

Medicines Australia's Response to the Department of Prime Minister and Cabinet's COVID-19 Response Inquiry

December 2023

Medicines Australia welcomes the opportunity to comment on the Department of Prime Minister and Cabinet's COVID-19 Response Inquiry.

Medicines Australia leads the research-based medicines industry of Australia. Our members were among the companies that discovered, developed, and manufactured the vaccines and treatments for COVID-19. These vaccines and treatments are what have led Australia's public health response to be one of the most successful globally,¹ a response with which most Australians were satisfied.²

Learnings from Australia's COVID-19 pandemic response, as well as global responses, will help guide and prepare us for future disease outbreaks. Medicines Australia and our members are keen to continue working with the Government to ensure Australia's health and prosperity is protected. This submission will highlight some key considerations for Government systems to anticipate, adapt, and respond to pandemics more effectively. These include:

- **Ensuring Government– Industry Coordination to Strengthen Medicines Supply Chains**
- **Investing in Chronic Conditions and Preventative Health Strategies**
- **Improving the Health Technology Assessment (HTA) Process**
- **Thinking Globally and Strengthening International Partnerships.**

Ensuring Government–Industry Coordination to Strengthen Medicines Supply Chains

The COVID-19 pandemic placed great pressure on pharmaceutical supply chains, with border closures and freight delays. Coordination between Medicines Australia, the TGA, other medicines peak bodies, and supply chain organisations, ensured the disruption of medicines supply was kept to a minimum during the pandemic.

Medicines Australia was part of the TGA's Medicines Shortages Working Group³, which helped coordinate and manage the supply and shortages of medicines. Additionally, Medicines Australia and the Generic Biosimilar Medicines Association (GBMA) were granted ACCC Authorisation⁴ to permit discussions that led to implementation of strategies that supported the continued supply of essential medicines to Australians.

The collaboration and efficiency of industry and Government working together to ensure the supply of essential medicines to Australia will be critical to managing the next pandemic.

Investing in Chronic Conditions and Preventative Health Strategies

People with pre-existing chronic conditions have greater risk of developing severe illness from COVID-19. The proportion of deaths from COVID-19 among people with a chronic condition recorded was 85.2% in 2023.⁵ Nearly 50% of Australians live with a chronic condition.⁶ With over 28% of Australians over 50 years of age⁷, this significant portion of the population had one of the highest risks for developing serious illness from COVID-19.⁵ Further, people with chronic diseases were vulnerable to the potential worsening of pre-existing conditions because of disruptions to their care.⁸

Reducing the number of Australians living with chronic conditions through preventative health will make the population more resilient to face future health challenges. However, Australia only spends 1.8% of its total healthcare expenditure on preventative health compared to 2.9% in the US, 3.7% in the UK, and 5.9% in Canada.⁹

The National Preventative Health Strategy¹⁰ outlines the importance of vaccines but underplays the role of innovative medicines in preventative health. Investment into new medicines has been shown to improve health outcomes. The greater number of medicines available on the Pharmaceutical Benefits Scheme (PBS), the better the health outcomes are for a condition.¹¹

Proactive investment in preventative health such as vaccines and new medicines will help keep Australians healthy and reduce the health impacts of future pandemics.

Improving the Health Technology Assessment (HTA) Process

The COVID-19 pandemic has proven that approval processes for new medicines and vaccines can be faster than it currently is. Once effective vaccines and treatments were available for COVID-19, the Australian Government bypassed lengthy established HTA processes to approve and procure them. If the standard processes were followed, COVID-19 vaccines would not have been available for at least two years.¹²

As COVID-19 becomes endemic, attention to other potential threats of pandemic proportions such as antimicrobial resistance (AMR) should be considered in the context of HTA. AMR has ascended the international policy agenda as it is recognised by the WHO as one of the top ten public health threats facing humanity.¹³

Despite this threat, HTA processes generally approach their assessment of antimicrobial agents from a perspective that does not recognise many elements of value provided by antimicrobial agents apart from immediate health gains.¹⁴ This narrow focus on immediate health gains is also true for vaccines, where the health benefit is seen across a lifetime, and broader societal benefits such as herd immunity are not considered.¹⁵

Improving HTA systems to be more efficient will incentivise innovator companies to bring their treatments to Australia, and provide Australians faster access to new medicines. This efficiency should not only occur during the extraordinary circumstances of a pandemic. The Government's Health Technology Assessment Policy and Methods Review¹⁶ currently underway is an opportunity to establish more flexible pathways to provide faster access to new medicines and vaccines.

