent review is performed, the prices of other comparators taken into account in the triennial review of listing requirements and the prices in the reference countries will not be modified.

Fixed-dose combination products:

Combination products are considered to be “me-too” products in accordance with Art. 65*b* para. 6 KVV. The IRP is established taking the following criteria into account.

Under Section C.8.1 of the SL Manual, what is decisive for the IRP in the case of combination products are the SL mono-products with the active substances contained in the combination product, provided that these mono-products are authorised for treatment of the same condition and are reimbursed. Section C.8.1.3 of the SL Manual specifies that comparable combination products are to be taken into account for the IRP provided that they are authorised for treatment of the same condition and are reimbursable. Likewise, the FOPH may take other mono-products into account for the IRP, particularly if these have been used as comparison therapies in head-to-head studies and are reimbursable for the indication in question. For present purposes, Section C.8.1.3 of the SL Manual is not applicable, insofar as, since 2020, combination products are generally to be compared with the mono-products with the same active substances which are authorised for treatment of the same condition and are reimbursed. This is in line with the principle that a combination product should not cost more than the mono-products combined. If no appropriate mono-products are listed in the SL, the IRP can be determined using other combination products used to treat the same condition or mono-products that are comparable in terms of efficacy. Exceptionally, comparisons can also be made with other combination products if these represent a therapeutic alternative and are significantly more favorable than the combination of mono-products.

With a combination of mono-products, the IRP is established as follows:

a) All active substances are still patented (Section C.8.1.1 of the SL Manual): if all the active substances in a combination product are still patented, the costs of the combination product must not exceed the total costs of the still patented mono-products.

b) Not all active substances are still patented (Section C.8.1.2 of the SL Manual, rules for biopharmaceuticals): for originator products with a combination of active substances which are already reimbursable as mono-products and where one component is off-patent, the “100% plus a maximum of 50%” rule applies. In other words, calculation of the price is based on 100% for the patented component/s and no more than 50% for the off-patent component/s. The 50% is calculated on the basis of the average price of the generics listed in the SL. If an off-patent biopharmaceutical is to be used for the comparison, the 50% is calculated on the basis of the average price of the biosimilars listed in the SL. If no generics or biosimilars are listed in the SL, the calculation involves 50% of the price of the originator or reference product.

c) All active substances are off-patent: if all the active substances in a combination product are off-patent, the costs of the combination product must not exceed the total of the average costs of the

mono-products with the same active substances. To calculate the average costs of the mono-products with the same active substances, both the originator or reference products and the generics or biosimilars are taken into account.

The comparison of combination products with mono-products is based on the smallest package with the lowest dosage strength, unless the smallest package with the lowest dosage strength does not permit an adequate comparison, for example because the lowest dosage of the combination product does not match that of the mono-product(s).

If the mono-products with the active substances contained in the combination product are not authorised for combination of the active substances, and if the combination of these active substances through a combination of the mono-products has thus not been reimbursed to date, the IRP is determined on the basis of other mono-products or combination products for the treatment of the same condition.

#### A.6.2.2 Establishment of the IRP

As a rule the IRP is established on the basis of the smallest package with the lowest dosage strength, unless the smallest package and/or lowest dosage strength does not permit an adequate comparison, particularly on account of differences in the starting dosage or package size of the comparator products (Art. 65*d* para. 3 KVV). Deviation from the principle of the smallest package and lowest dosage strength is possible, for example, if for one of the products considered in the comparison, the lowest dosage strength is only required for dose adjustment, or if a comparator is not available in a small package (Section E.1.9 of the SL Manual). Deviation is also possible if a dosage strength is only used for a dose reduction specified in the prescribing information for the prevention of adverse effects or for the treatment of specific patient groups, or if individual comparators are subject to flat pricing. In this case, for all originator products considered in the comparison which are not subject to flat pricing, use is to be made of notional daily treatment costs, determined by averaging the costs of the various dosages.

