

GSK Australia Submission: Review of the National Medicines Policy

Introduction

GSK Australia welcomes the invitation to have input into the Review of the National Medicines Policy (NMP). As a long-standing partner in the NMP, we recognise the policy's importance and support its overarching aim to deliver positive health outcomes for all Australians through their access to and appropriate use of medicines.

This Review or refresh of the NMP provides an opportunity for its stakeholders – consumers and all segments of the medicines sector – to ask, what does a world-class NMP look like? What do we want it to achieve and ultimately, how can we utilise this policy to improve health outcomes for Australians now and into the future?

The NMP published in 2000 has provided a solid foundation to build upon. Its aim remains relevant as do its objectives. GSK views the Review of the NMP as an occasion to refine, define and expand on its objectives to best position our medicines sector to serve Australians for years to come.

For example, the NMP objectives state; “timely access to the medicines that Australians need, at a cost individuals and the community can afford”. However, this objective is not currently defined in the NMP meaning there is no target to hold partners to or evaluate against. With the average timeline for medicines reimbursement in Australia at 410 days¹, and Australia not increasing investment in medicines for more than a decade², GSK would argue this is not being met.

GSK recommends the updated NMP include an agreed meaningful and actionable:

- Vision that is ambitious
- Recognition that investing in medicines is an investment in improved health outcomes for Australians and a stronger economy
- Commitment to consumers being at the centre of the NMP
- Recognition of the vital role of innovation, global collaboration and the NMP acting as an enabler for the future medical breakthroughs and their translation into practice for all Australian patients
- Commitment to accountability and ongoing quality improvement to ensure partners continued focus on the NMPs vision and provide mechanisms for the ongoing evolution of the NMP.

The NMP is a statement of principles designed to guide the range of activities encompassing medication management, access and affordability of medicines in Australia through a partnership approach between all sectors. In and of itself the NMP cannot achieve its aims. Its aims must be translated into specific actions, policies and collaborations by governments, industry, health professionals, research and the patient community.

¹ Medicines Australia 2019, 'Compare: Comparison of Access and Reimbursement Environments 2019', pp. 5, http://www.medicinesaustralia.com.au/wp-content/uploads/2020/11/0007_Med-Aus_Compare_5_Booklet_FA_HR.pdf.

² Medicines Australia 2019, 'Medicines Matter. An investment for a healthier tomorrow', <https://www.medicinesaustralia.com.au/medicines-matter-an-investment-for-a-healthier-tomorrow/>.

What is a medicine?

A clear definition of medicine within the NMP is important to defining the policy's scope. GSK recommends the term 'medicine' within the NMP encompass health technology interventions to prevent and treat disease. This allows a broadening of the current application of the NMP to reflect new treatment modalities such as cell and gene therapies, while keeping its core focus on prescription and non-prescription medicines and vaccines.

The term 'medicine' must remain distinguished from interventions that do not prevent and treat disease, such as diagnostics and many medical devices, where the key issues differ significantly.

An ambitious vision

A vision is a statement of ambitious long-term goals designed to motivate.

Including a vision developed in partnership with stakeholders in the refreshed NMP would provide an aspiration for consumers and medicines sector to unite behind. It would provide clarity on success, acting as target to guide decision making and actions. The vision would be a statement that is then reflected in the NMP's aims, objectives and principles.

For all its success to date, the current NMP can potentially be read as a description of the current system and does not provide a direction or call to continuous improvement. The vision could include such aspirations as ensuring Australians have the most timely access to medicines in the OECD or that we have the strongest patient voice in policy and funding decisions. Statements such as these would ensure the NMP guides decisions and actions by all partners, and would provide a standard to aid measurement of progress.

The landscape in which the NMP policy operates is constantly evolving. Rapid therapeutic and technological innovations are expanding disease prevention and treatment options for patients and increasing the sectors complexity. Over time, the NMP's application may change as may the environment it operates in, and a vision would provide consistency and encourage focus on what the community expects from its medicines system.

