

## **Statement of Public Eye**

Public Eye welcomes the opportunity to address this 22<sup>nd</sup> EML Expert Committee.

You will have to decide about the inclusion into the EML of patented, expensive cancer medicines such as pertuzumab. Public Eye's latest campaign shows that spiralling monopoly prices are jeopardising access to medicines even in one of the richest country in the world.

In Switzerland, medicines represent today almost 1/4 of costs reimbursed by the mandatory health insurance – without even drugs for in-patient care. New cancer treatments often come with a price tag of US\$ 100,000 or more. The present price control mechanism is toothless when confronted with the pricing power of the pharmaceutical industry linked with patent monopolies. As Swiss authorities are unable to reduce monopoly prices, they increasingly choose to restrict reimbursement to contain healthcare costs – such as e.g. for Hepatitis C drugs, when Swiss authorities decided to ration them during 3 years. These restrictions threaten the constitutional principle of universal health coverage governing health care in Switzerland.

Swiss media recently unveiled the [manufacturer's tactics to impose and maintain a high list price for pertuzumab](#). It also calculated a [profit margin of 85% for trastuzumab](#) at its present price tag in Switzerland. Roche holds a dominant position in the HER2-positive breast cancer drug market segment, giving the company a considerable pricing power for all its products.

Pertuzumab provides benefits for metastatic breast cancer patients but comes at a high cost for society. Public Eye has thus [requested the Swiss government to proceed with a government-use licence in the public interest for pertuzumab](#). Such a measure is unprecedented but justified in Switzerland as excessive pricing strains the public budget and threatens the sustainability of the basic health insurance scheme.

This is certainly true for many other high-income countries. In LMIC, pertuzumab is either simply not registered (South Africa) or is sold at a staggering annual cost of US\$ 55,000 not covered by public insurance schemes (Mexico, Ukraine).

The inclusion of highly-priced, patented medicines into the EML has been subject to debate. If the presence of patented HIV medicines has contributed to make ARV more affordable to AIDS patients in LMIC, the same is so far not proving true for expensive cancer medicines. Affordable access to trastuzumab is still challenging in many countries although included in the EML since 2015.

The current innovation system, relying on monopolies and high prices, needs to evolve by delinking the price from the cost of developing medicines so that innovation and affordable access can be reconciled.

Until this becomes reality, the inclusion of high-priced patented medicines should have consequences and be coupled with IP provisions to ensure affordable access. Possible solutions are a patent pool for essential medicines as suggested by the Lancet Commission, and/or the enforcement of an EML label facilitating the issuance of compulsory licences wherever needed, acting as "immunity shield" against corporate or diplomatic pressure.

Including high-priced cancer medicines into the EML is a first step, but making them affordable worldwide is even more crucial.

Thank you

Patrick Durisch