

New Zealand's Medicines Landscape

2015

Medicines
New Zealand

Better Health Outcomes for New Zealanders

Message from the Chair

‘ New Zealanders deserve the right medicines at the right time.



Hon Heather Roy
Medicines New Zealand Chair

Medicines New Zealand believes New Zealanders deserve better access to medicines when they need them. Coming last out of 20 comparable OECD countries for access to new and innovative medicines reflects a harsh reality – New Zealand is a first world nation with second-rate access to leading health interventions.

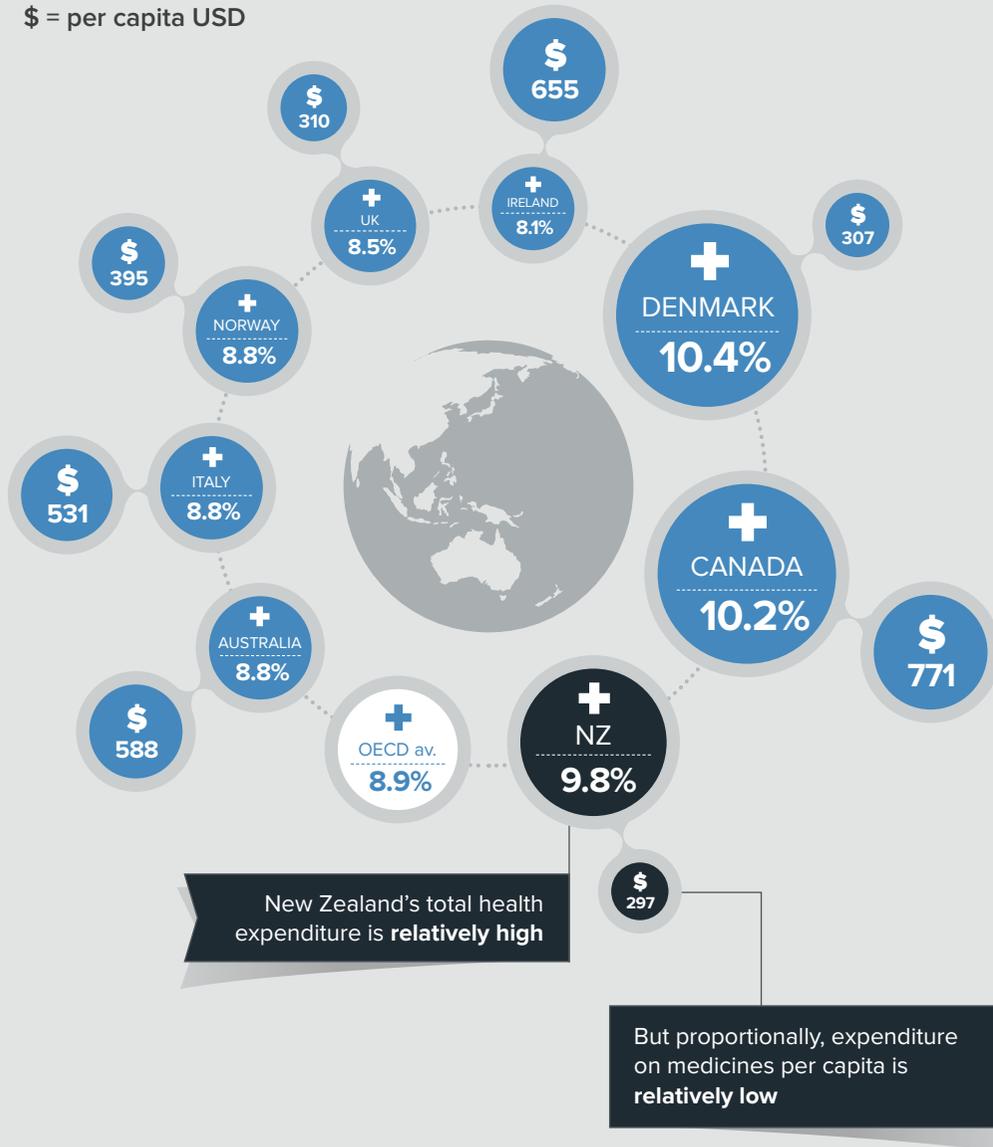
Medicines are an important part of the overall health equation for New Zealand. Our aging population and increase of chronic diseases mean rapidly rising healthcare costs. We believe continuous investment in the best medicines when patients need them is crucial in helping the Government better manage healthcare solutions and costs.

Government, industry, and New Zealanders should be in partnership to ensure we can have longer and healthier lives.

