

Delinkage of R&D costs from drug prices

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From a patient's point of view...

- Access
- Cost
- Innovation



Today, there is a “link” between high price and R&D

Patients are told “R&D is funded by the high cost of medicines”

Patients are “hostages” of the current ineffective system. They know it.

We also all know it is expensive to do R&D.

But we also all know that the high cost of medicines is caused by monopolies resulting in rationing.



Is this really “for the greater good”?



Rationing is not rational. There must be a better way...

- We have to finance more and better R&D without threatening access to life-saving drugs for patients.

- It is possible.
- It is necessary.



Delinkage? What are the goals of delinkage?

- To pay for innovative medicines
- To ensure more access to all patients



Delinkage

Delinkage models for the financing of medical R&D are not dependent on high pricing of important medicines, often sustained by intellectual property policies that create monopolies.

Delinkage models overcome the objection that lower prices for medicines would have a negative impact on R&D.

- There is a combination of research grants and innovation inducement prizes to finance research, none of which rely upon or are linked to drug prices.



Full implementation of delinkage

Would enable generic competition and low prices for products.

While other funding mechanisms are used to fund R&D.



How does it work?

No granting of monopolies and high prices as the incentive to invest in R&D but new funding & incentives.

Delinkage models combine:

- expanded government funding for drug development
- incentives based upon cash rewards to researchers and successful drug developers.

More competition instead of monopoly resulting in prices for products closer to marginal costs of production.



Conclusion

We have to pay for innovation, but it does not have to be through artificially high prices under the grant of monopolies.

UACT supports delinkage because it takes high prices out of the equation for innovation and ensures fair access to health needs.

