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The French Social Security Finance Bill (PLFSS) for 2023

Pharmaceutical companies deplore a bill that stifles the industry and threatens patient access to medicines

French pharmaceutical industry chief executives are once again publicly expressing the deep concerns they have around the Social Security Finance Bill (PLFSS) for 2023.

The PLFSS for 2023 should pave the way for an effective response to the four major challenges currently faced by France in terms of medicines and their availability:

- **The challenge of innovation**: this involves embracing the unprecedented wave of innovation that is already transforming the treatment of many diseases, from rare diseases and cancers to infectious diseases, and will continue to do so in the years ahead
- **The challenge of manufacturing sovereignty**: when the Covid crisis highlighted the fact that Europe in general, and France in particular, were becoming less self-sufficient, especially in terms of everyday medicines, the government reasserted the strategic nature of our industry in terms of manufacturing.
- **The inflation challenge:** like all sectors of the economy, the pharmaceutical industry is currently subject to major inflationary pressures around raw materials, inputs (aluminium, glass, cardboard, etc.) and energy. As an industry bound by pricing regulation, it has no opportunity to pass on increases in production costs through the prices it charges for its medicines
- **The challenge of ensuring patient access to medicines**: for several years now, there have been increasingly urgent warning signs in France, from supply shortages to suspensions of sales, lengthening lead times for patient access to medicines, and the apparent impossibility of making innovative medicines available to French patients. All point to a worsening overall situation.

Despite being faced by these major challenges, the French government is presenting a Social Security Finance Bill that - in terms of medicines - breaks all the records for austerity and threatens patient access to medicines.

Although a series of recent shifts in position are worth noting, the PLFSS as it currently stands:

- Deprives the industry of any economic growth between 2022 and 2023, which is another way of turning its back on the attractiveness of France in terms of inward investment
- Applies a level of price cuts identical to previous years (€800 million), completely ignoring the effects of inflation and weakening the entire fabric of French manufacturing
- Introduces a confiscatory growth tax in the form of a 'safeguard clause' at a level that is now out of all proportion and out of control

"This PLFSS of rationing and U-turns confiscates the growth prospects of the industry, in direct contradiction of the commitments made by the President. It undermines innovation policy, previous commitments to recovering national health independence and moves to ensure access to medicines for French patients against an inflationary background that has been totally ignored by the public authorities", concludes Thierry Hulot, Chairman of Leem.

As a result, the entire pharmaceutical industry in France formally requests the Government:

- To adjust the M envelope for 2022 (the cap on revenue generated by sales of reimbursable medicines) retrospectively to reflect the actual safeguard clause for 2021 (total payment of €760 million, compared with the €400 million forecast in the Social Security Finance Act (LFSS) for 2022).

- To respect the methods adopted for calculation of the M envelope for 2023 on the basis of decisions made by the President, reflecting a healthcare products growth rate of 2.4%.

- To draw on all the consequences that flow from the current trends in expenditure on medicines as the basis for creating additional room for manoeuvre going forward, and to do so by engaging - at last - in meaningful consultation with pharmaceutical companies at the earliest opportunity.

Press contacts:
Stéphanie Bou - Tel.: +33 (0)1 45 03 88 38 - e-mail: sbou@leem.org
Virginie Pautre – Tel.: +33 (0)1 45 03 88 87 - e-mail: vpautre@leem.org
Alice Roznowiez - +33 (0)6 08 97 50 49 - aroznowiez@leem.org