Investment in medicines is an investment in better health outcomes for all Australians and a stronger economy

Partners in the NMP would agree medicines are an essential component of improved health outcomes for Australians. Medicines and healthcare help Australians live longer and healthier lives; remain in the workplace, out of hospitals and positively contributing to the community and the economy. The innovative pharmaceutical industry contributes to the health and wealth of Australia, providing new treatments to save and improve people's lives. Every innovative medicine made available in Australia generates a significant return on investment to the patient, the community, the economy and the Government³.

The coronavirus (COVID-19) pandemic has established beyond dispute that Australia's health and economic indicators are inextricably linked. The COVID-19 response has demonstrated in real time the value in access to medicines and vaccines in allowing the reopening of society.

This 'value' must be recognised in the NMP in order to provide a framework for encouraging ongoing innovation. It would also support the maximisation of potential benefits from medicines investment to the Australian consumer and economy. GSK recognises there needs to be balance between investment in medicines and affordability to ensure ongoing sustainability of the health system and the industry. The refreshed NMP provides an opportunity to guide that balance.

Currently, the NMP objectives state; "timely access to the medicines that Australians need, at a cost individuals and the community can afford" and "maintaining a responsible and viable medicines industry". However, what these objectives mean is not currently well-defined in the NMP and thus there is no mechanism to determine if these objectives are being translated to maximise potential benefits for Australian patients. GSK would argue that they are not.

For example, investment in medicines has not grown for a decade, while investment in other important areas of healthcare delivery like Medicare, hospitals and the National Disability Insurance Scheme has risen consistently⁴. Further, Australia is well below the OECD average for the proportion of the national GDP used for pharmaceutical expenditure (Australia 1.36 per cent of GDP, OECD average 1.42 per cent, Canada 1.83 per cent), in fact expenditure as proportion of national GDP has fallen over the decade⁵This suggests that the contribution of medicines is undervalued.

³ Medicines Australia 2019, 'Medicines Matter. An investment for a healthier tomorrow', <https://www.medicinesaustralia.com.au/medicines-matter-an-investment-for-a-healthier-tomorrow/>.

⁴ Medicines Australia 2019, 'Medicines Matter. An investment for a healthier tomorrow', <https://www.medicinesaustralia.com.au/medicines-matter-an-investment-for-a-healthier-tomorrow/>.

⁵ Medicines Australia 2019, 'Medicines Matter. An investment for a healthier tomorrow', pp. 14-16, <https://www.medicinesaustralia.com.au/medicines-matter-an-investment-for-a-healthier-tomorrow/>.

