

2023-24 Pre-Budget Submission

27 January 2023

Sanofi is an innovative global healthcare company. We provide life-changing treatment options and life-saving vaccine protection to millions of people globally, while putting sustainability and social responsibility at the centre of our actions.

In Australia, where we have been operating for more than 40 years, our diverse portfolio of medicines and vaccines, includes:

- 60+ medicines funded on the Pharmaceutical Benefits Scheme (PBS)
- Seven vaccines funded on the National Immunisation Program (NIP), and a further 10 available for private purchase
- Two therapies funded via the National Blood Authority (NBA), and
- Six medicines funded on the Life Saving Drugs Program (LSDP).

Our enduring commitment to clinical research, which is vital to transforming the practice of medicine, is exemplified by our partnership with the Queensland Government, University of Queensland, and Griffith University. In December 2022, we announced a partnership to establish and fund a global Translational Science Hub in Queensland. The TSH represents an investment of \$280 million across the partners.

We welcome the opportunity to respond to the Australian Government's public consultation for the 2023-24 Budget and have proposed four recommendations for consideration. These recommendations cover the HTA Review, the National Reconstruction Fund, the Centre for Disease Control and clinical trials.

We also support Medicines Australia's submission that calls for a lowering of the discount rate to 1.5% for vaccines and 3% for other medicines.

RECOMMENDATIONS	RATIONALE	BENEFIT TO GOVERNMENT
1. Reform assessment processes & willingness to invest in new medicines and vaccines to ensure fast patient access		
<p>That the Australian Government collaborates with the innovative medicines industry to successfully complete the Health Technology Assessment (HTA) Review.</p> <p>This means realising the aims of the Strategic Agreement 2022-27 to reduce the time to access new health technologies for Australian patients as benchmarked against our international peers.</p> <p>This outcome would be aligned with the aims of the National Medicines Policy, and recommendations from <i>The New Frontier – Delivering better health for all Australians</i> report.</p>	<p>The importance of timely access to innovative medicines and vaccines to protect and maintain the health of our community and the economy, is being reaffirmed through the COVID-19 pandemic.</p> <p>It is essential the Government adopts the right policy settings to encourage and value the investment in new medicines and vaccines. It is equally important that the new health technologies are also valued.</p> <p>Reform of the HTA system is needed to ensure the value of innovative medicines and vaccines is reflected in reimbursement pathways which deliver fast, safe and equitable access to the people who need them.</p>	<p>Meeting the shared goals of Medicines Australia’s Strategic Agreement, namely reducing time to access for Australians and maintaining Australia’s attractiveness as a first-launch country, will deliver significant benefit to government and the community.</p> <p>It will deliver improved community health outcomes. It will also deliver economic gains to the nation via reduced absenteeism and increased productivity.</p> <p>It will reduce primary care costs with fewer people attending hospitals for treatment or care.</p>
2. Use National Reconstruction Fund to boost Australia’s healthcare eco-system		
<p>That the Australian Government invests sufficient National Reconstruction Funds (NRF) in the priority area of medical science to ensure that a range of activities contribute to enhancing</p>	<p>Investing in significant and holistic medical science activities will strengthen Australia’s healthcare eco-system.</p>	<p>The NRF has the potential to help re-shape Australia’s healthcare eco-system by demonstrating the Australian Government’s willingness to invest in transformative medical science.</p>

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<p>Australia’s overall healthcare eco-system.</p> <p>The healthcare eco-system needs to be considered holistically as the translation of medical science R&D into therapeutic products as well as manufacturing. These need to be focused on areas of unmet patient need.</p>	<p>It has the potential to contribute to more research and more efficient pathways for patient access to new treatments.</p> <p>The benefit to the community will be enhanced by the Government signalling that it values safe and innovative medicines and vaccines. This means enabling the community fast access to new treatments. It also means providing a reasonable level of reimbursement.</p>	<p>This will demonstrate to global pharmaceutical companies that Australia has a long-term plan to ensure the nation remains at the forefront of R&D and translation into therapies for all Australians.</p>
<p>3. New Centre for Disease Control initially focus on communicable disease</p>		
<p>That the Australian Government provides appropriate resources to establish an independent Centre for Disease Control (CDC).</p> <p>The Centre should have clear responsibilities and autonomy in decision making, during times of crisis, as well as the ability to set longer-term priorities independent of government.</p> <p>As a first step, we recommend the CDC focus on addressing communicable diseases, followed by other health challenges e.g., chronic, non-communicable diseases and health impacts related to climate change.</p>	<p>Investing in an independent CDC that focuses on communicable diseases that pose a significant health risk, particularly to Aboriginal and Torres Strait Islander peoples, will ensure Australia is better positioned to respond to public health emergencies, including pandemic situations.</p>	<p>Establishing an independent CDC will better coordinate health surveillance, data collection and analysis. It will deliver a strong return on investment by hopefully reducing, minimising or eliminating the impact on the community and the economy.</p>

RECOMMENDATIONS	RATIONALE	BENEFIT TO GOVERNMENT
4. Simplify clinical trial approvals to speed up patient access		
<p>That the Australian Government, together with State and Territory Governments, embed the National Clinical Trials Governance Framework.</p> <p>This should be followed by further reform of clinical trial processes, aligned with the National One Stop Shop and National Clinical Trials Front Door, to make it easier for patients, researchers, industry representatives and sponsors to find, conduct, participate and invest in high quality and ethical research in Australia.</p> <p>Consideration could also be given to enabling patient driven pathways i.e., creating a more simplified structure that is accessible to all, thereby producing trial results that are more reflective of the Australian community.</p>	<p>Removal of procedures that result in delays for patients receiving access to medicines via clinical trials delivers benefits to patients and their families.</p> <p>It also encourages further economic investment in research. Importantly, it is not ethical to conduct clinical trials in a country where patients do not have reliable, timely and affordable access to innovative therapies.</p>	<p>Clinical trials deliver economic benefits to Australia’s healthcare system, including:</p> <ol style="list-style-type: none"> 1. Cost savings from reducing regulatory inefficiencies across jurisdictions. 2. Reducing end-to-end healthcare costs. 3. Strengthening Australia’s international competitiveness and attractiveness for investment in clinical trials. 4. Increasing high-wage employment opportunities for Australians wanting a domestic career in R&D. 5. Retention of high-end calibre researchers in Australia, with the opportunity to upskill and be involved in global networks.