Benefits of innovative medicines

New Zealand's health expenditure compared to the rest of the world based on OECD data and health spend per capita (USD)

\$ = per capita USD



Innovative medicines contribute to an increase in life expectancy*

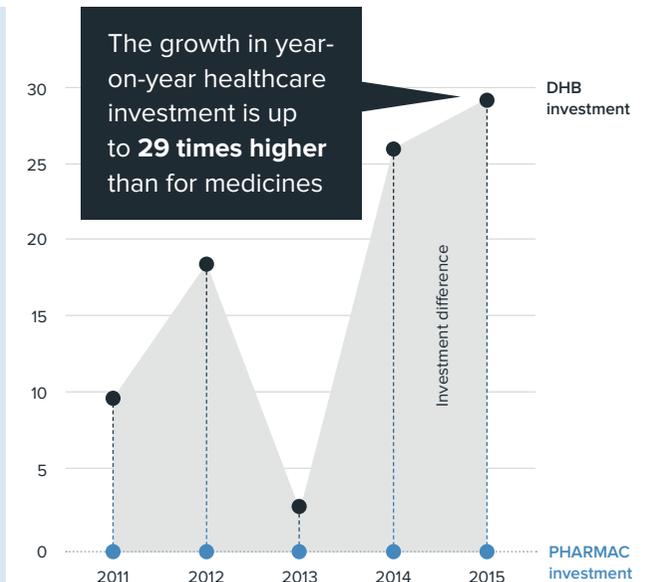


* Measured by the effect of the vintage (year of US FDA approval) of prescription drugs used by elderly American patients.

The Pharmac:DHB investment difference

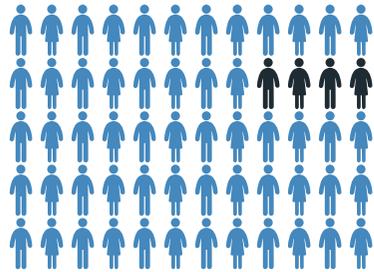
Why the discrepancy?

Healthcare investment is increasing, while investment in medicines is not, despite medicines lowering total future healthcare spending, reducing the length of stays in hospital, preventing and treating chronic illnesses, and improving life expectancy.



