Delivering on the Potential of Biosimilar Medicines
The Role of Functioning Competitive Markets

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Never before has there been so much innovation

Global New Active Substances (NAS) Available Since 1996

Cumulative Total Since 1996
- 5 year NAS
- Earlier NAS

The cost is tremendous

Global Spending and Growth, 2010-2020

Constant US$ CAGR 2011–2015 6.2%
Constant US$ CAGR 2016-2020 4.7%

$887
$1,069
$182
$349
$1,400 - $1,430


This is not sustainable

2016 draft social security finance law includes a range of initiatives to reduce the overall deficit of the social security system from EUR9.0 billion in 2015 to EUR6.0 billion in 2016. Including of EUR1,580 million in relation to pharmaceuticals.

156 medicines included on the add on list for high cost drugs since 2012

2014, NHS England and Monitor (the health services regulator for England), warned that the NHS faces an annual funding shortfall of GBP30 billion by 2020/2021

2014, six regions – Baleares, Canarias, Cataluña, Extremadura, Murcia and Valencia – had already exhausted their pharmaceutical budgets by October 2014, and had to rely on credit line funding from central government in order to pay pharmacy invoices.

Source: IMS
Biosimilar medicines must be part of the solution

Addressable Biosimilar Medicines Market EU5 & US, 2016-2020

How much of the solution is debatable

Biosimilar Savings Potential - EU5 & US, 8 Key LOE Products 2016-2020

Source: IMS Health, MIDAS, IMS Health Market Prognosis, IMS Institute for Healthcare Informatics, Dec 2015
A functioning competitive market is a sustainable market

Best Practice for Functioning Competitive Markets

- All Stakeholders Need to Be Physician and Patient Centric
- Markets Need to Incentivise Supply
- Manufacturers Need to be Clear and Consistent in Communication

Physician and Patient Centric

**Educate**
- Clinical Benefits
- Health system Benefits

**Involve**
- Decision Making
- Education

**Incentivise**
- Make Benefits Tangible

Jean-Yves Le Déaut, France MP, calls for improved education for all stakeholders on Biosimilars, 2015

British Society for Rheumatology – “both patients & healthcare professionals would benefit from more information about biosimilars”
Physician and Patient Centric

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**Involves**
- In Decision Making
- In Education

Physicians at heart of LIS tendering & KOLs lead the prescriber community

Uptake of biosimilars driven by Physicians

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Physician and Patient Centric

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- Clinical Benefits
- Health system Benefits

**Involves**
- In Decision Making
- In Education

**Incentivise**
- Make Benefits Tangible

Prescribing targets linked to financial gains

Regional Systems - 50% of savings generated from biosimilar uptake redirected to fund further innovation
Make the Market Attractive

**Try To**

- Make Patients Available
- Put Physicians at the Heart of Decision Making
  - All patients suitable for biosimilars
  - Physicians at heart of gain share initiatives

**Try Not To**

- Focus on Short Term Gains Only
- Focus on Drug Acquisition Cost Only
  - Step price model, in effect, limited retail sales
  - Generics price set relative to brands among highest Gx prices globally
Clarity and Consistency in Communication

Thank you

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