# 729/19



The EU-Ukraine Association Agreement and its Relevance to Health Care

André den Exter

denexter@bmg.eur.nl



ЛЬВІВСЬКИЙ НАЦІОНАЛЬНИЙ МЕДИЧНИЙ УНІВЕРСИТЕТ ім. Данила Галицького



#### **Outline**



- Occasion
- Content Agreement
- Relevance to the Health Care Sector
- Conclusions



# Occasion: EU-Ukraine Association Agreement





16-9-2014

The European Parliament gave its consent to the EU-**Ukraine Association** agreement, which includes a **Deep and Comprehensive Free Trade Agreement** (DCFTA), on Tuesday in Strasbourg. At the same time, the Agreement was also ratified by the Ukrainian Parliament in Kiev. The deal will establish a deep political association and economic integration between the EU and Ukraine and provide for mutual free market access.



#### **Content AA: General**



- key parts focus on support to core reforms, economic recovery and sector cooperation, including social development and protection, equal rights, consumer protection, and public health
- values and principles: democracy and the rule of law, respect for human rights, good governance, a market economy and sustainable development
- Covers about 1200 pages, including Annexes and Protocols
- Towards gradual EU integration
- Timeline: 2-10 years





### 1. European Union Health Law: Public Health



- EU: no competence in health care
- Focus on Public Health (Art. 168 TFEU): limited powers
  "towards improving public health and preventing diseases"
- Complementary role
- Legal competences: standards blood(products), organs, tissues and medicines
- Encourage cooperation between MS and with third countries
- Respecting the Member States' responsibilities for the organisation, financing and delivery of medical care.



# 2. Indirect effect: Internal Market and Competition law



- Underlying notion: free movement principles
- Free movement and Health care:
  - health professionals
  - patients
  - medicines
- EU Competition law
- Reservations!



#### a. Mobility of Health Professionals

- Mutual recognition of diplomas (Directive 2005/36/EC)
- Mutual trust
- Minimum standards of professional qualifications
- Challenges:
  - Disciplinary misconduct and exchange of information
  - Introduction revalidation mechanisms
  - Third country diplomas
- Right to Establish and Public policy/health restrictions: EU Court Justice case law



#### **b. Patient Mobility**



- Patient Mobility Directive (Directive 2012/24/EU)
- Prior to Directive: reimbursement health care restricted to 'home Member State'
- Cross-border health care: Prior authorization (PA) needed
- EUCJ extended right to cross-border health care (outpatient care); PA: justified in case of in-patient care and highly expensive out-patient treatments



#### **Current and Future Challenges PM:**



- Demand for Clarity:
  - Differences in health care services covered social security
  - Differences in tariffs
  - Differences in quality
  - Differences in professional ethics
- New issues: eHealth and HTA
- Contractual arrangements planned care/Bilateral agreements in border regions

#### c. Free movement of Medicines



- Pharmaceutical strategy: towards an internal pharmaceutical market
- Scope: entire pharmaceutical chain (R&D, Clinical Trials, Patents, Registration, Production and Distribution, Packaging and Labelling, Advertising)
- Excluded: Price-setting and reimbursement medicines



#### **Challenges**



- Outsourcing and offshoring clinical trials
- No harmonized rules pharmacies (ownership)
- Internet sale
- Counterfeit medicines
- Direct to consumer advertising
- Rare diseases and Orphan medicines



Classification Medical Devices and Safety rules (PIP crisis)

## 3. European Competition Law and Health Care



- Aim: restore free competition (cartel, abuse dominant position)
- Applicable to health care?
- Examples: Pharmaceutical companies
  - dual pricing system (GSK)
  - supply quota
- Challenges:
  - Pharmaceutical sector inquiry (blocking genetics market entree)
  - Parallel trade of medicines



#### **Conclusions**



- EU-Ukraine AA: Towards gradual integration
- Health Impact and concerns:
  - Collaboration border crossing health threats (e.g., counterfeits, pandemic diseases)
  - Cross-border health care
  - (Inter)national 'brain drain' health professionals
  - Future medicines (pharmacogenetics, nanomedicines)
  - Equal access to health care & market competition
- Health lawyers: new focus



#### **Contact Details**



André den Exter,

Jean Monnet Chair EU Health Law

Erasmus University Rotterdam

Room J8-27

E-mail: denexter@bmg.eur.nl

Phone: + 31 10 4081867

WWW:

http://www.bmg.eur.nl/onderzoek/eu\_projecten/jean\_monnet

<u>\_programme/teaching/</u>

