

# Pulling together: Canadian perspectives on incentivizing antimicrobial availability

**A Council of Canadian Academies' Expert Panel Assessment**



**Andrew M. Morris M.D, Expert Panel Chair**



The Public Health Agency of Canada asked the CCA to convene a panel of experts to answer the following question:

**What economic pull incentives have the greatest potential for success in encouraging the market entry and sustained market availability of high-value antimicrobials for use in humans in Canada?**



Push incentives encourage R&D



Pull incentives encourage commercialization

# THE CANADIAN CONTEXT



## **Significant AMR Impact**

- In 2018, 14,000+ AMR-associated deaths & \$1.4 billion in healthcare costs

## **Limited Access to Novel Antimicrobials**

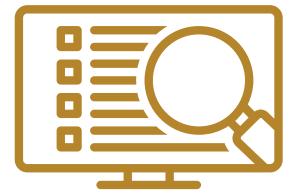
- Only 3 of the 18 recently developed antimicrobials are accessible in Canada

## **Multi-actor Healthcare Systems**

- Federal oversight of drug safety
- Healthcare delivery is a provincial mandate
- Many payers: 10 provinces and 3 territories with separate health insurance plans, some federal plans, some private insurance

# SUBSCRIPTION PULL INCENTIVE (SPI)

A well-designed SPI holds the most promise for bringing existing novel antimicrobials to market and motivating the development and commercialization of new ones



**Stringent eligibility criteria:** qualifying drugs address unmet public health needs and exhibit novelty



**Access and stewardship:** provisions built into contracts

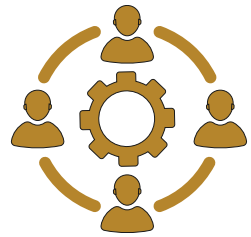


**Paying for value:** higher payment levels for drugs providing greater value



**Re-evaluate drug value over time:** eligibility and payment levels revisited as new evidence emerges

# IMPLEMENTING AN SPI IN CANADA



**Collaboration among all actors in Canadian healthcare systems**



**Committee of experts assesses a drug's value (building on learnings from UK subscription incentive)**



**Time restrictions on eligibility to incentivize new drugs coming to the Canadian market in a timely manner**



**Fixed unit sale price to support appropriate use**



**Federal top up to provincial and territorial sales revenues**



# THE COST OF INCENTIVIZING ANTIMICROBIAL AVAILABILITY



Panel assessed estimates of the costs of incentivizing development

Landed on best estimate of US\$ 3.1 billion per drug over 10 years

**Canada's fair share**  
C\$ 14.5 - 18 M  
per year per drug  
over 10 years



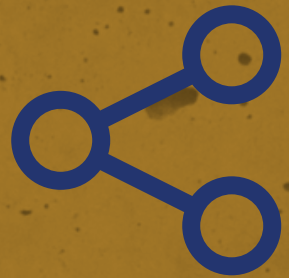
**Growing consensus that the value of novel antimicrobials to the public exceeds the costs of incentivizing their development**



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