Office of Health Economics 50th Anniversary Conference

The Challenges and Economics of Drug Development in 2022

Monday, 8 October 2012
London Marriott Hotel County Hall
Westminster Bridge Road, London SE1 7PB

10.00 – 10.15 Chairman's Introduction
Professor Tony Culyer, University of Toronto and University of York

The Challenges of the Science

- **10.15 – 11.00 Evolution in drug discovery and development.** Science already has created enormous change in the drug development process, including the potential for increasingly personalised medicines, while market pressures have pushed R&D into new, more difficult therapeutic areas. This session will discuss these changes and how industry responses may evolve over the next decade through a mix of competition and collaboration.
    - Dr Menelas Pangalos, Executive VP of Innovative Medicines, AstraZeneca

- **11.00 – 11.15** *Morning Break*

- **11.15 – 12.00 Efficiency and productivity in R&D.** The number of new products appearing on the market has levelled off in the past decade, reflecting a change in the mix of R&D rather than a simple productivity decline. This session will explore evidence on R&D efficiency and output, including the importance of 'patent races' and the division of activity between small and large companies and academic groups. It also will forecast R&D structure by 2022.
    - Professor Fabio Pammolli, Professor of Economics and Management, IMT Institute for Advanced Studies

- **12.00 – 12.45 Locating R&D investment to improve efficiency.** Intersecting public and private investment in biomedical science provides far-ranging health and economic benefits. This session will discuss how the UK can retain and attract R&D through the imaginative siting of R&D efforts, the development of 'super clusters' of activity, and the targeted development and use of the country's rich NHS data and clinical science resources.
    - Professor Sir John Bell, Regius Professor of Medicine, University of Oxford

Lunch 12.45 -1.45

The Challenges of Development and Streamlined R&D

- **1.45 – 2.30 The global health challenge for industry R&D.** This session will consider what innovation global donors expect the industry to deliver for middle- and low-income countries and how this might be achieved. Discussed will be push and pull incentives, differential pricing to accelerate access, and the changing division of R&D activity around the world.
    - Dr Hannah Kettler, Senior Program Officer and Economist, Bill & Melinda Gates Foundation

- **2.30 – 4.00** **Meeting the social challenge in high- and middle-income countries.** The direction and success of drug development will depend on demonstrating value and getting rewards in both developed and emerging markets. This session will cover the use of cost-effectiveness thresholds to signal payers' willingness to pay for innovation, trends in payer use of HTA, the trends in the industry's use of pre- and post-launch evidence, and innovative contracting to meet the challenges of demonstrating and delivering value in diverse markets.
    - Professor Patricia Danzon, Celia Moh Professor, Health Care Management, The Wharton School, University of Pennsylvania
    - Dr Jens Grueger, Head, Global Health Economics and Pricing, Roche Pharmaceuticals
    - Professor Sir Michael Rawlins, Chairman of the UK National Institute for Health and Clinical Excellence (NICE)

- **4.00 – 4.15** *Afternoon break*

- **4.15 -5.45** **Changing the paradigm of drug development.** In this panel discussion, US and European initiatives for adjusting the drug development process to meet new challenges will be addressed, including: pre-competitive collaboration, aligning regulatory and payer requirements, adaptive design of confirmatory trials, adaptive licensing and conditional approval for HTA/P&R purposes, flexible pricing by subgroup and indication, and greater emphasis on post-launch data collection for relative effectiveness and benefit-risk assessment.

    <u>Panelists</u>
    - Professor Adrian Towse, Director, Office of Health Economics (Chair)
    - Professor Sir Alasdair Breckenridge, Chairman, UK Medicines and Healthcare products Regulatory Agency
    - Dr Hans-Georg Eichler, Senior Medical Officer, European Medicines Agency
    - Dr Rob Epstein, CEO and President of Epstein-French Associates
    - Mr Robin Evers, Vice President, Worldwide Regulatory Strategy, Pfizer Ltd.

- **5.45 – 6.00** **Closing Remarks**

The conference will be followed by a drinks reception (6.00 – 9.00 PM)

26 September 2012

Please note: Programme times and sequence may change.