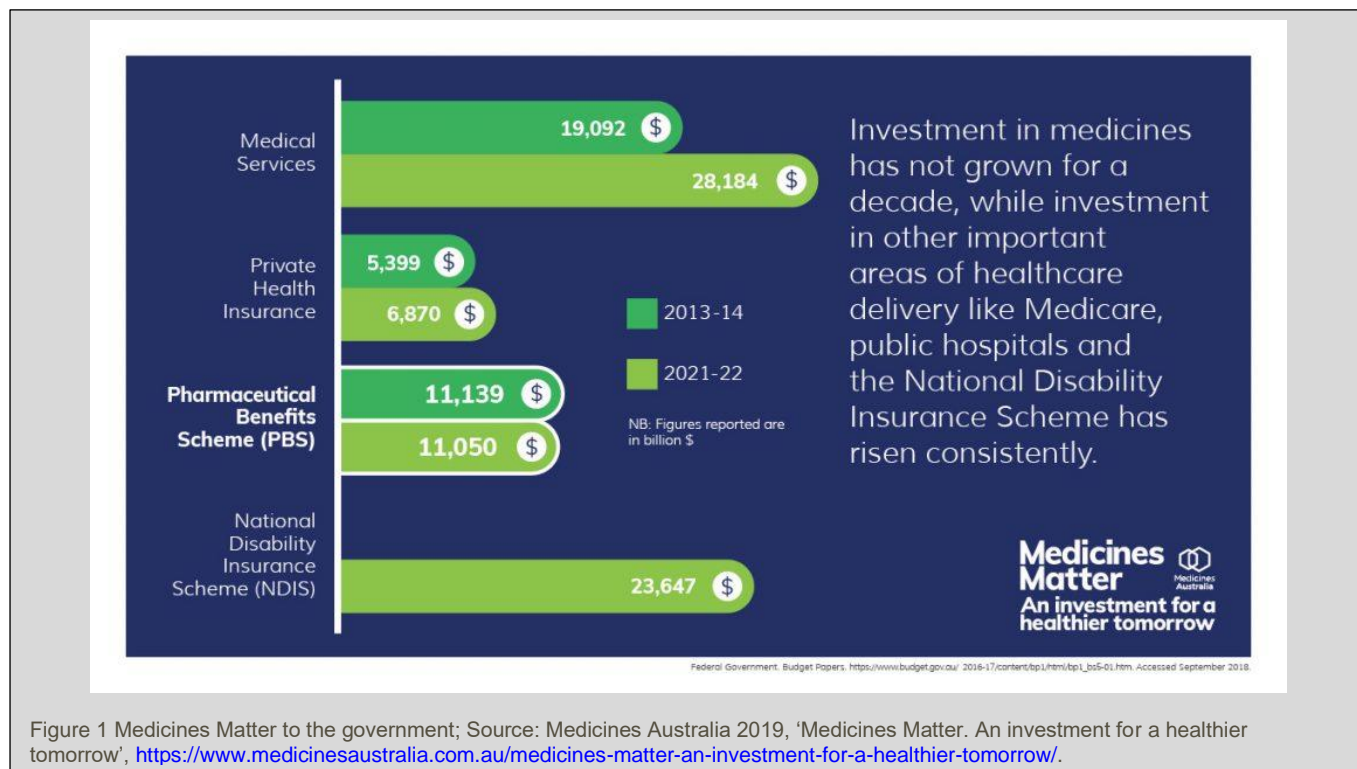


Figure 1 Medicines Matter to the government; Source: Medicines Australia 2019, 'Medicines Matter. An investment for a healthier tomorrow', <https://www.medicinesaustralia.com.au/medicines-matter-an-investment-for-a-healthier-tomorrow/>.

The value of medicines

- One-year increase in a population's lifespan equates to a net **increase of GDP of 4 per cent**⁶
- A healthier Australian population would benefit the nation to the tune of over **\$8.5 billion over five years**⁷
- **\$7 billion** was saved in hospital expenditure in 2011 as a direct result of medicines⁸
- The cost of early retirements due to ill health on GDP was estimated to be **\$45.3 billion in 2017 and expected to increase to \$53.4 billion in 2025**. Effective health programs, such as listing of new medicines, can **reduce these costs by up to 20 per cent**⁹

New medicines help reduce the days of hospital care for Australians, helping to reduce hospital expenditure. It is estimated that hospital expenditure in 2015 was **reduced by \$3.47 billion** because of planned investment in medicines in the decade prior¹⁰.

⁶ Medicines Australia 2019, 'Medicines Matter. An investment for a healthier tomorrow', <https://www.medicinesaustralia.com.au/medicines-matter-an-investment-for-a-healthier-tomorrow/>.

⁷ Australian Government Productivity Commission 2017, *Shifting The Dial 5 Year Productivity Review*, <https://www.pc.gov.au/inquiries/completed/productivity-review/report/productivity-review.pdf>.

⁸ Lichtenberg F, 2019, 'The Impact of Pharmaceutical Innovation on Premature Mortality & Hospitalization in Australia 1998-2018'.

⁹ The McKell Institute 2018, 'Our Health Our Wealth, The Impact of Ill Health on Retirement Savings in Australia', <https://medicinesaustralia.com.au/wp-content/uploads/sites/52/2018/09/Our-Health-Our-Wealth-full-report.pdf>.

¹⁰ Lichtenberg F, 2019, 'The Impact of Pharmaceutical Innovation on Premature Mortality & Hospitalization in Australia 1998-2018'.

