



PRESCRIPTION FOR INNOVATION

Improving health and economic well-being in Wales



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INTRODUCTION

The Association of the British Pharmaceutical Industry (ABPI) represents more than 80 pharmaceutical companies in the UK that are engaged in the research, development, manufacturing and supply of prescription medicines. ABPI member companies manufacture and supply more than 80 per cent of the medicines prescribed through the NHS, and also export medicines to countries all over the world.

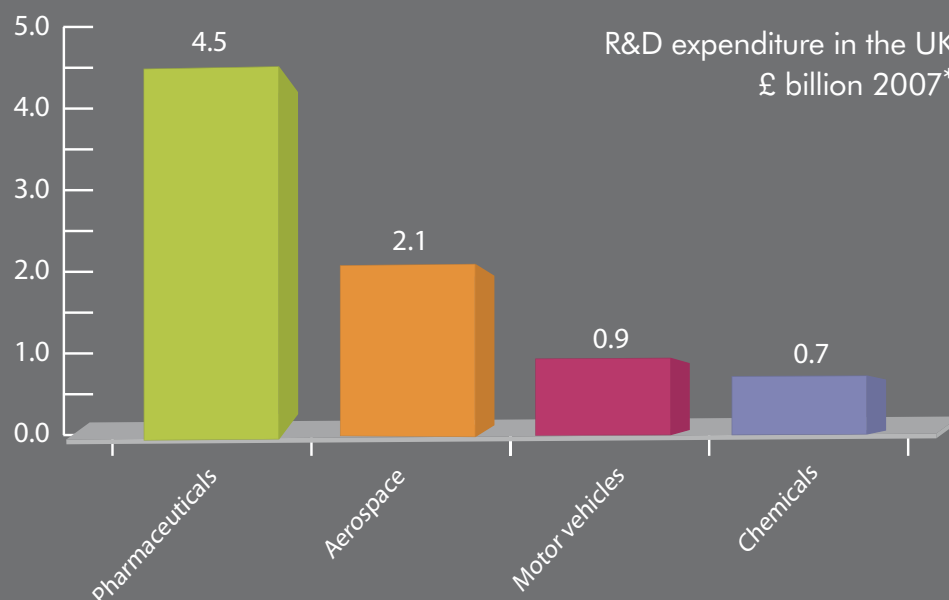
ABPI Cymru Wales was established in 2003 in response to the evolving distinctiveness of the health agenda in Wales and to support the work of the ABPI Cymru Wales Industry Group (WIG), a collaboration of ABPI members with a declared interest in Wales. This includes major global companies and smaller companies with a strong presence in Wales.

Since 2003, ABPI Cymru Wales and its member companies have been working in partnership with the National Assembly for Wales, Welsh Assembly Government, NHS Wales, the All Wales Medicines Strategy Group (AWMSG), Patient Advocacy Groups and other key stakeholders, to help address the health needs of the people of Wales.

Modern, breakthrough medicines make a huge impact on health and well-being and everyone uses medicines at some point during their lives. Our aim is to develop medicines that change lives for the better and which are licensed and monitored in terms of quality, safety and efficacy. Some modern medicines such as vaccines can prevent illness in the first place; others, including cancer medicines can extend and save lives; while many improve the quality of lives, stop disease progression and play a critical role in tackling chronic conditions.

The pharmaceutical industry is the longest standing independent sector partner of the NHS; we have worked together since 1948. We share a common commitment to improve the lives of the people of Wales and we work alongside healthcare professionals and patients under the strict governance arrangements of the ABPI Code of Practice. This ensures that medicines promotion and joint working with the NHS are conducted in an open, responsible and ethical way.

ABPI Cymru Wales is committed to working with our partners to support a common understanding and a shared value for new and innovative medicines.



*Source: Research and Development in UK Businesses, ONS



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A PRESCRIPTION FOR INNOVATION

This document describes a number of actions to:

- Deliver better patient health.
- Enhance cost-effectiveness in the NHS.
- Drive the industry's contribution to the economy.

