

**HUMANITARIAN &
DEVELOPMENT
PROGRAMME**

HEALTH FOR ALL
**The Cornerstone of our Societies:
A Threatened Promise?**

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« GLOBAL HEALTH » THINK TANK



We are on the brink of a shift in healthcare access. As global wealth increases, the common ambition - which mobilizes states, industry, patients and citizens - of access to medicines is paradoxically showing signs of weakness in implementation. A corollary question arises: will we experience this change together or separately?

An ambition set by the States in the run up to 2030: Adopted by the Heads of State at the 70th session of the United Nations General Assembly in September 2015, the sustainable development programme¹ within the framework of the objective 3 aims to provide universal coverage to as many people as possible.

A noble political ambition, major industrial stake, legitimate aspiration of populations -- is universal health coverage a realistic goal?

To appreciate be able to answer this question in the affirmative, it seems important to have a closer look at the vocation of medicine. Indeed, if the objective is to preserve and restore the health of everyone, can we be satisfied in reducing health products - especially for major diseases - to common consumer goods such as the washing machine, the telephone, etc. Access to medicines for all depends on the sincerity of the answer to this question on the part of each health partner.

The reality of the system: It is agreed that if the price of medicines is a way of democratising treatment access for all. Therefore, it is also logical to conclude that the discussions today must be dominated by requirements of stakeholder profitability. Obviously, each actor attempts to justify their position without letting go of any control. When old treatments are no longer profitable, the pharmaceutical industry abandons their production. Some expired patents are re-bought and become speculative² products, and others in a stronger, monopoly position decide to increase their tariffs³. Finally, when new treatments appear, their prices are set at unjustifiably high levels.

In effect, we are witnessing the widespread inflation in the cost of new drugs. What was once the concern of developing countries, this issue now affects all countries: budgetary and financial pressures on health systems and health insurance, driven in particular by an aging population and global population growth, are such that discontent is on the rise in the United States⁴ and in Europe decrying at the high and unprecedented costs of new drugs and vaccines. This is a bountiful market for the industry, and experts project an

¹ SDG 3: Ensure healthy lives and promote well-being for all at all ages, and under goal 3.8 on universal coverage and 3b.

² The Martin Skhreli Affair and more recently

³ The EpiPen by Mylan, the price of which rose by 45% between 2004-2016

⁴ Report by Senators Wyden and Grassley on the fixation of the prices of Solvadi® by Gilead (Dec 2015)

increase in healthcare spending of 5.2% per year between 2014 -2018⁵ when global growth will cap at 2.5%.

The lure of profits seems to be taking precedence over the ambition of providing health access to all, leaving behind many patients awaiting treatment.

In 2013, the introduction of the first oral hepatitis C treatment - Sofosbuvir (Sovaldi®⁶) inflamed the issue. The cost of treatment is prohibitive to the gram, being 67 times more expensive than gold! -84,000 USD in the US and 46,000 EUR in France. Despite modest production costs (101 USD), the high price forces states to ration the distribution of the drug.

A generalised rise in prices is settling in, spreading to so-called innovative treatments against cancer and orphan drugs. In France as in many other countries, some doctors have expressed their concerns⁷.

For many developing countries, the introduction of new vaccines into the vaccine schedule - the number doubled between 2001 and 2014 and multiplied the cost of immunizing a child by 68⁸. As a result, countries have to cope with the double increase: the demand for care and the cost of medicines. In 2015, ministers of health supported a resolution which highlighted the problems faced by countries, in particular the cost of vaccines and the lack of transparency in pricing.

Naturally these strategies are not without consequences on the health of populations. Depending on their budgetary capacity, some governments' only choice is to impose a rationing strategy or remove cutting-edge treatments from public health and private insurance systems. For some patients, personal debt is only way of accessing these treatments and saving their lives⁹.

The pharmaceutical industry justifies these prices in the high investments made in research and development (R & D) without ever being clear on what these investments amount to. This argument is questionable and widely disputed by researchers who demonstrate that pricing is set based on principles of revenue optimization, rather than that of amortization of expenses¹⁰.

⁵ Deloitte global health care outlook 2015

⁶ Product by Gilead

⁷ In France 100 cancer and haematology doctors launched an appeal and a petition against the exorbitant price of medicines.

⁸ Page 9

http://www.msfaaccess.org/sites/default/files/MSF_assets/Vaccines/Docs/VAC_report_TheRightShot2ndEd_FR_2015.pdf

⁹ In the United States 30% of patents who have survived, have declared themselves bankrupt

¹⁰

https://www.researchgate.net/publication/289712197_Rapid_reductions_in_prices_for_generic_sofosbuvir_and_daclatasvir_to_treat_hepatitis_C

Another reality of the matter is that patients are not equal across the globe. The price of a drug is set according to the national wealth, though many middle-income countries pay more for medicines than rich countries. Transposing this logic onto a consumer market for example, would mean that iPhone prices vary based on the income of the customer purchasing the product.

A further obstacle to accessing medicines is found in the ongoing negotiations of certain trade agreements¹¹. These push, among other things, for the lowering of the criteria of patentability. This consequently delays the production and distribution of generic medicines which are often more affordable and more commonly used in developing countries.

Reforming our approach: The commitment made by heads of states to the sustainable development goals is in opposition to their traditional logic of profit over collaboration. Without true dialogue, actors lose themselves in endless (forceful and cunning) negotiations, hoping to find core elements that allow them to immobilize their positioning. In this game everyone wants to go out alone and win. If we are to continue in this vein, we are condemned to life and death, to battle.

If humanity is a utopia then let's pursue her, let's remove ourselves from the logic of our ecosystems and consider the possibility of a win-win outcome.

Let us rethink the issue of access to medicines, the funding of research and development, and establish a framework makes patients, industry and the state join in solidarity and victory. If the ambition really is access for all, then the parties will no doubt find a solution. Because states bear the responsibility of the collective are able to intervene and set the terms of the debate. Public intervention (which includes financial intervention: subsidies, tax incentives, market facilities) is undoubtedly one of the keys to guaranteeing a sustainable collective outcome.

Several initiatives are working towards this, with the High Level Panel on Access to Medicines¹² releasing a public report on the matter in just few days. Led by President François Hollande, the question of the price of medicines and innovation was put on the agenda G7 leaders' meeting last May. It is now up to the Health Ministers to develop a roadmap that enables all health partners to contribute to new implementation strategies.

It is time to be courageous and rethink our models, the SDGs commit us to doing this. ■

¹¹ Trade agreements: The TransPacific Partnership (TPP), The Regional Comprehensive Economic Partnership (RCEP)

¹² <http://www.unsgaccessmeds.org/reports-documents/>

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