



Corporate Public Affairs
Boulevard de la Plaine, 17
B-1050 Brussels, Belgium

Pfizer Response to the Reflection Process for a New EU Health Strategy

“Enabling Good Health for All”

The Value of Consultation

Pfizer welcomes the opportunity to respond to the Reflection Process launched by Commissioner Byrne. In doing so, we wish to place on record our recognition and appreciation of the very significant developments in EU public health policy that have been made during the Prodi Commission.

At the same time, the Reflection Document raises issues of profound significance regarding the future evolution of EU public health policy. In commenting on some of these issues, we should say that we fully support the view, expressed in the Reflection Document, that **good health is a shared responsibility** and that “different actors must work together to foster good health across the EU”.

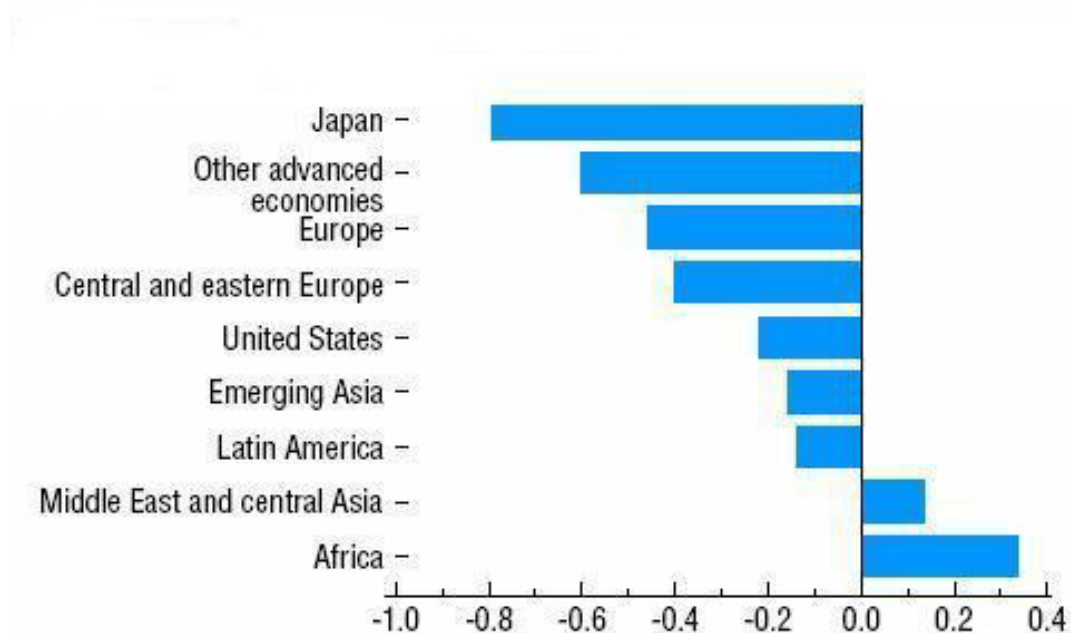
Pfizer, as one such actor, is fully prepared to contribute to the development and implementation of policies around this critical objective. The company has accumulated a wide range of data, knowledge and expertise in relevant areas that it is willing to share with the competent authorities, health professionals and patient groups. This is particularly the case with regard to Cardiovascular Disease, a “major health scourge”, which has been recognised as such by the Commission and the Member States. **CVD is the largest preventable cause of death in Europe today.** To make progress, all the actors have to partner together on core elements of “quality healthcare”: ensuring information to patients is a basis for shared responsibility and accountability; developing approaches for prevention that will allow for a focus on staying healthy in addition to treating disease itself; focusing resources where prevention, treatment and compliance can yield the greatest benefits; emphasizing the cost of disease over the cost of medicines and medical treatment itself, which will serve as a basis for investments in health that will foster innovation across sectors and generate new sources of wealth through enhanced productivity of capital and labor.

EU Economic growth - Health Generates Wealth

The assertion in the Reflection Document that “health is **closely intertwined with economic growth** and sustainable development” is of critical significance. This is so for societies at all stages of economic development. In Europe, this connection is particularly notable due to the continent’s ageing demographic profile.

The recent work by the IMF demonstrates the impact of demographic change on growth (see graph 1 below), which compares the EU to other major economic areas such as the USA and Asia.

Graph 1:
Impact of demographic change on growth in real GDP per capita in selected regions



Source: IMF 2004

The promotion of **active ageing**, proposed in the Commission’s Report on “Delivering Lisbon”, is a welcome response to “the rapid decline in the EU’s labour supply which will impact negatively on both economic growth and the sustainability of social protection schemes”. As the Commission points out, **prolonging working lives** is an essential part of the response to this demographic reality. It will require action on a range of issues, including “maintaining the overall health status of the mature population”.

