



Innovating for better health

Closing address
by

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Good morning ladies and gentlemen,

First and foremost, I would like to thank the organisers for having invited me to today's conference on innovation in healthcare. Health and healthcare are the themes that are uniting us here today: we all want to bring health solutions as quickly as possible to the patient, in the most sustainable way.

Those who follow the news may get the impression that our healthcare system is in bad shape. But nothing could be further from the truth:

- **The medical possibilities today are unprecedented.**
- **People are living longer than ever, and generally in much better health than before.**
- **And our healthcare is very accessible to people**, as shown by many different rankings and ratings. Moreover, we continue to work hard on improving this accessibility for specific groups.

So why do some people have the impression from that our healthcare system is struggling? This perception is largely due to the fact that we keep focusing on what can and should be improved. This is a good thing, as this ongoing drive for progress has brought us to where we stand today. But we must not forget that the challenges we are facing today are often the result of advances in technology and medical sciences.

Take aging, for example, and the resulting increase in the number of people suffering from one or more chronic conditions. Yes, this trend is giving rise to major challenges, not the least in terms of spending. But we must not forget that this is, above all, a positive development, one which we to a great extent owe to the better diagnosis and treatment options that have become available.

And yes, these do cost money, often a great deal of money, especially in the first few years of being made available. But no one would want to turn back the clock, I'm sure.

Where there are ways to help a patient, we *must* do so, even if it costs a great deal of money. It is up to all those involved to do it in such a way that we do not undermine the sustainability of our healthcare system.

Ladies and gentlemen,

The move towards personalised medicine and the advent of new, high tech treatments provide promising new prospects for our patients. We can speak of a true paradigm shift:

- Progress used to be made in increments, small steps expressed in a price per year of life gained.
- That model is currently being shaken up. Thanks to ground-breaking medical innovations, we are experiencing major breakthroughs: instead of gaining a few extra QALYs (or Quality Adjusted Life Years), certain innovative treatments are making complete cure possible and thereby deliver a whole lifetime of QALYs in a single blow. Think for example of certain types of cancer we can now cure with immunotherapy.

At the same time, this evolution has an impact on the pharmaco-economic model we have used for so many years. Should we continue to use that model unchanged, our healthcare would very soon become unaffordable to the average citizen. Only wealthy families would be able to afford top quality care. And **that is not an option**. We must work towards developing a new model that is adapted to today's reality and takes into account the broader picture of the healthcare economy.

National and international cooperation is one of the crucial elements in this regard. It is the best way to foster breakthroughs in research, to maintain the price of medication at an affordable level for governments, to conduct large-scale patient-oriented clinical research, to collaborate on horizon scanning to prepare to what the future may bring...

That's why:

- I have concluded the famous Pact for the Future for the patient with the pharmaceutical industry, and a similar pact with the medical technology industry. But later more on this
- Through NGS project, we combine all the forces in our country working on next-generation sequencing, for the purpose of being able to optimise patients' treatments over time.
- We play a leading role in the BeNeLuxA story.

- We are working on a few initiatives with other countries on the topic of publicly-funded studies.
- And so on.

Ladies and gentlemen,

Of course, the pharmaceutical industry has its role to play too. After all, the industry is active in the non-profit sector and receives significant subsidies from the government through the medication budget. It must make its contribution to achieving sustainable healthcare, through responsible pricing, providing good clinical data for the purpose of eliminating budgetary and clinical uncertainties, etc.

The pharmaceutical sector is first and foremost known for its economic footprint. Some figures to illustrate this:

- In 2017, almost 36.000 people were employed by the biopharmaceutical sector, together with 5.100 people in R&D. In comparison to 2016, this meant a total increase of 1,3%.
- Since the beginning of this government's term, we have created almost 1.000 additional R&D jobs in the biopharma sector.
- On top of that, the sector of medical technology employs directly 18.000 people.
- Together this means almost 55.000 people are providing healthcare solutions to the Belgian patient.
- In 2017, the biopharmaceutical sector invested 3,5 billion euro in our country. That's an increase of 35% compared to the beginning of this term.
- 20% of the European bio market cap is present in Belgium.

