



## Webinar

# ASSESSING PUBLIC CONTRIBUTIONS TO DRUG DEVELOPMENT: A NOVEL FRAMEWORK

24 November 2021

### Q&A Session with the Participants

16:01:31

From Alessia Nicastro, Global Health Centre: Welcome to our webinar series on innovation and access to medicines at the Global Health Centre, The Graduate Institute of Geneva. Thank you for joining us. The recording and materials from the webinar, including the presentation and information shared in the chat, will be made available at <https://www.knowledgeportalia.org/webinars>

If you have any questions or comments, please type them in the chat box (don't forget to select "everyone" so that all the attendees can see it). You can also use the "raise hand" button if you wish to pose a question orally.

Donald W. Light is a professor of comparative health policy and psychiatry at the Rowan University School of Osteopathic Medicine, USA. He has received visiting appointments at the universities of Princeton, Stanford, Harvard, Oxford, Cambridge, Manchester, and other major universities. Trained in history and sociology at Stanford University, the University of Chicago, and Brandeis, Light has published books and articles about health care, the professions, and more recently about the pharmaceutical industry. Articles about the latter can be found at [www.pharmamyths.net](http://www.pharmamyths.net). Citations to his work rank in the 96th percentile of all citations tracked by Google Scholar. His latest project pulls together estimates of the net cost of Covid-19 vaccines, which are a fraction of current prices. Therefore, prices could be much lower and affordable to most countries where the global pandemic still rages. See <https://www.rsm.ac.uk/media-releases/2021/covid-19-governments-must-stop-vaccine-cost-secrecy>

The research paper being presented today is available at: Darrow, Jonathan J., and Donald W. Light. 2021. "Beyond The High Prices Of Prescription Drugs: A Framework To Assess Costs, Resource Allocation, and Public Funding: Commentary Provides a Comprehensive Framework for Legislators and Scholars to Assess the Total Societal Costs of Prescription Drugs." *Health Affairs* 40 (2): 281–88. <https://doi.org/10.1377/hlthaff.2020.00328>.

The research referred to on the estimated costs of COVID-19 vaccines is available at: Light, Donald W, and Joel Lexchin. 2021. "The Costs of Coronavirus Vaccines and Their Pricing." *Journal of the Royal Society of Medicine* 114 (11): 502–4. <https://doi.org/10.1177/01410768211053006>.

**16:13:41**

From Trudi Hilton: Are there other slides? Can only see the first one Thanks

**16:15:48**

From Marcela Vieira, Global Health Centre: The slides are only with the outline of the main points being presented. After the webinar, we will make available a more detailed outline along with the webinar materials

**16:33:10**

From Trudi Hilton: I understood that taxation raised on profits of Pharma in the US were essential for the public health subsidies, such as they are as a justification for eg Pfizer prices... Is that a circular argument?

**16:33:18**

From Suerie Moon: A question re your Covid-19 vaccine costing study: have you found norms re fair profit margins, above cost?

**16:33:48**

From Edith Yuh: How do you account for the cost of research/ large risk of failure in drug?

**16:35:30**

From rita Kessler: The European Commission launched a consultation on the revision on the general pharmaceutical legislation. the Commission reflects to provide new incentives for medicines tackling unmet medical needs. we have seen what happened in the USA with an Alzheimer drug. Any reaction on the EU reflection on new incentives for products with unmet medical need

**16:35:31**

From Marcin Rodzinka-Verhelle: What is the evidence on a link between more transparency of R&D and prices? Policy makers often ask for numbers, examples. Do we have any?

**16:36:01**

From Olena Wagner: Have there been examples of a comparison of the performance of collaborative R&D (funded by public monies included) and the competitive R&D (classical business model as of now)?

**16:38:05**

From Marcela Vieira, Global Health Centre: For more information on risk of failures, please refer to our Research Synthesis: Time and Success Rate of Pharmaceutical R&D, <https://www.knowledgeportalia.org/r-d-time-success>.  
And on R&D costs: Research Synthesis: Costs of Pharmaceutical R&D, <https://www.knowledgeportalia.org/cost-of-r-d>

**16:38:33**

From Edith Yuh: Thank you, I will read that book. another question- what ideas do you have for how NIH or other federal agencies can measure their contribution to drug development?