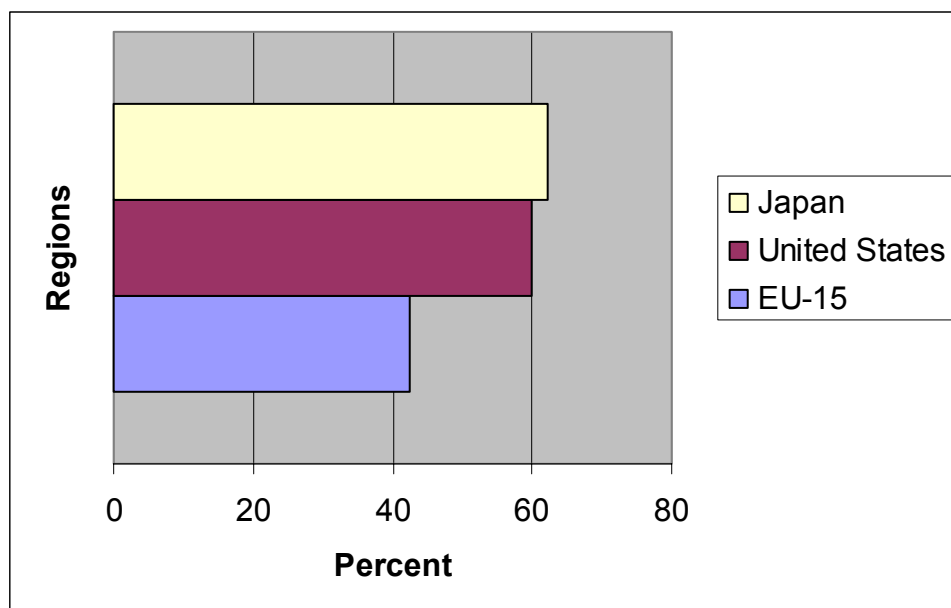
Against this background, we welcome the statement in the Reflection Document that “**health expenditure is too often viewed as a short-term cost, not as a long-term investment**, and is only now starting to gain recognition as a key driver of economic growth”. This is in our view a critically important theme for all that the European Union does in the area of health policy over the next five years.

Lisbon and the Mid-term review in March 2005

For this reason, among others, the Commission's proposal that **health policy should be integrated into the Lisbon strategy** by 2005 deserves to gain wide support from all concerned actors. The mid-term review will have before it a wide range of proposals – including those generated by the Kok report, which is due to be presented to the Commission on November 3, 2004.

One of the key Lisbon benchmarks is participation rate, which in the EU is much lower than the US. For the EU to maintain its standard of living, it will have to address policies that look at how working life can be extended. At present a large number of those aged 55-64 years no longer work (see graph 2 below).

Graph 2: Participation rate of age group 55-64 years compared US, EU-15 and Japan



Source: OECD 2004

The capacity to work longer is determined to a great extent by how healthy people are at that age and by government policies that encourage continuing active participation in the workforce. This will require investment, as highlighted in the Reflection Document.

The Cost of Morbidity – the Public Expenditure challenge

While arguing that **health expenditure must be seen as an essential investment** in economic growth and sustainable development, the Reflection Document correctly adds that it is not a question of just investing more in health. Health systems also need to be effective and cost efficient.

In this connection, the emphasis placed on **the promotion of healthy lifestyles and prevention** is appropriate. However, Pfizer believes that the effective use of innovative medicines can be an important contributor in enabling healthcare systems to realize better return on investment. The capacity of **innovative medicines to reduce morbidity** and to lessen the need for expensive hospital care is well documented over a wide range of medical conditions, including cardiovascular disease.

How to ensure the continuing development and production of innovative medicines and their effective distribution to patients who need them are important questions that need to be addressed.

We fully support the initiatives begun during the Irish Presidency to support further research into major diseases such as CVH, diabetes, mental health and the other major public health challenges. This would help focus public health programmes towards not only enhanced prevention through better diet, mobility and lifestyle, but also through better treatment.

In the context of the open co-ordination, the Commission could play a major role in furthering the understanding of the burden of substance abuse disorders. The indirect costs of alcohol and tobacco use are very high and preventable, but more research is needed to quantify the savings that can be achieved.

Lisbon Objective for EU Growth and Competitiveness - Research and Development

Pfizer welcomes the emphasis in the Reflection Document that “placing an **innovative pharmaceutical policy at the heart of health policy** is essential for a successful and coherent strategy”. We also understand and welcome the objective in the Document and in the G10 process to re-invigorate the pharmaceutical industry in Europe, both as a means of enhancing Research and Development and competitiveness in the EU and to ensure that patients have access to and can benefit from the best medicines that an innovative industry can supply.

The capacity of **innovative medicines to reduce morbidity and lessen the need for expensive hospital care** is well documented over a wide range of

medical conditions, including cardiovascular disease. However, the development of innovative medicines is resource-intensive and costly. To bring a new medicine to market requires an investment of about €800 million.