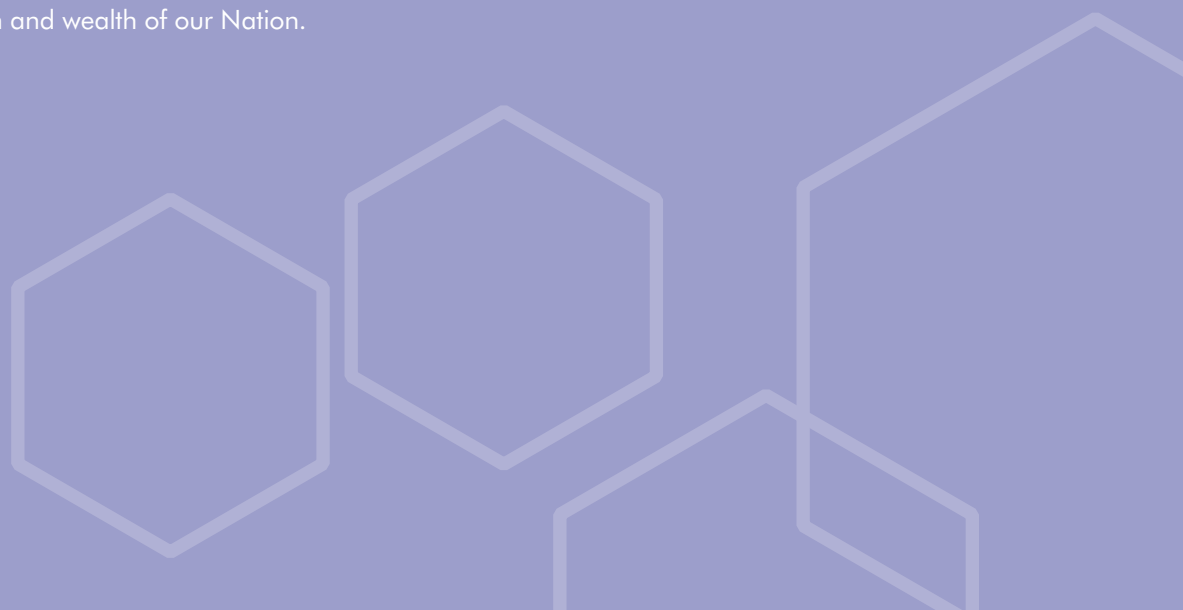
Britain has led the field globally in life sciences for many years. Scientists here discovered penicillin, unravelled the secrets of DNA, developed beta-blockers and helped map the human genome. Today, one in five of all major medicines used around the world have been discovered in the UK. We should be proud of our record of scientific achievement and innovation and strive to maintain the UK's pre-eminent position as a location for the discovery, development and manufacture of new medicines.

Medical discoveries brought to the patient by the life sciences industry have transformed millions of lives. The prospects for patients with coronary heart disease, epilepsy and diabetes have been transformed, as these conditions are now eminently treatable. **Statins alone have been estimated to have saved almost 3,000 lives in Wales over a 5 year period.**

As well as the clear benefits of improved lives and patient outcomes, such progress has saved money for the taxpayer by preventing or reducing complications and hospitalisations in conditions ranging from asthma and stomach ulcers to diabetes and cancer. Medicines allow many patients to remain in work, successfully manage long-term conditions and make a valuable contribution to the health and wealth of our Nation.

In Wales, there are over 200 companies linked to the life sciences sector. Across the UK the pharmaceutical sector supports over 250,000 people in high-value jobs, of which over 72,000 are employed directly by pharmaceutical companies alone. Each year the pharmaceutical industry invests £4.5bn in research and development in the UK, representing a quarter of all private sector R&D investment. Globally, the market opportunity is close to \$1 trillion and Wales must continue to strive to earn its share of this market.

Political leadership is critical to ensuring that the industry continues to deliver better health outcomes; value to the NHS; and a return to the taxpayer in terms of continued industry investment. This document sets out our industry's vision of how this is to be achieved in Wales.





In the UK, new medicines tend not to get to the patient until several years after launch, with only 11% of medicines prescribed to patients being less than five years old. In Switzerland it is 17%, in Italy 18%, in France 21% and in Germany 22% (2008)

Partnership case study

The Happy Hearts project in Nottingham targeted deprived areas to identify people at most risk of developing coronary vascular disease (CVD). It then offered appropriate intervention, support and education to help people manage and reduce that risk. The project had two objectives: to reduce mortality and to reduce health inequalities in what is the UK's 13th most deprived local authority.

