



atypical
Hemolytic
Uremic
Syndrome

Supporting patients and families
living with aHUS

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Patented Medicines Prices Review Board

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SUBMISSION ON PMPRB DRAFT GUIDELINES

BACKGROUND:

aHUS Canada is a not-for-profit organization formed in November 2012 whose mission is to support patients and families living with atypical Hemolytic Uremic Syndrome. aHUS is an ultra-rare life-threatening genetic autoimmune disease. Genetic mutations like those in aHUS are most often acquired from a parent but they also occur idiopathically. There is no way that a person with aHUS can avoid getting the disease. In those living with aHUS the complement system, part of the immune system, is uncontrolled. As a result, the immune system is always active, attacking the body's healthy cells. This can lead to serious health problems such as blood vessel damage, abnormal blood clotting, and damage to body tissue and major organs, including the kidneys, brain and heart. aHUS Canada is run by several volunteer directors of the board. Our objectives are to help Canadian aHUS patients form a community, build public awareness and advocate for the best possible care and treatment of the patients we represent.

In March of 2013, Health Canada approved eculizumab as the first and only pharmaceutical treatment for this devastating disease. It blocks a very specific part of the complement system in order to keep it under control and dramatically improves the quality of life of patients. As the provinces in Canada began to provide this drug to new aHUS patients, they recovered from their initial illness and became healthier. Those who already had the disease had new hope for better health. It has improved quality of life, extended life expectancy and saved lives.

Before eculizumab was available, the prognosis for aHUS patients was very poor. Most patients developed complete kidney failure and many had other serious symptoms which were at best life changing and at worst life ending. As you can imagine, the introduction of a therapy which actually treats the disease for the first time has given aHUS patients hope and a better future for themselves and their families and friends. The prospect of future drugs could give better options for specific patients and bring competition to the drug market.

MICHAEL's STORY:

My name is Michael Eygenraam. Before 2002, I was enjoying a very healthy, fulfilling life with my wife and 2 young children. My satisfying job in the technology sector involved export and travel around the world. Then, I suddenly developed atypical Hemolytic Uremic Syndrome (aHUS) which is a serious dis-regulation of the immune system. It attacked my kidneys and brain, causing complete kidney failure and cognitive impairment. It turned my life upside

down. I have been close to death several times since then. I require hemodialysis to stay alive. I am not able to work due to chronic fatigue, frequent hospital visits, cognitive impairment and other complications. This is in addition to the restrictions I live with daily as a result of hemodialysis. Travel for more than two days at a time is not possible.

Eculizumab, which re-establishes control in the immune system, recently became available for aHUS patients in many countries including Canada. As a result, my doctor prescribed eculizumab at the time of my transplant to ensure my new kidney is safe, protected from further aHUS attacks. This will finally give me the opportunity of health I have waited 17 years for.

My personal concern is the negative impact that the new guidelines are having and will have on current and future pharmaceutical treatments of my aHUS. At best, the guidelines will prevent new and innovative drugs like eculizumab from being available to Canadians like me who depend on them for an improved quality of life, and at worst the guidelines will remove eculizumab which I need to recover my health. Under these new guidelines it is now possible that I will never receive a kidney transplant. I find it horrifying and unacceptable that the PMPRB's proposed changes may hold my health hostage.

aHUS CANADA CONCERNS:

aHUS Canada is a member of the Better Pharmacare Coalition and we are aware of the submission they have made to the PMPRB regarding the Draft Guidelines. We support their position and the concerns they have raised.

The PMPRB Draft Guidelines concern us considerably because we believe that, while the guidelines will lower drug prices, there are serious factual concerns about the negative effect the new guidelines are already having and will continue to have on the availability of drug therapies for Canadians.

We know that the patentee of eculizumab, Alexion, has delayed the introduction of their new drug therapy, ravulizumab, in Canada for multiple indications including aHUS. Alexion has informed us that the PMPRB is well aware that this is a result of the Draft Guidelines which are not even implemented yet. This is one example of how the proposals themselves already are having an effect on drug accessibility. Furthermore, Canadian aHUS patients will miss out on access to other new and improved therapies that could significantly improve their quality of life. We have also found recent credible independent sources which support the claim that the Draft Guidelines are having and will have a detrimental effect on drug access for Canadians. These opinions are as follows:

<https://lifesciencesontario.ca/wp-content/uploads/2020/02/Research-Etc.-PMPRB-Survey-02-03-20.pdf>

<https://www.canadianhealthpolicy.com/products/new-patented-medicine-regulations-in-canada--updated-case-study---en-fr-.html>

<https://business.financialpost.com/opinion/extreme-regulations-to-lower-drug-prices-mean-canada-will-get-fewer-new-drugs>