These numbers underline the dimension of the sector, but **the real question is: *what's in it for the patient?***

- Overall, the developed treatments are vital and essential for patients and their quality of life.
- Each year more than 170,000 Belgian patients receive early access to innovative medicines by participating in **clinical trials**. If you look at the relative numbers per capita, we are the second within Europe, after Denmark, and rank third in the world. In many cases, participation in clinical trials is the last hope for patients to extend their life expectancy, improve their quality of life or even have a chance of recovery. And there is of course also the value for future patients.
- The collaboration with private industry leverages the fundamental science present in our excellent universities, 19 research parks, and 23 incubators. This resulted

in in the fact a little country like Belgium is responsible for the development of **5 of the global top-100 drugs**, the world's highest per capita.

- Belgium hosts **best-of class research institutes** like imec and the Flanders Institute for Biotechnology.

These are just a few examples to underline the importance of pharmaceutical research for our patients. However, globalisation and emerging markets are shaking up the system and are confronting us with new challenges. It might be more difficult to keep on excelling in this domain than it was to get to the top. Yet, this is our clear ambition. That's why for the past few years, we have been creating an environment wherein research can thrive.

First of all there are the **very important pacts with the biopharmaceutical and with medtech sector** I have already mentioned. We all need each other in healthcare: patients, the government and the sector. In these two pacts, we are trying to reconcile all of our interests and create a favourable environment to drive and value innovation in healthcare. It offers a long-term perspective which is very important for pharma and medtech companies.

We are also reinforcing our **national innovation office**. Today, the national innovation office is the entry gate with regards to early research in pharmaceuticals. However, other domains are flourishing, think for instance of diagnostics, IVD and medical technology, and they are all interrelated. This requires more knowledge and expertise. That's why we are increasing the scope of our national innovation office.

Last month, we announced the establishment of an **implementation fund for medical technology**. Why? We invest a lot in medical innovation by means of subsidies. But too often that innovation remains unused, because there are hurdles to start using it in everyday practice. A frequently cited reason for the non-uptake of innovation is the initial investment needed without being certain the innovation will lead to efficiency gains. That's why I am implanting this fund: we will assist in the initial investment to lower the hurdle for medical technology being used.

Another example is our **big data policy**. Last September, we had our kick-off event of **data4betterhealth**. Aim: developing a systematic, streamlined unlocking of health data in order to optimize our healthcare. Our country has loads of data: general data, data about reimbursements, genetic databanks, diagnostic data... However, they are dispersed over a lot of stakeholders. By unlocking these silos and combining the data, we can find

new solutions. That's why we will work out an appropriate framework for this, since we are convinced this will be a game changer for the biopharmaceutical sector in Belgium.

Ladies and gentlemen,

These are just some examples to show what we are doing as a government to stimulate innovation: create a framework in which the stakeholders can be active. That framework contains the building blocks that can be used by you in order to keep our country at the top of innovation. **Only by combining our forces, we can bring new solutions to the patient as quickly and affordably as possible.**

But how do we pay for all of this?

A crucial element in the pacts with the pharmaceutical sector and the sector of medical technology is **the budget**. We have liberated means in the off-patent segment in order to reinvest them in the in-patent sector. In this way, we have been able to invest 1.6 billion euro in innovation during this term. Given the strict budgetary context, an additional effort of the sector cannot be excluded as was illustrated this year. Nevertheless, the principles stated in our Pacts are respected in this regard.

At the same time, we need to **rethink our financing system as a whole**. Pharmaceutical and technological innovations have a budgetary impact in different fields: medicines, hospitals, chronic care... New solutions may cost a lot of money in one domain, but save money in other domains. **We need to take this transversality into account while reorganizing the structure of our healthcare system and of its financing.**

Ladies and gentlemen,

There is a lot of work to be done, but that is what makes it exciting. In the past decades, the organisation of healthcare has remained roughly unchanged. This makes sense, since the system worked adequately and still has many merits. It is now up to us to redesign the sector and reform it from within. That is the only way to offer patients with the best possible care in the future, at a cost which individual patients and society as a whole can afford.

Thank you for your attention.

Maggie De Block,
Minister of Health and Social Affairs