The project was co-funded by the pharmaceutical industry (sanofi-aventis, Novartis, Schering-Plough, MSD, Merck Serono and Solvay) and NHS Nottingham City, with a joint steering committee allowing each party to bring its particular skills and expertise to the table. In just over 12 months, over 2,000 patients were identified and seen by the project and around half were referred for further investigations either for CVD, hypertension or diabetes.

"I see R&D as an important and integral part of the NHS in Wales... we are already making excellent progress in the actions identified in the (OLS) Blueprint targeting the NHS as an innovation champion."

Paul Williams, Chief Executive, NHS Wales



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BEATING DISEASE: BETTER ACCESS TO INNOVATIVE MEDICINES

Ensuring the right patients receive the right medicine at the right time

By giving NHS patients improved access to innovative medicines, we can lead the world in extending patient survival and quality of life.

We want to see an NHS that welcomes cost-effective, innovative technology and adopts it promptly where it benefits the patient. Uptake of new, innovative medicines is often much higher in other European countries, and it is only fair and right that Welsh patients have access to the best available medicines. Access to medicines in Wales is neither fair nor consistent and Wales does not have a system which monitors the implementation of national medicine guidance. Inconsistent implementation causes inequities in terms of access to treatment.

The situation is not helped when flagship NHS policy is not equitably or fully implemented. For example, in 2008 the ABPI WIG Arthritis and Musculoskeletal Sub-Group undertook a policy survey with frontline NHS staff and found poor implementation of the Welsh Assembly Government's Service Directives for Arthritis and Musculoskeletal Conditions.

The notion that there is not enough money to pay for new medicines has repeatedly proven to be erroneous, with medicines, year on year, making up a smaller and smaller part of the overall NHS budget. In 2007/08, 20 of the 22 Local Health Boards (LHBs) under-spent against their allocated medicines budget – an increasing trend from previous years. In addition the combined savings from Government negotiations with pharmaceutical companies and branded medicine 'patent expiry' has been estimated to benefit Wales by over £300 million over the next 5 years.

The pharmaceutical industry commits to:

- Working with governments, political parties, health professionals, academia and the NHS to give patients faster and better access to new medicines.
- Contributing to better planning in the NHS for new medicines during the last stages of development, by means of a horizon scanning mechanism.
- Continuing to contribute expertise and resources to local NHS projects targeted at improving patient outcomes and reducing health inequalities. Such projects are conducted in line with appropriate governance arrangements, such as Welsh Health Circular – WHC(2005)16 and the pharmaceutical industry Code of Practice.

We call on political parties, clinical leaders and policy makers to:

- Provide the National Delivery Board, in partnership with Local Health Boards, with real power to deliver improved uptake of innovative medicines and technologies in Wales, and to be held accountable for progress.
- Retain savings from reduced costs in branded medicines to ensure funding for innovation.
- Encourage NHS Wales to work with industry, AWMSG and the National Institute for Health and Clinical Excellence (NICE) to allow patients earlier access to innovative medicines in line with the Routledge Report Recommendations.
- Ensure that Welsh Assembly Government policies are fully implemented, and that LHB implementation and budgetary processes are transparent.
- Establish and fully fund the Welsh Analytical Prescribing Unit (WAPSU), and expedite the implementation of guidance on new medicines across Wales in line with Standard 12 of the Healthcare Standards for Wales.
- Review and update WHC(2005)16, to encourage an open and transparent framework for partnership working between us and NHS Wales.



The average cost per prescription item in Wales is £9.51 – compared to £10.51 in England, £11.89 in Scotland and £12.65 in Northern Ireland

WCPPE Project

During 2009, 10 member companies of the ABPI Cymru Wales Industry Group (WIG) supported the delivery by the Welsh Centre for Pharmacy Professional Education (WCPPE) of a Chronic Conditions Management (CCM) training module for community pharmacists. The aim of the course was to enhance the skills and clinical knowledge of pharmacists already undertaking Medicines Use Reviews (MURs) to enable

them to support the management of patients with Arthritis, Asthma and Diabetes.

The course has received a positive evaluation from an external examiner from the University of Portsmouth and with it the recommendation that it should be rolled out across Wales.

Participating companies were; Astra Zeneca, Bristol Myers Squibb, GlaxoSmithKline, MSD, Novartis, Pfizer, sanofi-aventis, Schering-Plough, Servier, Wyeth.

"The future of the knowledge-driven economy in Wales – and with it the future jobs of Welsh people – depends above all on strengthening the links between our academic and business communities."