**16:38:55**

From Synnøve Eikefet: In your view, is it realistic to get increased transparency of prices? Would increased transparency in the pharmaceutical market improve access to medicines?

**16:39:08**

From Wilbert Bannenberg: That Good Pharma book of Mario Negri is an excellent resource - it is on my reading table, and a good alternative to all the bad pharma books...

**16:39:35**

From Suerie Moon: Ekaterina Cleary, Fred Ledley and colleagues at Bentley have estimated public contributions to basic research via an analysis of publications. What do you think of this method of estimating the contributions to basic research, and can this be applied to policymaking re pricing? (We had a webinar on it in 2019 here: <https://www.graduateinstitute.ch/communications/events/webinar-public-funding-drug-development>)

**16:41:15**

From Virginia Acha: If this public research is available as described, why do other organisations (not Big or Little Pharma) not develop, produce and distribute novel drugs?

**16:41:56**

From Wilbert Bannenberg: the recent fine of €19.6m given by the Dutch Competition Authority to Leadiant because of their 500x price increase is useful to see how you can analyze this: Leadiant charged ... an excessive price... that was exorbitantly high because the price in combination with the low costs and the low risks resulted in exorbitant return. ...unfair because the drug, under a different trade name, had already been on the market for years at a much lower price, while patients benefitted very little from the registration as an orphan drug.

<https://www.acm.nl/en/publications/acm-imposes-fine-drug-manufacturer-leadiant-cdcas-excessive-price>

**16:42:51**

From Philippe Carteron de Balmont: Responsibility about OD outrageous prices are due to payers who accepts this...Why do they accept to pay huge amount of money for orphan drugs which are commercialized for decades (Gaucher diseases treatment as example)

**16:43:34**

From Suerie Moon: It seems rare diseases are a ripe area for use of alternative business models of R&D

**16:45:13**

From Philippe Carteron de Balmont: New OD with real innovation should be rewarded while old OD prices should be decreased. Despite competitions (after exclusivity) companies are fighting on everything except the prices.

**16:48:22**

From Janis Lazdins: If high risk (discovery) comes from public institutions that are cherry picked by industry, this would implied that the public sector do not disclose publicly favouring patenting or transferring patents to industry for profit. One may conclude that the public institutions are part of the problem.

**16:48:26**

From Marcela Vieira, Global Health Centre: Olena Wagner, we have published a study comparing commercial and non-commercial R&D. Non-commercial pharmaceutical R&D: what do neglected diseases suggest about costs and efficiency? <https://f1000research.com/articles/10-190/v2>

**16:49:08**

From Olena Wagner: Thank you, Marcela. Collaborative is not always non-commercial though.

**16:49:21**

From Lucas Franciscus van der Hoeven: Lucas van der Hoeven: how to stop the interference from Big Pharma on the political process Senate and Congress like Medicaid- Medicare since 2004... They spent about \$ 500 millions ... which prevented the medicaid and Medicare to negotiate the drug prices - which would have benefitted the taxpayers by billions.

**16:50:16**

From Olena Wagner: Very good point, Mr. Light! Innovation is driven by the human drive for optimization, betterment and curiosity and not only by profits.

**16:56:40**

From Olena Wagner: Thank you. Collaborative vs competitive

**17:00:24**

From Trudi Hilton: Thanks for this enlightening and somewhat devastating presentation. It would be nice to think that the problems in the US only impact the situation there but the processes in place appear to throw doubt on all pharma and fuel conspiracy theories globally leading to mistrust about vaccines etc which we know is fatal.

**17:00:27**

From Alessia Nicastro, Global Health Centre: Thank you for joining our webinar today. After the webinar, you will be directed to a survey page. We kindly ask you to take a few minutes to answer the questions in order to help us improve the quality of the webinar series.

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**17:00:36**

From Olena Wagner: Thank you. Great job!

**17:00:48**

From Louise Schmidt: Thank you for this webinar

**17:01:00**

From Trudi Hilton: Hopefully you can get Mr Faucci to fix it Dr Light? Thanks again

**17:01:00**

From IPEK EREN VURAL: Thank you, for an inspiring presentation

**17:01:11**

From Marthe Everard: Thank you for your views, Prof Light.

**17:01:13**

From irene schipper: Thank you for the webinar and references to studies

**17:01:31**

From Synnøve Eikefet: Thank you. Very interesting!