A consumer centred NMP, with a commitment to sector collaboration and partnership locally and globally

The NMP in its nature is a partnership. The Review of the NMP provides an opening to take established foundations of consumer involvement and collaboration and extend them further. A refreshed NMP can embed an aspirational goal with a future focus.

The benefits of incorporating a consumer view are well recognised within the medicines sector and within established policy frameworks. This includes the recently released Medicines Australia Strategic Agreement 2022-2027¹¹ and Australia's Long Term Health National Health Plan¹². It is vital a refreshed NMP reflect this commitment, define what meaningful consumer engagement means, acknowledge its benefits and inspire mechanisms for enhanced consumer cooperation moving forward. This includes structures that enable flexibility in provisional pathway for access to medicines where need is established ie. Compassionate and emergency use.

Currently, patient perspectives are often incorporated at the margins, where a specific perspective on a condition or a treatment influences a funding decision, along with many other factors. However, patient perspectives are much less frequently considered as part of setting health policy, which is much more influential on outcomes. The involvement of patients and patient groups in the NMP review and in the upcoming review of health technology assessment are a examples of what should be the norm.

Benefits of a consumer view

"We have to see [patient] stories... Our hope is not to look at numbers at end of clinical trial, our hope is to have more life, quality life."¹³

Jessica Bean, patient and medicine access advocate.

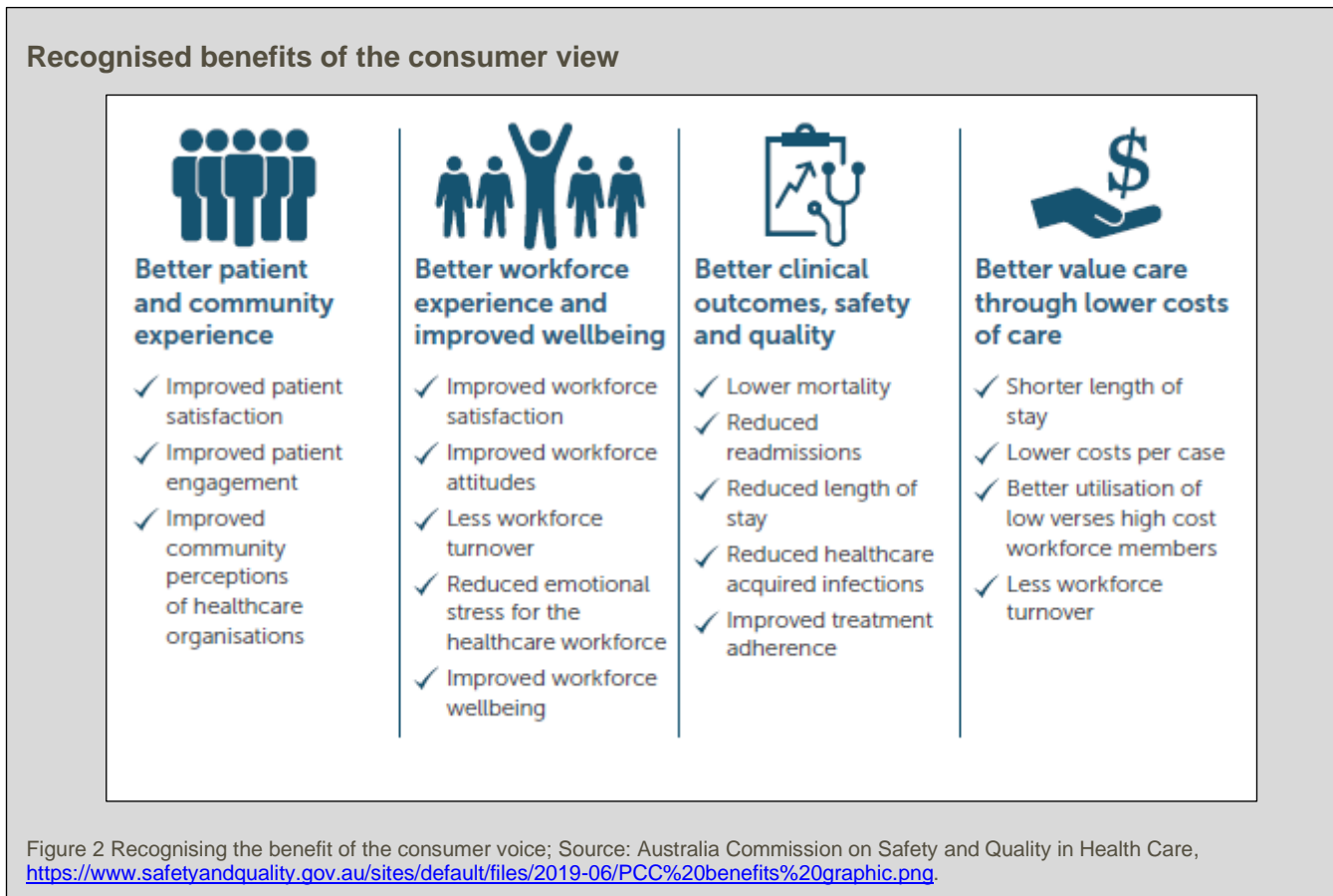
Australians' expectations of the medicine and healthcare sector are increasing, as are their needs. Australians expect improvements in their individual and family's healthcare over the long-term. Australians are also more aware of international advances and want to be actively involved in decisions affecting their health.

