AstraZeneca Affordability Statement

May 2024

AstraZeneca

Our commitment

Non-communicable diseases (NCDs) account for 74% of all deaths worldwide.[1] The cost of continued underinvestment in the fight against NCDs has been estimated at $47tn in lost gross domestic product globally from 2011 to 2025.[2]

This growing economic and social burden of disease – exacerbated by factors such as ageing populations and the environmental impact of the climate crisis on health – also disproportionately affects low- and middle-income countries (LMICs), where more than three quarters of all NCD deaths occur and 86% of premature deaths[1], further widening the health equity gap. Prevention, early detection and treatment are key to addressing the escalating costs of progressive disease and associated pressures on the healthcare systems. These challenges require the healthcare industry, policymakers, and payers to address the healthcare burden and affordability barriers together.

For our part, we continue to implement innovative solutions in order to optimise affordability and accessibility for patients. Where necessary, we seek to address barriers beyond price. Particularly in LMICs, barriers to healthcare can include:

- Lack of basic infrastructure and shortage of healthcare workers.
- Difficulty in accessing primary care.
- Difficulty in accessing specialised care and specialists.
- A need to strengthen national regulations and regulatory systems.
- Limited opportunities for disease education.
- Varying rates and speeds of diagnosis for many conditions.

Some patients in upper middle- and high-income countries (HICs) also face financial constraints in accessing the medication and treatment they need. We take innovative steps to engage with these patients and increase their access to medicines.

Key principles of sustainable affordability

There are four key principles that drive sustainable affordability:

- **Sustainability:** of both the healthcare system and our research-led business model.
- **Value:** reflects the clinical benefit of our medicines to patients, and the broader impact on society, along with the positive economic impact to the healthcare system by reducing the need for additional medical intervention.
- **Access:** collaboration with payers and providers on solutions to enable sustainable access to our medicines.
- **Flexibility:** supporting flexibility in pricing to reflect variation in health system needs and ability to pay.

To ensure patients have access to our medicines, we continue to implement innovative solutions, partnerships, and technologies in order to optimise affordability and accessibility.

Our focus and core affordability approach

We take a broad approach to reflect the wide variation in global healthcare systems, and we understand the need to work closely with payers and policymakers to ensure access is both widespread and sustainable.

A variety of approaches and programmes are tailored to address local needs and work with local healthcare systems. We aim to both improve health system resilience and support sustainable access to, and affordability of, healthcare.

Several of our programmes coordinate with country-specific health systems to deliver medicines in a locally affordable context for the patient. These include:

- By offering customised solutions to address the gap in ability to pay in the out-of-pocket (OOP) sector, ensuring patients stay in therapy on their prescribed medications.
- By providing discount schemes and assistance for people who can't pay, via patient assistance programmes (PAPs).
- By strengthening health systems, for example training healthcare professionals and facilitating clinics for screening and diagnosis.
- Other patient assistance-based programmes focus on making medicines available through donation (i.e. free of charge).
- Tailored payment models, such as Tiered Pricing (based on Gross National Income) and Value- Based Agreements (VBAs), allow flexibility in linking cost to economic prosperity, real world clinical benefit of the medicine, or other agreed terms. We also take into account the ability of the relevant government to pay using factors such as national budget, health economics data, and Gross Domestic Product (GDP).

Our medicines help address unmet medical need, improve health, and create economic benefits.

Each healthcare system is unique, with different healthcare costs, patient populations, and societal priorities and, as such, a medicine's value within a particular healthcare system is different from another. Our approach is therefore driven by the belief that the price of a medicine should reflect its value, support sustainability, maximise patient access, and provide flexibility to accommodate variation in global health systems and economic realities for patients.

Our affordability approach in practice

Value-based agreements: Across multiple therapy areas

- Value-based agreements enable patient access while reducing uncertainty of payers (clinical or economic) by linking access, reimbursement, or price, to real-world clinical benefit or other agreed terms. AstraZeneca works closely with governments to create agreements, based on local real-world data, and tailored to address unmet need.

Patient access programmes

- **Patient Assistance Programmes** use fully donated product without expectation of payment from the patient for any portion or to access the programme. Our largest Patient Assistance Programme is AZ&Me in the United States, which provides eligible patients with AstraZeneca medicines free of charge.

- **Patient Affordability Programmes** aim to close the gap in the ability to pay, of patients who fund their own medicines, and sometimes close a funding gap between capped, government-sponsored funding and the patient's ability to pay once funding from government ends. We track PAPs in 25 countries, most of which are LMICs.

Access to healthcare programmes

- Healthy Heart Africa is AstraZeneca's flagship innovative programme committed to tackling the increasing burden of cardiovascular disease (CVD) in Africa. Having achieved its launch goal early in 2024 – to reach 10 million people with hypertension by 2025 – the programme now helps countries address the growing social and economic burden of heart and kidney diseases by targeting those in greatest need and improving equitable access to care, by partnering with governments, healthcare providers and local communities.

- **PUMUA initiative — redefining asthma care in Africa:** the PUMUA initiative makes low-cost, high quality respiratory medicines available as part of the programme at a significant discount in Kenya and Ghana, taking into account ability to pay. The programme also makes respiratory equipment for asthma management available in all participating countries.

- **Making genetic testing for ovarian cancer affordable:** Working in partnership with a diagnostics company, this programme supports patients in more than 20 countries around the world until they have homologous recombination deficiency (HRD - a biomarker for cancer) testing reimbursement by their healthcare or insurance provider.

- **Pioneering an equitable and sustainable approach to cancer care in Africa:** Cancer Care Africa is our response to the growing cancer burden on the African continent by creating resilient cancer care ecosystems that transform cancer outcomes and make healthcare more accessible and sustainable. Launched in November 2022 at COP27 in Egypt, Cancer Care Africa aids countries in strengthening the entire oncology ecosystem, developing local capabilities and improving access to diagnostics and innovative health technologies to make cancer screening more accessible, especially in remote and underserved communities.

For more information on our approach to affordability see our website

Further detail can also be found in our Sustainability Report

References

[1] World Health Organization. Noncommunicable diseases. Available at: https://www.who.int/health-topics/noncommunicable-diseases#tab=tab_1

[2] Ghebreyesus, T. A. (2018). Acting on NCDs: counting the cost. The Lancet, 391(10134), 1973–1974. doi:10.1016/s0140-6736(18)30675-5