

# Why doesn't New Zealand fund Modern Medicines?



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**UNIVERSITY OF  
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Waipapa Taumata Rau  
NEW ZEALAND

# A Patient story



Not the actual patient

A 46 year-old woman, diagnosed with multiple myeloma in Aug 2014:

Treatment in NZ stops here

Funded by Govt (Ontario)

Funded by Clinical Trial Sponsors (Pharma)

CYBORD-ASCT-ASCT-Len

26 mo

KRD

7 mo

Dara-Cd

20 mo

Belamaf-PD

13 mo

Cevostamab

25 mo

Dara-Talquetamab-Pom (TRIMM2)

27 mo ongoing

Alive & in remission

1,000

500

200

100

50

0

08/2014

Cancer marker  
Kappa sFLC (mg/L)

# Public funding of modern medicines for multiple myeloma - by country

Publically funded Medicines for Multiple Myeloma

	Canada (Ontario)	Australia	UK	New Zealand
<b>bortezomib</b>	≥1L	≥1L	≥1L	≥1L
<b>lenalidomide</b>	≥1L	≥1L	≥2L in TIE MM, 1L after SCT	≥3L in TIE MM, 1L after SCT
<b>daratumumab</b>	≥1L	2L	≥1L	-
<b>isatuximab</b>	≥2L	-	4L	-
<b>carfilzomib</b>	≥2L	≥2L	2L	-
<b>pomalidomide</b>	≥2L, double refractory	≥2L, double refractory	≥4L	-
<b>selinexor</b>	≥2L	≥2L	≥2L	-
<b>ixazomib</b>	-	-	3-4L	-
<b>elotuzumab</b>	-	≥2L	-	-

The treatment gap in NZ today

Modern Medicines being reviewed for funding for Multiple Myeloma

<b>Teclistamab</b>	CADTH recommended for 4L		NICE decision due 06/24 for 4L	-
<b>Elranatamab</b>	CADTH review active		due 06/24 for 4L	-
<b>Talquetamab</b>	CADTH report pending		NICE review in development	-
<b>Ciltacabtagene autoleucel (BCMA CAR-T)</b>	CADTH recommended for 4L		-	-

The treatment gap is increasing

**Notes**

Websites reviewed 2024-04-24

Ontario Funding:

<https://files.ontario.ca/moh-frequently-requested-drugs.pdf>  
[www.cancercareontario.ca/en/drugformulary/drugs](http://www.cancercareontario.ca/en/drugformulary/drugs)  
[www.ontario.ca/page/exceptional-access-program](http://www.ontario.ca/page/exceptional-access-program)  
[www.ontario.ca/check-medication-coverage/](http://www.ontario.ca/check-medication-coverage/)  
[www.cadth.ca](http://www.cadth.ca)  
[www.pbs.gov.au](http://www.pbs.gov.au)  
[www.formulary.health.gov.on.ca/formulary/](http://www.formulary.health.gov.on.ca/formulary/)  
[www.england.nhs.uk](http://www.england.nhs.uk)  
[www.nice.org.uk/](http://www.nice.org.uk/)

Australian Funding:

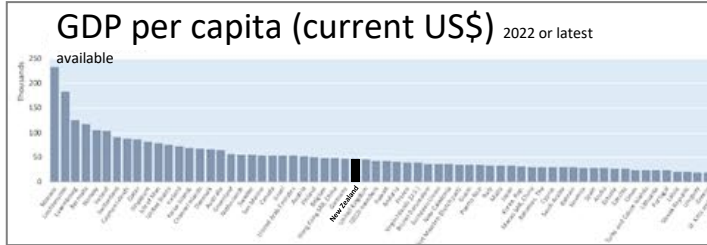
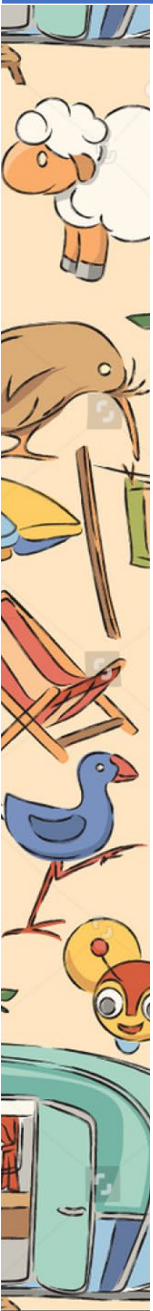
UK Funding:



Myth 1:

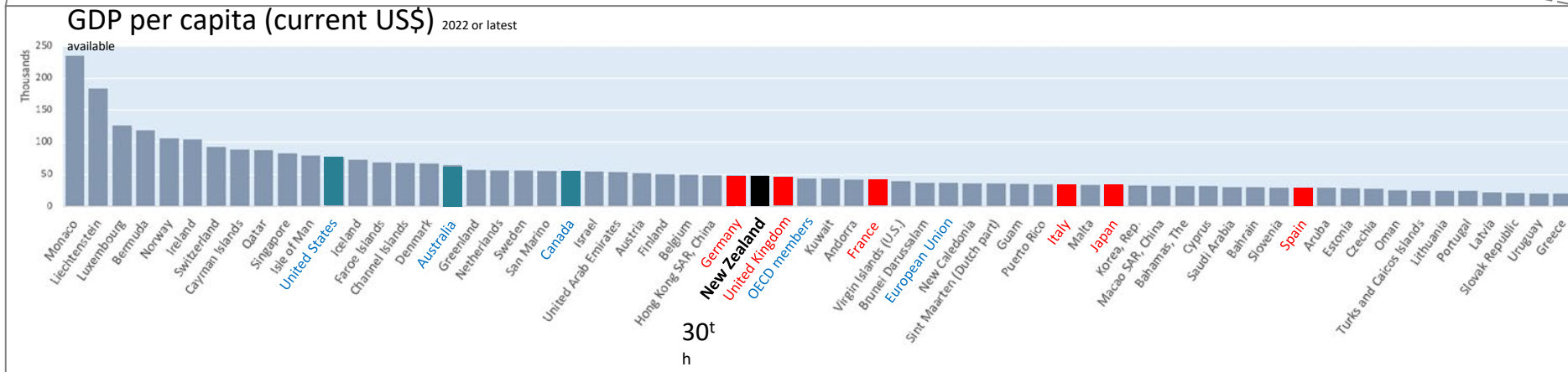
“New Zealand is too poor to afford modern medicines”

