Concentration of pharmaceutical costs and reimbursements in Finland, 2021–2025

Hanna Koskinen, Ripsa Niemi and Heini Kari
The Social Insurance Institution of Finland (Kela)

HPR88

Objectives

Pharmaceutical spending often follows a Pareto-type distribution, with a small share of users accounting for a large proportion of costs. This study examined the distribution and temporal trends of pharmaceutical costs and reimbursements in Finland, focusing on expenditure concentration among high-cost users.

Methods

This population-based study used nationwide data from the Finnish Prescription Centre covering outpatient prescription dispensations in 2020–2025. Annual pharmaceutical costs and reimbursements were aggregated at the individual level. Cumulative shares were calculated for top expenditure groups (top 1%, 2%, 5%, 10%, 25%, 50%) and the bottom 50%

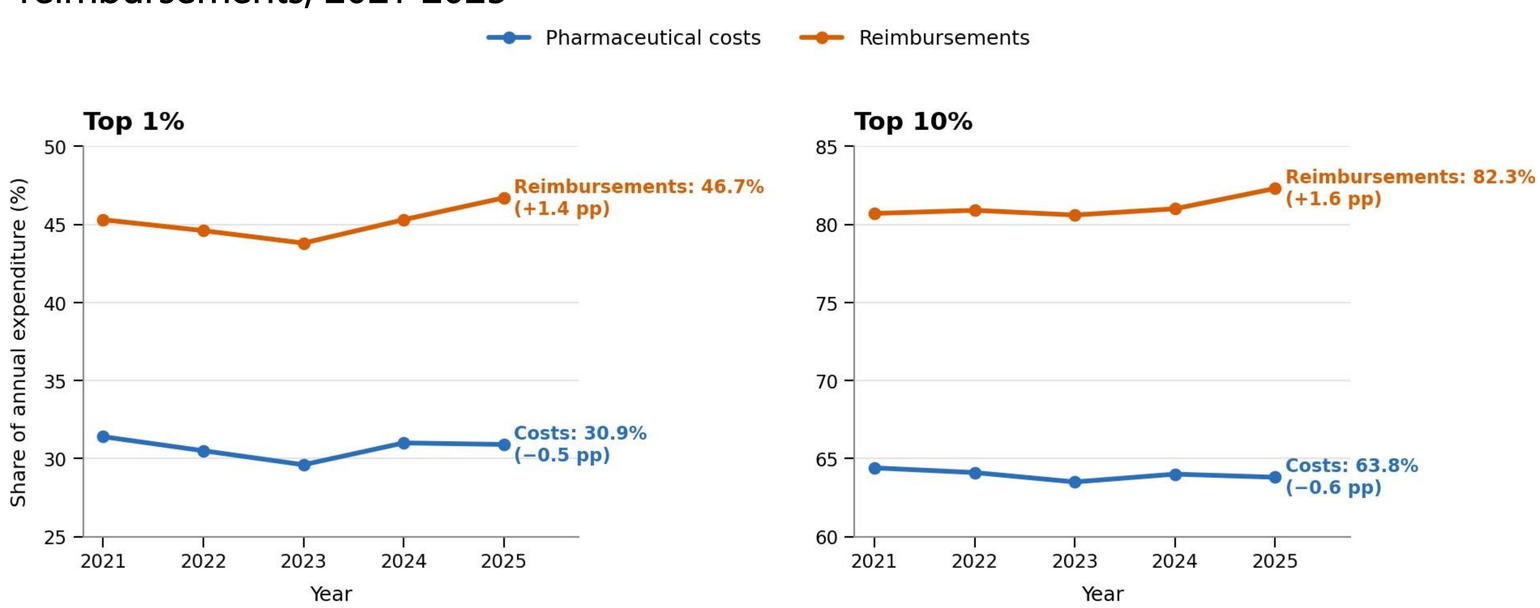
Results

Pharmaceutical costs were highly concentrated. The top 10% of users accounted for nearly two-thirds of total costs (63.5–64.4%), and the top 1% for around one-third (29.6–31.4%), while the bottom accounted for only 5.1–5.3%.

Concentration was markedly higher for reimbursements: the top 10% accounted for over four-fifths (80.6–82.3%) and the top 1% for 43.8–46.7%, whereas the bottom 50% accounted for less than 1% (0.5–0.7%).

