

MEDIA RELEASE

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NEW ZEALAND COUNCIL OF TRADE UNIONS
Te Kauae Kaimahi

Longer wait and higher prices likely for some life-saving medicines under the TPPA

New Zealand is likely to come under pressure to extend the monopoly times for a new group of potentially life-saving specialty medicines under the Trans Pacific Partnership Agreement (TPPA), say the Association of Salaried Medical Specialists (ASMS) and the Council of Trade Unions (CTU).

“At the moment the big drug companies can virtually name their price for some of these specialty medicines and there’s a risk that the TPPA will extend their stranglehold on these drugs by another three years, to eight years in total,” says Ian Powell, Executive Director of the ASMS.

“If that happens, it will add millions to New Zealand’s medicines bill and mean these drugs will cost us more for longer, and that they will stay out of the reach of many ordinary New Zealanders who need them.”

Dr Bill Rosenberg, CTU Economist and Director of Policy, says documents released under the Official Information Act and provided to him do not support the Government’s claims that the TPPA will not extend monopoly times for this special class of medicines known as biologics.

“These papers show that New Zealand’s authorities can approve new drugs in a much shorter time than three years – one to two years, and sometimes well under a year,” he says.

“That’s not going to sit well with the United States administration and we think it’s very likely that New Zealand will face strong pressure to comply with the US interpretation of the TPPA. The New Zealand Government has been signalling that the TPPA won’t change the way we currently handle these biologic medicines, but that’s at odds with the messages coming out of the US Administration and Congress.”

Copies of the OIA papers are available at <http://www.asms.org.nz/news/asms-news/2016/03/15/longer-wait-higher-prices-likely-life-saving-medicines-tppa/>.

Biologics are made with living organisms instead of using chemical processes. They are promising but they are also very expensive. One example of a biologic medicine is Keytruda, which is used to treat melanoma and has been the subject of debate recently over whether the New Zealand Government – via its central medicine-buying agency, PHARMAC – should fund it.

Auckland Clinical Microbiologist Dr Joshua Freeman says the consequences of extending the monopoly times on these medicines could be disastrous for New Zealanders.



“It could mean that doctors, nurses and other health professionals won’t be able to treat their patients with the most effective medicines available,” he says.

“And if you’re a patient, you’ll either have to wait longer for one of these specialty drugs or somehow find the money to pay for it yourself. Most people would struggle to do this as they can cost tens or even hundreds of thousands of dollars. The reality is that many people could end up suffering unnecessarily or even dying if they can’t get the treatment that’s best for their illness.”

Ian Powell and Bill Rosenberg are calling on the Government to resist any pressure from the US on this issue, and an independent assessment of the TPPA’s impact on health in New Zealand is still needed.

A background paper looking at the issue in more detail is available at

<http://www.asms.org.nz/news/asms-news/2016/03/15/longer-wait-higher-prices-likely-life-saving-medicines-tppa/>.

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