# National income (World Bank): GDP per person (current \$US) -2022 or latest available



Source: World Bank and OECD National Accounts data

218 countries





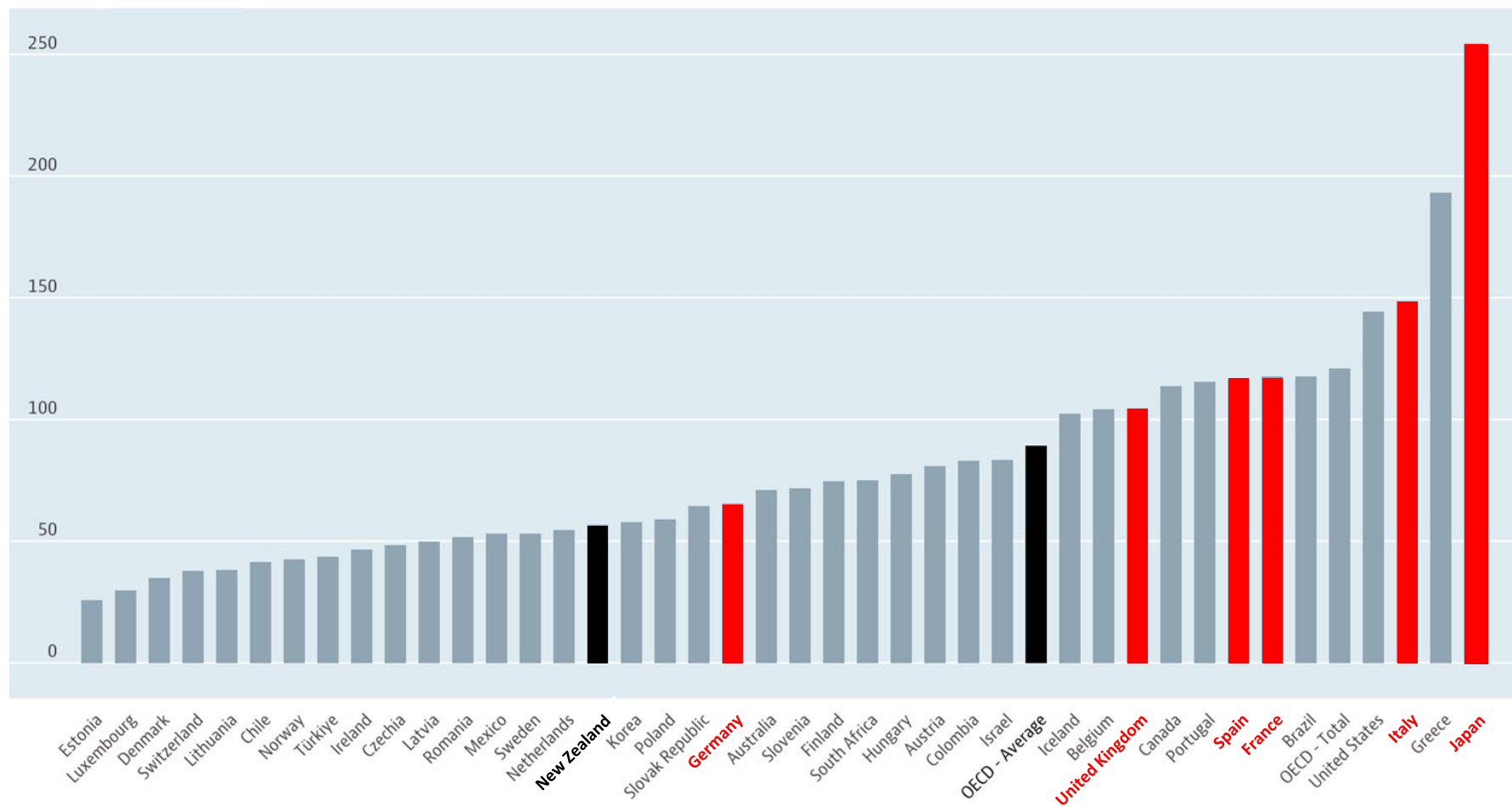
## Myth 2:

“New Zealand has too much debt to afford modern medicines”

