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Pulling together: Canadian perspectives on incentivizing antimicrobial availability

A Council of Canadian Academies' Expert Panel Assessment

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The Public Health Agency of Canada asked the CCA to convene a panel of experts to answer the following question:

What economic pull incentives have the greatest potential for success in encouraging the market entry and sustained market availability of high-value antimicrobials for use in humans in Canada?

Push incentives encourage R&D

Pull incentives encourage commercialization

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THE CANADIAN CONTEXT

Significant AMR Impact

- In 2018, 14,000+ AMR-associated deaths & $1.4 billion in healthcare costs

Limited Access to Novel Antimicrobials

- Only 3 of the 18 recently developed antimicrobials are accessible in Canada

Multi-actor Healthcare Systems

- Federal oversight of drug safety
- Healthcare delivery is a provincial mandate
- Many payers: 10 provinces and 3 territories with separate health insurance plans, some federal plans, some private insurance

SUBSCRIPTION PULL INCENTIVE (SPI)

A well-designed SPI holds the most promise for bringing existing novel antimicrobials to market and motivating the development and commercialization of new ones

- **Stringent eligibility criteria:** qualifying drugs address unmet public health needs and exhibit novelty
- **Access and stewardship:** provisions built into contracts
- **Paying for value:** higher payment levels for drugs providing greater value
- **Re-evaluate drug value over time:** eligibility and payment levels revisited as new evidence emerges

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IMPLEMENTING AN SPI IN CANADA

- Collaboration among all actors in Canadian healthcare systems
- Committee of experts assesses a drug's value (building on learnings from UK subscription incentive)
- Time restrictions on eligibility to incentivize new drugs coming to the Canadian market in a timely manner
- Fixed unit sale price to support appropriate use
- Federal top up to provincial and territorial sales revenues

THE COST OF INCENTIVIZING ANTIMICROBIAL AVAILABILITY

Panel assessed estimates of the costs of incentivizing development

Landed on best estimate of US$ 3.1 billion per drug over 10 years

Canada's fair share
C$ 14.5 - 18 M per year per drug over 10 years

Growing consensus that the value of novel antimicrobials to the public exceeds the costs of incentivizing their development

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