The IRP is generally established on the basis of daily, monthly or yearly treatment costs, or the costs of a course of treatment. The IRP is based on daily, monthly or yearly treatment costs in cases of long-term therapy or if the treatments to be compared are administered for the same length of time. In cases where treatments of different duration produce comparable effects, the costs of a course of treatment are considered (e.g. antibiotics or cytostatics). For calculations of treatment duration, a year consists of 365 days and a month of 30.41667 days.

For the IRP, the maintenance dose for adults, as specified in the prescribing information, is normally taken into account. If a recommended or standard dose is explicitly mentioned and designated as such in the prescribing information (similar expressions such as “in general” are also applicable), then this dose should be taken into account. A dose range may also be listed as the maintenance dosage in the prescribing information. In this case, the mean value of the dosage range is taken into account. If the prescribing information does not specify a recommended or standard maintenance dose, then the average of the entire dose range required for maintenance therapy specified in the prescribing information can be taken into account. Low or high doses used in exceptional cases are not generally taken into account. If the maintenance dose is not clearly apparent from the prescribing information, information may be taken from guidelines, clinical trials or foreign registration documents. If direct comparison studies are available, the doses may also be taken from these studies.

Since 2020, **whole** ampoules, vials, bottles, tubes, etc. have been taken into consideration for IRP purposes, particularly in the case of oncological agents and other therapies of limited duration where opened dosage forms (e.g. ampoule, vial, bottle, tube) cannot subsequently be used in a new treatment cycle (e.g. cytostatics), even if whole ampoules, vials, bottles, tubes, etc. would not be required, given the average maintenance dose. Exceptions are possible if it is apparent from the prescribing information that the shelf life of opened ampoules, vials, bottles or tubes is sufficient to allow them to be used for the continuation of therapy or for renewed treatment in the same patient (e.g. in the next cycle of cancer treatment or in the event of recurrence of an acute disease). If whole ampoules, vials, bottles, tubes, etc. are considered, deviation from the principle of the smallest package with the lowest dosage strength is possible if several dosage units and/or dosage strengths have to be used **per administration** in order

to reach the target dose. To be taken into consideration in this case is the most suitable package or the most suitable combination of packages per administration that leads to the lowest amount being discarded and is the most cost-effective. If, given the shelf life and dosage form, it is possible for opened ampoules, vials, bottles, tubes, etc. to be used for more than one administration within a cycle or for an entire course of treatment, then the most suitable package or the most suitable combination of packages for the treatment course may be taken into consideration, with the last package or package combination opened being fully counted. If the package combination with the lowest wastage is not also the most cost-effective option, then the most cost-effective package or combination of packages is to be taken into consideration for the IRP.

For orally administered therapies with a limited duration of use (e.g. cytostatics), opened packages are only fully counted in the last cycle, since in the preceding cycles an opened package can still be used in the next cycle.

If dosing is based on bodyweight or body surface area, the following average values are generally used for adults:

| | **Adults** | **Women** | **Men** |
|---|---|---|---|
| Body surface area[4] | 1.79 $m^2$ | 1.71 $m^2$ | 1.91 $m^2$ |
| Weight[5] | 72 kg | 65 kg | 80 kg |

### A.6.2.3 Reporting of the IRP

The authorisation holder must report the IRP to the FOPH by **15 February 2022**, and also enter or upload to the online portal all data and references used for the comparison (Art. 34*f* para. 2 KLV). In a separate letter, the authorisation holder must justify to the FOPH, in particular, the selection of pharmaceuticals and the dosages considered for the IRP. The calculation of the IRP level must be comprehensible for the FOPH; a tabular representation is desirable, as in the following example:

| Product | Dose [mg] | Package size | Maintenance dose | EFP [CHF] | Daily treatment costs [CHF] |
|---|---|---|---|---|---|
| Phenomenon | 10 | 20 | 25 mg once daily | 13.20 | 1.6500 |
| Exemplia | 20 | 28 | 20 mg once daily | 29.80 | 1.0643 |
| Beispieleia | 5 | 30 | 5 mg three times daily | 17.65 | 1.7650 |
| IRP level | | | | | 1.4146 |
| IRP price Phenomenon, 10 mg, 20 units [CHF] | | | | | 11.32 |

