Delivering Affordable Cancer Care

death of a dream?

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Affordability & sustainability are complex & multi-faceted public policy issues
Cancer care exposes the weaknesses and strengths of healthcare systems

“rapid growth in health expenditures creates an unsustainable burden... with far-reaching consequences”

“cancer is such a prevalent set of conditions and so costly, it magnifies what we know to be true about the totality of the health care system. It exposes all of its strengths and weaknesses”
...worth remembering that not everyone believes we have a problem with affordability....


Economics of cancer care & research cannot be divorced from public policy of healthcare costs *per se*
Talking about cost of cancer makes people rather angry....

Let's start with a post-mortem of the reasons why we have a problem.
We still don’t have a good picture of the current economic burden...
Sustainability is not just about absolute costs.... understanding and modelling the impact of drivers is critical
What keeps policy-makers awake at night....’Titanic’ moment ....at current trends cancer will come to a fiscal cliff.....

- Cost spend (where the money goes)
- Cost trend (how spend is increasing)
- Cost drivers (why spend is increasing)
Most patients will live and die in places far removed from the countries that led on delivering modern cancer systems of care and research

Affordable cancer care systems in high-income countries have little relevance for emerging economies with their double, triple quadruple burden.

But all countries are facing three major demo-economic problems:

1. AGEING
the world in 2009....
2. COLLAPSING DEPENDENCY RATIO

3. NO MORBIDITY COMRESSION

Everyone feeling cheerful still?
Let's also look at the techno-social pressures on delivering affordable and sustainable systems
We have a strong cultural tropism for proto-health behaviors, and much of our decision-making is framed by evolution: we are after still primates!

We know from prospect theory that patients are risk seeking and put far greater emphasis on ‘hope’ thus ‘over valuing’ innovation.

Price and volume are creating serious issues for the costs of new cancer technologies, particularly medicines (Global sales ($M) 2007-2012)
Real question mark about how much healthcare systems can really afford ‘more for less’……..

Molecular targeted

Classical chemotherapy

CAGR 2008-2018 = 9.8%

CAGR 2008-2018 = 3.1%
Rapid trajectory of costs: until 1996 5FU/LV was standard for colorectal cancer

$96 USD per month to $40/53,000 USD pm = c. 520% increase
BUT we need to ensure that creativity isn’t sacrificed in our efforts to deliver affordable cancer care systems…..

• Value of new technologies in cancer is based on perception of them as having the power to heal (1).

• New medicines may facilitate further fundamental research and/or drive further development. Important for the general zeitgeist of development in this area (2).

Beyond the economics of technologies, care, etc there are major principles of public policy at stake in the affordability debate
Poverty & inequality & affordable cancer care

Institute of Development Studies http://www.ids.ac.uk/project/the-new-bottom-billion

Integrated Cancer Centre
Poverty and inequity are real issues for high income countries as well

Failures in politics and economics are related, and they reinforce each other.

Market forces in cancer have shaped it in ways that advantage the top at the expense of the rest.

A system where political and market forces are sensitive to commercial interests drives inequality.
Europe needs to be beware.....

Median income stagnating & falling

Growing inequality in educational attainment

15% in poverty and rising & 1.5M living on less than 2USD per day

If you are from an ethnic minority then you will have lost 53% of your wealth since 2005.
Is the cost of cancer killing the patient?
Worldwide the answer is probably ‘yes’

Globalisation of cancer risk factors is a major hurdle to sustainable and affordable care.

Cost effective surgery & radiotherapy are the key.

In global cancer policy terms ‘high income’ personalised cancer medicine has little irrelevance.

Need to re-create and re-discover new affordable systems.

Cancer is not a market or an ideological battleground but it is being treated like one...
So what to do?

- Just need to “accurately measure costs & link to outcomes”, Robert Kaplan & Michael Porter, Sept, 2011 Harvard Business Review
- Stop regulatory divergence between marketing authorisation & HTA processes.
- Reduce / stop off label use
- Mandatory integration of socio-economic studies into clinical research
- Integrate insights from behavioural economics
- Mandatory context specific HTA processes for all interventions
We talk a lot about equality yet we are far from this need to find ways to drive the social contract for cancer.
If we aren’t more intelligent about addressing the affordability of cancer it will end up looking like this....

A supermodel with a Louis Vuitton handbag....lovely to look at, very expensive, affordable to only few and of no real value to society as a whole.