The consumer view provides essential contextual knowledge which patients gain from living with a condition or using treatment. A refreshed NMP can formalise and elevate the importance of understanding and taking account of patient input and patient-based evidence related to non-health factors that are important to patients.

¹¹ Australian Government Department of Health 2021, 'Strategic Agreement in relation to reimbursement, health technology assessment and other matters', <https://www.medicinesaustralia.com.au/wp-content/uploads/2021/09/Medicines-Australia-Strategic-Agreement-2022-2027.pdf>.

¹² Australian Government Department of Health 2019, 'Australia's Long Term National Health Plan to build the world's best health system', https://www.health.gov.au/sites/default/files/australia-s-long-term-national-health-plan_0.pdf.

¹³ PharmaAus & Medicines Australia 2021, 'Room for the Patient View', pp. 6, <https://www.medicinesaustralia.com.au/media-events/room-for-the-patient-view/>.



A refreshed NMP’s recognition of the importance of consumer engagement can also provide a framework for mechanisms for exploration of enhanced communications between the medicines sector and the community.

Currently, regulations limit interactions between the medicines sector and consumers. This governance, while designed to protect consumers may go too far in restricting interactions and can be detrimental. There should be an ability for medicines companies to share locally-relevant, scientifically-accurate and balanced information on the medicines with patient groups. This would better equip patient groups to educate and support their stakeholders – the consumer community.

The COVID-19 pandemic has shown the costs of misinformation and how perceptions of treatments and vaccines can be influenced unduly by information from social media and from overseas. Governments, health care professionals and industry can work together to ensure that the right information is provided to the right stakeholders to ensure the ongoing quality use of medicines.

“Consumers will assume a ‘new power’. They will command convenience and access to high value, modern, personalised services that meet their needs. They will expect to have choice and control over the services they pay for. They will be activated more than ever with access to burgeoning information and innovations that will assist them to stay well.”¹⁴

Tony Lawson (Chair) and Leanne Wells (Chief Executive Officer), Consumer Health Forum.

¹⁴ Consumers Health Forum of Australia 2018, ‘Shifting Gears – Consumers Transforming Health’, pp 1, https://chf.org.au/sites/default/files/181125_shifting_gears_-_consumers_transforming_health.pdf.

Enabling innovation and global collaboration

A refreshed NMP has an important role in paving the way for breakthroughs in medicines and their translation into outcomes for Australian patients.

Medicines research, development, manufacture and supply is conducted globally, and this will only increase. This means that the market in Australia cannot, and does not, operate in isolation from the rest of the world. Global considerations are frequently applied throughout the medicines systems and processes.

