WEEKLY REPORT



04/06/2024

BRAZILIANS' HEALTH SPENDING GROWS, WITH A GREATER WEIGHT OF MEDICINE AND EXAMS IN THE BUDGET

Health expenses in Brazil increased between 2010 and 2021, with families spending more on medicines and exams in the last two years, highlighted a report by the newspaper O Globo. Their spending was even higher than that of the government itself, whose expenses remained stable over the same period. The greater expenditure caused the participation of the health sector to jump from 8% of GDP (Gross Domestic Product), in 2010, to 9.7% of the indicator, in 2021. This is what data from the IBGE Health Satellite Account indicate, a survey that measures the country's expenses with the sector, whose data was released this Friday (05). Health expenses totaled R\$872.7 billion in 2021. In the previous year, they were R\$769.0 billion. The aging of the Brazilian population and the advancement of technologies are factors that have led to an increasing spending trend in the health sector, explains Tassia Holguin, an analyst at IBGE. The supply from the public and private sectors will have to adapt to this greater demand, highlights the analyst. The research also reveals the weight of the health sector on jobs in the country. Health-related activities represented 5.3% of occupations in 2010 (or 5.2 million) and increased to 8% in 2021 (equivalent to 8.4 million jobs). The sector's wages totaled R\$372.3 billion and corresponded to 10.5% of the total economy in 2021. The survey encompasses what is consumed by families and the government in the context of the consumption of products and services in the sector. Read more.

PRICE ADJUSTMENT OF DRUGS MAY BE HIGHER THAN THE ANNOUNCED RATE, SAYS IDEC

An analysis carried out by the Consumer Protection Institute (Idec) points out that the adjustment in the price of medicines that came into force this Monday, the 1st, in the country may, in practice, be much higher than the 4.5% rate defined by Medicines Market Regulation Chamber (CMED), the federal body responsible for regulating and monitoring medicine prices in Brazil, highlighted an article from Estado de S. Paulo. This is because the percentage increase is applicable to the Maximum Consumer Price (PMC), that is, the maximum amount that drugstores can charge customers for each medicine. Drugstores, however, rarely reach this value. The Idec study shows that, in practice, drugstores tend to charge a much lower value than the PMC for products and, therefore, always have room for increases outside the established annual adjustment index - which is generally linked to the period's inflation. Read more.

REPRESENTATIVE SPONSORS BILL TO SUSPEND THE RESOLUTION THAT CHANGES THE MAXIMUM PRICE ADJUSTMENT FOR MEDICINES IN 2024

Representative Fred Linhares (Republicanos-DF) sponsored the Legislative Decree Bill 106/2024 to suspend the effects of Resolution 1/2024, on the maximum adjustment of drug prices. According to the representative, the adjustment of up to 4.5% can be applied to around 10 thousand presentations of medicines available on the Brazilian retail market. For him, "the adjustment will have a strong impact on the budget of Brazilian families, especially those among their families who have chronic and serious illnesses who use continuous medication, retirees and pensioners". Therefore, he asked for the regulation to be suspended. Representative Fred

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Linhares (Republicanos-DF) also sponsored a request for the Minister of State for Health regarding the adjustment in drug prices, established by the Medicines Market Regulation Chamber (CMED). Read more.

INJUNCTION GUARANTEES INCLUSION OF ADVANCED THERAPIES IN THE ANS LIST

Judge Paulo Cezar Duran, from the 10th Federal Civil Court of São Paulo, granted an injunction to Sindusfarma, which guarantees the inclusion of advanced therapies in the ANS list. With this, the decision of the National Supplementary Health Agency (ANS) that excluded these treatments from the automatic coverage offered by health plans and operators is annulled, highlighted an article on Panorama Farmacêutico website. In the action, Sindusfarma argues that the exclusion made by ANS has no legal or scientific support and fails to comply with the procedures set out in the agency's internal regulations. In his decision, judge Paulo Cezar Duran states that scientific evolution has brought new therapeutic options that go beyond the usually used and consolidated concept of "medicines", which is why, when granting registration, they have been classified as "special medicines", receiving a specific regulatory category, called "advanced therapy products". Interfarma assists in the suit as amicus curiae. Read more.

