

Webinar: R&D costs of cancer medicines: how does it compare with sales income?

21 March 2019

Dr. Kiu Tay-Teo

Technical Officer at Innovation, Access, and Use Unit of the Department of Essential Medicines & Health Products, World Health Organization

Q&A Time

16:34:56

From Michele Forzley to All panellists : A question: what do you mean by short term adjustments? What are your proposals for changes to the system apart from use of TRIPs flexibilities?

16:39:03

From Marcela Vieira : You mentioned that the study looked at sales income and not profit. Do you have any estimation on what is the range of expenses and taxes that would likely be deducted from the sales of the medicines you studied?

16:40:11

From Bakhuti Shengelia to All panellists : Do your estimates include massive rebates that the industry gives to the payers? These rebates are usually confidential

16:40:17

From Barbara Milani : The data analysis does not distinguish between small molecules and biologics. Have or will you consider investigating R&D costs for these two different categories of cancer medicines?

16:41:01

From Global Health Centre Research, Graduate Institute Geneva : please write your questions to "All panellist and attendees" so that all can read them

16:42:39

From Hannah Eger : What could be the next practical steps following this study?

16:43:10

From Behrang Kianzad : You mentioned competition and regulation as possible solutions, do you mean increasing generic competition, or an increased competition law enforcement, eg excessive prices as anti-trust liability?

16:44:21

From Bakhuti Shengelia to All panellists : Spending on cancer medicines still constitute not more than 20-25% of the total cancer medical care costs (in developed markets). Yet, the strong claims that the cost of cancer medicines prevent access in developed markets, sound a bit exaggerated.

16:46:04

From Norbert Wilk to All panellists : (1) Many new compounds are acquired by big pharma through M&A of small innovative companies. Have you taken this into account when analysing R&D costs? (2) Is public investment taken into account? It has been argued that CAR-T therapies have been funded publicly by NIH at initial and later stages and only last stages of development when the promise was fairly evident have been funded by pharma companies. (3) What is the risk of double counting the R&D costs born by different entities?

16:48:15

From Tobias Buender : Companies often mention that they need high incomes in high-income countries to allow for tiered pricing in middle and low income countries - a kind-of international social contract. Do you see any evidence of companies offering discounted prices to LMICs and other measures to improve access (also for innovative products)?

16:50:00

From Rajini Jayasuriya : If sales data comes from financial reports, how did you identify income from specific products?

16:52:22

From Marcela Vieira : How difficult was it to find the data and how long did it take to conduct the study? Is it feasible to extend to other disease areas? How increased transparency of the data could facilitate similar analysis?

16:55:06

From Tabitha Ha : What are your thoughts on increasing transparency of R&D costs and do you think this would help achieve an affordable or fair price? Have you considered an appropriate methodology for calculating R&D costs at all?

17:03:07

From Olena Wagner to All panellists : Did you have any reaction from the industry to your report?