Investment on this scale by Pfizer and other pharmaceutical companies can continue only if the price offered by health funding agencies yields a satisfactory return on the investments made. There is growing evidence that health funders are losing sight of this reality. If the price of innovative medicines is squeezed to the point where funding of investment in research and development by pharmaceutical companies is forced down, the **results will be counter-productive for both patient care and national health budgets.**

The G10 process has considered the issues surrounding this crucial topic. In addition, the evaluation of the relative effectiveness of medicines at the EU level is relevant to its consideration. Getting the balance right between the legitimate desire to ensure value for money in expenditure on medicines, while leaving financial space to encourage continuing innovation will not be easy. If the judgements made are mistaken, the result will be a curtailment of the development of new medicines that could have improved patient care at little cost to national healthcare funding systems.

Pfizer recognises that policy regarding the financing of healthcare systems is a matter for the Member States and is not within the competence of the EU's Institutions. Nevertheless, because the EU has competence in the areas of enterprise policy, R&D and the operation of the internal market, and because the restoration of a competitive pharmaceutical industry in Europe is a key goal of the Lisbon process, the Commission must take on responsibility for resolving the clear contradiction between pricing policies and the Lisbon objective.

EU Cohesion – Equality of Access to Health Information and Health care

The Reflection Document highlights the wide disparity in health indicators in populations across the EU, and especially following Enlargement. It correctly states that the health gap is widening and that health status depends on where people live, what work they do and how much they earn.

Reducing the health gap and bringing the poorest performing regions up to the standards of the best is a critical objective. The decision to permit the use of EU Structural Funds to co-finance health infrastructure in the new Member States is to be applauded.

The emphasis in the Document on the need to promote prevention and healthy lifestyles is clearly an important part of the way forward. For that purpose, access to health information plays a crucial role in enabling citizens to make healthy choices.

The development of eHealth systems will also have an important role to play in empowering citizens to understand their health needs and to identify where and how to get effective treatments when these are needed.

European Health Ministers in their Health Council Conclusions (2 June 2004) have asserted that e-health resources can help to empower people and patients to take control of their health by supporting better health decisions; improve health status by supporting healthy lifestyles; reduce health disparities by applying new approaches to improve the health of remote communities and at risk population groups.

Pfizer sees eHealth as a critical instrument in the pursuit of a health literate Europe. Pfizer believes that the needs of EU citizens must be at the centre of the development of high quality health-related information services and that the widespread availability of health information creates the potential for citizen empowerment

Pfizer is looking forward to the implementation of the eHealth Action plan and would like to share its knowledge in developing and supporting health literacy programmes.

Platform for Progress - Building on the Health Council Conclusions on Promoting Cardiovascular Health

The Conclusions of the “Promoting Heart Health” conference held in Cork last February and which were later adopted by the Health Council are encouraging.

These state, inter alia, **“the majority of cardiovascular disease is preventable, predominantly through lifestyle changes as well as through appropriate use of medicines”**. We also agree with the conclusion that “although significant reductions in mortality from cardiovascular disease have been achieved in some countries, rapid targeted action is required in view of demographic trends and consequential increasing prevalence of cardiovascular disease”.

The conclusions recognise that promoting lifestyle changes alone will not be sufficient to reduce the disease to acceptable levels and that appropriate use of medicines will have a central role to play. Acting on the case fatality of CVD events and identifying and treating those at high risk of cardiovascular disease will be equally as important as lifestyle changes in reducing morbidity and mortality from the disease. The medicines are available to contribute significantly to the latter task, but they must be available to those who need them.

Towards this end, the Conclusions contain a number of relevant proposals to the Member States. These include the possibility of establishing national guidelines for the prevention of cardiovascular disease and of considering the use of risk charts for the assessment of individual risk; implementation of evidence-based, sustainable and cost-effective community prevention programmes that are accessible and affordable to meet the needs of those most at risk; and the implementation of standardised surveillance systems for cardiovascular mortality, morbidity, health behaviours and risk factors.

As an example of such ongoing collaboration, Pfizer is prepared to partner with our knowledge of cardiovascular medicine as a vital step towards achieving the highest standards of prevention and treatment of cardiovascular

disease throughout Europe. The databases and knowledge we have developed can, we believe, significantly assist in disseminating information on best practice treatment of cardiovascular disease, the leading preventable cause of death in Europe today. In conclusion, and in the spirit of partnership embodied by the Reflection Document, Pfizer broadly welcomes the Conclusions of the Health Council and looks forward to participating enthusiastically with the Commission and Member States in pursuit of the priorities and objectives set out in Cork.

8 October 2004

***Pfizer Inc** discovers, develops, manufactures, and markets leading prescription medicines for humans and animals and many of the world's best-known consumer brands. Our innovative, value-added products improve the quality of life of people around the world and help them enjoy longer, healthier, and more productive lives. The company has three business segments: health care, animal health and consumer health care. Our products are available in more than 150 countries.*

This paper represents the views of its author on the subject. These views have not been adopted or in any way approved by the Commission and should not be relied upon as a statement of the Commission's or Health & Consumer Protection DG's views. The European Commission does not guarantee the accuracy of the data included in this paper, nor does it accept responsibility for any use made thereof.