Greater access to medicines is intrinsically linked to pandemic preparedness as more innovative medicines on the PBS results in better health outcomes¹¹ and a healthier population that is more resilient to future health threats.

Thinking Globally and Strengthening International Partnerships

Pandemics are global in nature, and therefore, Australia's outlook should also be global to ensure both the health and economic security of the country. Trade and investment agreements with international partners can foster innovation, technology, and skills transfer. These can enhance Australia's global competitiveness to research, develop and manufacture new medicines and vaccines.¹⁷ Trade investments and agreements can also help Australia's ability to withstand and recover from pandemic supply chain shocks by ensuring equitable distribution of medicines.¹⁸

Australia's public health communication response should support nations in making decisions based on evidence, tailored to their unique contexts. Australia's decision to caution against certain vaccines for certain age groups affected vaccine confidence in the region.¹⁹

Areas with high infection rates, and lower vaccination rates, such as lower income countries, can increase the chances of new virus strains emerging.²⁰ Australia is well-positioned to support regional health security and to share clinical and public health expertise across the Western Pacific region, protecting our neighbours as well as ourselves.¹⁶

Pandemics can force societies to face major existential threats. It is during these times that it is more important than ever for all countries to embrace regional and global solidarity.

The inquiry into Australia's COVID-19 response is an important step to recognise our achievements in managing the pandemic and where there can be improvement. Medicines Australia looks forward to ongoing collaboration with the Government to help prepare Australia for unknown future health challenges.

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¹ <https://www.aihw.gov.au/reports/health-welfare-expenditure/health-system-spending-on-the-response-to-covid-19/contents/about>

² https://melbourneinstitute.unimelb.edu.au/_data/assets/pdf_file/0004/3347851/Taking-the-pulse-of-the-nation-6-11-April-FV.pdf

³ <https://www.tga.gov.au/news/media-releases/tga-response-coronavirus-covid-19#:~:text=Within%20Australia%2C%20TGA%20coordinates%20the,in%20addition%20to%20departmental%20staff.>

⁴ <https://www.accc.gov.au/about-us/media/media-updates/acc-re-authorises-medicines-australia-arrangements-to-ensure-supply-of-essential-medicines-and-devices-during-covid-19-pandemic>

⁵ <https://www.abs.gov.au/articles/covid-19-mortality-australia-deaths-registered-until-30-september-2023>

⁶ [https://www.abs.gov.au/statistics/health/health-conditions-and-risks/health-conditions-prevalence/latest-release#:~:text=One%20in%20two%20\(49.9%25%20or,52.3%25%20compared%20to%2047.4%25\).](https://www.abs.gov.au/statistics/health/health-conditions-and-risks/health-conditions-prevalence/latest-release#:~:text=One%20in%20two%20(49.9%25%20or,52.3%25%20compared%20to%2047.4%25).)

⁷ <https://www.abs.gov.au/statistics/people/population/population-census/latest-release>

⁸ <https://www.mja.com.au/journal/2022/216/9/impact-covid-19-chronic-disease-management-primary-care-lessons-australia>

⁹ <https://www.aihw.gov.au/reports/australias-health/chronic-conditions-and-multimorbidity>

¹⁰ https://www.health.gov.au/sites/default/files/documents/2021/12/national-preventive-health-strategy-2021-2030_1.pdf

¹¹ <https://pubmed.ncbi.nlm.nih.gov/37731531/>

¹² https://www.shawview.com/_files/ugd/8a9719_c61751a436ac49638ceed8b75cbf62af.pdf

¹³ [https://www.who.int/news-room/fact-sheets/detail/antimicrobial-resistance#:~:text=Antimicrobial%20resistance%20\(AMR\)%20is%20one,4.95%20million%20deaths%20\(1\).](https://www.who.int/news-room/fact-sheets/detail/antimicrobial-resistance#:~:text=Antimicrobial%20resistance%20(AMR)%20is%20one,4.95%20million%20deaths%20(1).)

¹⁴ <https://doi.org/10.1016/j.jval.2021.06.002>

¹⁵ <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC8101582/>

¹⁶ <https://www.health.gov.au/our-work/health-technology-assessment-policy-and-methods-review>

¹⁷ <https://www.dfat.gov.au/trade/about-ftas/Pages/the-benefits-of-free-trade-agreements>

¹⁸ <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC8252691/>

¹⁹ [https://www.thelancet.com/journals/lanwpc/article/PIIS2666-6065\(22\)00231-0/fulltext](https://www.thelancet.com/journals/lanwpc/article/PIIS2666-6065(22)00231-0/fulltext)

²⁰ <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC8220957/>