

Price of cancer drugs varies by up to 388% between European countries, Australia, and New Zealand

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Various pills. Credit: Wikipedia

The price of new cancer drugs varies widely (from 28% to 388%) between high-income countries in Europe, Australia, and New Zealand, new research published in *The Lancet Oncology* has found.

The study reveals that overall the UK and Mediterranean <u>countries</u> such as Greece, Spain, and Portugal pay the lowest average unit manufacturer <u>prices</u> for a group of 31 originator <u>cancer drugs</u> (new drugs under patent), whereas Sweden, Switzerland, and Germany pay the highest prices.



The greatest differences in price were noted for gemcitabine—used in the treatment of various cancers including breast, lung, pancreatic, and ovarian cancer—that costs €209 per vial in New Zealand and just €43 in Australia. Zoledronic acid, for the prevention of bone complications in advanced cancer, costs €330 per vial in New Zealand but €128 in Greece (table 2).

"Public payers in Germany are paying 223% more in terms of official prices for interferon alfa 2b for melanoma and leukaemia treatment than those in Greece," says lead author Dr Sabine Vogler from the WHO Collaborating Centre for Pharmaceutical Pricing and Reimbursement Policies in Vienna, Austria. "For gefitinib to treat non-small-lung cancer, the price in Germany is 172% higher than in New Zealand."

Cancer drug prices have been skyrocketing in recent years and place huge funding dilemmas on health-care systems. In the European Union, health-care expenditure on cancer was around €51 billion in 2009, with cancer drugs accounting for almost a third of this expenditure. In Australia, spending on cancer drugs rose from Aus\$65 million in 1999-2000 to \$422 million in 2011-2012. Until now, no cross-country price comparison of cancer drugs for a large number of high-income countries has been published.

Vogler and colleagues reviewed official drug price data from the Pharma Price Information (PPI) service of the Austrian Public Health Institute for 16 European countries, and from the pharmaceutical schedules in Australia and New Zealand to find out what manufacturers charged for a unit (ie, price per tablet or vial) of 31 originator cancer drugs in June 2013 (table 1).

Of the 31 drugs, none had a unit price lower than €10. Four drugs (13%) had an average unit manufacturer price between €250 and €500, and two drugs (6%) had an average unit price between €500 and €1000.



Seven drugs (23%) had a huge price tag with an average unit price higher than €1000. For example, plerixafor for hematopoietic stem-cell transplantation in patients with lymphoma or multiple myeloma, cost over €5000 per injection (table 2 and figure).

The difference between the prices of drugs between the highest and lowest priced countries ranged from 28% to 50% for a third of the drugs sampled, between 50% and 100% for half of the drugs, and between 100% and 200% for three drugs (10%).

The authors note that information on real <u>drug prices</u> is scarce. The cancer drug prices they surveyed did not include confidential discounts such as agreed in managed-entry arrangements that are increasingly used in countries such as Australia, Italy, the UK and the Netherlands. "Some high-income countries have managed to barter the manufacturers down to lower prices, but these agreements, including the agreed prices, are confidential. Although these agreements ensure patient access to new drugs, other countries risk overpaying when setting drug prices through the common practice of external price referencing, or international price comparison, because they can only use the official undiscounted prices as a benchmark. There needs to be far more transparency," explains Dr Vogler.

She adds, "We hope that our findings will provide concrete evidence for policymakers to take action to address high prices and ensure more transparency in cancer drug pricing so that costs and access to new drugs does no depend on where a patient lives."

In a Comment, a group of scientists led by Wim van Harten from the Netherlands Cancer Institute in Amsterdam compare the actual cost of cancer drugs in 15 European countries in June/July 2015. They reveal that the actual prices hospitals are paying including discounts differ by up to 58% between countries. The authors conclude, "This calls for joint



action by countries and medical societies with the pharmaceutical industry, since fast and equitable access to promising new drugs is important to improving treatment results. The societal challenge is to combine the development and availability of promising new drugs with the sustainability of our system. All parties involved must agree innovative and sustainable business models to ensure fast access to relevant drugs for patients with cancer."

More information: Research: <u>www.thelancet.com/journals/lan ...</u> (15)00449-0/abstract

Comment: www.thelancet.com/journals/lan ... (15)00486-6/abstract

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