# General Government Debt - Total as % of GDP, OECD nations, 2022 or latest available (OECD)

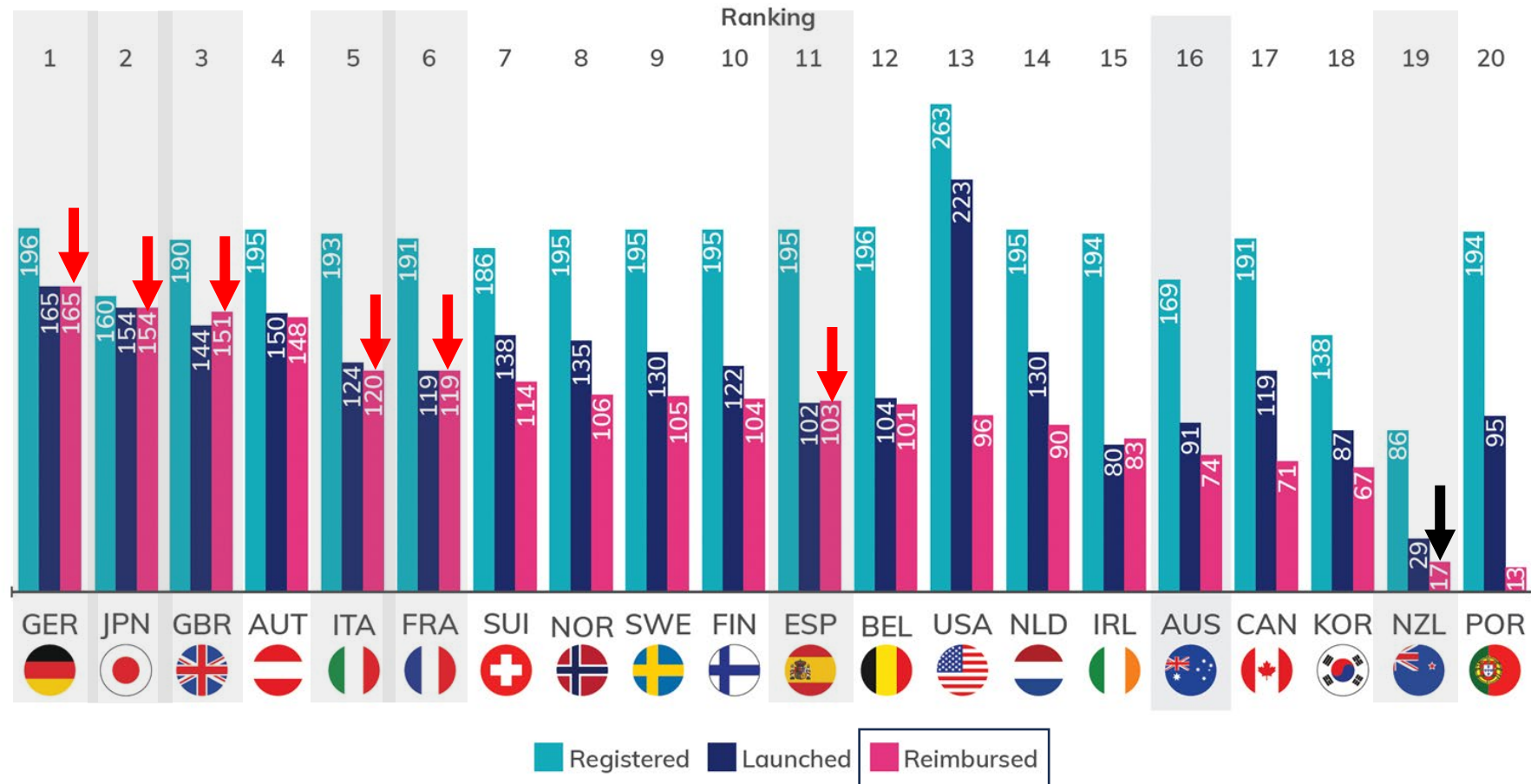
GGD as % of GDP

Source: OECD National Accounts at a Glance



