

Measuring what matters

Attachment A: Measuring What Matters: Consultation Feedback form

Consult hub

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1 Meeting Host Name

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5 Meeting host

Business

6 Other

Not answered

7 Meeting date

24 May 2023

8 Meeting location

Virtual

- 9 Location/City/Town
Not answered
- 10 State
Not answered
- 11 Participants attending
Individuals
- 12 Other
Not answered
- 13 Number of participants
Not answered
- 14 1. Did the five emerging policy themes Prosperous, Inclusive, Sustainable, Cohesive and Healthy resonate with meeting participants?
Yes
- 15 If not, why not (200 words)
Not answered
- 16 2. Which of the following themes are most important to you? (Select 3)
Healthy: A society in which people feel well and are in good physical and mental health now and into the future
Prosperous: A growing, productive and resilient economy
Inclusive: A society that shares opportunities and enables people to fully participate
- 17 3. Which themes or descriptions were most frequently discussed? (Select 3)
Healthy: A society in which people feel well and are in good physical and mental health now and into the future
Prosperous: A growing, productive and resilient economy
Inclusive: A society that shares opportunities and enables people to fully participate

18 4. What do you see as the most important issues for future wellbeing?
Are these captured by the emerging policy themes?

AbbVie's response to the second phase of the consultation, is focused on the Statement's proposed policy theme of 'Healthy' and the critical role that access to innovative medicines plays in ensuring that Australians 'feel well and are in good physical and mental health now and into the future'.

Recommendation 1: Funding of health interventions, such as new medicines, should be captured as an economic investment that yields health outcomes, not just as social sector expenditure or consumption. The development and use of new medicines contribute to long-term economic growth and the World Health Organisation (WHO) advises that 'spending on health is a smart investment'.

The Statement should include metrics that capture the return on investment (ROI) in health care interventions. For example, the health outcomes generated as a return on Government investment in access to new medicines on the PBS.

There is strong evidence to support the inclusion of such an indicator. The 2019 research paper: Measuring the Impact of Pharmaceutical Innovation in Australia 1998–2018, authored by economist, Professor Frank Lichtenberg revealed that PBS-listed pharmaceutical innovation improves patient outcomes, reduces hospital demand, and is cost-effective. The paper was focused on cancer medicines, but the findings and concepts are transferrable to any new treatment that generates improvements in health outcomes. Professor Lichtenberg's findings demonstrate:

1. PBS listed pharmaceutical innovation in the cancer setting was responsible for almost all the decline in premature (pre-age 90) mortality between 1998 and 2015, and about half of the increase in the mean age at death from cancer between 2008 and 2018.
2. PBS listed pharmaceutical innovation is responsible for reducing the days care in hospital. The new cancer medicines launched between 1986 and 2000 were estimated to be responsible for a 7.3% (1.71 million days) reduction in hospital days in the year 2015.
3. The new cancer medicines that were launched during 1987 and 2003 were very cost effective. Overall, the cost per life-year gained before age 90 would not have exceeded \$5,900 AUD when the effect of new drugs on hospital utilisation is considered.

Implementation of this recommendation is also expected to support the objectives of the other policy themes, such as Prosperous - People have access to necessary services and amenities.

19 5. How might the descriptions be amended to best reflect our priorities?

The Statement should include an indicator that measures the time from when a new medicine is registered by the Therapeutic Goods Administration (TGA) to when it is accessible on the PBS. This indicator should be benchmarked against comparable OECD

peers. It is an indicator that is understandable, measurable, and meaningful.

Fast, equitable, reimbursed access to medicines is important in delivering positive health outcomes to individuals and the community.

