Delivering quality care more efficiently inquiry

Questionnaire response 66

Name: GSK Australia

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Participant background

1. For the purposes of this consultation, which of the following best describes you:

   Biopharmaceutical company

2. Which of the following care sectors will your feedback relate to? Please select all that apply.

   Aged care; Health

3. What kind of care supports, services and programs do you have experience with, and in what jurisdictions?

   The participant did not respond to this question.

1. Reform of quality and safety regulation to support a more cohesive care economy

1. To what extent do differences in quality and safety regulation make it costly or complex to provide or access care services?

   The participant did not respond to this question.

2. What are the reasons for your answer?

   The participant did not respond to this question.

3. To what extent should quality and safety regulations be more aligned across the different care service sectors and jurisdictions?

   The participant did not respond to this question.

4. What are the reasons for your answer?

   The participant did not respond to this question.

2. Embed collaborative commissioning to increase the integration of care services

1. What is your experience with collaborative commissioning

   The participant did not respond to this question.

2. What are the benefits of pursuing greater collaborative commissioning?

   The participant did not respond to this question.

3. What are the barriers to collaborative commissioning, and do you have any suggestions for solutions that would lead to better collaboration in the commissioning of care services?

   The participant did not respond to this question.

3. A national framework to support government investment in prevention

1. What are the main barriers to governments investing in evidence-based prevention programs across the care economy?

The Government's reimbursement policies and systems fail to recognise the full value of evidence-based prevention interventions, which is the critical barrier to maximising the potential of prevention programs.

Preventative healthcare saves lives. It keeps people living well, reducing demands on the government services and the care economy, and increasing productivity. Yet, Australia is underinvesting in prevention.

Australia's funding of preventative health programs is lower than other advanced economies. Australia allocates 1.8% of its total healthcare expenditure to preventive health compared to 3.7% in the United Kingdom and 5.9% in Canada (1).

Immunisation is a key example. Immunisation is recognised as the most cost-effective public health intervention, after clean water (2). Australia is underinvesting in vaccines because the process utilised to assess their worth is not fit for purpose.

This process is called Health Technology Assessment (HTA). The HTA process compares medicines and vaccines to existing alternatives, before they are recommended for Federal Government funding. Once funded by Government, medicines and vaccines are then made available to Australians via the Pharmaceutical Benefits Scheme (PBS) or National Immunisation Program (NIP) for free or at a limited (co-payment) cost.

Australia's HTA processes were designed in the 1990s and were primarily intended for evaluating medicines that treat symptoms and disease, rather than preventative measures. This results in delays or hinders the adoption of preventative programs.

It takes an average of 1375 days from the time a vaccine is approved for use in Australia to it being funded by the Federal Government and accessible free to Australians (3).

HTA processes devalue longer-term, community-wide gains and the economic benefits of being well, or exclude them altogether from its considerations. Non-health benefits associated with preventative interventions that are valued by society include productivity gains, caregiver benefits, and equity of access. These broader, non-health benefits have no current qualitative value framework to be assessed and are either unable to be considered in a cost-effectiveness analysis or treated as only supplementary analysis.

As a result, Australians are not accessing the vaccines they need and their potential benefits are not being maximised. Vaccines are being recommended by the Federal Government's clinical experts (the Australian Technical Advisory Group on Immunisation (ATAGI)) and not funded. In some jurisdictions, State/Territory Governments may elect to fund access to a vaccine or alternatively Australians may pay for a vaccine privately. Postcode and income are determining access to preventative health interventions, and their benefits are not being maximised.

This is particularly evident in vaccines for adults, where there has been significant

innovation in recent years recognising the ageing population. Immunisations for common diseases such as influenza, RSV (Respiratory syncytial virus), shingles and whooping cough (Pertussis) are impacted.
The Federal Government is currently considering a review of HTA systems and policy. There is an opportunity to address these challenges.

Barrier: Limited consideration of broader benefits of prevention
There is increasing international recognition of the fiscal value of broad societal and health benefits of vaccines and other disease prevention interventions. In England, Canada and the Netherlands, the impact on carers and family are now included in guidelines and methods in HTA (4). In Australia, these are only considered as a scenario analysis in limited circumstances.

Australia's HTA system only considers medical expenses, short-term health benefits, and the disproportionately undervalued long-term health benefits (see discount rate discussion below). It does not consider long-term health benefits (ie. deterioration of previous conditions due to infection or transition to aged care), productivity gains, tax revenue, social welfare impacts (ie. National Disability Insurance Scheme (NDIS) and pensions) and wellbeing (5).

Barrier: Low value placed on a human life in healthcare
Australia's HTA system places a lower value on human life when compared to other sectors of Government. For example, Government policy frameworks value a year of life saved (quality-adjusted) for a vaccine at around $15,000, whereas a year of life saved from a road fatality is valued at $200,000 (6). This means that the Australian Government is willing to invest significantly more in road safety measures than vaccines that will prevent disease. The Government is also not willing to pay the same price for extending life or improving quality of life with a vaccine as other countries.

Barrier: Discount rate
When considering the future benefits of vaccines, HTA methods apply discount rates to reflect an assumption that society prefers benefits now compared to those in the future. Vaccines - and other preventative health interventions - are disadvantaged as their costs are typically upfront and their benefits are longer term. Australia's discount rate is 5%, whereas in similar economies such as New Zealand (3.5%), France (2.5%), Canada (1.5%) and England (1.5%) the discount rate is much lower (7).

A discount rate of 5% values the life of a baby who is vaccinated and avoids a fatal disease as if it will live another 21 years, while a discount rate of 1.5% treats that life saved as 48 years.

