



Committee Secretary
Senate Standing Committees on Community Affairs
PO Box 6100
Parliament House
Canberra ACT 2600

13 February 2015

Dear Secretary,

Bayer Australia Limited
ABN 22 000 138 714

TIMELY ACCESS TO NEW CANCER MEDICATIONS HELPS PATIENTS

Bayer has a long history of discovering, developing and marketing innovative research-based medicines in the fields of oncology, ophthalmology, cardiology, neurology and women's health that extend and improve the lives of patients.

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Sydney, Australia

Bayer has invested in the research and development of clinically-proven and cost-effective innovative medicines for prostate, kidney, thyroid, bowel, stomach, breast cancer to treat Australian patients in the near future.

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Bayer Australia welcomes the Senate Inquiry into the availability of new, innovative and specialist cancer drugs in Australia as a constructive opportunity to explore new ways that speed access to innovative oncology treatments to extend and improve the quality of life for many Australians who do not have long to live.

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Bayer believes the current reimbursement system for oncology treatments in Australia is outdated and needs reform to allow it to cope with health technology assessment (HTA) tools to assess cutting-edge cancer treatments for the PBS, producing a predictable and stable reimbursement process for Bayer cancer treatments in the future.

The timely availability of specialist cancer treatments is a serious national issue with on average, one-in-every-two Australians developing cancer in their lifetime and one-in-five Australians dying from cancer before the age of 85 years (Australian Institute of Health and Welfare). The AIHW estimates that cancer cases will increase by almost 40 percent from 2007, reaching about 150,000 in 2020 in Australia.

It takes more than two years on average to achieve a PBS listing for a Therapeutic Goods Administration (TGA)-registered oncology medicine (Medicines Australia).

Bayer suggests the PBAC could be more flexible in assessing the clinical benefits of oncology medicines for patients for consideration for reimbursement. While

overall survival (OS) is a meaningful end-point, more consideration, acknowledgement and weight could be given for Progression Free Survival trials, which helps patients and allows clinicians to more quickly assess an oncology drug's benefits, assisting faster access.

The manner by which the PBAC could consider evaluating the cost effectiveness of oncology medicines in the future may include:

- a. More flexibility by putting more value on clinical trial endpoints with progression free survival versus overall survival
- b. Greater value placed of the experience of clinicians
- c. Greater emphasis on a patient's need for an innovative medicine.

Bayer believes the coordination processes between the Pharmaceutical Benefits Advisory Committee (PBAC) and the Medical Services Advisory Committee (MSAC) could be improved to list cancer medicines faster. Bayer draws attention to its radiotherapeutic treatment for prostate cancer that received a recommendation for reimbursement in April 2014, yet has failed to have been made available to patients due largely to PBAC and MSAC requirements.

A lack of expedited registration or reimbursement timelines in Australia compared to regulatory/reimbursement agencies in other comparable countries puts Australian patients at a disadvantage.

An area of key concern is judging the cost effectiveness of new cancer medicines when the prices are referenced to older chemotherapy drugs that continue to erode in price.

PBS expenditure on cancer medicines in 2012 constituted 13% of the total expenditure when the burden of the disease on the budget was 19%. More conditions are being placed on PBAC recommendations, slowing the PBS listing process.

Bayer is committed to discovering, researching, registering and having its cost-effective oncology medicines made available to Australians in a timely and efficient manner in the interests of patients, clinicians, carers and for the future of clinical research and development in Australia.

Regards,

Adrian Dolahenty
Senior External Affairs Manager