



## IMPROVING ACCESS TO NEW ONCOLOGY DRUGS IN THE CHINA MARKET: ACCELERATE MARKET ACCESS AND IMPROVE AFFORDABILITY

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### INTRODUCTION

- Based on strong growth underpinned by a host of macro-economic drivers, the pharmaceutical market in China is now the world's second largest. At the same time, market access for new pharmaceutical products still represents one of the most salient challenges especially for MNCs.
- Examining how oncology drugs have gained access to the Chinese market over the last decade, this research explores the essential elements that must be considered in order to reach the most patients who can benefit.

### METHODOLOGY

- This analysis is based on a review of secondary data from the introduction of new oncology drugs launched by MNCs into China in the last decade. Primary research also was conducted with commercial and private insurers and national, regional and local decision-makers to assess affordability pathways in the presence of access and registration barriers.

### RESULTS

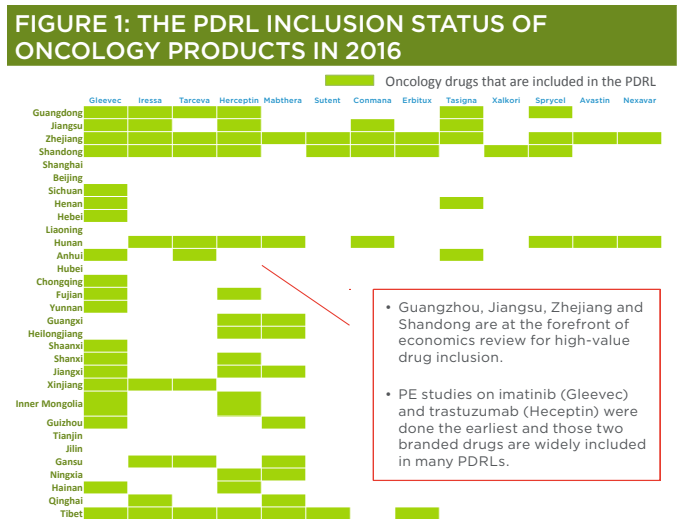
Successful market access strategies for new oncology agents in China must address two critical challenges: time to market and affordability for patients and other stakeholders as the self-pay ratio is still high despite broad BMI coverage and increased resources for BMI funds.

#### TIME TO MARKET

Companies have been exploring different development pathways to accelerate regulatory approval for faster patient access. MNCs are increasingly including China as part of MCTR (Multicenter Clinical Trials Research), resulting, in some cases, in much improved CFDA (China Food and Drug Administration) approval timelines, particularly for oncology products. Additionally, MNCs are increasingly entering into R&D partnerships with local Chinese companies to accelerate approval and to bring treatment to patients. For example, Lilly worked with Innovent to develop cMET for NSCLC. BMS licensed the development of Brivanib for Hepatocellular Carcinoma in return for milestone payments and royalties. Merck Serono is co-developing BRAF and PARP inhibitors with BeiGene and they will bring the new drug to patients together.

*"When the clinical trials are conducted in China, the physicians are already familiar with the drugs in terms of efficacy and safety. If the efficacy and safety is good, it will be easier and faster to get physicians' recognition and acceptance, this will be helpful when it comes to DRL inclusion." – local payer*

In interviews, regional and local payers noted that they are eager to understand the products value proposition and that having value substantiated with pharmacoeconomic data in advance of the review for PDRL inclusion increases the probability of achieving timely market access.



- Companies are offering PAPs to improve affordability to help patients get appropriate treatment
- Many top Chinese commercial insurers such as Ping'an Insurance, China Life Insurance and China Pacific Insurance are conducting trial projects to address the unmet needs of specific patient groups
- In many cities in China, commercial insurance companies are offering critical illness insurance as supplementary medical insurance to BMI to improve patient affordability for high priced drugs
- Oncology products are increasingly covered at the PDRL level in critical illness insurance because of the rising unmet needs of the insured population
- MNCs could work with commercial insurance companies to conduct HEOR/PE studies to help them more efficiently and effectively allocate their funds and free up funds for broader patient access.