### A.6.2.4 Changes during the review year

The FOPH takes account of changes in the data required for the IRP and in the EFP applicable for comparators until 1 July of the review year (Art. 34*f* para. 3 KLV). An exception to this are removals of comparator products or individual packages thereof from the SL (Federal Administrative Court ruling C-588/2018 of 5 December 2019 E. 7.2.5.6). Delistings already implemented or delistings of which the FOPH is aware at the time of the triennial review and which are implemented at the latest by the time of a possible price reduction of the pharmaceutical under review are taken into account up to the date of the decree issued in connection with the triennial review.

If the price of the pharmaceutical reviewed changes or if packages of the pharmaceutical reviewed are included in the SL for the first time or removed from the SL, these changes will be taken into account up

[4]Sacco JJ et al, The Average Body Surface Area of Adult Cancer Patients in the UK: A Multicentre Retrospective Study, PLoS ONE, 2010 Jan 28;5(1): e8933.

[5] Federal Statistical Office, 2017

to the date of the decree issued in connection with the triennial review. On the online portal, any criteria already concluded will be revoked by the FOPH to ensure that the new data are correctly presented and taken into account for the review.

#### A.6.2.5 No therapeutic alternative

If the pharmaceutical to be reviewed is the only one in the relevant indication, and no therapeutic alternative is thus available, then an IRP is not to be determined.

### A.6.3 Example: calculation of the reduction rate

The ERP and the IRP are equally weighted (Art. 65*b* para. 5 KVV).

The reduction rate determined from the IRP is applied to the highest-selling package, with the existing price ratios being maintained:

$EFP_{\text{old highest-selling package}}$ + reduction rate IRP = $EFP\ IRP_{\text{highest-selling package}}$

Next, the cost-effective EFP of the highest-selling package is calculated, and the reduction rate is determined as a percentage:

$EFP_{\text{new highest-selling package}} = (EFP\ ERP_{\text{highest-selling package}} + EFP\ IRP_{\text{highest-selling package}}) / 2$

Reduction rate = $(EFP_{\text{old highest-selling package}} - EFP_{\text{new highest-selling package}}) / EFP_{\text{old highest-selling package}} * 100$

This reduction rate is applied to all packages in the same dosage-form group.

The reduction rate is calculated from the ERP and the IRP, rounded to two decimal places, with the result being expressed to 7 decimal places.

**Example**

Initial situation:

Oral dosage-form group, two different package sizes

Highest-selling package: 90 tablets

Smallest package: 30 tablets

Step 1: Calculation: ERP for highest-selling package and IRP for smallest package

$EFP_{old}$ 90 tablets: CHF 95.00 ERP 90 tablets = CHF 80.00

$EFP_{old}$ 30 tablets: CHF 35.30 IRP 30 tablets = CHF 40.00 Difference: +13.3144476%

Step 2: Calculation: IRP for highest-selling package

**IRP 90 tablets = CHF 95.00 + 13.3144475% = CHF 107.6487252, expressed as CHF 107.65**

Step 3: Cost-effective price level: 50 : 50 weighting of ERP and IRP

$EFP_{new}$ 90 tablets: **= (CHF 80.00 + CHF 107.65)/2 = CHF 93.825, expressed as CHF 93.83**

Step 4: Determination of reduction rate as a percentage

**Percentage reduction rate: (CHF 95.00 – CHF 93.83)/CHF 95.00 * 100 = 1.2315789%**

Step 5: Result
The reduction rate is applied to all packages in the same dosage-form group.