Ieuan Wyn Jones, Deputy First Minister



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GETTING FULL VALUE FROM OUR MEDICINES

Ensuring the full clinical and economic benefits of medicines to patients and public services are realised

Appropriate use of medicines provides excellent value for money to NHS Wales saves lives and often helps alleviate patient suffering earlier and more effectively.

Saving money by not giving people the medicines to keep them well is a false economy both for the health service and the broader economy. It also conflicts with the aims of the NHS Wales reorganisation and the principles of *Designed for Life*.

As well as the clear benefits of improved lives, innovation in medicines has saved money for the taxpayer by preventing or reducing complications and hospitalisations. Many patients have been shown to be able to remain in work, successfully manage their long-term conditions and contribute to the economic well-being of the country. It has been previously estimated that the current spend in NHS Wales on statins – which help lower cholesterol - will save £54.1million in hospital costs and £3.5billion in wider economic benefits. Such wider benefits of medicines need to be considered if patients and taxpayers are to reap the full value of medicines.

We are hopeful that the new health structures in Wales will help introduce an integrated and holistic approach to the healthcare budget, thus allowing the benefits and costs of medicines to be balanced across primary, secondary, tertiary and social care. We believe the new NHS Wales structure allows the development of a common understanding of the value of medicines which takes into account: the incremental nature of innovation; disease prevention; unmet medical need; the nature of the disease or condition; savings made to health and social care budgets and; the indirect economic benefits of effective medicines.

NICE is an internationally respected appraisal body and has increased its remit to all aspects of medicines availability. The AWMSG has also improved its procedures but it should not be seen as needing to

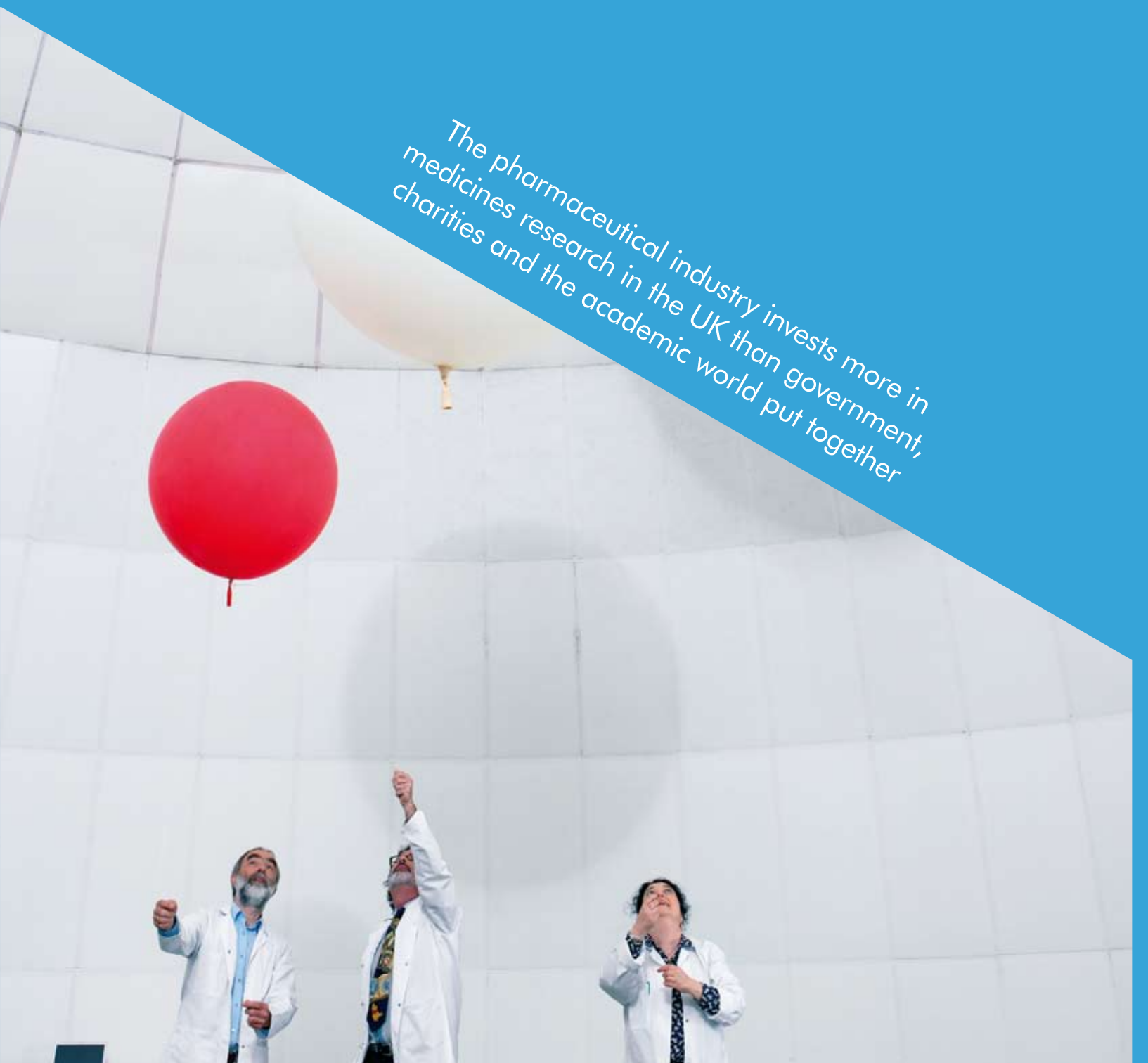
mirror the activity of NICE in Wales. We believe the remit of the AWMSG should be closely co-ordinated with NICE to avoid duplication, unnecessary confusion and inequities for patients in Wales.