Diabetes is on the rise

Diabetes in New Zealand



More than **257,000**

New Zealanders have diabetes

The number of people with diabetes grows by nearly

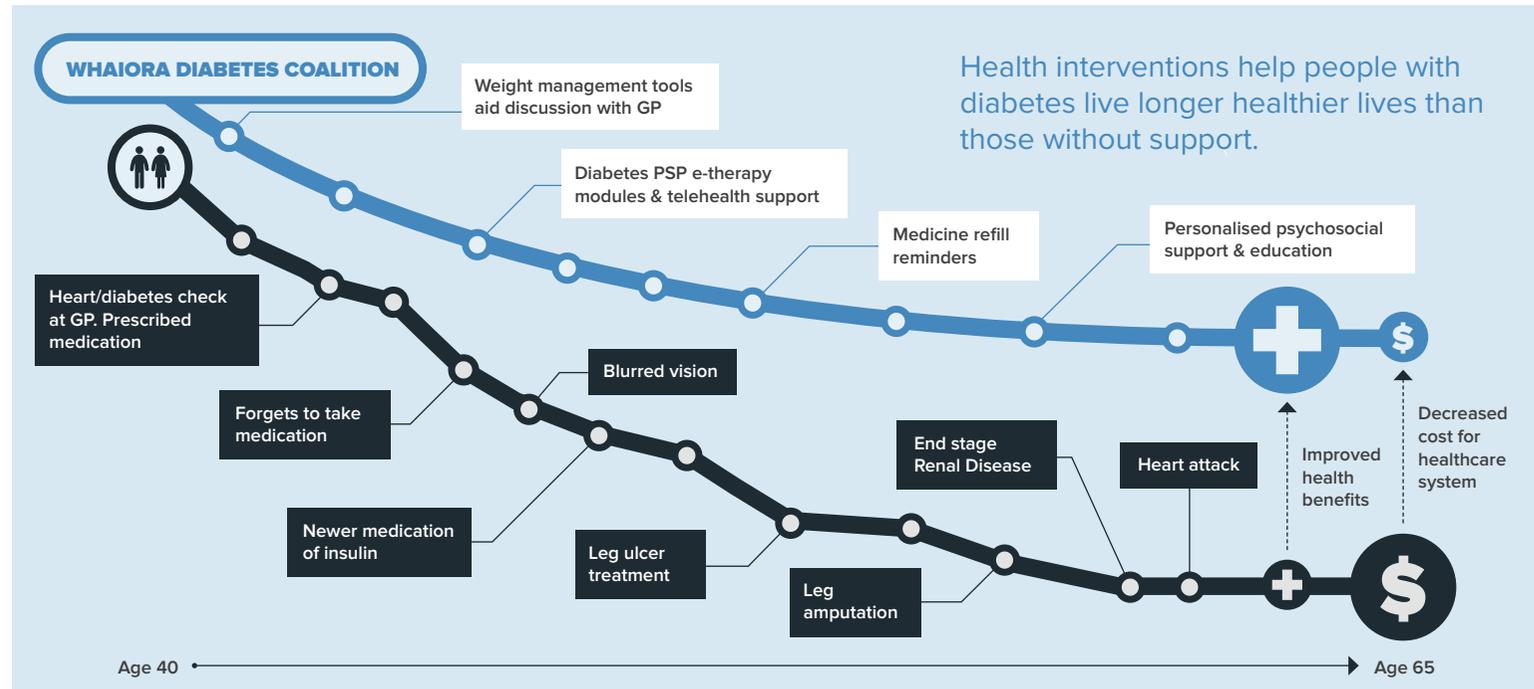
40

people per day

Diabetes is a leading cause of blindness, amputation and kidney failure.

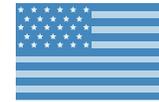


Diabetes interventions



Diabetes is predicted to become the 7th leading cause of death in the world by 2030

1st



United States

2nd



New Zealand

New Zealand is second to the United States in the years of life lost to diabetes.

There are

7 PTAC recommended type II diabetes medicines

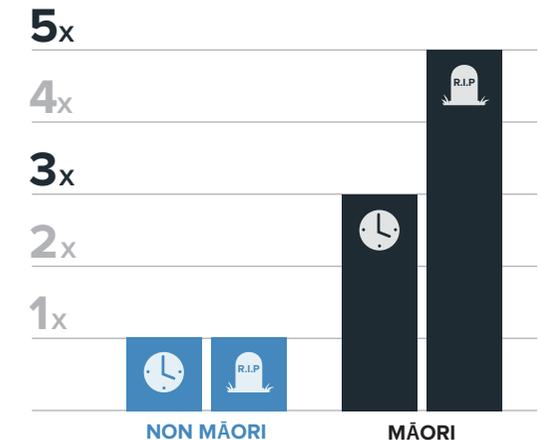
waiting for funding.



To see the detailed waiting list visit www.medicinesnz.co.nz

Diabetes is most common among Māori and Pacific Islanders

Māori are 3 x more likely to develop diabetes type II than non-Māori, and are more than 5 x likely to die from it.



The medicines waiting list is too long

What is the waiting list?

Following a Pharmacology and Therapeutics Advisory Committee (PTAC)* recommendation and PHARMAC** in-house evaluation, an internal priority list of medicines is generated from which potential investment options are then chosen.

PHARMAC does not publish this list, nor the process by which it is subsequently reprioritised for final funding decisions.

Medicines New Zealand actively updates this waiting list to increase transparency around PHARMAC decision making, timelines for listing, and help with budget forecasting.

* PTAC is PHARMAC's primary clinical advisory committee. PTAC's role is to provide objective clinical advice to the Board of PHARMAC.

** PHARMAC is the New Zealand government agency that decides which pharmaceuticals to publicly fund in New Zealand.

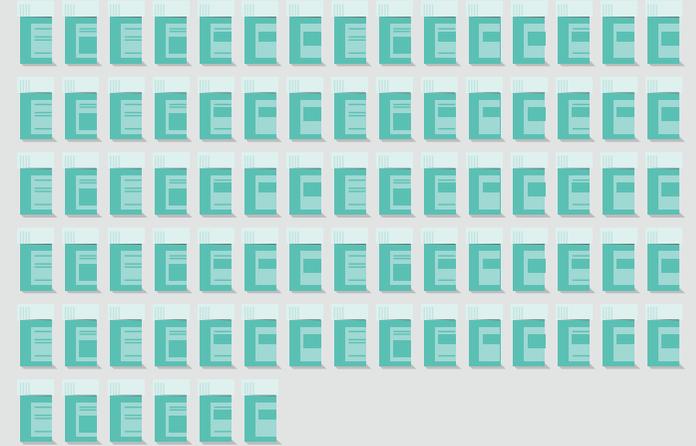
There are:

