

# Investing in Australia's cancer challenge

Cancer remains a significant burden in Australia. Each year an estimated **150,000** new cases are diagnosed, with approximately **50,000** Australians dying from their disease.<sup>1</sup>



## Cancer and the economy in numbers

**\$10.1bn** health system expenditure annually<sup>9</sup>

As the population ages, the burden of cancer will continue to grow, with a projected **42% increase in cancer cases between 2020 and 2040, and a 63% increase in cancer deaths.**<sup>2</sup>

Cancer has a significant economic impact on individual patients, their families, and our society as a whole. There is therefore a strong economic case for investing in measures that will test and treat patients faster, enabling people with cancer to live longer, better lives.

**88,000** working years lost in one year, due to premature cancer mortality<sup>10</sup>

As it develops the new Australian Cancer Plan, the Government has made a commitment to harness the latest innovations to improve cancer outcomes.<sup>3</sup> Medical and pharmaceutical innovation continuously help to make cancer a more manageable disease, improving cancer outcomes even in some of the hardest to treat tumour types. The upcoming Health Technology Assessment (HTA) review, promised in the new Strategic Agreement 2022-2027,<sup>4</sup> provides an unprecedented opportunity to maximise the transformative benefits these medicines can bring.

Across ten key cancers, 'checkpoint inhibitor' cancer medicines have been associated with:<sup>5</sup>

**\$4.2bn** lifetime income lost as a result<sup>10</sup>



**50,100** Adults of working age with cancer and not in the workforce<sup>10</sup>

Challenges in both funding of medicines and the access and reimbursement system mean there are gaps between what is medically possible and what is available to patients...

- The average time for an NME to achieve reimbursement in Australia is longer than the OECD countries average and considerably behind the world leaders Japan, Germany, Austria, and the UK
- For cancer, patients must wait even longer, with 496 days the average time to reimbursement<sup>6</sup>

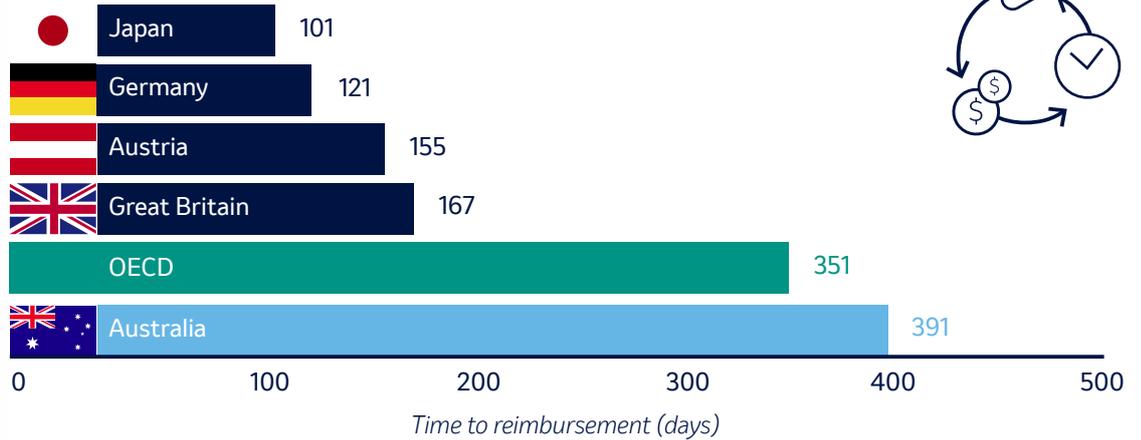
**\$1.7bn**

Australia's GDP  
lost as a result<sup>10</sup>

Up to  
**\$111,000**

lower  
superannuation  
balance  
because of  
forced  
retirement<sup>11</sup>

### Time taken from registration to reimbursement of new medicines



As a result of this delayed access, cancer patients in Australia face:<sup>2,7,8</sup>



Realising the ambition of the Australia Cancer Plan will require new thinking about how to fund and give access to cutting edge technologies in a sustainable way for patients and the health system.

We recommend the following areas as a starting point for dialogue between policy partners:

- More research into the **long-term economic impact** of cancer and benefits of cancer treatment
- Creating **expedited reimbursement pathways** for the most promising new treatments
- Recognising the **societal benefits** of new cancer medicines, learning lessons from effective investment and expenditure in response to COVID-19
- Implementing new multi-indication funding models



**At MSD, we match our scientific innovation with fresh thinking on funding and access solutions for new technologies. We stand ready to work with government, alongside patient and clinical stakeholders, to find new ways to make new cancer treatments available to patients.**

**REFERENCES** <sup>1</sup> Cancer Council Australia, [Facts and figures: cancer statistics in Australia](#), accessed August 2021 <sup>2</sup> IHE, [Cancer care and access to cancer drugs in Asia-Pacific, 2021](#), accessed August 2021 <sup>3</sup> Department of Health, [Cancer funding boost and development of Australian Cancer Plan](#), April 2021, accessed August 2021 <sup>4</sup> Department of Health, [Strategic Agreement in relation to reimbursement, technology assessment and other matters](#), September 2021, accessed September 2021 <sup>5</sup> Adelphi and PROVE, [Health Impact Projection – Australia](#), July 2021, accessed August 2021 [data on file] <sup>6</sup> Medicines Australia, [Medicines Matter: Australia's Access to Medicines 2014 to 2019](#), November 2020, accessed September 2021 <sup>7</sup> Medical Oncology Group of Australia, [Availability of new, innovative and specialist cancer drugs in Australia: inquiry submission](#), 2015, accessed August 2021 [data on file] <sup>8</sup> Consumers Health Forum of Australia, [Out of Pocket Pain](#), 2018, accessed August 2021 <sup>9</sup> Australian Institute of Health and Welfare, [Health system expenditure on cancer and other neoplasms in Australia, 2015-16, 2021](#), accessed August 2021 <sup>10</sup> Nicole Bates et al., [Labour force participation and the cost of lost productivity due to cancer in Australia](#), BMC Public Health 18, 375, 2018, accessed August 2021 <sup>11</sup> The Mckell Institute, [Our Health Our Wealth: The impact of ill health on retirement savings in Australia](#), September 2018, accessed September 2021.