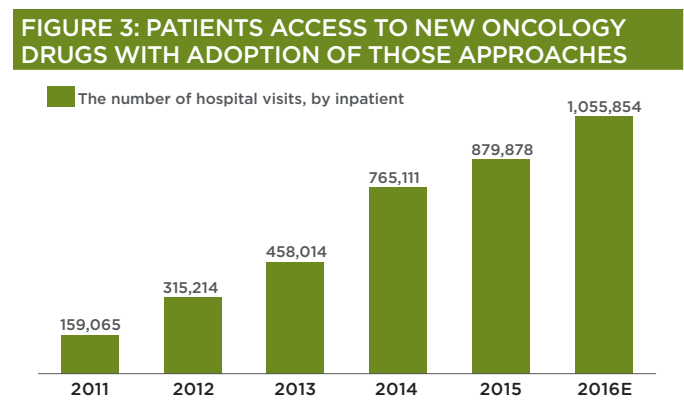
#### AFFORDABILITY

Four approaches can be utilized to help increase affordability for patients:

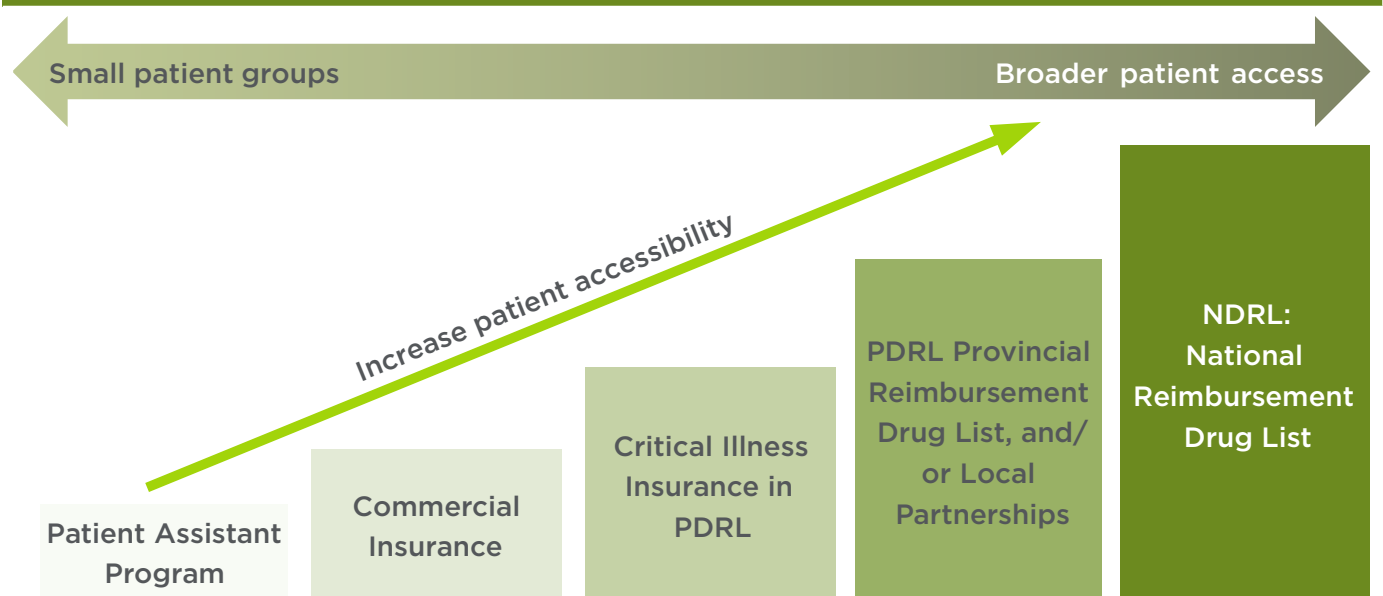
- Listing on the Provincial Drug Reimbursement List prior to listing on the National Drug Reimbursement List;
- Critical Illness Insurance<sup>1</sup>;
- Commercial insurance<sup>2</sup> and
- Providing a Patient Assistant Program.

<sup>1</sup> Supplementary Medical Insurance, additional to BMI

<sup>2</sup> Unlike BMI, commercial insurance is managed by private companies, the top five commercial insurance companies are: China Life Insurance, Ping'an Insurance, People's Insurance Company of China, New China Life Insurance and China Pacific Insurance.



### FIGURE 2: DIFFERENT APPROACHES TO INCREASE PATIENT AFFORDABILITY



### CONCLUSIONS

- Access to new oncology drugs is significantly improved with initiatives to shorten the time-to-market and improve affordability in China
- Data showed patient access to new oncology drugs was improved dramatically with the adoption of these approaches.