Unfortunately, Australia is not keeping pace with our global peers on this measure. The Medicines Matter Report is an annual report that assesses the timelines for registration and reimbursement of new medicines for Australian patients, against other OECD countries. The latest report has found:

1. The average time from registration to reimbursement for all 20 OECD countries has increased to 384 days, with Australia's average at 466 days.
2. From 2016-2021, Australia ranked 16th out of 20 for the number of reimbursed New Molecular Entities (NMEs).
3. NME registration to reimbursement timeframes vary significantly between therapeutic areas.
4. Australia has remained in 15th position out of 20 for the proportion of reimbursed NMEs, 9% below the OECD average.
5. The top four countries reimbursed more than 70% of NMEs in less than 6 months from registration, while only 17% of NMEs were reimbursed in Australia in less than 6 months.

Based on the current process, reimbursed access on the PBS can theoretically be achieved within approximately 60 days of ARTG listing. This requires parallel processing with the TGA, a first time Pharmaceutical Benefits Advisory Committee (PBAC) recommendation, and no unnecessary delays to post-PBAC negotiations. Unfortunately, there are very few medicines that achieve this, as reflected in the latest statistics outlined above. To reduce the time from when a new medicine is registered by the TGA to PBS access, the Government must embrace the opportunity that the current HTA Review can bring to improve reimbursement decision making. The recommendation to capture and improve on the time to PBS access from TGA registration is also aligned with the NMP. The NMP advises that 'all Australians, regardless of where they live, who they are and the health condition they have, must have timely, safe and reliable access to effective medicines and medicines-related services to maintain their health and wellbeing at a world class level'.

20 6. Are there any indicators and existing data sources that will be critical to inform the emerging policy themes?

The Statement should include a broader set of indicators that not only capture 'physical' and 'mental' health but also consider patient preferences and health consumer needs. Patient preferences and health consumer needs should be given more credence in value assessments of healthcare interventions, including funding of new medicines on the PBS. Value in healthcare can come in many forms. Non-economic value as well as indirect

benefits should play a more substantial role in healthcare funding decisions. For example, patient preferences are not regularly addressed or recognised by academic Health Technology Assessment processes. A new medicine may provide significant value delivered through innovation in formulation, mode of administration, acuity of care setting required, patient satisfaction etc, none of which significantly change the final clinical outcome, but nevertheless have attributes that are important to the patient and deliver value through innovation.

More meaningful incorporation of patient preferences is critical to understand what matters most to Australians as they navigate the health care system. Inclusion of a broader set of health indicators could be done through robust methodology such as discrete choice modelling or patient and consumer value mapping.

An example of how a broader definition of value and health can be applied is the inclusion of a new parameter in the Medical Services Advisory Committee (MSAC) Guidelines, used to guide evidence-based funding of new medical technologies by Medicare. There is now provision for a clinical claim based on the 'value of knowing' as alternative evidence to clinical utility. The value of knowing 'encompasses any consequence for the wellbeing of a patient beyond the changes in the health outcomes attributed to changes in the health care provided'.

The recommendation to include a broader set of indicators that consider patient preference and health consumer needs is aligned with the NMP which states that 'person-centred care and shared decision-making improve health outcomes.'⁶

Recent international guidance has been published on the topic of patient preferences: 'A Roadmap for Increasing the Usefulness and Impact of Patient-Preference Studies in Decision Making in Health: A Good Practices Report of an ISPOR Task Force'. This could be used as a framework to align on agreed metrics or indicators for inclusion in the Statement to ensure a more comprehensive picture of health is captured.

21 7. Is there any additional information you would like to see in the Measuring What Matters Statement? If so, please outline.

The Measuring What Matters Statement provides the opportunity to improve policy design, evaluation and priority setting by focusing on the wellbeing of Australians as a marker of progress. AbbVie has focused its response on the policy theme of 'Healthy' however wellbeing is holistic and policy themes should be viewed as interconnected. For the nation and its people to be prosperous, inclusive, cohesive and remain sustainable into the future, its people must also be healthy. Medicines are integral to healthcare delivery helping Australians live longer and healthier lives, staying in the workplace, keeping out of hospital, and positively contributing to the community and economy. We look forward to continuing to engage with Treasury as it progresses with the Measuring What Matters Statement.