$EFP_{new}$ 30 tablets = CHF 35.30 - **1.2315789%**= **CHF 34.8652526, expressed as CHF 34.87**

$EFP_{new}$ 90 tablets = CHF 95.00 - **1.2315789%** = **CHF 93.83**

### A.6.4 Extent of reduction of ex-factory price

If the triennial review of listing requirements indicates that the current highest price does not meet the cost-effectiveness requirement, the FOPH will order that the price be reduced, with effect from 1 December of the review year, to the highest price (retail price) resulting from the assessment of cost-effectiveness based on the ERP and IRP in accordance with Art. 65*b* KVV, in conjunction with the provisions of Art. 67 para. $1^{quater}$ concerning the distribution component (Art. 65*d* para. 4 KVV).

If no ERP or no IRP can be determined, cost-effectiveness is assessed on the basis of the results of one of the two pricing criteria.

If, after the determination of the ERP and IRP and the weighting of the prices resulting from these two criteria, it is shown that the existing EFP of the pharmaceutical is below the price level calculated, then no price reduction is ordered by the FOPH.

If, in the triennial review of listing requirements, the FOPH determines that certain packages in a dosage-form group have a higher price than another comparable package (e.g. different dosage form) and if this difference in price is neither intended nor justifiable on medical/therapeutic grounds, then the FOPH, after completing the triennial review of listing requirements, will reduce the price of the more expensive package to the price level of the comparable cost-effective package.

## A.7 Extension of indications or alteration of limitations in the review year

If use of the prevalence model is requested in connection with an extension of indications or an alteration of limitations, and if the drug is subject to a triennial review of listing requirements in the same year, then the following applies:

The notification of an extension of indications or the application for an alteration of limitations must be completed by no later than the end of May 2022. An application for an alteration of limitations is considered to be completed if the FOPH has issued a decree and any amendment required to the SL (e.g. price reduction, new limitation) has been implemented by 1 June 2022 at the latest. In the period from June 2022, no extension of indications or alteration of limitations using the prevalence model can be ordered for pharmaceuticals subject to a triennial review of listing requirements in 2022; this is only possible again after the triennial review has been completed. These procedures (extending indications or altering limitations and reviewing listing requirements every three years) run in parallel independently of one another. The triennial review of listing requirements will be continued after the completion of the extension of indications or alteration of limitations.

If the use of the ERP and IRP is requested in connection with an extension to indications or alteration of limitations, and if the pharmaceutical is undergoing the triennial review of listing requirements in the same year, both review procedures are continued in parallel. If the procedure to extend indications or alter limitations is completed and a decree issued before the decree date of the triennial review of listing requirements, then the triennial review of listing requirements will not be continued for the originator product in question. The FOPH will flag this product accordingly on the online portal.

## A.8 Biosimilars, co-marketing medicines and generics

### A.8.1 Contact person

For biosimilars, co-marketing medicines and generics, no data is entered on the online portal. For this reason, the FOPH does not have any contact data. It is evident, however, that such information facilitates rapid communication by e-mail and the dispatch of notifications and decrees by post. Authorisation holders for biosimilars, co-marketing medicines and generics are therefore requested to send details of a contact person to the FOPH at ueberpruefung@bag.admin.ch by **15 February 2022**, including an e-mail and postal address and telephone number. Any subsequent changes are to be sent to the FOPH at the same address.

### A.8.2 Biosimilars

Biosimilars are considered to be cost-effective if their EFP is at least 10% lower than the EFP of the corresponding reference products applicable on 1 December of the review year or after the reference product has been reviewed (Section E.1.15 of the SL Manual). After completing the review of the reference product, the FOPH determines the cost-effective price for the biosimilar. After the reference product has been reviewed, the biosimilar authorisation holders are informed of the results. Should a price reduction be necessary, the authorisation holder is notified, in order to guarantee the right to a legal hearing, and subsequently has an opportunity to comment. In the event of any changes in the EFP of the reference product after the notification has been sent to the biosimilar authorisation holders, the FOPH informs the authorisation holders concerned via a second notification.

If the FOPH decrees a new limitation for the reference product, or if the existing limitation is altered, the same limitation is also decreed for the biosimilars.

