Death of a Dream?
Economic Burden of Cancer

Prof Richard Sullivan MD PhD

academia.edu/RichardSullivan
The Public Policy Challenge
Toxic politics of healthcare costs: research, care......
Cancer research and care as a social good….or a business? Are these mutually exclusive principles?

Social perception framed by hope and ultimate expectation of success
Issues of affordability are very complex and require system II thinking......

“One invisible hand working on another”

“Oncologists are relatively insensitive to costs of cancer drugs” [April 2012 Health Affairs]
• When do we ever stop to consider real public health needs, or whether the whole show is sustainable?
• Can economic principles really frame cancer?
• The archaeology of cancer is a very bit as irrational, misguided, dogmatic…etc. as any other area of human scientific endeavour….how does this fit with the logic of economics?
Economic
What keeps policy-makers awake at night....Titanic moment

Cost spend (where the money goes)

Cost trend (how spend is increasing)

Cost drivers (why spend is increasing)
In social healthcare systems, e.g. much of EU27 affordability is about trade-offs and political prioritization….how much does cancer deserve?

![Bar chart showing the economic burden of CHD, Cancer, Dementia, and Stroke in EU-27. The chart indicates the percentage of economic burden contributed by health care, social care, informal care, morbidity losses, and mortality losses for each condition.]

Expenditure & outcomes: a complex link……

By Tomas Philipson, Michael Eber, Darius N. Lakdawalla, Mitra Corral, Rena Conti, and Dana P. Goldman

An Analysis Of Whether Higher Health Care Spending In The United States Versus Europe Is ‘Worth It’ In The Case Of Cancer

HEALTH ECONOMICS
Health Econ. 21: 316–337 (2012)
Published online 14 February 2011 in Wiley Online Library (wileyonlinelibrary.com). DOI: 10.1002/hec.1716

COMPARING COSTS AND OUTCOMES ACROSS PROGRAMMES OF HEALTH CARE†

STEPHEN MARTINA, NIGEL RICEB,* and PETER C. SMITHC

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1% increase in cancer exp per head gives rise to 0.39% reduction in YLL. Extra life year costs £13,931 in UK
Trend from high income countries…. whilst cancer medicines are only ‘part’ of the issue the halo effect is dramatic….

http://f.briatte.org/research/msc-cancer.pdf  Governing the cancer care state
Global sales ($M) 2007-2012: cancer R&D is stratospheric....
ROI is vast….and this is just one technological area…..

**Molecular targeted**

CAGR 2008-2018 = 9.8%

**Cytotoxic sales**

CAGR 2008–2018 = 3.1%
Socio-Demographic Challenge
Ageing and associated chronicity is a real issue

Social systems are rapidly changing...this has dramatic effects on affordability issues....

If we fail to deliver affordable cancer care...we will fail to deliver R&D active systems......

TWO THINGS WILL HAPPEN
1. Less R&D and more basic in output.
2. Collapse of personalised-medicine.

What’s going to happen? The grain silo model……..

43,456 researchers

17.5-22 Bn GBP Public
36 Bn GBP Private
ROI: 48-75 Bn

412 pre-phase I NME
624 NME Phase I-III
>1.3k biomarkers
? Non-Med Technologies

Regulatory
Economic
Trade-Off with NCD

Patient numbers
Macro economics
Dependency ratio(s)

BURDEN

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Integrated Cancer Centre
What about the rest of the world??...the real affordability issues are in emerging economies: high income p-medicine has little traction

Quadrupule disease burden systems

Urbanisation

Traditional modifiable risk factor (tobacco, obesegenic) and malnutrition co-exist

Huge need for different R&D to deliver their solutions

We need to ensure that creativity isn’t sacrificed…..

- Value of new technologies in cancer is based on perception of them as having the power to heal (1).

- New medicines may facilitate further fundamental research and/or drive further development. Important for the general *zeitgeist* of development in this area (2).

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“Striking a balance between idealism & fatalism”

Fatalism – socio-demography; Darwinian selection of private and public cancer research enterprise

Idealism – avoid moral hazard. Re-principle what we are trying to achieve and what is not acceptable, e.g. “too little for too much”.

“We are at a crossroads for affordable cancer care, where our choices—or refusal to make choices—will affect the lives of millions of people.”