

**ECONOMICS AND CONSUMPTION OF
MEDICINES**

John Richard Tonna

Malta imports 99% of the medicinal preparations for local consumption and the vast majority of these are imported in the finished state. The problem of inflation emphasizes the necessity of examining our imports, since these incur a heavy drain on our foreign resources. As regards medicines, the most important key indicators that determine their rate and character of consumption by the consumer are:

- a) population size;
- b) age structure; and
- c) health care expectations of the consumers

The aims of this study were to:

- a) work out a trend of the expenditure on medicinal and pharmaceutical products by the Maltese consumers during the period 1981 and 1990; and
- b) to determine the reasons leading to such a trend, if any.

Methodology

Study 1

A statistical review of the expenditure on medicinal and pharmaceutical products by the consumers for the ten year period 1981-1990 was worked out. Data was collected from the Central Office of Statistics, Valletta.

Study 2

Two surveys were conducted -

Survey A involved 2 groups of Maltese consumers in the age group of 30-60 years and coming from different regions of Malta. Group 1 included 100 university graduates in professions other than the medical profession and group 2 included 100 members of the community none of which specialized in any profession. The questionnaire was set in Maltese. The aim of this questionnaire was mainly to determine the consumers' knowledge and attitude about the price quality relationship of medicines.

Survey B was distributed to 150 community pharmacists. Questions were asked about -

- a) consumption of medicines by the population according to age group;
- b) the change in the number of drugs per prescription as prescribed by doctors, over the past decade;
- c) the percentage of prescriptions with generic drug names;
- d) the percentage of consumers who claim to know about the presence of generic and patented drugs; and
- e) whether they informed consumers about this subject.

Results

Study 1

The expenditure on medicinal and pharmaceutical products by the Maltese consumer, over the ten year period 1981-1990, was calculated. It was found that the expenditure for the year 1990 was Lm14 million, the highest ever, as compared to Lm12.5 million in the year 1989. The lowest expenditure (Lm6.5 million) was in the year 1981.

Study 2

Survey A: 51% from group 1 and 33% from group 2 answered the questionnaire. Results are shown below:

	Group 1 (%)	Group 2 (%)
a. know about the presence of generic and patent drugs on the market	46	51
b. wish to be consulted by the doctor or pharmacist about the different costs of a generic and a patented drug	72	75
c. bought prescription medicines with a prescription	62	56
d. did not agree that pharmacists should be authorized to dispense certain prescription medicines with a prescription	61	60
e. keep remaining medicines for re-use following a course of treatment	78	56
f. would buy the generic (cheaper) product	76	72
g. would buy a locally manufactured medicinal product	50	34

Survey B

The replies totalled 43. The age group 0-14 years is considered to consume medicines by 72% of the pharmacists who answered the questionnaire. 87% believed that the number of drugs prescribed per prescription has increased over the past decade, as has also the consumption of over the counter (OTC) products. As regards generic drugs, all respondents said that generic prescribing is low in Malta (about 7%) as compared with prescribing of branded products. 88% of pharmacists consider that the percentage of consumers knowing about the presence of generic and patented drugs, ranges from 0-25%. The percentage of pharmacists that give information about this fact totalled 81%.

Discussion

During the period 1981-1990 the expenditure by the Maltese consumer on medicinal and pharmaceutical products, increased by 118% while the population increased by 11%. The increase in the age group 0-14 years was of 13%; the age group 15-29 years decreased by 22%; and the age groups 30-59 and 60 years onwards (i.e. the elderly population) increased by 70% and 39% respectively.

This shows that age structure is gradually shifting towards the pattern of longevity of life and also towards an aging population. Most elderly patients have chronic conditions that are prevalent in Malta, such as diabetes and hypertension. This entitles them for free medication by the National Health Service and thus reduces their consumption from community pharmacies. In fact survey B showed that the youngest age group consume most of the medicines, even though there was an increase for the elderly population. The age group 30-59 years was the most to increase in population, however.

Therefore the reasons for such an increase in the expenditure on medicinal and pharmaceutical products are:

- a) the increased health care expectations and awareness by the population. This reflected through:
 - i) a high consumption of medicinal preparations by the age group 0-14 years;
 - ii) an increased consumption of OTC products;

- iii) an increase in the number of drugs per prescription as prescribed by general practitioners;
- b) the high percentage of prescriptions for patented drugs (between 90 and 95% of prescriptions);
- c) an increase in the cost of medicines as shown by an increase of the retail price index.

The responses given by the two groups of consumers in Survey A compare quite well, in spite of the difference in their occupational states. There is awareness among the consumers about their increased expenditure on medicines. This is evidenced by the consumers' choice for a generic instead of a patented product (an average of 74% of those who responded); and also by the fact that 75% (average) wished to be consulted about the various costs of a medicine.

Consumption of prescription medicines without the necessary prescription by an average of 60% consumers from both groups, may also reflect this awareness through the avoidance of the doctor's fee. However another 60% of the respondents did not agree that a pharmacist should dispense certain prescription medicines without a doctor's prescription.

Knowledge about the presence of generic products is quite low among consumers. The confidence in a locally manufactured medicinal product is also low, especially by group 2 consumers.

Conclusion

It is beneficial both for the health of our population and for our economy that:

- a) polypharmacy is reduced;
- b) generic prescribing by doctors is enhanced;
- c) the consumer is given more information about the subject of generic drug products and about a proper consumption of OTC products.

The establishing of better Quality Control facilities, both for locally manufactured and imported pharmaceuticals, will enhance the confidence among consumers towards buying good quality generic drugs. This will even stimulate the expansion of the local pharmaceutical industry which would then have more consumers.