

**European Health Forum Gastein 2012**

**Workshop on ‘Connecting new science, research and healthcare needs: is the contract between society and pharmaceutical industry up for renewal?’**

**Thursday, 4 October 2012**

On 4 October at the European Health Forum Gastein, the European Federation of Pharmaceutical Industries and Associations (EFPIA) in cooperation with the Innovative Medicines Initiative (IMI) hosted a workshop on the link between new science, current healthcare systems and patients’ benefits. The session was moderated by **Prof Trevor Jones**, Director, Allergan Inc, and included the following speakers: **Prof Carole Longson**, Director of the Centre for Health Technology Evaluation, NICE, , **Dr Michel Goldman**, Executive Director, IMI, **Mr Sascha Marschang**, Policy coordinator for Health Systems, European Public Health Alliance (EPHA), and **Dr Jim Attridge**, Research Fellow, Imperial College (UK). This evening session was attended by over 50 participants, including healthcare professionals, members of European and national regulatory bodies as well as representatives of the pharmaceutical industry.

**Prof Jones** introduced the debate by stating that science is changing the way society thinks about diseases and healthcare. He invited panelists to provide their thoughts on how they believe scientific progress can be translated into concrete benefits for patients.

**Dr Goldman** argued that public private partnerships (PPPs) are a solution to help connect new science and health systems, which is the key rationale behind the creation of IMI. PPPs foster cooperation between companies during critical phases of drugs’ development to better involve patients and facilitate medical progress, as well as to build trust between academia and industry.

**Prof Longson** presented NICE’s work in this regard and its focus on sharing good practices as well as evaluating cost-effectiveness for medicines that have recently been or will soon be marketed in the UK. She noted that the definition of value is based on a consultation process between stakeholders. She declared that NICE is trying to combine a cost-effective approach that benefits healthcare system’s sustainability while maintaining an innovation-friendly environment.

**Dr Attridge** argued that research needs to be promoted more actively in Europe, as the incentives for companies to invest in innovation are declining. He believes that innovation is a complex interaction between technology push versus market pull. Although researchers continue to make valuable technological advances, the ‘new economics’ of European markets and the downward pressure on health expenditures are severely impacting market rewards to innovators, even in areas of ‘high unmet’ needs. He declared that this short-termism failed to recognise the reality that innovation is a long-term incremental process. Dr Attridge emphasised that reversing this trend could not be achieved solely through increasing investment in research, but required a concerted pan-European re-think of member states market regulation to restore rewards to innovators.

**Sascha Marschang** argued that innovation is driven by profit in the pharmaceutical industry, even in the case of public-private partnerships, which leads to a situation where new drugs are not particularly beneficial to patients or are unaffordable for most people. He insisted on the need to develop a more sustainable, socially responsible and inclusive innovation model by increasing

patients' involvement and making public interest the driver of innovation. He believes that Horizon 2020 is a first initiative that could steer change from the current paradigm.

**Dr Peter Høngaard Andersen**, Executive Vice President/Head of Research and corporate patents and trademarks at Lundbeck and Chair of EFPIA's Research Directors Group, noted that in the context of the transparency directive, all pharmaceutical data will have to be accessible to patients. While this is arguably a way of increasing patients' information, the industry needs to continue working towards increased patient involvement. He believes that accessibility of medicines and new medicines in particular is a crucial issue.

According to **Franz Piribauer**, from the University of Graz, a new global research agenda is needed as well as a collaborative effort at global level to develop more cost-effective medicines and healthcare systems.

**Dr Goldman** stressed that IMI allows close cooperation and shared experience between institutions and stakeholders. According to him, IMI is acting as an "honest broker" in facilitating interactions between the industry and public funders. A participant argued that if medicines were cheaper, volumes would increase and the pharmaceutical industry would not see its revenue decreased, nor would manufacturing plants be relocated to India and China.

**Dr Attridge** answered that 80% of volume consumption of medicines now consists of generics manufactured in India and China. Although this had saved EU healthcare systems billions of Euros, it also would in effect export EU jobs to these countries.

**Prof Jones** pointed out the lengthy timelines before innovations reach patients, in part due to the fear of risks. This inadequate timing makes it very difficult for patients to benefit from innovations. He also asked Prof Longson how NICE would react if a price cut for a medicine was unilaterally requested. **Prof Longson** replied that NICE is not only concerned with costs as it also strives to encourage a vibrant industry and understands the incremental character of innovation.

**Sascha Marschang** noted that risk sharing is something that society needs.

A participant asked the panel whether an agreement between companies could be found for the use of data. He argued that this would however lead to a loss of in-house capacity for innovation. **Michel Goldman** and **Peter Høngaard Andersen** declared that within the consortium, companies agree to share the data.

**Dr Attridge**, in response to a comment that industry innovative output took advantage of publicly funded academic research for free, explained that today, most leading universities and research institutes patented their own inventions. Hence, if industry wished to use them for product development, it would have to negotiate contracts to pay for exclusive access to them.

**Prof Jones** concluded the session by underlining the need to set priorities in pharmaceutical innovation. He argued that the central question in current times of crisis is not about the value of innovation and how to evaluate it, but how society can fund and afford it.

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