



## OECD HIGH-LEVEL SYMPOSIUM ON PHARMACEUTICAL PRICING POLICY

### Objectives

1. The Symposium is expected to:
  - i) Provide a forum for sharing information, experience and ideas regarding pharmaceutical pricing policies.
  - ii) Move towards a common vision of a framework for pharmaceutical pricing to support informed policy making.
  - iii) Identify priority areas for future work at an international level to meet information needs for pharmaceutical policy making.

### Participants

2. Participants should be high-level policy makers from OECD countries and the European Commission interested in discussing the national, cross-national and global implications of various approaches to pricing and reimbursement of pharmaceuticals. The symposium may be of interest not only to policy makers from health ministries, but also to those within ministries responsible for industrial policy.
3. An invitation to participate in the symposium has been extended to BIAC, TUAC, the World Health Organization and the World Bank.

### Agenda

4. Access and affordability of medicines in OECD countries will be the topic of discussion in the first session. Participants will discuss the challenges associated with ensuring this objective, including emerging challenges relating to very high-cost specialty medicines, and the role of pharmaceutical policies in facilitating or impeding this objective. The experience with innovative policies designed to maximise access for a given budget constraint, such as price-volume agreements, will be examined.
5. The second session will focus on the twin goals of promoting valued innovation and obtaining good value for money in pharmaceutical expenditures. Are these objectives in conflict, requiring a trade-off? Or can certain policies be used to achieve both goals simultaneously? Discussants will consider the evidence as to whether OECD countries are getting the best possible value for the money they spend on pharmaceuticals, and what is the scope for aligning the incentives for innovation in accordance with health improvement priorities.

6. The third session will look at the ways in which pricing policies and commercial practices interact with one another in an increasingly interconnected global market. The session will explore how the threat of parallel or cross-border trade and the widespread practice of using external benchmarks to cap prices for innovative products influence manufacturers' global launch and pricing strategies, and the timely availability and prices of new products in OECD countries. It will also consider how the use of confidential rebates and so-called clawbacks (which result in an effective price that is lower than the public list price), as well as the strategic launch sequences used by manufacturers (which favour high-price countries for early launch), raise questions about the reliance on external benchmarking in pricing policy. Discussion will centre on the question of what constitutes a rational framework or principles for pricing policy in an increasingly global market. On what grounds should pharmaceutical prices be expected to vary across and within countries? Is transparency in both pricing policies and prices desirable and feasible?

7. The final session of the symposium will consist of a panel discussion involving ministers and senior officials. The discussion will consider the potential benefits and risks of enhanced co-operation in the field of pharmaceutical policy through mechanisms such as information-sharing, co-operation in technology assessment or coordinated work to define priorities for future innovation to meet health needs. Speakers will address the extent to which co-operation is desirable, and the scope for applying a coordinated approach where such co-operation is feasible. They will also discuss whether additional work at an international level is needed to inform policy-making and in what areas.

### **Input to the Symposium**

8. The final report from the OECD project on pharmaceutical pricing policy, *Pharmaceutical Pricing Policies in a Global Market*, was released in September 2008. The report provides data and evidence based on experience, as well as policy analysis, that will serve as background to the discussions at the symposium. Six case study reports on pharmaceutical pricing policies in Canada, Germany, Mexico, Slovakia, Sweden, and Switzerland describe and assess these countries' experiences in coping with pharmaceutical policy challenges. These reports were published in the *OECD Health Working Papers* series and can be downloaded from [www.oecd.org/els/health/workingpapers](http://www.oecd.org/els/health/workingpapers).

## Pharmaceutical Pricing Policies in a Global Market: Ensuring Affordable Access, Promoting Valued Innovation

| 27 October, 2008 |               |  |
|------------------|---------------|--|
| 1.               | 09.00 – 09.15 | Welcome/introduction by OECD Secretary-General Angel Gurría  |
| 2.               | 09.15 – 09.30 | Welcome/introduction by the Symposium Chair<br><i>Julio Frenk, Senior Fellow, Gates Foundation</i>   |
| 3.               | 09.30 – 11.00 | <p><b>Session I. Access and Affordability</b></p> <ul style="list-style-type: none"> <li>• <b><i>What are the main challenges?</i></b></li> <li>• <b><i>What should be the policy response?</i></b></li> </ul> <p>Introductory remarks <span style="float: right;">15 minutes</span><br/><i>Bengt Jönsson, Professor of Health Economics, Stockholm School of Economics</i></p> <p>Remarks from discussants <span style="float: right;">8 minutes each</span><br/><i>Australia</i><br/><i>Mexico</i><br/><i>Portugal</i></p> <p>Discussion <span style="float: right;">45 minutes</span></p>   |
|                  | 11:00 – 11:30 | <b>Coffee break</b>  |
| 4.               | 11.30 – 13.00 | <p><b>Session II. Valued innovation and value for money in pharmaceutical expenditure</b></p> <ul style="list-style-type: none"> <li>• <b><i>Are societies getting value for money?</i></b></li> <li>• <b><i>What policies can be used to obtain value and promote valued innovation?</i></b></li> </ul> <p>Introductory remarks <span style="float: right;">15 minutes</span><br/><i>Elizabeth Docteur, Deputy Head, OECD Health Division</i></p> <p>Remarks from discussants <span style="float: right;">10 minutes each</span><br/><i>World Health Organization</i><br/><i>Sweden</i></p> <p>Discussion <span style="float: right;">60 minutes</span></p> |
|                  | 13.00 – 14.45 | <b>Lunch</b>   |

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| 5. | 14.45 – 16:15 | <p><b>Session III. The cross-national effects of pricing policies</b></p> <ul style="list-style-type: none"> <li>• <b>What are the implications of globalisation for pharmaceutical policy?</b></li> <li>• <b>What are the responsibilities of payers, purchasers, and regulators?</b></li> <li>• <b>Is transparency desirable and is it feasible?</b></li> </ul> <p>Introductory remarks 15 minutes</p> <p><i>Patricia Danzon, Professor of Health Care Systems and Insurance and Risk Management, Wharton School of Business, University of Pennsylvania</i></p> <p>Remarks from discussants 8 minutes each</p> <p><i>Belgium</i></p> <p><i>France</i></p> <p><i>Business and Industry Advisory Commission to the OECD</i></p> <p><i>European Commission</i></p> <p>Discussion 40 minutes</p> |
|    | 16.15 – 16.45 | <b>Coffee Break</b>   |
| 6. | 16.45 – 17.45 | <p><b>Promising Directions: The way forward</b></p> <p>Introductory remarks by the Panel Chair 5 minutes</p> <p><i>Aart de Geus, Deputy Secretary-General, OECD</i></p> <p>Statements from senior officials 10 minutes each</p> <p><i>José Angel Córdova Villalobos, Minister of Health, Mexico</i></p> <p><i>Melinda Medgyaszai, Secretary of State for Health Policy and International Affairs, Hungary</i></p> <p><i>Francisco Ramos, Secretary of State for Health, Portugal</i></p> <p><i>Thomas Zeltner, State Secretary and Director, Federal Office of Public Health, Switzerland</i></p> <p>Panel discussion 15 minutes</p>  |
| 7. | 17.45         | Closing comments by the Symposium Chair 15 minutes  |
|    | 18.00         | <b>Reception hosted by the OECD Director for Employment, Labour and Social Affairs</b>  |