Efthymios Papataxiarchis – Managing Director, Janssen Greece, Malta & Cyprus



"By igniting a solutions-driven dialogue we can stabilize the industry, promoting sustainability which will in turn attract investments, assisting in the improvement of healthcare and the economy as a whole."

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Efthymios (Makis) Papataxiarchis, Managing Director of Janssen Pharmaceutical companies, Johnson & Johnson Greece, Malta & Cyprus, on spearheading a large multinational company through the largest economic crisis in Europe. He speaks about Janssen's portfolio in Greece, how to mitigate challenges in market access, as well as igniting a solutions-driven dialogue across the industry.

Mr. Papataxiarchis you recently marked one year since assuming the position as CEO of Janssen Greece. What have been your main accomplishments in your first year of leading the company, especially in a time of crisis?

When taking on a leading position it is essential to listen to the needs, respect the people and the culture and then prioritize. Over the past year, we have undergone significant change to become more internally coherent as a team and, more externally focused to better reach and serve the health care professionals the patients and the policy makers.

We have transformed into a motivated organization with high performance expectations, a strong sense of accountability and good alignment. Above all, each individual feels special about contributing to the whole.

We provide a high standard of education and knowledge to our customers, while promoting compliance and transparency with the highest standards of Ethics guided by our credo.

We deliver and exceed the results promised, rationalizing expenses in a compliant way.

We are strong believers in giving back to the community and we offer significant relief through CRS activities.

In moving forward, we further aim to enhance our position of being perceived as a knowledgeable, trusted company, able to create value for our customers offering quality medication in the therapeutic areas we serve.

Not only as a company, but as an industry we have worked together with health care institutions to identify the areas of common agreement and build on these areas through open trusted dialogue.

All different stakeholders need to keep an open mind stepping into each other’s shoes to understand the different viewpoints. Given the economic constraints, funding needs to be prioritized and streamlined following a national health strategic plan.

Through market access the industry can play a significant role in analyzing data and information and benchmarking policies and practices against other countries sharing proposals with the local policy makers, contributing to a holistic approach to decision making considering implications of policies across the spectrum of stakeholders including the industry.

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After holding prominent roles in Romania and the USA, what was the motivation behind the move back to Greece? Is home where the heart is?

As a leader, it is critical to serve the company, respecting the corporate value system in absolute alignment with personal values no matter which country you operate in.

Moving to Romania as Managing Director and then to the USA as National Director were unique experiences that were character-building on both a professional and a personal level. Working in environments with people from diverse cultures and serving different healthcare systems was a great learning experience and I am grateful for the opportunity.

During my time abroad, I often considered how the new experiences that I acquired could be implemented in the Greek environment, bringing improvement to the people, processes and

system especially during a time of economic crisis. My main aspiration now is to add to the improvement of the Greek organization and to the Greek healthcare system, contributing to a better future.

On a more personal note, yes home is where the heart is. Memories of the people and places that mould us into who we are today, should be often revisited to remind us of the journey. Nevertheless, the strongest driver of return has been looking into the eyes of the people we care for.

How is the global portfolio of Janssen represented here in Greece?

One of our competitive advantages in Janssen is the broad portfolio of medications that we offer across a wide spectrum of diseases to bring therapeutic solutions for the patient and cost effective solutions for the healthcare system. We hold a strong market position in the following five important therapeutic areas: Oncology–Hematology, Immunology, Neuroscience, Infectious Diseases, Cardiovascular and Metabolic Diseases.

At the same time our portfolio is being enriched with new exciting acquisitions such as Actelion which will further reinforce our companies' leading position in the market. Although pricing, reimbursement and evaluation of innovation is becoming more complicated, we will continue to portray the benefits that our portfolio has to offer, trusting that access will be given to patients of the Greek population that are in need of the respective therapies.

As a company strongly anchored on innovation, how are you maneuvering through the plethora of obstacles in the Greek market in bringing new innovative medicines?

