



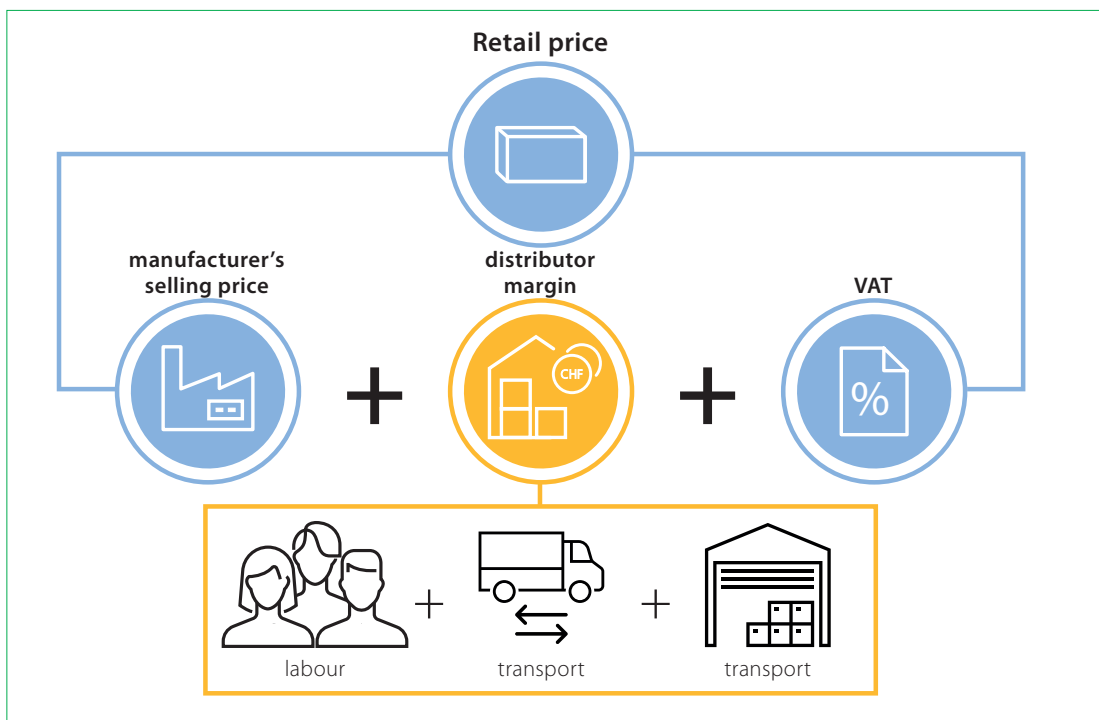
# Your pharmacy would like to inform you about

## Price changes for prescription medicines

A new pricing model for prescription medication will take effect on 1 July 2024. The new prices have been set by the authorities and affect all institutions, including hospitals, medical practices and pharmacies.

- Many medicines will become cheaper under the new model, while the price of some less expensive prescription-only items (i.e. medicines which currently cost less than CHF 30) will increase. This latest change is required because what is known as the 'distribution margin' of these medicines does not currently cover the labour cost in pharmacies.
- The new pricing model encourages healthcare professionals to prescribe and dispense generics and bio-similars, and removes the incentive to dispense more expensive items by increasing the cost of doing so.
- The new model will allow us to save millions, both now and in future, without jeopardising the quality or supply of medical products, and will also benefit you as a premium payer.
- The new pricing model is essential to ensure that the costs associated with providing your medication (mainly labour, storage and transport costs) continue to be covered going forward

### The following factors contribute to the retail price of a medicine:



The distributor margin is the part of the price of a medicine that covers the labour costs, as well as the costs of transport to and storage at pharmacies, medical practices and hospitals.

The manufacturer's selling price is the price that a manufacturer receives for their product.

Source for graph: Mepha Pharma Ltd