A refreshed NMP can entrench measures to incorporate a global view, to ensure we are learning from other jurisdictions and making evidence-based decisions to benefit Australians. Currently, Australia has many strengths including its competitiveness in clinical trials, high quality basic research, and a relatively stable economic and democratic environment. However, medicines sector and environments across the globe are advancing and its important Australia progress also.

The inclusion of a principle recognising the advantage of global collaboration to innovation, providing mechanisms for evolution and adaption will result in better outcomes for Australian consumers and a more sustainable medicines sector. This includes formal horizon scans, and reporting frameworks, harmonisation of clinical trials, sharing of data and resources for increased efficiency and efficacy.

Commitment to accountability and ongoing quality improvement

GSK recommends that a refreshed NMP include mechanisms for a governance framework to incorporate measures for assessing and reporting progress toward the vision and deliverables. It also requires mechanisms for ongoing informal and formal review, to ensure the NMP keeps pace with the needs and evolution of the environment. It will help make sure the NMP remains fit for purpose.

Currently, the NMP sets out the aims and objectives for medicines access, regulation, and delivery in Australia. It is extremely important to the health outcomes of Australians and provides vital guidance to the medicines sector. However, currently there is no mechanism to determine what is success, to assess the impact of the policy or of the performance of partners.

By including metrics agreed by partners, and formal mechanisms for review there will be increased transparency of the NMP, its impact and relevance. GSK supports the industry recommended structure included in Medicines Australia's submission to the Review of the NMP.

A formal governance and accountability structure will also encourage quality improvement. It will enable ongoing assessment, supporting adaption, prioritisation, effort and focus to deliver results.

For example, what is 'timely access'? What does timely mean to an Australian consumer and how does the medicines sector know it is delivering on that objective?

Is medicine access in Australia timely?

Between 2013 and 2018, it took roughly three to four times longer for new medicines to achieve reimbursement in Australia (410 days) than world leaders Japan (98 days), Germany (119 days), Austria (148 days) and Switzerland (149 days) (Medicines Australia, 2019). Further, Australia ranks 13th out of 20 OECD countries for the average time from new medicines registration to reimbursement¹⁵.