The pharmaceutical industry commits to:

- Work with governments, the public, patients and healthcare professionals to strive for a common understanding of the value of medicines, ensuring it is fully taken into account in decisions by government, the NHS, AWMSG and NICE.
- Contribute our expertise on the management of patients to help improve their care and health outcomes, as well as to maximise efficient use of NHS resources.
- Work with partners to tackle medicines waste in order to provide additional money to invest in new medicines.
- Continue to strive to ensure that our medicines provide value for money and to work in partnership with AWMSG and NICE to try to help make appraisal processes work as clinically and cost-effectively as possible.

We call on political parties, clinical leaders and policy makers to:

- Work with us and with NICE and AWMSG to achieve a common understanding of the 'value' of medicines which aligns with the views of the public, patients and healthcare professionals.
- Implement this shared, holistic definition of value across NHS Wales and use it as a basis to develop a strategy to make optimum use of modern medicines.
- Review the clinical and cost-effectiveness of the AWMSG in light of its proposed expansion, the increasing roles taken up by NICE and the specific needs of NHS Wales.



The pharmaceutical industry invests more in medicines research in the UK than government, charities and the academic world put together

Merck Serono Collaboration

Four cancer research powerhouses will hook up to progress the development of medicines in Wales. Cancer Research Technology, Cardiff University, The Institute of Cancer Research and global medicine developer Merck Serono, are combining their research power and financial muscle under a new alliance focusing on the discovery of novel cancer medicines.

The collaboration was originally set up by CRT – the commercial arm of Cancer Research UK – following

work funded by the charity's Discovery committee and will now see "substantial funding" from Merck Serono, to boost that already invested by the other partners. Don Cowling, Managing Director of Merck Serono UK, said "This collaboration is an important new step for Merck Serono since it demonstrates our commitment to working in partnership with cutting edge research institutions in England and Wales to develop personalised targeted therapies to treat a variety of cancer types.

"I was pleased to hear of the alliance between Merck Serono and Cardiff University which is an excellent example of the collaborative approach we are actively encouraging through the Science Policy for Wales."

Rhodri Morgan, First Minister



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BOOSTING INNOVATION AND ITS ECONOMIC CONTRIBUTION

Transform the productivity of biomedical research and innovation

Medical innovation is important to the health and wealth of Wales. Innovation is key to creating effective new medicines to tackle the burden of disease. Wales, in line with the rest of the UK, needs to create an environment which fosters and rewards innovation if it is to continue to be a world-leader in life sciences and fully benefit from the industry's Research and Development resources. For example, industry sponsored clinical trials provide patients with access to the very latest medicines, scientists with research opportunities, and the NHS with additional revenue. Innovation can help governments deliver on their policy objectives - 40 per cent of all medicines introduced in the last 10 years were in the government's top priority areas of cancer, heart disease, mental health and diseases of the elderly.