References
1. Kamal, R., Hudman, J. (2020). What do we know about spending related to public health in the U.S. and comparable countries? From What do we know about spending related to public health in the U.S. and comparable countries? - Peterson-KFF Health System Tracker
2. Immunization Agenda 2030. (2020). A Global Strategy to Leave No One Behind. World Health Organization
3. Shawview Consulting. (2021). Valuing Vaccines: Ensuring Australia's access to vaccines today and tomorrow.

4. The power of knowledge. The value of understanding. The Inclusion of Utility Values for Carers and Family Members in HTAs: A Case Study of Recent NICE Appraisals in the UK. (2019). RTI Health Solutions.
5. GSK. (2024). Prevention: A Productivity Superpower.
6. Cubí-Mollá, P. et al. Resour Alloc. 2023;21(1):96.
7. Australia's high discount rate is ignoring the health of our future generations (2022). Medicines Australia. Available at: www.medicinesaustralia.com.au/policy/submissions

2. What are some examples of successful prevention programs (this could include discontinued programs)?

Australia's National Immunisation Program (NIP)
Routine immunisation of infants commenced in Australia during the 1950s. The first nationally funded infant program aimed at preventing diphtheria, tetanus, and polio was launched in 1975 (1). Since then, the National Immunisation Program (NIP) has evolved into a significant public health initiative, gaining international recognition for its success.

The NIP offers Government-funded vaccinations to Australians at no cost. The Federal Government is responsible for immunisation policy and the procurement of vaccines, while State and Territory Governments handle the distribution and delivery of vaccination services.

Although the NIP encompasses a series of vaccinations throughout life, Government investment has predominantly focused on safeguarding children from diseases. The NIP has achieved impressive results, more than 90% of children are fully immunised by the age of two. The NIP has led to the near or complete eradication of diseases such as measles, polio, and rubella (2).

In response to Australia's ageing population, the Government has begun to broaden the NIP's focus. In 2023, the Australian Government announced:

• An $826.8 million investment in the NIP for shingles prevention, providing the vaccine free to nearly 5 million adults (3)
• A commitment to develop a vaccination coverage target for adults (4)

There is an opportunity to further expand the NIP to protect more Australians from diseases, benefiting the community and economy while reducing the demand on government services now and in the future.

South Australia's Meningococcal B vaccination program – addressing a gap in NIP access
In 2018-2019, the South Australian Government launched a state-wide vaccination program offering free Meningococcal B vaccinations to infants, children, adolescents, and young adults. The program has achieved (5):

• A 63.1% reduction in Meningococcal B cases among infants
• A 78.8% reduction in Meningococcal B cases among adolescents
• 100% vaccine effectiveness in infants who received three doses, and 83.5% effectiveness in adolescents who received two doses

Governments in Queensland and the Northern Territory have since recognised the value

of this vaccination program and have funded it for their infant and adolescent populations.

Invasive meningococcal disease (IMD) is a rare bacterial infection that can progress rapidly. While most infected individuals survive, up to 1 in 10 may die, and around 1 in 4 may suffer serious long-term disabilities, including brain damage, deafness, or loss of limbs. Children under two years of age and adolescents aged 15–19 years are most vulnerable to the disease (6). It is estimated that one severe case of Meningococcal Disease, causing lifelong disability, could cost governments $10 million, including impacts on carers, productivity, education, and the National Disability Insurance Scheme (NDIS) (7).

This vaccine is recommended by the Australian Technical Advisory Group on Immunisation (ATAGI) for young children, adolescents, and at-risk populations. However, it is only funded on the NIP for Aboriginal and Torres Strait Islander infants. Limitations within the current Health Technology Assessment (HTA) process have prevented national expansion of access.

References

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3. How can governments better support investment in prevention activities that have broad and long-term benefits for the Australian community?

Government has the opportunity to embed recognition that investment in preventing disease and keeping people well is essential to Australia's future productivity and economic sustainability.
The Measuring What Matters Framework, Commitments to Medicare, the PBS, the National Preventative Health Strategy 2021-2030, the National Immunisation Strategy and the National Medicines Policy recognise the value of keeping people well. It is time to take this recognition further, entrenching and adequately funding reforms across Government policy and systems.

The Health Technology Assessment (HTA) Policy and Methods Review, being considered by the Government, provides a first step forward. Industry stands ready to work with patients, patient advocacy groups and clinicians to implement the reforms

recommended.

Recommendations included in the HTA Policy and Methods Review include:
o Recognise longer-term and broader societal impacts of being well, such as productivity gains and reduced demand for carer and government services. This includes the adoption of a lower discount rate
o Develop new pathways to support faster access to vaccines and medicines that Australians need
Boosting access to immunisations for Australian adults is a clear example of where Government investment and focus will have broad and long-term benefits for the Australian community and economy.

Increasing investment in adult immunisation has the potential to deliver $1.1 billion in benefits every year. Every one dollar invested to vaccinate adults against common illnesses can provide a $3.50 economic return (1).

This is achieved by reducing demands on health, government services and carers, boosting workplace productivity and economic participation, while also improving life expectancy and quality of life.
There is also growing evidence that there is value in protecting adults from disease sooner. To-date, immunisation programs have been focused on vaccinating populations when they are at their most vulnerable to disease.

Australia's ageing population can be a powerful economic opportunity. A 65-year-old Australian female today can expect to live another 22.8 years and a male another 20.2 years (2). Older Australians have seen the largest increase in workforce participation rates over the past 40 years, particularly women in their 50s and early 60s (3). It is estimated that health strategies, including access to vaccines, could enable more Australians to stay in the workforce, resulting in the recovery of $1.9 billion in superannuation and return $3.9 billion to the economy annually (4).

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1. GSK. (2024). Prevention: A Productivity Superpower.
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