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# *Making a difference through health*

How PwC is helping to change lives

Impact case studies



# Introduction

PwC's purpose is to "build trust in society and solve important problems." Our Partners and staff demonstrate a commitment to this purpose every day in the work we do with our Health Services clients. We do so because of a deep and passionate recognition of the importance of health to society – because health matters. In a world facing massive health challenges and an industry undergoing profound disruption, we are active participants in helping businesses, governments and individuals through the transition to a new health economy. In doing so we strive to:

- support the improvement of health and well-being around the world;
- build trust in the health system;
- solve complex health problems so that better and more sustainable health systems emerge; and
- have a positive impact on society.

This case is just one example in a collection of case studies that show our strong desire to make a difference.

It is a privilege to work with clients from across the health spectrum – from providers to payers, medical device companies, governments and NGOs, and healthcare new entrants drawn from a wide spectrum of other industries – to help solve their most challenging issues and to allow them to take advantage of the opportunities opening up. It is also heartening to know that we are having a positive impact and making a difference to the lives of people around the world.



**Patrick Figgis**  
PwC Global Leader,  
Health Services



# *Making a rare cancer treatment accessible for all*

## *Country: Australia*

### *Background*

PwC Australia Partner John Cannings was diagnosed in 2014 with a rare lung cancer, ALK-rearranged (or ALK-positive lung cancer). Less than 5% of patients with non-small cell lung cancer (NSCLC) have tumors with a specific abnormality, a chromosomal rearrangement in a gene called ALK (anaplastic lymphoma kinase). John was one of them.

The gene rearrangement produces an abnormal protein that causes the malignant cells to grow and spread. In recent years, scientists have developed targeted drugs that inhibit the protein and have been proven very effective in delaying the aggressive spread of cancer and thereby improving quality of life for cancer sufferers.

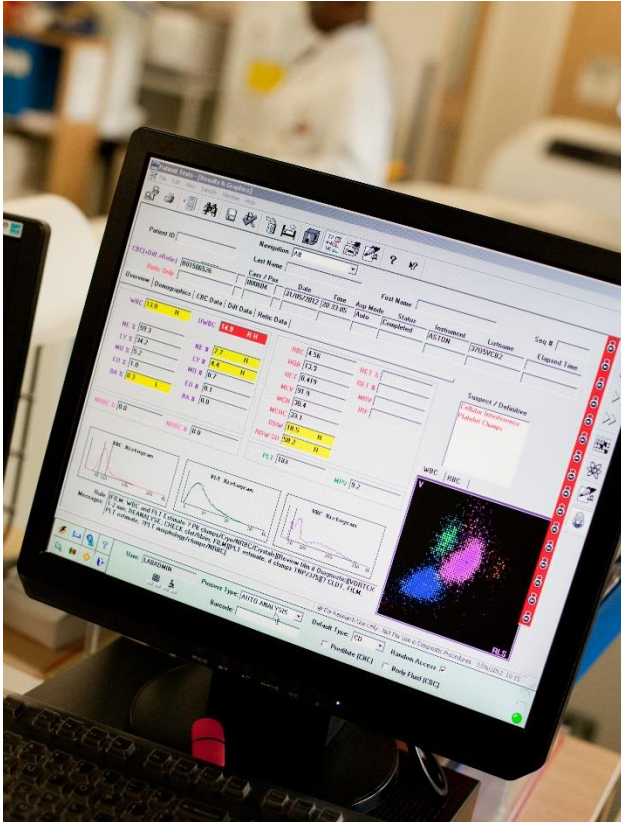
### *The issue*

In Australia, the government subsidises the cost of medicines for most medical conditions under the Pharmaceutical Benefits Scheme (PBS). The standard

reimbursed treatment for John's type of lung cancer was an off patent drug called Pemetrexed, the same intravenous chemotherapy used for all NSCLCs which cost the PBS approximately \$3,601 AUD for five treatments. Yet in other countries, such as the US, UK, France, Canada and Turkey, a new first-line treatment called Crizotinib was already approved for the specific ALK-rearrangement.

Crizotinib is an oral therapy that has statistically demonstrated significant improvements in progression-free survival rates and quality of life. It allows patients to take a pill twice a day, whenever and wherever they choose and continue their daily routine without many of the adverse effects associated with traditional chemotherapy.

This new drug received regulatory approval through TGA in December 2013, not long before John's diagnosis, but was not listed on the PBS for reimbursement, which could have significantly limited patient access to the drug.



## What did PwC do?

As a Partner in PwC's Australian Health Industries practice, John spent many years working with the Federal Department of Health and pharmaceutical companies being clients of the firm. He understood that to make Crizotinib available and affordable to other cancer sufferers would require action by the Pharmaceutical Benefits Advisory Committee (PBAC), an independent committee of the Department of Health that assesses a drug's clinical and cost effectiveness. The PBAC also recommends whether the drug should be reimbursed by the government and at what price.

John took the initiative to make his own private submission to the PBAC at the same time the drug manufacturer, Pfizer, were making their second submission for listing. The approach was to demonstrate that Crizotinib was cost effective when compared to Pemetrexed. John liaised with Pfizer and with a patient advocacy group called Rare Cancers Australia to assess the size and scale of the patient population unable to access Crizotinib.

One obstacle John faced was that the PBAC guidelines did not allow various non-economic benefits (such as productivity and efficiency benefits) to be considered. Working with PwC's Health Economics team, he was able to demonstrate where the government in other social welfare areas had themselves relied upon and used the economic value of productivity impacts and efficiency benefits. The PwC analysis demonstrated an increase of ~\$17,000 AUD per annum per impacted individual, equaling a total benefit of \$1.9 million AUD across the health system and workplace.

## What impact did we make?

John's submission was tabled and considered by PBAC at the November 2014 meeting at which time they approved Crizotinib for reimbursement, nearly 3 years after it was first registered, and it was listed on the PBS in July 2015. Patients can now be reimbursed for the cost with a small copay.

The impact on patients from a financial perspective was enormous. Most importantly it allowed a large number of ALK sufferers for whom the drug was out of reach to gain immediate access, with the significant overall progression free rate and lifestyle benefits for them, their care-givers and their families.

As described by Richard Vines, Chief Executive of Rare Cancers Australia:

*“John’s work with the support of PwC was instrumental in finally achieving government subsidy for Crizotinib. The evaluation process used by Government is heavily skewed towards more common cancers and diseases. Without John’s work it is doubtful this drug would have been accepted...This was a great outcome.”*

### For more information:

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