



Briefing

The Role Of Medicines – Seeing The Whole Picture

- An evidence-based approach to tackling chronic disease, including the use of medicines, is fundamental to the success of *Designed for Life*.
- The effective use of modern medicines can play a cost-effective role in meeting healthcare needs in Wales.
- We need to look at all the costs and benefits of medicines, not just at the bill.

This briefing draws on a report published in November 2006 by the Office of Health Economics: "Health and Use of Medicines in the UK - a view of Wales". This report examines the current use of medicines in Wales compared with the rest of the UK.

Tackling chronic conditions – medicines have key role

Chronic conditions – such as asthma, diabetes, heart disease and lung diseases – have been called “the 21st century healthcare challenge”.

Wales has one of the highest levels of chronic conditions in the UK, with around one-third of adults reporting at least one condition. There are two main reasons for this; the legacy of our industrial past, with very high levels of lung diseases for instance; and the ageing population. Chronic conditions are most prevalent in older people, and Wales has the highest percentage of over 65s in Britain. Demographic change will mean more people with chronic conditions, putting further pressure on healthcare costs in Wales.

- Respiratory illness alone accounts for 28.5% of Welsh patient visits to their GP.
- Chronic conditions are estimated to account for up to 80% of all GP consultations and 60% of hospital bed days.

Against this backdrop, it is right that *Designed for Life* requires a remodelled approach to long-term conditions based on chronic disease management.

Medicines have a key role to play in managing chronic conditions, improving the quality of life for patients. NICE technology appraisal guidance demonstrates the role of modern medicines in a range of

chronic diseases, including:

- Rheumatoid Arthritis (etanercept and infliximab)
- Schizophrenia (atypical antipsychotics)
- Type 2 Diabetes (glitazones)
- Epilepsy in children (newer drugs)
- Statins for the prevention of cardiovascular events

Evidence from the US also shows that medicines management is central to tackling chronic conditions. Leading US healthcare provider Kaiser Permanente is noted for example for its pharmacy call centres, which help ensure that patients get the support they need to get maximum benefit from their medicines.

Medicines – focus on the whole picture, not just the bill

The cost of medicines and new drugs is very much in the public eye at present.

Medicines expenditure as a proportion of total NHS expenditure is slightly higher in Wales than England and Scotland. But across the UK this proportion has fallen in recent years as the overall NHS budget has risen faster than the medicines bill. Figures from the Office of Health Economics show that between 1999 and 2004, overall government spending on the NHS in Wales rose by 40%, with staff costs rising around 35% and real medicines spend increasing by 26%.

As elsewhere in the UK, this increase in Wales has been driven largely by an increase in the volume of prescribing of relatively low-cost medicines. When it comes to new medicines, the level of prescribing in the UK is low compared with other industrialised nations. In Wales the uptake is marginally higher than for the UK as a whole.

It is crucial that NHS funding is being spent wisely and effectively. But what is equally important is the evidence which is used to make these judgments. In the case of medicines it is essential not to view expenditure in isolation, but to consider the overall impact of the technology on the health care system, taking into account factors such as improvements in patient outcomes or savings from the wider NHS budget. In short, when it comes to assessing the pros and cons of medicines, we need to look at the whole picture, not just at the bill.



Case Studies:

Atypical Antipsychotics:

While an increase in the medicines bill is expected there are likely to be overall cost savings as inpatient stays are reduced. Given that hospital beds are the most expensive part of the healthcare system, at around £2000 a week, there is potential for significant savings at the same time as improved patient care.

Diabetes:

Around 9% of NHS expenditure can be attributed to diabetes. Improvements in disease control can lead to savings in the cost of insulin, improved outcomes, slowed deterioration and reduced overall costs. One estimate is that better management of Type 2 diabetes could have saved up to 33,000 bed days in Wales in 2005.

Coronary Heart Disease:

Tackling CHD effectively means investing in areas such as health promotion and smoking cessation, which are good for patients and highly cost-effective. But medicines also have a role to play, especially statins, which lead to reductions in angina, stroke and heart attacks. Figures for England for 2005 show that £730 million was spent on statins, but that this saved an estimated 9,700 lives. In Wales, research by NERA estimates that over 5 years, statins have saved 3000 lives, and 112,000 bed days.

Conclusion:

An evidence-based approach to tackling chronic disease, including the use of new and established medicines, is key to reducing hospital admissions and improving health outcomes. In assessing the pros and cons of medicines, as in much else, we need to ensure that we focus on the whole picture.

"The OHE report demonstrates how new, innovative medicines may offer; good value for money, better disease management as well as economic benefits due to a reduction in in-patient hospital stays and associated social costs. Wales currently has a pattern of high prescribing of low cost, older medicines. We believe the report illustrates the need for a comprehensive review of the use of medicines in Wales, to ensure optimum use is made of prescribing budgets."

Dr. Rick Greville, Director, ABPI Cymru Wales

"The use and management of modern medicines, the active involvement of pharmacists in working with patients and the part pharmaceuticals play in helping in the treatment and rehabilitation of patients, are all crucially important to achieving the so called 'modernisation dividend' and the overall improvement of the health and well-being of the people of Wales."

Mike Ponton, Director, Welsh NHS Confederation

To obtain a copy of the Office of Health Economics report, contact the ABPI Cymru Wales on 02920 454297 or wales@abpi.org.uk

About ABPI

The ABPI is the trade association for companies in the UK involved in the research, development, manufacture and supply of medicines prescribed through the NHS. The Wales Industry Group is a coalition of ABPI members. Its role is to increase understanding of the pharmaceutical industry, engage in dialogue and work in partnership to improve health and well-being. For details contact wales@abpi.org.uk

About The Welsh NHS Confederation

The Welsh NHS Confederation represents the organisations making up the NHS in Wales. All trusts and local health boards are members. It is part of the UK-wide NHS Confederation. For information go to www.welshconfed.org

Further Information:

CHD and Diabetes in Wales: Meeting the Challenges, NERA/ABPI, December 2006

From the Rockies to the Rhondda, Welsh NHS Confederation.

www.welshconfed.org/Health2015/FromtheRockiestotheRhondda.html

Chronic conditions – delivering the double benefit, Welsh NHS Confederation.

www.welshconfed.org/reso/1776/image/Chronic%20Conditions%20E.pdf