

MEDICINES: CHANGE THE LOGIC

THE PRICE OF CERTAIN MEDICINES HAS EXPLODED...



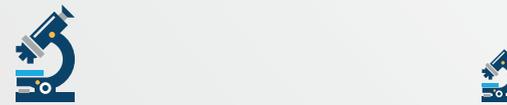
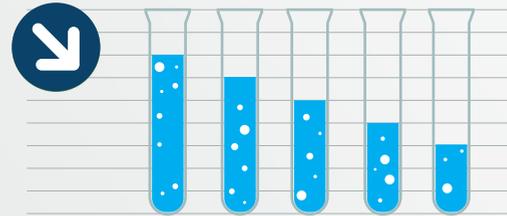
Up to **100.000€**

For the last 10 years, the price of new medicines has increased dramatically, putting unbearable pressure on social security systems. From the triple therapies against AIDS, costing €7,000 per patient per year, to therapies for Hepatitis C and certain cancers costing more than €100,000 per patient per year.^(1,2)

1- Ducruet C. "Faut-il changer notre calcul du prix des médicaments ?" Les Échos 3 novembre 2014 : 11.

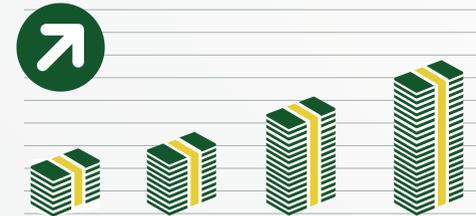
2- Kantarjian H et coll. "The price of drugs for chronic myeloid leukemia (CML) is a reflection of the unsustainable prices of cancer drugs : from the perspective of a large group of CML experts" Blood 2013 ; 121 (22)

MEANWHILE, INNOVATION HAS DECLINED...



Pharmaceutical innovation has been in freefall for over 20 years: as evidenced by the small number of new chemical or biological substances registered each year by drugs agencies. Meanwhile hundreds of new products very similar to existing medicines and with no additional benefits to patients are marketed each year.

BUT PHARMACEUTICAL COMPANIES CONTINUE TO INCREASE THEIR PROFITS



Up to **40%**

Ever increasing prices have meant that the pharmaceutical industry continues to make considerable profits, from 15 to more than 40% depending on the firm, placing this industry amongst the most lucrative sectors without ever having to rethink or develop its business model.^(3,4)

3- Anderson R "Pharmaceutical industry gets high on fat profits" BBC News 6 November 2014.

4- Anderson R "Pharmaceuticals industry facing fundamental change" BBC News 7 November 2014.



THE INDUSTRY'S LOGIC DOES NOT SUPPORT PUBLIC HEALTH



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The business strategy of firms is to target populations based on their wealth. Prices are based on these populations ability to pay in order to ensure a certain level of profits. The rationing that results is up to the government to manage. As a vice-president of Novartis explained a few years ago, his company targeted 100 million people in India with an entire range of drugs (including very common treatments against infections or diarrhoea) out of a population of more than 1.27 billion people, or 7.8%.⁽⁵⁾

"India. A market of 100 million patients."

Ranjit Shahani
Vice chairman and managing director - NOVARTIS

5- www.bloomberg.com/apps/news?pid=2065100&sid=anBD9OWpEqsA

AND MEDICAL RESEARCH REMAINS HIDDEN



Even if basic research is funded largely by public money (directly or indirectly through tax credits), private companies enjoy exclusivity in exploiting the results of the research. The figures that are supposed to represent their investment in research, and therefore justify the prices of their drugs, are misleading. ^(6,7) Unfortunately, states do not demand transparency.

6 - Light DW et Warburton R "Demythologizing the high costs of pharmaceutical research" BioSocieties advance online publication, 7 February 2011

7 - Analysis of the economist James Love: <http://www.keionline.org/node/2127>