<https://www.newswire.ca/news-releases/pharmacare-with-no-new-medicines-803868005.html>

Below are the key problems with the PMPRB Draft Guidelines pointed out by each source:

Life Sciences Ontario (primarily opinion of Pharma)

There will be:

- Delayed new medicine launches in Canada, particularly new cancer medicines, biologic medicines, and medicines for rare disorders
- Job losses across the life sciences sector
- Fewer investments in clinical research, patient support programs, and compassionate access programs – all vital means by which patients have better and early access to new treatments

Canadian Health Policy Institute (opinion of independent Health Policy experts)

- The changes in the PMPRB's draft guidelines will create a high level of uncertainty among manufacturers of drugs for rare disorders due to the major price reductions that will be forced upon them.
- Manufacturers will be faced with a decision of whether to delay the introduction of a new product into Canada or not launch it at all.
- The high level of uncertainty being generated by the changes in the PMPRB's draft guidelines will imperil the launch of all new medicines in Canada because it will significantly decrease the attractiveness of the country as a jurisdiction in which pharmaceutical companies seek regulatory approval for new products
- In some cases, manufacturers may not seek regulatory approval in Canada if they decide that the market is not worth the risk of failing to secure a reasonable price in both Canada and other jurisdictions.
- This would eliminate access for all patients, even those with private insurance. Access to drugs for rare disorders with private and (especially) public insurance coverage is already difficult, if not impossible, to obtain for many Canadian patients. The changes in the PMPRB's regulations will make the situation much worse.
- The changes in the regulations and guidelines will enforce price reductions that devalue and penalize manufacturers' efforts to bring truly ground-breaking medications to Canadians in need of them. The high level of uncertainty generated by the changes in the PMPRB's guidelines will imperil the launch of all new medicines in Canada because they will drastically diminish the attractiveness of the country as a priority jurisdiction in which pharmaceutical companies seek regulatory approval for new products.
- The result will be long delays in patient access to important new therapies or, in many cases, complete denial of access because manufacturers will not seek regulatory approval if they decide that the Canadian market is not worth the risk of having to reduce their list price by an extreme amount that has the potential to impact sales in other jurisdictions
- Access to drugs for rare disorders with insurance coverage is already difficult, if not impossible, to obtain for many Canadian patients. The changes in the PMPRB's regulations will make the situation dramatically worse.

National Post (opinion of independent Health Policy experts)

- The guidelines are more extreme than drug pricing policies in other countries.
- The new guidelines fail to identify an ideal price for different types of consumers having regard to their individual ability and willingness to pay.
- The board will regulate net prices using "pharmacoeconomics" methods to calculate a cost-effectiveness threshold representing the upper limit of the public health-care system's willingness-to-pay for any new drug. The threshold is defined by the cost per

“Quality Adjusted Life Year” gained from using a drug. It is essentially the regulator’s subjective valuation of the price of a human life. Such analysis is often used in Canada and other countries to inform reimbursement negotiations. But it is unsuited for use in regulation because it is based on data, metrics and methods for which there are no agreed standards and which at best produce subjective, assumption-dependent estimates. It should not be used to calculate market-wide price ceilings that are definitive, prescriptive and legally enforceable.

- The incremental sales thresholds and the associated mandatory rebates are purely arbitrary and have no objective legitimacy. Such severe price cuts would clearly discourage pharmaceutical manufacturers from launching new drugs in Canada.
- In a recent study of 31 OECD countries, market price levels were the only variable that was a statistically significant predictor of the number of new drug launches. Lower-priced markets experienced fewer new drug launches.
- Common sense and the evidence point out that the new Patented Medicine Prices Review Board regulations will reduce the availability of new medicines in Canada.

Canadian Organization for Rare Disorders (CORD) (opinion of patient experts)