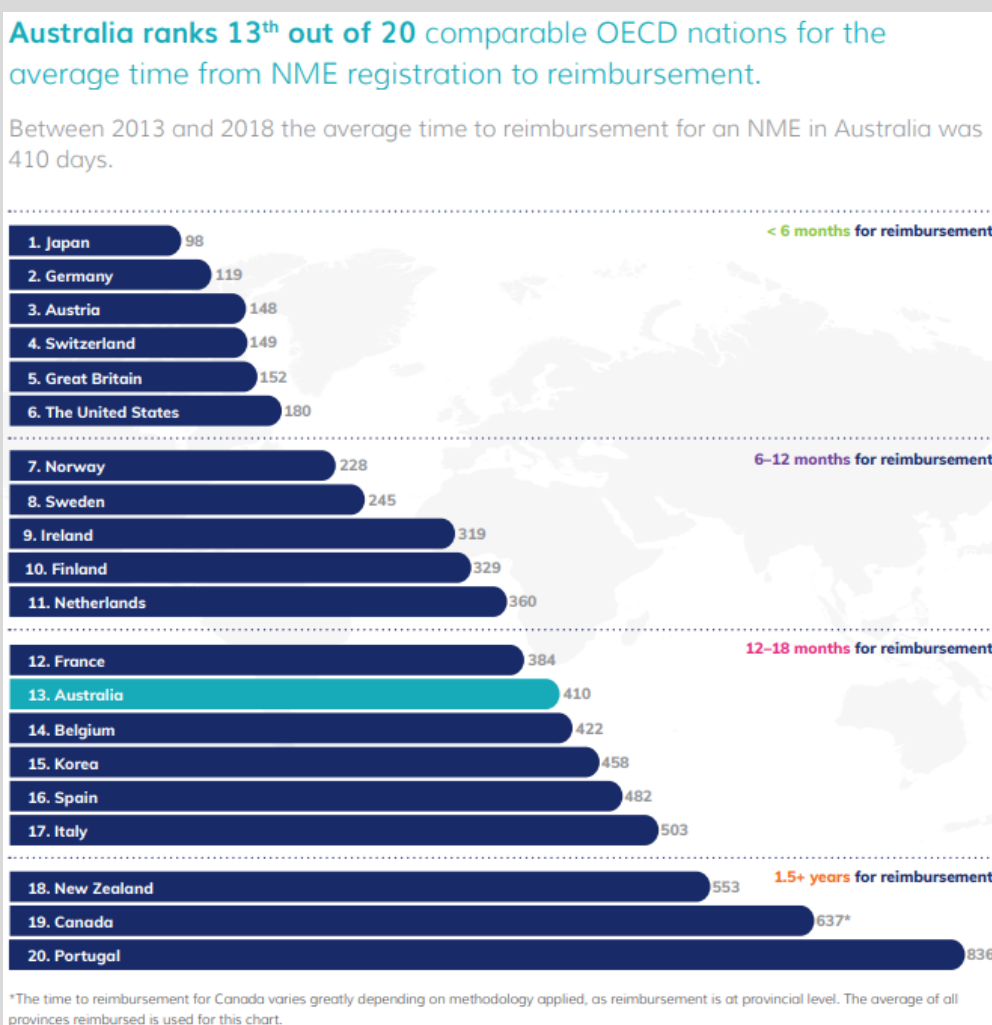


Figure 3 The average time to reimbursement from registration (days) in comparable OECD countries, for NMEs registered between 2013 and 2018; Source: http://www.medicinesaustralia.com.au/wp-content/uploads/2020/11/0007_Med-Aus_Compare_5_Booklet_FA_HR.pdf.

¹⁵ Medicines Australia 2019, 'Compare: Comparison of Access and Reimbursement Environments 2019', pp. 5, http://www.medicinesaustralia.com.au/wp-content/uploads/2020/11/0007_Med-Aus_Compare_5_Booklet_FA_HR.pdf.

Conclusion

As a long-standing partner in the NMP, GSK recognises the policy's importance and support its overarching aim to deliver positive health outcomes for all Australians through their access to and appropriate use of medicines.

We welcome the invitation to explore what a world-class NMP looks, what should it deliver and how can it improve health outcomes for Australians now and in years to come?

In answering these questions GSK proposes the refreshed NMP have an ambitious vision that recognises the value of investing in medicines, has consumers at its centre, encourages innovation, collaboration and accountability. We support an NMP that provides a framework for a sustainable health system with the capability to keep pace with the latest medical advancements translating them into improved health outcomes for Australian consumers.

The NMP published in 2000 has provided a solid foundation to be built upon. The Review of the NMP provides an occasion to refine, define and expand on its objectives and principles to best position our medicines sector to serve all Australians for years to come.

We acknowledge the NMP is a statement of principles designed to guide the range of activities encompassing medication management, access and affordability of medicines in Australia through a partnership approach between all sectors. In of itself the NMP cannot achieve its aims. It is up to us, the medicines sector, to action it.

GSK looks forward to continuing to partner with government, industry, health professional, research and community in the Review of the NMP. We look forward to implementing policy and actions reflective of the NMP to deliver on its vision and aim.

About GSK

GSK is a science-led global healthcare company with a special purpose: to help people do more, feel better and live longer. In Australia, we offer a broad portfolio of innovative and established vaccines and medicines in respiratory disease, HIV and oncology.

In Australia, we offer a broad portfolio of innovative and established medicines, particularly in respiratory disease and HIV. Our asthma medicines, for example, have been helping Australians to breathe easier for over 50 years.

Our vaccines have been at the heart of the Australian National Immunisation Program from the time it began, helping to protect infants and children from multiple serious diseases. Beyond childhood, our vaccines help to protect Australians throughout life whether at home or travelling overseas.

Australians probably know us best for our consumer healthcare products, spanning pain relief, specialist oral health, skin health, nutrition and digestion. Trusted brands like Panadol, Voltaren, Sensodyne, Polident and Otrivin have become household names.

For further information please visit au.gsk.com.



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