IFPW FOCUS IFPW

Vol. 28, No. 24 International Federation of Pharmaceutical Wholesalers December 16, 2021

Global Use of Medicines 2022 and an Outlook to 2026

(Source: A Report by the IQVIA Institute for Human Data Science)

The outlook for global spending on medicines has become clearer as the uncertainties of the last two years in a global pandemic have gradually given way to more predictable challenges and opportunities for healthcare systems and policymakers across developed and emerging economies. Healthcare has shown itself to be remarkably resilient during COVID-19, but challenges remain — and evidence-based decision-making is more important than ever.

The largest driver of medicine spending through the next five years is expected to be global COVID-19 vaccinations, which are unprecedented both because of the number of people being inoculated and the speed with which it is expected to be achieved and then repeated with frequent booster shots. But even leaving aside the pandemic, global spending on medicines continues to be driven by innovation and offset by losses of exclusivity and the lower costs of generics and biosimilars.

This new report from the IQVIA Institute quantifies the impact of these dynamics and examines the spending and usage of medicines in 2021 and the outlook to 2026, globally and for specific therapy areas and countries. This report is intended to provide a foundation for meaningful discussion about the value, cost and role of medicines over the next five years in the context of overall healthcare spending.

Key findings of the study include:

1. The global medicine market,using invoice price levels, is expected to grow at 3-6% CAGR through 2026.

2. Medicine use and spending trends have been negatively impacted by the COVID-19 pandemic but will be more than offset by incremental spending on related vaccines and therapeutics.

3. Global medicine spending will be lifted by stronger pharmerging market growth through 2026 and offset by slower growth in developed markets caused by losses of exclusivity for original brands.

4. A total of 300 new drugs are expected to be launched over the next five years to 2026, significantly higher than the level seen on average during the past decade, and are expected to skew toward specialty, niche and orphan drugs.

5. New product launches in the next five years will result in US$196 billion in new spending, largely offset by reductions in brand spending, with US$188 billion due to losses of exclusivity.

6. The two leading global therapy areas — oncology and immunology — are forecast to grow 9-12% and 6-9% CAGR, respectively, through 2026, lifted by significant increases in new treatments and medicine use and offset by the impact of biosimilars.

(continued on page 2)

In Brief...

- **IFPW** is pleased to announce that *Juan Guerra* has joined the IFPW Board of Directors as a regional director of Europe, the Middle East and Africa. Juan is the SVP Managing Director **Alliance Healthcare**. Through the years he has been an ardent supporter of IFPW, and we are excited to have Juan's insights and perspectives as a board member.
- The **U.S. Food and Drug Administration** amended the emergency use authorization (EUA) for the **Pfizer/BioNTech** COVID-19 vaccine, authorizing the use of a single booster dose for administration to individuals 16 and 17 years of age at least six months after completion of primary vaccination with the Pfizer/BioNTech COVID-19 vaccine. The decision is based on the FDA's previous analysis of immune response data that supported use of a booster dose in individuals 18 years of age and older.
- **Johnson & Johnson** named new members of its executive committee. The newly minted executive committee will serve under *Joaquin Duato*, who takes over as CEO on Jan. 3. In a move that J&J unveiled in August, Duato will soon take the reins from *Alex Gorsky*, J&J's CEO since 2012, who will become the company's chairman. *Vanessa Broadhurst* will take over as the VP of global corporate affairs. *Bill Hait* will become VP of external innovation, medical safety and global public health, and *Mathai Mammen* will become VP of pharmaceuticals R&D.
- **CVS Health** announced a new strategy that will capitalize on the significant opportunity to make health care more convenient, personalized and affordable for consumers. The executive team articulated how investing in high-growth areas

(continued on page 2)

Pfizer, Moderna, J&J and AstraZeneca Assess Omicron's Effect on Their COVID-19 Vaccines

(Source: An article by Kevin Dunleavy for FiercePharma)

With the new omicron variant of COVID-19 fueling fear around the globe that the coronavirus is regaining momentum, makers of the world's most successful vaccines are investigating whether they need to tweak their shots.

Over the last few days, Moderna, Pfizer-BioNTech, Johnson & Johnson and AstraZeneca revealed plans to address the threat posed by omicron, which emerged in South Africa and recently was detected in Australia, Israel, Hong Kong, North America and parts of Europe. On Friday, the World Health Organization classified omicron as a "variant of concern."

Each of the companies said it is testing an omicron-specific vaccine. Moderna said it could have a tweaked version of its shot ready early next year if necessary. In the case of the delta and beta variants, Moderna needed "60-90 days" to advance new

(continued on page 2)

Global Use of Medicines (cont.)...

7. In neurology, many new medicines are expected across a range of diseases, including novel migraine therapies, rare neurological diseases, and the potential for therapies for Alzheimer's and Parkinson's disease.