Taking into account the price decreed and any alteration of the limitation for the reference product, the FOPH decrees the corresponding price reduction and/or alteration of the limitation for biosimilars. For biosimilars, no data needs to be entered on the online portal.

If an appeal is lodged against a reduction in the price and/or alteration of the limitation for a reference product, the decreed price reduction and/or altered limitation is not implemented for the biosimilars with the same composition either. In such cases, the provisions of Art. 67*a* para. 2 KVV concerning repayment of surplus revenues during the appeal procedure are also applicable to the relevant biosimilars. This means that biosimilar authorisation holders are also required to repay any surplus revenues obtained during the appeal procedure (arising from the difference in the EFP during and after completion of the procedure).

### A.8.3 Co-marketing medicines

After completing the review of a basic product, the FOPH determines the cost-effective price for the co-marketing medicine. A co-marketing medicine is at most cost-effective at the same price as the basic product (Art. 66*b* para. 1 KVV). After the basic product has been reviewed, the authorisation holders are informed of the results. Should a price reduction be necessary, the authorisation holder is notified, in order to guarantee the right to a legal hearing, and subsequently has an opportunity to comment. In the event of any changes in the EFP of the basic product after the notification has been sent to the co-marketing medicines authorisation holders, the FOPH informs the authorisation holders concerned via a second notification.

If the FOPH decrees a new limitation for the basic product, or if the existing limitation is altered, the same limitation is also decreed for the co-marketing medicines.

Taking into account the price decreed and any alteration of the limitation for the basic product, the FOPH decrees the corresponding price reduction and/or altered limitation for co-marketing medicines,. For co-marketing medicines, no data needs to be entered on the online portal.

If an appeal is lodged against a reduction in the price and/or alteration of the limitation for a basic product, the decreed price reduction and/or altered limitation is not implemented for the associated

co-marketing medicines either. In such cases, the provisions of Art. 67*a* para. 2 KVV concerning repayment of surplus revenues during the appeal procedure are also applicable to the relevant co-marketing medicines. This means that authorisation holders for co-marketing medicines are also required to repay any surplus revenues obtained during the appeal procedure (arising from the difference in the EFP during and after completion of the procedure).

### A.8.4 Generics

In connection with the triennial review of listing requirements, generics are considered to be cost-effective if their EFP is lower than the EFP of the corresponding originator products applicable on 1 December of the review year, or after the originator product has been reviewed, by the following percentages at least (Art. 34*g* KLV):

- 10%, if the Swiss market volume of the originator product and its co-marketing medicines and generics with the same composition per dosage form on average does not exceed CHF 4 million per year during the three years before the review year;
- 15%, if the Swiss market volume of the originator product and its co-marketing medicines and generics with the same composition per dosage form on average lies between CHF 4 million and 8 million per year during the three years before the review year;
- 25%, if the Swiss market volume of the originator product and its co-marketing medicines and generics with the same composition per dosage form on average lies between CHF 8 million and 16 million per year during the three years before the review year;
- 30%, if the Swiss market volume of the originator product and its co-marketing medicines and generics with the same composition per dosage form on average lies between CHF 16 million and 25 million per year during the three years before the review year;
- 35%, if the Swiss market volume of the originator product and its co-marketing medicines and generics with the same composition per dosage form on average exceeds CHF 25 million per year during the three years before the review year.

The FOPH determines the cost-effective EFP for the originator product and the average Swiss market volume of the active substance for the three calendar years preceding the triennial review of listing requirements (Swiss market volume for the years 2019–2021) (Section E.1.14 of the SL Manual). Cost-effectiveness is assessed, taking into account the above-mentioned price differentials in accordance with Art. 34*g* KLV, on the basis of the cost-effective price of the highest-selling package of the originator product and of the corresponding package of the generic. The reduction rate determined is applied to all packages/dosage strengths in the same dosage-form group. Should a price reduction be necessary, the authorisation holder is notified, in order to guarantee the right to a legal hearing, and subsequently has an opportunity to comment. If changes arise for the EFP of the originator product after a notification has been sent to the generics authorisation holders, the FOPH will inform the authorisation holders concerned via a second notification.