The life science industry is a critical part of the knowledge economy and key to the UK's global economic competitiveness. The pharmaceutical industry is working with the NHS to combat a sharp fall in the number of trials located in the UK. However, evidence suggests further efforts by governments and the NHS are needed.

We welcomed the creation of the National Institute for Social Care and Health Research (NISCHR) with its emphasis on prevention, detection, treatment and management of chronic diseases with the rapid conversion of research ideas into new treatments and services. We agree wholeheartedly with the vision of NISCHR as a vehicle to bring interested parties together to help Wales make the most of its potential as a small, smart country.

The pharmaceutical industry commits to:

- Continue to work in partnership with stakeholders in order to make Wales a more attractive place for the industry to invest.

- Remain committed to the NISCHR in its aim to support and stimulate health and social care research in order to improve the health and well being of people in Wales.
- Continue to work with governments to promote innovation and improved horizon scanning for modern medicines.

We call on political parties, clinical leaders and policy makers to:

- Encourage an 'open innovation' approach that removes barriers to partnerships between companies and public sector researchers, allowing the country's foremost talent to collaborate, co-create and flourish.
- Encourage the recognition of the importance of innovation to NHS Wales through the incorporation of an R&D performance measure into the 2010-11 Annual Operating Framework supported by a Board Champion.
- Ensure the Welsh Assembly Government continues to match the UK Government's level of investment in medical research and development, supporting innovation and improved horizon scanning for NHS Wales.
- Support the Welsh Office for Research and Development in Health and Social Care (WORD) to eliminate excessive regulation by urgently implementing a single central approval process for clinical trials.
- Establish a high level Life Sciences Wales Board to consider the implication of the "issues" raised within the 'Office of Life Science Blueprint' and prioritise its recommendations in order to maximise Wales contribution and competitive advantage.



1 in 5 of all major medicines used around the world were discovered in the UK

Partnership Case Study

A postgraduate course in pain management at Cardiff Medical School was set up in 1996 and has become well known for providing the very best in pain education. Over the next 3 years the MSc Course will be developed through support provided by ABPI member, Napp Pharmaceuticals. Paul Schofield, Medical Director Napp, said "We are passionate about furthering the understanding of pain and its treatment, and we have a strong commitment to medical education."

In addition to financial and other types of support for the course itself, Napp will be sponsoring 20 healthcare professionals through the MSc each year.

The course organiser Ann Taylor said "This partnership will allow the MSc in Pain Management to engage with novel approaches and work with innovative key opinion leaders in taking pain education forward."

"Wales is fortunate to already possess some of the finest scientific research and medical technology departments in Europe, with an impressive track record of innovation... Together, we are expanding the frontiers of knowledge in a wide range of specialities – including stem cell research, cellular analysis, whole body imaging, vitro diagnostics, diabetes and chronic disease research and medical device design & manufacture."

Rhodri Morgan, First Minister



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CONCLUSION: A PRESCRIPTION FOR INNOVATION

In this manifesto we have described a vision in which NHS patients have better access to innovative medicines and technologies. In our vision, medicines are used optimally in Wales to maximise the benefits of innovation to the patient, the NHS and the taxpayer. They contribute to cost-effectiveness in the NHS, a healthy workforce and support a knowledge based economy.

This vision allows the countries of the UK to continue to be world-leaders in biomedical innovation, competing successfully in the global knowledge economy and sustaining some of the highest value jobs and R&D facilities.

The opportunities are vast, but global competition is intensifying.

We have called for actions that will:

- Deliver better patient health.
- Enhance cost-effectiveness in the NHS.
- Drive the industry's contribution to the economy.

The pharmaceutical industry commits to playing its full part in making this vision a reality by working with governments, the NHS and other stakeholders through existing partnerships and new models of collaboration. We are committed to continued open dialogue with all of our stakeholders.

The NHS is the largest UK customer of medicines and technologies produced by life sciences companies. If our industry is to fulfil its potential, driving economic growth and prosperity, it is vital that NHS Wales values and uses cost-effective innovations, and provides an excellent environment for clinical trials and investigations.

Political leadership is critical in this, so that the industry continues to deliver better health outcomes; value to the NHS; a return to the taxpayer in terms of continued industry investment; and revenue to the Exchequer.

We call on politicians, leaders throughout the NHS and our partners in healthcare and research to work with us to bring better patient care and sustain a thriving life sciences industry.





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