# New Medicines in various countries 2016-2022. Medicines Australia, 2022

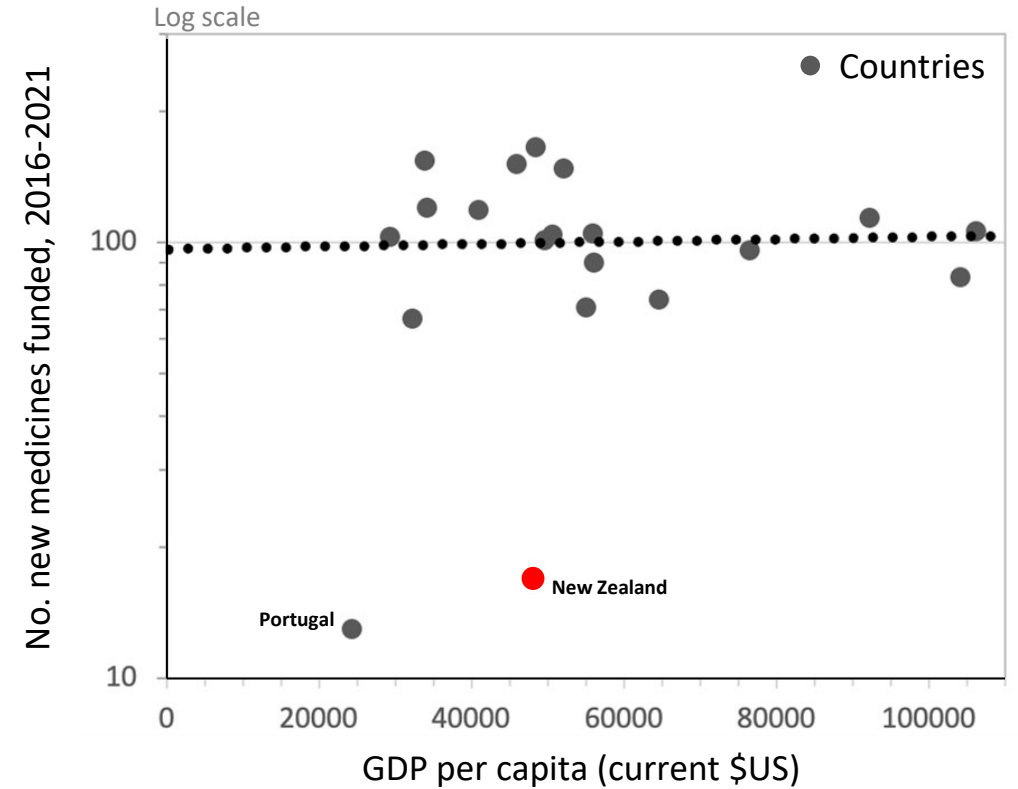
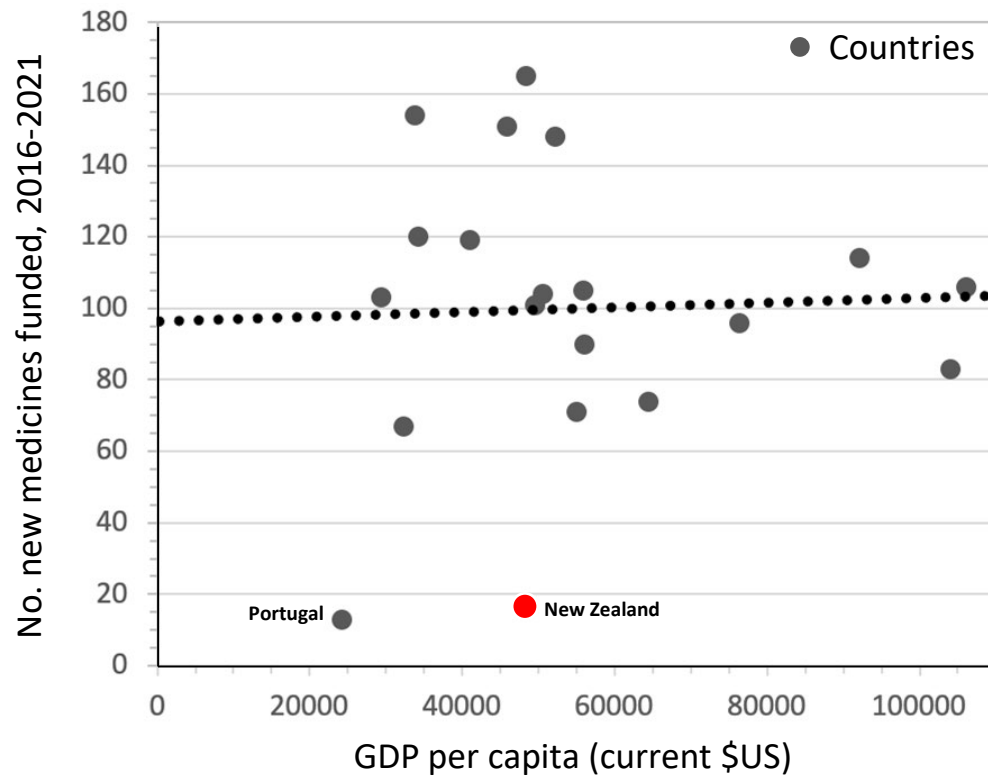
Source: Medicines Matter 2022 - Australia's Access to Medicines 2016-2021