If the FOPH decrees a new limitation for the originator product, or if the existing limitation is altered, the same limitation is also decreed for the generics.

Taking into account the price decreed and any alterations of the limitation for the originator product, the FOPH decrees the corresponding price reduction and/or altered limitation for generics. For generics, no data needs to be entered on the online portal.

If an appeal is lodged against the reduction in the price and/or alteration of the limitation for an originator product, the decreed price reduction and/or altered limitation is not implemented for the generics with the same composition either. In such cases, the provisions of Art. 67*a* para. 2 KVV concerning the repayment of surplus revenues obtained during appeal procedures are also applicable for generics. This means that generics authorisation holders are also required to repay any surplus revenues obtained during the appeal procedure (arising from the difference in the EFP during and after completion of the procedure).

### A.9 Medicines with known active pharmaceutical ingredients

Medicines with known active pharmaceutical ingredients are listed in the SL as generics if their bioequivalence to an originator product is certified by Swissmedic. For products of this kind with generic status, the review takes the form described for generics in Section A.8.4. If bioequivalence is not certified by the regulatory authority, the product concerned is treated in the same way as an originator product. Consequently, the efficacy, appropriateness and cost-effectiveness criteria are assessed by the FOPH using the standard procedure, and cost-effectiveness by determination of the ERP and IRP (Section B.1.2.3 of the SL Manual). The necessary information is entered on the online portal.

### A.10 Deadlines

The deadline for data entry for originator products on the online portal is **15 February 2022**. The FOPH reminds authorisation holders that, under Art. 13 of the Federal Act of 20 December 1968 on Administrative Procedure (APA; SR 172.021), the parties are obliged to cooperate in establishing the facts of the case if they are subject to a duty to provide information or a duty of disclosure.

The FOPH divides the pharmaceuticals to be reviewed into two blocks. The assessment of and dispatch of initial feedback on pharmaceuticals in the first block by the FOPH will take place from mid-February 2022. The assessment of and dispatch of initial feedback on pharmaceuticals in the second block is expected to begin around mid-May 2022. The assignment of pharmaceuticals to the two blocks is shown in the “blocks” field on the online portal. Regardless of whether the pharmaceutical is to be assessed by the FOPH in the first or the second block, the data must be entered by the authorisation holder by 15 February 2022.

The authorisation holder is usually granted a period of two weeks in which to comment on the FOPH’s conclusions concerning the review of the listing requirements. Extensions of this deadline are only granted in exceptional cases and only once for each criterion to be reviewed for a pharmaceutical; extensions will not exceed 14 days. The **application for an extension** must be sent by **e-mail**, stating the reasons, either to the reviewer responsible for the dosage-form group concerned (the reviewer responsible is indicated in the FOPH’s assessment) or to ueberpruefung@bag.admin.ch. The application for an extension should **not be submitted via the online portal**.

If the triennial review of the listing requirements results in an amendment to the SL (price reduction, alteration of limitations or removal), the authorisation holder has the opportunity, at the end of the review, to comment once again on the entire review as part of the concluding legal hearing. The deadline for the submission of comments as part of the concluding legal hearing is two weeks, and cannot be extended. No extensions are granted for the legal hearing.

The FOPH provides advance notification of new prices to the authorisation holders for originator products and pharmaceuticals with known active pharmaceutical ingredients (via the online portal) and for biosimilars, co-marketing medicines and generics. Price reduction decrees are sent to all authorisation holders by post.

Authorisation holders are free to forward new prices to wholesalers and service providers. In addition, price reductions are published on the FOPH website.

Any price reductions required for originator products, co-marketing medicines, generics and biosimilars will generally take effect on **1 December 2022**. The new prices and any alterations of limitations will be published in a December issue of the FOPH Bulletin.