REPRESENTATIVE SPONSORS BILL ABOUT TRANSPARENCY OF FINANCIAL RELATIONSHIPS BETWEEN THE HEALTHCARE INDUSTRY AND DOCTORS

Representative Alfredo Gaspar (União-AL) sponsored Bill 1041/2024, about the regulation of transparency and publicity of financial relationships between healthcare industries and doctors. According to the parliamentarian, the proposition came about after a report on the UOL website, which conducted an analysis of 320,000 payments made by pharmaceutical industries to health professionals in Minas Gerais, where there is a state law that requires the disclosure of this data. According to the representative, the bill proposes that financial relationships susceptible to conflicts of interest, such as donations or direct benefits or benefits mediated by third parties (such as prizes, gifts, tickets, event registrations, accommodation, research funding, consultancies and lectures), aimed at doctors registered with Regional Medical Councils or their families up to high school, are published on official websites on the internet. Read more.

NÍSIA TRINDADE WILL PRESENT THE ACTIONS OF THE MINISTRY OF HEALTH AT THE HOUSE OF REPRESENTATIVES

The Minister of Health, Nísia Trindade, will be at the Health Committee of the House of Representatives on April 10th, at 9:30 am. The invitation responds to the requests of representatives Célio Silveira (MDB-GO), Rosângela Moro (União-SP), Dr. Francisco (PT-PI) and Silvio Antonio (PL-MA). Nísia Trindade will provide information on the actions to prevent and combat arboviruses, especially dengue. Nísia will also talk about the actions implemented by the department in the first year of management; actions to increase efficiency in the management of Federal Hospitals in Rio de Janeiro; the lack of medicines to treat leprosy; and will present the actions implemented by the Department to date. Read more.

GOVERNMENT HAS SENT HEALTH FUNDS FOR CITIES UNABLE TO PERFORM SURGERIES

The government of President Luiz Inácio Lula da Silva (PT) distributed R\$8 billion from the Ministry of Health to states and municipalities in 2023, which would have generated a lack of control in the money allocated to surgeries and exams, highlighted a report by Estado de S. Paulo. The resource sent to some cities exceeded the effective service capacity in these locations by more than 1,000%, while others were left without resources. The Ministry of Health imposes a limit that each municipality can receive, considering the capacity to serve the population, but it exceeded this ceiling by stamping the transfer as an emergency and not classifying the amount as a parliamentary amendment. In response to the report, the ministry

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stated that it carried out technical assessments and considered the specific needs of each location. The newspaper O Estado de S.Paulo consulted documents, heard ministry technicians, public budget specialists, parliamentarians and mayors to analyze the transfers. Read more.

OZEMPIC MAKER STRIKES DEAL FOR POWER PRODUCTION

Novo Nordisk, the manufacturer of the blockbuster drug Ozempic and the world's largest insulin producer, has signed a 15-year contract with Elétron Energy, a company engaged in power generation and trading, for the construction of a large-scale solar farm in Minas Gerais to supply the entire demand of the Danish pharmaceutical company's plant in Montes Claros. In this corporate arrangement, Elétron will invest R\$245 million, and payment will be made through the plant's leasing—that is, a phased agreement concerning power self-production. The photovoltaic unit Riacho will be in Buritizeiro and have an installed capacity of 75 megawatts peak, expandable to 100 MWp. The permits for the plant have already been issued, and earthworks have begun. The plant is expected to begin commercial operation in early 2025 and will use the National Interconnected System (through power utility Cemig's line) to inject power into the grid. Read more.

OTHER HIGHLIGHTS

Brazil will have more doctors per population than the USA in 2025, says USP study

- CONCULTODEC

Sírio-Libanês to open new hospital in São Paulo

Hapvida to invest R\$1.5bn in 4 new hospitals

BRAZIL NEWS

Brazil view on immunity for heads of state could favor Putin at G20 summit

Brazil hopes COP30 climate summit boosts ecotourism

<u>Tropical forest loss eased in 2023 but threats remain, analysis shows</u>

Brazil eyes swap for embattled Petrobras CEO, sources say

Brazil imports of Chinese electric vehicles surge ahead of new tariff

March revenue growth slows amid fiscal discussion

Brazil central bank asks government for 20% budget increase this year

Brazil's Pix payments are killing cash. Are credit cards next?

Analysis: Central Bank focuses on U.S. inflation, interest rates

Huge Chinese, Brazilian corn crops may limit US exports into 2025

Study finds mercury contamination in Brazil's Yanomami people