- The changes to how the PMPRB calculates maximum prices allowed for such treatments in Canada, approved in the last days of the previous majority Liberal government, are "even worse than feared," stated patient representatives after a four-hour meeting with PMPRB officials in Ottawa on December 10, 2019.
- While every country is considering how to pay for the treatment breakthroughs which science is delivering, only Canada is introducing draconian measures designed to drop list prices by more than 20% and, more importantly, actual prices by 40% to 90%.
- If every developed country took the same approach as Canada, research and development of new medicines would literally grind to a halt as investors direct their funds elsewhere. However, because Canada represents only 2% of the global drug market and we are the only country imposing such drastic price cuts, the net result will be that companies will simply choose not to bring the new medicines to Canada.
- Toronto lawyer Chris MacLeod, who is living with cystic fibrosis, is hoping the next therapy will come to Canada. He stated, "If this pricing scheme had been in place five years ago when the first drug for CF was available, I would probably not be alive today. Even a delay of two years may be too long. For patients like me, having access as soon as possible to a new medicine is a matter of life or death."
- Gail Attara, President and CEO of the Gastrointestinal Society, said "Canadians with gastrointestinal diseases and disorders have relied on new medications to help improve their quality of life greatly and even save lives over the past 15 years, but we know there are many newer and better treatments on the horizon. We can't afford to have Canadians miss out on access to new therapies that could vastly improve their quality of life, but this will certainly happen unless these harsh pricing regulations are changed."
- Durhane Wong-Rieger, President and CEO of CORD, stated, "Both Gail and I were members of the Steering Committee that sat in closed-door sessions over a period of nine months, supposedly providing advice to the PMPRB on the proposed regulations but it was clear that they were not open to other options that would manage prices AND support introduction of new medicines. We were so frustrated that we each wrote letters to the Prime Minister, calling for his intervention but the government was seemingly willing to sacrifice new therapies for Canadian patients in order to support a publicly funded drug plan. The consultation was a total sham."

- On December 10, 2019, Durhane emphasized three points of great concern in a letter to P.M. Justin Trudeau:
 - No meaningful consultations have been held.
 - The Dodge report was misrepresented to justify the reform.
 - Patient groups' concerns are ignored regarding access environment for medicines.

Having any one of the above concerns brought to your attention would be a good reason to stop the proposed changes and carefully consider ways to remove the concern. This opinion is not "fear mongering" as I have read your reaction to be. Common sense and the fact that multiple credible sources have numerous serious concerns tells everyone that the proposed changes need to be stopped and re-evaluated. Anything less is irresponsible. All Canadians deserve to know in clear simple terms that such poor decisions are being made and what the true implications for them and their loved ones are.

The aHUS patients who our association represents have only one drug therapy currently available in Canada. The monopoly the manufacturer of this biologic has on aHUS treatments is a real problem for all Canadians. The changes created in the Canadian drug landscape by the Draft Guidelines have prevented and will prevent competitive companies from marketing their products. This does not allow for therapy options when eculizumab does not work well for segments of our population. Also, the unintended prevention of competition will hurt all Canadians since current prices will not be driven down by the variety of manufacturers and products coming to market.

Clinical trials which happen in jurisdictions where it is attractive to sell drugs will be less likely to occur in Canada which means our patients will be less likely to be involved in the trials of new and promising therapies. This is very relevant to the aHUS patients in Canada who now benefit from the past clinical trials of eculizumab. Those clinical trials likely have saved some of their lives. We as an organization have been working with competitive manufacturers to help them get their products to market. This includes help with setting up clinical trials, and helping them gain information on how to market their products in Canada. We are convinced that under the proposed guidelines there is less chance that these competitors will bring their new products to Canada. We are doing our part as volunteers to improve the health landscape in Canada. We find it preposterous that our government agency is making conscious decisions which worsen the health of Canadians.

With more restrictive guidelines in place, we are concerned with the future health of aHUS patients. It is the drug companies themselves who decide where to hold clinical trials and where they want to market their products. The Draft Guidelines as proposed will affect decisions which companies make in terms of if and when they bring new drugs to markets in Canada. It is quite clear that the new proposals have made it less attractive to sell drugs in Canada. The consequences are such that at best, there will be drug launch delays which hurt Canadians and at worst, innovative drugs marketed elsewhere in the world will not be available to help Canadians. If changes are considered which have any negative effect on Canadians' health, they should not be proposed. Health care has been improving for many years in Canada and to now take a step backwards seems illogical. If the only goal is to save public funds, there are many other options available that do not have a regressive effect on our Health Care system.

CONCLUSION:

Due to the concerns we have raised, aHUS Canada asks the PMPRB to stop the proposed changes until further investigation is complete. The PMPRB must take the steps necessary to ensure all stakeholders believe access to drug therapies now needed by Canadians are continued and future therapy access will not be hindered by any proposed changes. It is imperative that the PMPRB commissions independent, transparent researchers to monitor and evaluate the overall impact its proposed changes have made and will make on access to innovative medicines in Canada. This includes the time preceding the finalization of the changes since we know that the proposals themselves have already had a negative impact on new medicines currently being developed and marketed. This evaluation is crucial for our patient group which relies on cutting edge pharmaceuticals for their very lives. If no changes are made to the Draft Guidelines to address our patients' concerns, we can only conclude that your concerns are so focused on lowering prices that you are blind to the effect it will have on the health of Canadians and our economy. Please stop the proposed regulatory changes to the PMPRB until there has been real engagement with patients and other stakeholders. There is a duty to serve and alleviate the concerns of the citizens you serve.

Thank you for your consideration,

Michael Eygenraam
Chair, aHUS Canada