The following table provides an overview of the schedule for the triennial review of listing requirements in 2022. This information is subject to changes.

| | |
|---|---|
| Cut-off date for EFP in other countries | 1 January 2022 |
| Cut-off date for prices, facts relevant for IRP | 1 July 2022 |
| Data to be entered on online portal by authorisation holder by | 15 February 2022 |
| Correspondence via online portal | From end of February 2022 |
| Notification for generics/co-marketing medicines/ biosimilars | August and September 2022 |
| FOPH sends decree/notification[6] | September and October 2022 |
| Publication of price reductions effective 1 December | End of October 2022 |
| Decreed changes come into effect | 1 December 2022 |
| Publication of changes in FOPH Bulletin | December 2022 |

### A.11 Hotline

In the event of technical problems with the online portal, if a product has been completed prematurely by mistake, or if any other queries arise, please send an e-mail to ueberpruefung@bag.admin.ch or contact the FOPH hotline: +41 (0)58 483 96 48 (09:00 to 12:00 and 14:00 to 16:00).

## B Listing of pharmaceuticals for the treatment of congenital conditions in the List of Pharmaceutical Specialties for Congenital Conditions (GG-SL) and in the List of Pharmaceutical Specialties (SL)

### B.1. Background

As previously noted by the FOPH and the Federal Social Insurance Office (FSIO) in the circular letter dated 14 July 2021, the legal reform programme “Further development of Disability Insurance (IV)” (WEIV) was approved by the Swiss Parliament on 19 June 2020. The revised Federal Act of 19 June 1959 on Disability Insurance (IVG; SR 831.20) will come into effect together with amendments to the relevant Ordinance provisions on 1 January 2022.

Under the WEIV (Art. 14$^{ter}$ para. 5 of the revised IVG), the competent Federal Office is to prepare a list of pharmaceuticals for the treatment of congenital conditions in accordance with Article 13 of the Act. For this purpose, a List of Pharmaceutical Specialties for Congenital Conditions (GG-SL) is to be established. Here, pharmaceuticalss are to be listed which are reimbursed by the IV for the treatment of congenital conditions. If pharmaceuticals listed in the SL are used for the treatment of congenital conditions, they will also be reimbursed by the IV. The new IV list of pharmaceuticals (GG-SL) supersedes the existing Congenital Conditions Medication List (GGML) and the listing of pharmaceuticals in the IV Circular on medical integration measures (KSME). If pharmaceuticals are to be listed in the GG-SL, it must be assessed whether they meet the criteria of efficacy, appropriateness and cost-effectiveness, as is the case when pharmaceuticals which are to be reimbursed under the compulsory health insurance scheme (OKP) are listed in the SL and reviewed. In contrast to the GGML and the KSME, the GG-SL will also include the maximum prices reimbursable by the IV and, after the age of 20, by the OKP.

In order to simplify the processes and ensure consistent assessment, the FOPH is also responsible for the preparation and maintenance of the GG-SL, since – given its responsibility for the corresponding SL of the OKP – it already has relevant experience in the assessment of efficacy, appropriateness and cost-effectiveness. In December 2021, a Supplement to the SL Manual, explaining the details of the assessment of pharmaceuticals for the treatment of congenital conditions, is being published on the FOPH website at:

[6] If the review results in a price reduction, limitation, alteration of a limitation, condition or removal, the FOPH issues a decree. If the pharmaceutical is considered to remain effective, appropriate and cost-effective without any adjustments, the FOPH issues a notification.

https://www.bag.admin.ch/bag/de/home/versicherungen/krankenversicherung/krankenversicherung-bezeichnung-der-leistungen/antragsprozesse/AntragsprozessArzneimittel.html

### B.2. Transfer of pharmaceuticals from the GGML, KSME or SL

All pharmaceuticals listed in the KSME and in the GGML are to be transferred to the new GG-SL or to the SL, provided that they are authorised by Swissmedic for use in a congenital condition and meet the requirements for listing in the GG-SL or SL. Pharmaceuticals which are currently listed in the SL but meet the requirements for listing in the GG-SL will also be transferred to the GG-SL. Listing in the GG-SL or SL requires an assessment procedure involving evaluation of the efficacy, appropriateness and cost-effectiveness criteria, together with a price-setting procedure.