# Comparing Countries - New Medicines Funded vs GDP Per Capita 2016-2022

Source: World Bank and OECD National Accounts data & Medicines Matter 2022 - Australia's Access to Medicines



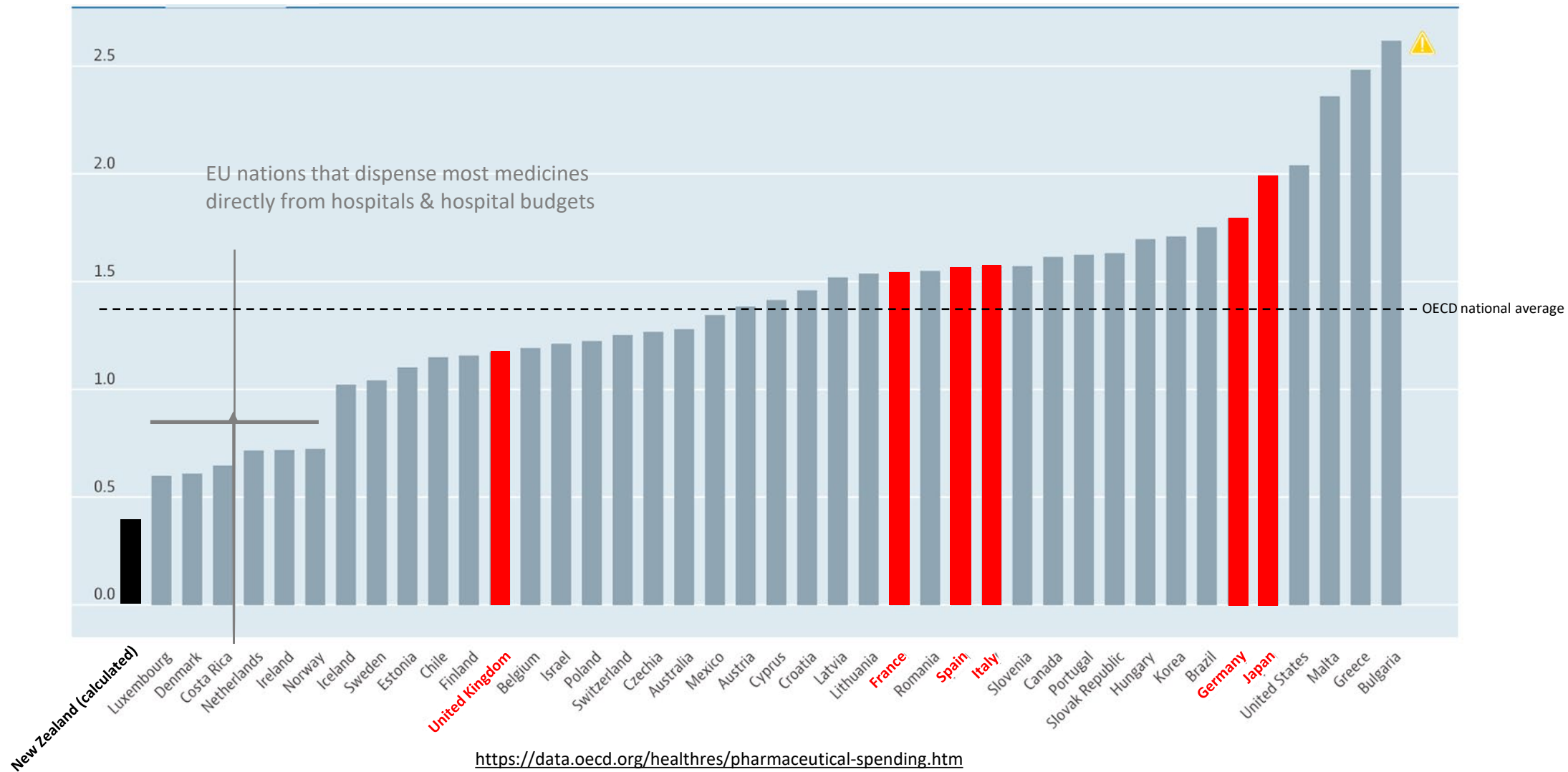
# Community Pharmaceutical spending - Total as % GDP, 2022 or latest available