Learn more by downloading the report and graphic exhibits at http://iqviainstitute.org.

Pfizer, Moderna, J&J (cont.)...

candidates to clinical testing, it said in a release.

"We should know about the ability of the current vaccine to provide protection in the next couple of weeks," Moderna's chief medical officer Paul Burton told the BBC. "The remarkable thing about the mRNA vaccines," Burton said, "is that we can move very fast."

Moderna provided the most detailed information—laying out a multi-pronged strategy—on its plan to address the variant.

First, with 306 participants, the biotech has begun a study of a higher-dose version of its booster to see if it provides superior protection against the strain.

Secondly, Moderna is studying two multi-variant booster candidates that were designed in anticipation of mutations such as those that have appeared in the omicron variant. Lastly, the company is developing its omicron-specific shot.

Moderna's strategy is the "right one," said analysts at financial group ODDO BHF, who stopped short of adjusting revenue figures for the company for 2022 and 2023.

"In less than three months we could hope, on paper, to have a specific vaccine candidate against this new form and a market launch between three and six months from now," ODDO BHF analysts wrote to investors.

Meanwhile, *Comirnaty* partners Pfizer and BioNTech will be ready to adapt a new vaccine "within six weeks and ship initial batches within 100 days," BioNTech said in an emailed statement. The company added that there is a greater chance that solving the new strain will require a tweaked shot.

"The omicron variant differs from previously observed variants because it has additional mutations located in the spike protein," BNT said. "We expect data from the laboratory tests in about two weeks. These data will provide more information about whether B.1.1.529 could be an escape variant that may require an adjustment of our vaccine."

For its part, J&J has been working with academic groups in South Africa and from around the world to evaluate the effectiveness of its adenovirus vaccine versus the omicron variant, the company said in a release.

"We remain confident in the robust humoral and cell-mediated immune responses elicited by the Johnson & Johnson COVID-19 vaccine, demonstrated by the durability and breadth of protection against variants to date," Mathai Mammen, the global head of Janssen R&D, said in a statement. "In parallel, we have begun to work to design and develop a new vaccine against omicron and will rapidly progress it into clinical studies if needed."

AstraZeneca is taking the same measures—testing its current vaccine while developing another to defend against the variant. Additionally, it is testing the effectiveness of the monoclonal antibody treatment it is developing for the prevention and treatment of COVID-19.

"AstraZeneca has developed, in close collaboration with Oxford University, a vaccine platform that enables us to respond quickly to new variants that may emerge," the company said in an emailed statement. "AstraZeneca is also already conducting research in locations where the variant has been identified, namely in Botswana and Eswatini, that will enable us to collect real world data of *Vaxzevria* against this new virus variant."

Berenberg analysts said that the speed with which mRNA vaccines can be developed will be critical if new variant-specific shots are needed.

"Due to more mutations observed in omicron, the effectiveness of the current vaccination regimen will likely be reduced, which underscores the need for boosters and potentially variant-specific vaccines," the analysts wrote. "We believe mRNA technology is the solution to lead us out of the pandemic."

In Brief (cont.)...

of the business and introducing new health products, services and technologies. Additionally, the company announced a partnership with **Microsoft**. The companies will focus on innovative solutions to help consumers improve their health. With the goal of helping consumers, the two companies plan on assisting CVS Health employees, including frontline workers, obtain the best tools to better serve the communities they serve.

- Sixteen organizations, including the **American Hospital Association, Johns Hopkins Medicine, Athenahealth, AARP**, and **Ascension**, launched a public education campaign to protect access to telehealth called **Telehealth Access for America**. "Access to telehealth is vital to Americans' well-being and quality of life," AHA President and CEO *Rick Pollack* said. "Without action from Congress, millions of Americans who have come to rely on telehealth services will lose access to the care they value." The initiative advocates for telehealth because of its ability to promote better health outcomes, higher quality of life, health equity, patient empowerment and lower costs.
- A first peer-reviewed study in North America examined timing between the first and second doses of COVID-19 mRNA vaccines. Results show that a longer dose interval leads to a stronger immune response. The peer-reviewed study compared blood test results from a total of 186 paramedics, some of whom were vaccinated within the earlier recommended interval of less than four weeks, and others who received their second doses after six to seven weeks.
- **IQVIA** is connecting clinical trial patients in their homes with nurses and phlebotomists with mobile research units that will give patients participating in clinical trials access to IQVIA's global network of nurses and healthcare workers who draw a patient's blood. They will provide protocol-required care within a patient's own home, which expands the geographic reach of where clinical trials can take place, IQVIA said. The goal is to improve the patient experience in clinical studies, boost trial retention figures, improve protocol compliance and broaden the geographic potential of studying investigational drugs.

(Sources: Company Press Releases, Drug Store News, FierceBiotech, FiercePharma, and World Pharma News)