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The main issue is to understand how to work with limited resources to ensure that there is proper financing of innovation. In order to do so, it is imperative to manage the paradox that although Greece is a country with the largest economic crisis in Europe, at the same time it is also one with the highest price of generics and the lowest penetration of them. In order to solve this equation, one way may be to increase the generic volume and its penetration at more affordable prices which will provide space for innovation and of course compliant and healthy competition. Our overarching goal is to ensure that Greek people have access to innovative medicine that will enable them to live longer, happier and healthier lives. It is important to note that from 2010 to 2015, the global life expectancy has risen by 1.8 years. Of this rise 1.3 years are attributed to the new innovative medicines available.

My leadership philosophy spearheading a multinational company has always aimed at having a stable and predictable financial economic environment. We live in a country where sustainability rates are low, and therefore it is difficult to continue investing, as we would like to. Due to the crisis, 13,000 people have lost their jobs in the pharmaceutical industry, pharmaceutical spending has dropped from seven to two billion in the span of seven years, and the cost of doing business has become unaffordable. It is therefore imperative to figure out ways to mitigate risk in such an uncertain landscape.

The state also wants to give medicines to the refugees and the uninsured people, who account for about two million people. This has been implemented by unbelievable taxation for the industry, which does not make the environment sustainable. There are cases where overall taxation can reach more than 60 percent. Further, governmental measures such as clawbacks may also not contribute well to the sustainability of the economic environment.

Therefore, the primary focus is around how to create a stable environment in order to promote continued investment in Greece and contribute to the rebuilding of the economy.

Current discussions on access to innovation center on the requirement of a drug having been approved in 14 countries, seven of which have HTA protocols, before entering the Greek market. What are the implications of this on the local landscape?

A large part of the problem is the fact that the discussions around medicines revolve around four key decision-making centers, namely: The National Drug Agency (EOF), The Ministry of Health, The Ministry of Finance and the Public National Security Fund (EOPYY), as well as other service-based initiatives that could implicate the Ministry of Labor and the Ministry of Commerce.

Given the nature of having multiple bodies involved in the decision-making process, it is difficult to reach an integrated medicine policy, although to be fair, similar challenges are often found in the US and Eastern Europe. Being able to integrate different processes through an information management system would be ideal.

The process of assessing who should be treated, with which medicine, using the existing reimbursement process, is not reflective of the needs of Greek patients. As it stands, many times these are not local decisions; they are imported from other health care systems. In addition, as it stands, there are limited national processes. It needs to be clear for policy makers that the assessment in Austria, for example, works for Austria and not necessarily for Greece. Therefore, there should be a local HTA (Health and Technology Assessment) council to produce a more tailored mechanism of assessment.

Additionally, local health data needs to be generated in order to be able to make assessments for the Greek population. There are many discussions taking place these days on how to best implement an HTA in Greece, and so it is important at this point in time to stress that an HTA's role is to act as an objective assessment body not as an additional body that will further cut cost.

Moreover, the pricing mechanism in Greece is based on taking into account the three lowest prices in the EU, which is by definition, beneficial and realistic for the country's financial state. However, this can only work when there is a strong sense of transparency across the system. There should be a consistency in the way that local legislation is implemented, including a revision process twice a year and a proper submission protocol of real prices.

What has been the key gap preventing the industry from reaching sustainable solutions? Many have voiced the necessity of shifting the discussion from price to value and looking at structural solutions for the long-term as opposed to short-term horizontal measures. Do you agree with this sentiment?

> "I am confident that the healthcare landscape will find a healthy state in one or two years."

The health crisis in Greece is not necessarily caused by the state not wanting to provide necessary medication to the population, nor is it caused by the financial crisis itself, but mostly because of the limited infrastructure of the system, the lack of objective prioritization and the lack of understanding of the implications of decisions made. There are a number of different crucial elements missing in today's healthcare environment including a culture of collaboration, the necessary sense of urgency, as well as coherence amongst stakeholders; many of the issues are therefore currently seen in a very fragmented way.

Nonetheless, I am confident that the healthcare landscape will find a healthy state in one or two years. Although some of the figures show the opposite, it is important to be able to change the tone and the morale of our discussions and the focus on concrete solutions, such as implementing an integrated digitalized information system, alongside a localized assessment council, in order to bring a sustainable Greek healthcare system into fruition.

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