109

PTAC
recommendations for

81

medicines yet
to be funded



2.7 YEARS

IS THE AVERAGE
WAITING TIME



12 YEARS

IS THE LONGEST WAITING TIME
FOR A MEDICINE

...a preloaded adrenalin auto-injector
enabling easier and faster delivery
to people with anaphylaxis



FINANCIAL RISK

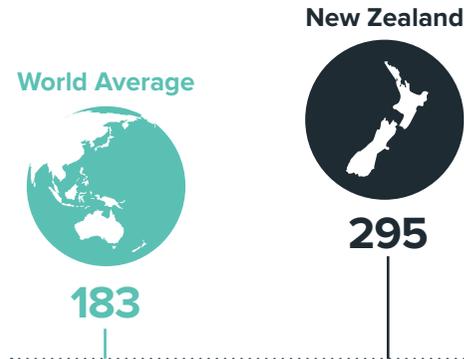
WAS THE REASON A TREATMENT
FOR CHRONIC HEPATITIS C

...which was found to have markedly
improved efficacy and reduced
treatment duration over currently funded
treatments, was given a low priority

New Zealand has high cancer rates

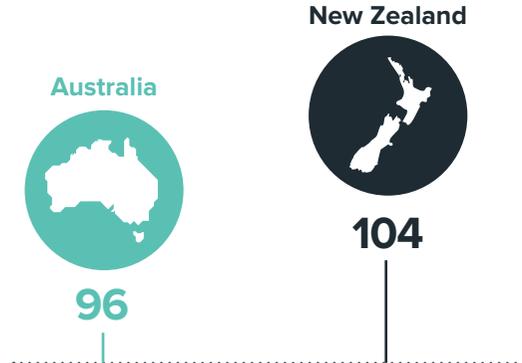
Average cancer rate

New Zealand's average cancer rates are over 62% higher than the world average.



Cancer mortality rate

New Zealand's cancer mortality rate exceeds Australia's average by 8%.



New Zealand cancer facts



13th highest rate of all cancers in the world



9th highest rate of colorectal cancer



4th highest rate of colorectal cancer in women



19th highest rate of breast cancer



18th highest rate of prostate cancer



Highest incidence rate of melanoma skin cancer in the world



Lung cancer is the leading cause of cancer deaths



Colorectal mortality rates are almost double the world average

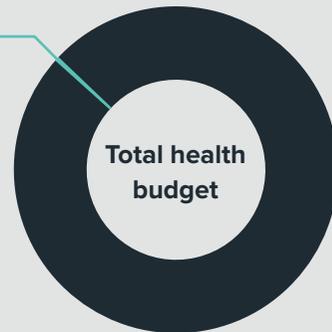


Melanoma skin cancer rates are more than four times the world average



New Zealand mortality rates exceed the overall world average

New Zealand only invests **0.8%** on cancer medicines



Ranking for access to cancer medicines in New Zealand

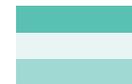
Out of 13 OECD countries, New Zealand has the lowest ranking for access to cancer medicines.

2nd



Switzerland

3rd



Germany

4th



Norway

6th



Sweden

7th



UK

9th



Canada

12th



Australia

13th



New Zealand

Access to medicines post-diagnosis, cancer <5 years

Māori have poorer health outcomes

Life expectancy is less for Māori than non-Māori

MĀORI MEN



3x
more likely to die from lung cancer

3.5x
more likely to die from liver cancer

1.5x
more likely to die from prostate cancer

2.5x
more likely to die from stomach cancer

MĀORI WOMEN



1.5x
more likely to die from breast cancer

2x
more likely to die from cervical cancer

4x
more likely to die from lung cancer

Government and researchers need to work in partnership with Māori communities to facilitate effective healthcare

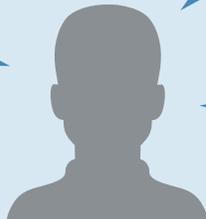
TAHI, RUA, TORU...

3 questions for Māori patients to ask their healthcare professionals

1

What is my main problem?

He aha tāku raru matua?



2

What do I need to do?

Me aha au?

3

Why is it important for me to do this?

He aha te hua mōku?

Health burdens for Māori



Māori make up 27% incidences of cancer



12% of Māori families with ill children cannot afford prescription costs



Māori children are 1.5 x more likely to develop asthma and are 3 x more likely to be hospitalised with eczema



The total cancer mortality rate is 1.5 x higher for Māori than non-Māori.