Over time, cost concentration remained stable. In contrast, reimbursement concentration increased towards 2025, particularly among the highest-cost users.

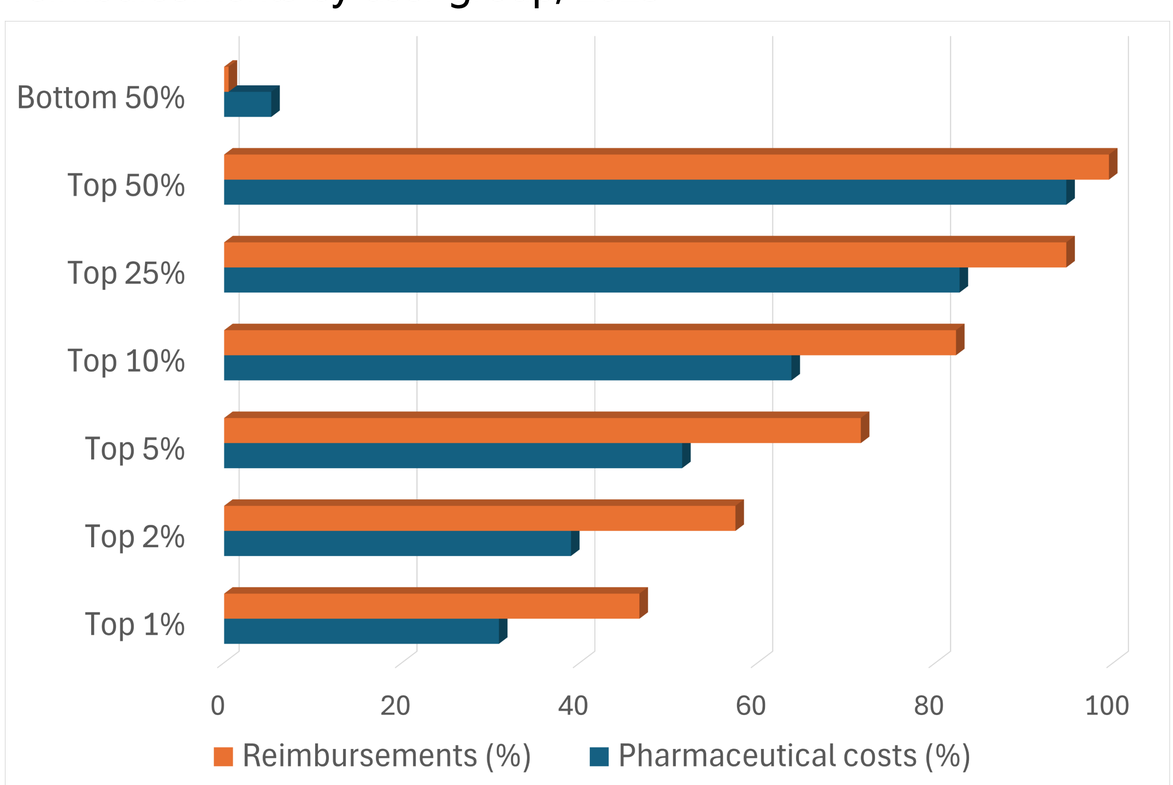
Figure 2. Concentration of pharmaceutical costs and reimbursements, 2021-2025



Conclusion

Pharmaceutical expenditures in Finland are highly concentrated, especially for reimbursements. The top 10% of users account for nearly two-thirds of costs but over four-fifths of reimbursements, highlighting a pronounced Pareto-type distribution. The increasing concentration of reimbursements indicates that a growing share of public spending is attributable to high-cost users. This may reflect multiple factors, including the uptake of high-cost therapies, changes in price levels, and the structure of the reimbursement system, rather than changes in financial protection alone. These findings highlight the importance of monitoring expenditure concentration and its underlying drivers for policy and budget planning.

Figure 1. Concentration of pharmaceutical costs and reimbursements by user group, 2025



Contact information
hanna.koskinen@kela.fi

Top 1% accounted for around one-third of pharmaceutical costs

Top 1% accounted for nearly half of pharmaceutical reimbursements

Bottom 50% accounted for less than 1% of reimbursements

Reimbursement concentration increased towards 2025