The transfer to the relevant list will be effected in connection with the triennial review of listing requirements. In 2022, pharmaceuticals listed in the GGML, KSME and SL will be reviewed if they belong to one of the therapeutic groups shown in the Table in Section A.1.

### B.3. Conduct of the review

Pharmaceuticals in the GGML and KSME which are to be transferred to the GG-SL or SL are listed on the 2022 online portal (cf. Section A.3.1). Relevant documents such as cover letters, basis for calculations, references, etc., can be uploaded – as for other SL products – to the portal in pdf format. For the submission of information and documents, the same deadlines are applicable as for SL products not authorised for the treatment of congenital conditions (cf. Section A.10).

### B.4. Assessment of listing requirements

If a pharmaceutical is to be listed in the GG-SL, it must be authorised by Swissmedic for the treatment of a congenital condition. In addition, it must be effective, appropriate and cost-effective. For the assessment of the efficacy, appropriateness and cost-effectiveness criteria, the same principles are applicable as for the listing of a pharmaceutical in the SL (cf. Section C of the SL Manual and the relevant provisions in Section A of the present letter). The fact that, in the case of pharmaceuticals for the treatment of congenital conditions, the evidence based on study data may be restricted as a result of low numbers of participants is to be duly taken into account, e.g. by consulting expert clinicians.

Possible differences concerning the use of pharmaceuticals for the treatment of congenital conditions in children, adolescents and adults will be taken into account with regard to listing in the GG-SL and also in the SL. Different limitations, conditions and requirements may thus be specified for reimbursement in the case of children, adolescents and adults.

### B.5. Listing in the GG-SL or SL

A pharmaceutical will be listed in the GG-SL if it is indicated exclusively for the treatment of congenital conditions. If a pharmaceutical is authorised for additional indications which do not represent congenital conditions, it will be listed in the SL. A second requirement specified for the listing of pharmaceuticals in the GG-SL is that treatment with the product concerned must, in the great majority of cases, be initiated before the patient has reached the age of 20. Thus, listed in the GG-SL are pharmaceuticals the costs of which are essentially borne by the IV when treatment is commenced. If a pharmaceutical is exclusively indicated for the treatment of a congenital condition, but treatment of the condition with this product does not begin, in the great majority of cases, until adulthood, then it will be listed in the SL.

A pharmaceutical cannot be simultaneously listed in the SL and the GG-SL. Each pharmaceutical is included only in the list for which it meets the requirements specified. Whether a product is listed in the SL or the GG-SL does not affect the entitlement to reimbursement vis-à-vis the IV or OKP.

### B.6. Pharmaceuticals listed in the SL for a limited period

Pharmaceuticals for the treatment of congenital conditions which are already listed in the SL for a limited period and the reimbursement of which is at the same time separately regulated by the IV through an agreement with the FSIO, will only be transferred to the GG-SL – subject to fulfilment of the listing requirements – at the end of the limited period, if an application for listing is submitted (cf. Section B.7).

### B.7. Listing of pharmaceuticals in the GG-SL and SL for the first time

For pharmaceuticals which are used in the treatment of congenital conditions and have not previously been listed in the GGML, KSME or SL, an application for listing can be submitted to the FOPH. The FOPH will assess the efficacy, appropriateness and cost-effectiveness of these products and present the applications to the Federal Pharmaceuticals Committee (EAK). For details of the requirements and deadlines specified for applications for listing in the GG-SL or SL of pharmaceuticals used to treat congenital conditions, please consult the Supplement to the SL Manual (cf. Section B.1).

Yours sincerely

Health Insurance Benefits Division
Head of Review of Pharmaceuticals Section

Andrea Rizzi