We hear too often of sick kiwis who are unable to get the medicines they need. This impacts not only on their health, but the wellbeing of their families.

Often they can’t work or participate fully in their communities. In a first world country, this is a Lose-Lose situation that is untenable. New Zealand has growing rates of cancers, diabetes and other chronic diseases.

Unfortunately cost usually dominates the decisions about which medicines are funded. Instead, Medicines New Zealand calls for patients to be at the centre of healthcare decisions. We believe in finding solutions to New Zealand’s complex healthcare equation. New innovative medicines (those developed following research) are a key component of making and keeping people well, in many cases saving lives.

**Our solution:** Right medicines. Right time. For patients.

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**How a prescription medicine is funded**

**Most common process for funding new prescription medicines in New Zealand:**

1. **Medsafe registration**
2. **PTAC recommendation for funding**
3. **The waiting list**
4. **PHARMAC funding decision**
5. **Patient**

The Pharmacology and Therapeutics Advisory Committee (PTAC) reviews funding applications for new medicines. PTAC makes recommendations on which medicines should be funded by PHARMAC. Until medicines are funded they stay on the waiting list.

This waiting list only includes those medicines recommended by PTAC for reimbursement, and excludes other innovative medicines which have been approved for use in New Zealand and are available and funded in other countries but are yet to receive a positive recommendation to be funded from PTAC.
**Medicines waiting list**

**Patients are waiting longer**

**Medicines recommended for funding but stuck on waiting list:**

- Waiting up to 10.75 years

**10 PTAC high priority recommendations:**

- Waiting up to 6.75 years

**The waiting list grows each year**

<table>
<thead>
<tr>
<th>Time</th>
<th>Number of Various Types of Medicines on the Waiting List</th>
</tr>
</thead>
<tbody>
<tr>
<td>end 2015</td>
<td>81 (Schizophrenia, Depression, Diabetes)</td>
</tr>
<tr>
<td>mid 2016</td>
<td>91 (Schizophrenia, Depression, Diabetes)</td>
</tr>
<tr>
<td>end 2016</td>
<td>94 (Schizophrenia, Depression, Diabetes)</td>
</tr>
<tr>
<td>2017</td>
<td>? (Schizophrenia, Depression, Diabetes)</td>
</tr>
</tbody>
</table>

**Number of various types of medicines on the waiting list:**

- Depression
- Schizophrenia
- Cancer
- Diabetes
- Hepatitis C
- Arthritis

**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, time lines for listing and availability for our healthcare system.

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What’s New Zealand’s priority?

Cup of coffee or medicines?²

As a country, each week we spend on average...

- **$60.00**  
  on healthcare per person

- **$3.50**  
  on medicines per person

- **$13.67**  
  on coffee per person

We asked New Zealand what’s their priority³,⁴

**New Zealanders**

- 89% think the Government should invest more in medicines.

**GPs**

- 58% know New Zealand does not have the same access to medicines as Australia.

- 71% think the range of funded medicines may compromise patients’ health outcomes.

- 72% think the range of funded medicines affect their prescribing choice.

Only 5.3% of our health budget is invested into medicines²

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>DHB</td>
<td>$11.3 billion</td>
</tr>
<tr>
<td>Admin and capital investment</td>
<td>$1.2 billion</td>
</tr>
<tr>
<td>Health and disability service</td>
<td>$2.6 billion</td>
</tr>
<tr>
<td>Medicines</td>
<td>$850 million</td>
</tr>
</tbody>
</table>

Comparing New Zealand

Overall, out of 20 comparable countries:⁵

New Zealand is 20th as it registers and launches the fewest new medicines and innovative biologics.

New Zealand is 19th when waiting to fund new medicines and innovative biologics.

From 2010 to 2015 New Zealand funded the fewest new medicines and innovative biologics – funding only 12 new medicines compared with Australia, funding 66.

Diabetes in New Zealand⁶

Management of diabetes is a stated Government Health priority, yet three types of type 2 diabetes treatments are not funded in New Zealand – going against international guidelines for treating diabetes.