Māori are 5 x more likely to:



Wait longer for chemotherapy



Have less lymph nodes removed



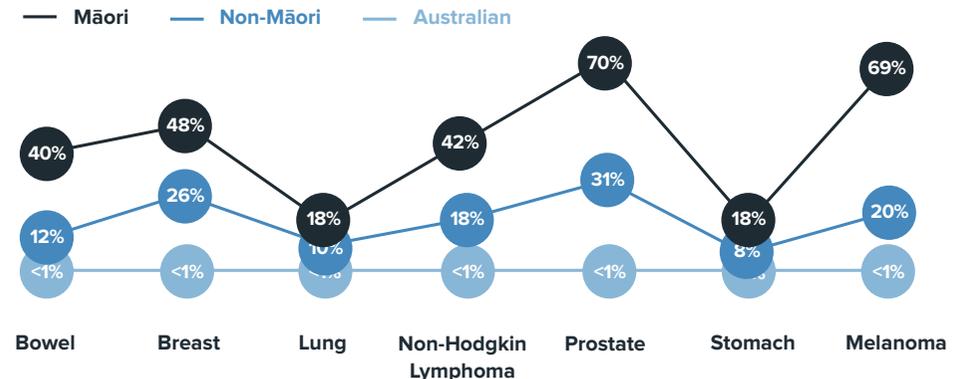
Require emergency surgery



Die after elective surgery

Avoidable deaths are higher for Māori than non-Māori

Compared to Australia, New Zealand has much higher rates of avoidable cancer deaths. Avoidable cancer deaths are particularly high for Māori.



Value of Medicines

Through the *Value of Medicines Award* Medicines New Zealand aims to support an outstanding piece of research that will improve the understanding, effectiveness or safety of the use of medicines or vaccines in New Zealand.

The objective of the Award is to stimulate and reward contemporary research. The Award takes the form of a single payment of \$20,000 to the chosen individual or research team.

2015 Value of Medicines Award Winner – Amy Chan



Medicines New Zealand's 2015 Value of Medicines Award was presented to Amy Chan, a pharmacist and doctoral candidate at the University of Auckland.

Chan's research focused on New Zealand children with asthma, investigating the impact of audio-visual reminders on inhalers.

The study investigated use of a novel electronic monitoring device with an audio-visual reminder function, developed in New Zealand, and the impact on adherence when used with inhaled corticosteroids. Reminders were set to ring at set times, twice daily, and an on-board LED screen displayed the date and time of the most recent dose taken. Half were randomised to receive the device for use with their inhaled corticosteroid with the audio-visual reminder function turned on, half with the function turned off.

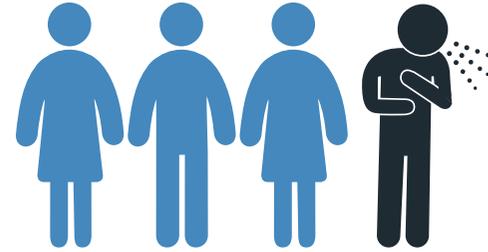
Rescue medicine reduced to 9.5% in the intervention group, compared to 17.4% in the control group.

"This really shows the value of medicines – as kids that used their preventer inhaler regularly were able to get out and do more, play more sports and have less asthma attacks, coughing and wheezing. Families also felt less frightened about their child's asthma," Chan says.

The results from this work have the potential to revolutionise asthma patient outcomes by reinforcing the fact that when patients truly adhere to their medication, they will receive the full benefit.

Chan's randomised control trial saw a **180% increase** in medicine adherence of those children (age 6–15) whose audio-visual reminder was turned on.

Asthma



Asthma is one of the most common conditions of childhood – affecting 1 in 4 New Zealand children.

DIRECT MEDICAL COSTS

from poorly controlled asthma totals over \$125 million each year

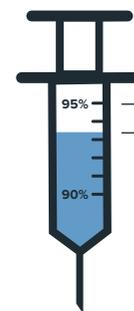


INDIRECT MEDICAL COSTS

of \$700 million result from days lost from school children and from work by parents and caregivers.



Vaccines



Immunisation is one of the most effective, and cost-effective medical interventions to prevent disease.

Immunisation target **95%**

Immunisation achieved **93.4%**

Immunisation coverage for New Zealand children at eight months of age is 93.4% for the three month period ending 30 September 2015, the Ministry of Health target is 95%.

We are inclined to forget how devastating preventable diseases used to be for past generations who didn't have the benefit of vaccines.

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New Zealand has high cancer rates

Average cancer rate. Cancer mortality rate.
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New Zealand cancer facts

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Government and researchers need to work in partnership with Māori communities to facilitate effective healthcare

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Value of Medicines

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Asthma

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Vaccines

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