- spending on prescription medicines in the community; and self-medication (OTC).
- Pharmaceuticals consumed in hospitals and other health care settings are

NZ Spending on Community Medicines calculated:  
 \$1,497,600,000 CPB - \$142M Hospital Medicines + \$145M OTC medicines  
 = \$1,500,600,000 = 0.386% of GDP

## Spending as % of GDP

Source: OECD data, Health expenditure and financing: Health expenditure indicators



# Recommended Reforms – increase medicines spending

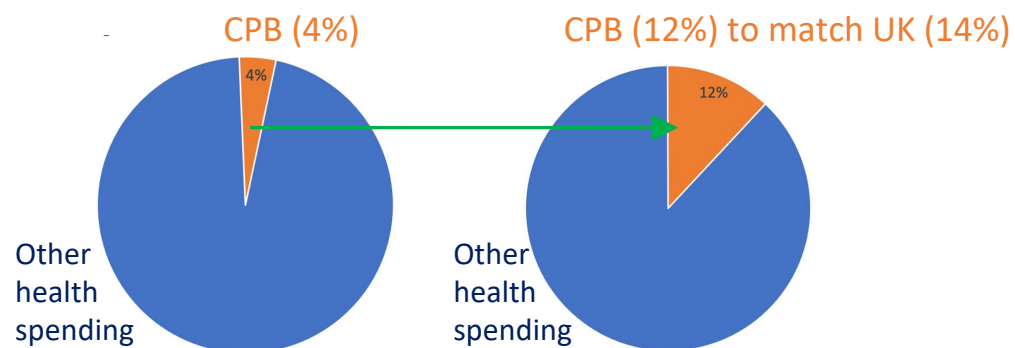
1

NZ's current spending on medicines (CPB)= \$1.5 billion (=1% Govt. income of \$153 Billion, 0.38% GDP)

NZ's health budget compares favorably with the UK health budget.

To match the UK in medicines spending (as % of GDP) NZ would have to spend up to \$3B more on medicines.

To match the UK without increasing our current health budget NZ should spend 12% of its current total health budget on medicines (it currently spends 4%; the UK spends 14%)



OR 2



*“Funding all proposals on Pharmac’s options for investment list is estimated to cost in excess of \$400 million per annum”. (2022)*

- If an additional \$500M was added to the CPB for 2024/2025, all of the medicines on the Options for Investment would be funded.
- The CPB would rise by 1/3rd from \$1.5B to 2.0B. This would still represent only 0.52% GDP (<1/2 of what other nations spend).

- Drop the arbitrary 1% rule for funding medicines
- Pharmac, or ideally a sister agency, should be tasked with:
  - Continuous monitoring of the international landscape of new treatments
  - Annual benchmarking of New Zealand's drug access.
  - Advising the Government on possible future medicines investment requirements