Research shows when patients have access to these treatments overall adherence increases for patients with these types medicines.

Cancer survival rates⁷

About 12% of deaths from cancer within 5 years after diagnosis would be avoided if cancer survival in New Zealand were the same as that in Australia between 2006–2010.

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Our communities, our people

Our ethnic communities* are affected in different ways\textsuperscript{8,9,10,11}

- **6% Asian**
  - 1 in 15 have diabetes

- **7% Pacific Island**
  - 1 in 9 have diabetes

- **14% Māori**
  - 1 in 16 have diabetes

- **3.7% Indian**
  - 1 in 5 have diabetes

- **70% European**
  - 1 in 1666 have diabetes

**Māori men**
- 6.8 years less life expectancy

**Māori women**
- 7.3 years less life expectancy

**Pacific Island men**
- 5 years less life expectancy

**Pacific Island women**
- 4.5 years less life expectancy

* Ethnic group (grouped total responses) and Māori descent indicator by sex, for the census usually resident population count, 2001, 2006, and 2013 (RC, TA, AU).

Diabetes interventions\textsuperscript{12}

Health interventions help people with diabetes live longer healthier lives than those without support.

- **Heart/diabetes check at GP.** Prescribed medication
- **Forgets to take medication**
- **Never medication of insulin**
- **Blurred vision**
- **Diabetes PSP e-therapy modules & telehealth support**
- **End stage Renal Disease**
- **Leg ulcer treatment**
- **Leg amputation**
- **Heart attack**
- **Improved health benefits**
- **Decreased cost for healthcare system**


## Medicines pay for themselves

### Adding life-years\(^\text{13}\)

In 2011, Australian investment in cancer medicines from 1989–2002 saved...

**Australia**

\[
\text{+140,000 life-years}
\]

In 2011, investment in cancer medicines from 1986–1997 saved New Zealanders just...

**New Zealand**

\[
\text{+10,556 life-years}
\]

### Reducing hospital costs\(^\text{13}\)

In 2011, innovative medicines reduced hospital expenditure in Australia by $7 billion.

Medicines are an important part of the healthcare solution for New Zealand and there needs to be more action taken around getting and improved investment.

### Cost neutral\(^\text{13}\)

If no new cancer medicines were approved from 1991–2002 New Zealand’s hospital costs would have increased by $28 million in 2011.

That's almost the same as the cost of all cancer medicines dispensed to cancer patients below age 70 in 2008.

### Reducing patient mortality\(^\text{13}\)

Funding one new cancer medicine in New Zealand...

- reduces mortality 5%  
- reduces hospital stays 5.6%

### Cancer mortality\(^\text{14}\)

Cancer mortality rates tend to be lower in countries that spend more on cancer care.

For every $1,000 spent on cancer treatments there are 1.65 fewer deaths per 100,000 patients.

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Considering the innovative pharmaceutical industry

For every job in the innovative pharmaceutical industry, 9 more jobs are created.15

Our member companies help to generate over $384 million of GDP every year in New Zealand.15

Over the last 4 years in New Zealand our member companies have:16
- Invested over $21 million in research activities
- Undertaken 589 clinical trials
- Invested over $171 million into the clinical trials industry
- Purchased over $129 million of value added materials and ingredients.


2016 Value of Medicines Award winner – Dr Paul Young17

The Value of Medicines award aims to stimulate and reward contemporary research that will improve the understanding and effectiveness of Medicines or Vaccines in New Zealand.

A leading member of the New Zealand ICU research community, and his team at the Medical Research Institute of New Zealand, collaborated with hundreds of ICU doctors and nurses to answer: should a fever be treated with paracetamol or not?

Paracetamol has never been tested on critically ill patients.

Results were:
- The medicine reduced body temperature by around 0.25°C
- Patients spent less time in ICU if they were given paracetamol
- Paracetamol was safe and well tolerated in ICU patients with fever or infection.