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Pharmacoeconomics (PE) in a Pharmaceutical Company in Finland

Kari Linden, PhD, MSc
Outcomes Research Manager, Pfizer Oy

(On behalf of **Teija Kotomäki**,
Head of Pricing and Outcomes Research, Pfizer Oy)

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Current product concept of "medicine"

"Fourth hurdle"

Rationality/
cost-effectiveness

Quality

Safety

Efficacy

Market access
Reimbursement

9.6.2008 2

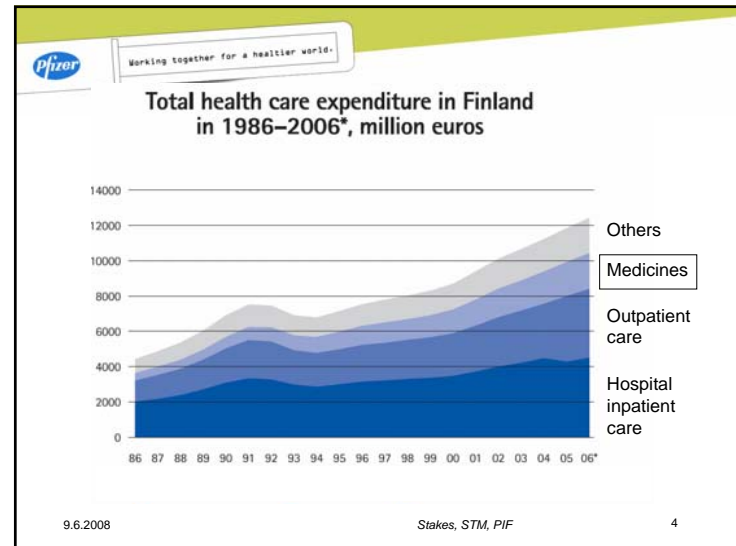
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Rationale for PE in pharmaceutical industry

- Mandatory requirements (eg for reimbursement)
 - Pressure on the health care and medical expenses:

Aging population, increasing prevalence of chronic diseases, development of new medical technologies, increased demand for therapies of higher quality, new innovative medicines, economic growth

9.6.2008 3



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- Other stakeholders' needs
 - Physicians, hospitals, guideline development, employers, insurance companies, patient groups, etc.
- Internal needs and other activities
 - R&D, pricing, marketing, PE/OR research, communication

9.6.2008 5

OR and PE

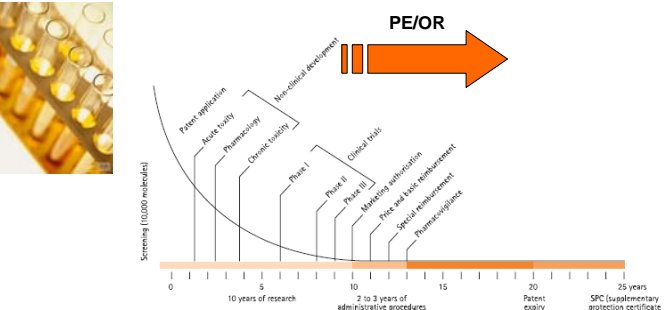
	Clinical research	Outcomes research	Pharmaco-economics
Main aim	To determine efficacy	To determine effectiveness	To determine efficiency
Study design	RCT	Observational study, RCT	Economic analysis based on outcomes data and clinical trials
Main measure (Intermediate) end points		Patient-related outcomes	Costs, outcomes
Time frame	Short	Long	Long
Based on	Ideal clinical practice	Normal clinical practice	Normal clinical practice


HTA

9.6.2008 6

PE in pharmaceutical R&D

- PE is an established part of Phase III and IIIb clinical trials
- Increasingly Phase (I) II, and IV studies



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PPB's decisions 2007

	Accepted	Rejected	Cancelled
Basic reimbursement	1566	93	21
New product	40	19	3
Special reimbursement	803	49	5
New product	21	21	2

9.6.2008 8

Case: OR/PE in Pfizer Oy, Finland

Pfizer Inc 2007	Pfizer Oy 2007
Turnover 48.6 billion USD	Sales of medicines 144.7 million Eur (including 9.7 mil Eur veterinary medicines)
Market share 7.5 %	Market share 8.2 %
R&D 7.5 mrd USD	Employees approximately 200

9.6 9

Pfizer Inc. the biggest R&D company
(year 2006)

R&D mrd eur		R&D mrd eur	
1. Pfizer	5,8	11. Intel	4,5
2. Ford Motor	5,5	12. Sanofi-Aventis	4,4
3. Johnson & Johnson	5,4	13. IBM	4,3
4. Microsoft	5,4	14. Volkswagen	4,2
5. DaimlerChrysler	5,2	15. Roche	4,1
6. Toyota Motor	5,2	16. Novartis	4,1
7. GlaxoSmith Kline	5,1	17. Nokia	3,7
8. Siemens	5,0	18. Merck	3,6
9. General Motors	5,0	19. Matsushita Electric	3,6
10. Samsung Electronics	4,7	20. Robert Bosch	3,4

The 2007 EU Industrial R&D Investment Scoreboard

9.6.2008 10

OR/PE Unit of Pfizer Oy, Finland, 2007

Head + 3 OR Managers + 1 Pricing Manager / 200 brands (70 reimbursed)


- Reimbursement applications for PPB
 - New basic reimbursement applications for NMEs (2)
(including mandatory PE evaluations)
 - Special reimbursement applications (2)
 - Applications for new indication (7)
 - Renewal applications (16)
- Internal co-operation and training
- Support of external customers: HE/PE presentations
- PE publications (5)
 - Physicians/Public Health Nurses/Pharmacists & Smoking Cessation
 - Knowledge and use of E2BM in Finnish physicians
 - Clinical practice and costs of mRCC
 - Cost-effectiveness of hypercholesterolemia in hypertensio patiens
- HE Academy (4)
- Supervising academic MSc/PhD thesis (2)

9.6.2008 11

Forthcoming major challenges/opportunities 2009 –


- Reference Price system
- Development of Finnish "HTA"
 - Organizational changes in Ministry of Social Affairs and Health
 - Need for increased objectivity and transparency

9.6.2008 12

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*– Thank
you!*

*Kari Linden
tel. 050 - 395 0647
kari.linden@pfizer.com*



9.6.2008 13