Interview: Krzysztof Kozik, General Manager, Novo Nordisk, Poland



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In a world where diabetes increasingly more common, Poland has not been spared, with 2.5 million diabetic patients currently, and with a further 750,000 still unaware of their condition. In this battle, Novo Nordisk Poland wishes to introduce a revolutionary product called GLP-1 analog, which Krzysztof Kozik, General Manager of Novo Nordisk, describes as: “extremely efficient, lowers blood glucose, safe and associated with weight loss.”

How does the current diabetes situation in Poland relate to Novo Nordisk’s performance in the country?

Poland is an important market for Novo Nordisk in Europe as diabetes is a serious problem. With 38 million citizens, three million people with diabetes, and still one third of the population unaware of their condition, the prospects for improvement in this situation are evident.

Novo Nordisk remains a clear leader in the Polish diabetes segment, providing long-acting analogs and new therapies like GLP-1 and steadily incrementing our market share.

In the end, our success will depend on our ability to confront market access challenges. Of course, given our pipeline and blockbuster drugs such as GLP-1 analog, we are confident about the future

of Novo Nordisk both globally and within Poland.

Because of the new Reimbursement Act implemented in January 2012, the industry has been under a lot of pressure to adapt to the new legislative framework. What have been some of the repercussions of this act on the industry?

Indeed, when this framework was implemented, the industry as a whole suffered—for instance, the insulin market dropped by 17 percent. Of course, Novo Nordisk not only lost in terms of sales but in market share as well due to increased patient co-payment levels.

However, the Reimbursement Act has brought a series of positive changes, with a better approach to drug reimbursement. In the law it says that every two months new innovative drugs should join the reimbursement list and this is truly necessary for our industry, whereas in the past it could take years to get drugs onto the reimbursement list.

Looking at figures, the whole budget for drug reimbursement is around USD 4 billion and the real expenditure was approximately USD 660,174,000 less than planned. In addition, 2013 should also see significant savings, in the range of USD 494,902,500. Once again, to put diabetes in perspective, out of the USD 660,174,000 that were saved in 2012, USD 165 million came from the diabetic area (insulin and strips).

Also, with fixed margins at pharmacies and wholesalers, this new revolution brought an increase in patient co-payments for reimbursed drugs. Insulin is a perfect example, as before the act, pharmacies and wholesalers were ready to reduce their margins in order to make insulin more readily available to patients, compensating for higher co-payment. Now this method is not possible, which has triggered higher co-payments for patients.

Therefore, sadly, Poland is one of the countries with the highest rates of co-payment in Europe, and this impacts the patient directly, as they have to pay more from their own pockets. In the past, it was possible to buy insulin in pharmacies without co-payment, and diabetic patients were attractive customers and were spending reasonably well on many types of drugs. Now, with higher co-payment, their consumption has gone down.

One of the aspects of this new framework is that the savings are supposed to be reinvested in new innovative products. Do you think this will eventually happen?

Government officials are stating this is happening already, as there are new drugs appearing on the reimbursement list. This may be the case for very specialized drugs targeting small fractions of the population, but as a whole these savings are very far from bringing forward new innovative

products. Of course, we are urging for this to change, as in the end patients have higher co-payment on average and limited access to innovative drugs.

Negotiations are under way and before 2012 these were extremely difficult. At the end of last year, another negotiation round took place for all companies to renegotiate drug prices and reimbursement limits, given that reimbursement decisions are issued for two years. This second round was more successful, and yet so far from giving satisfaction to all stakeholders.

With uncertainty regarding new drugs on the reimbursement list, how is Novo Nordisk planning to seize full potential of the Polish market?

At the end of 2012, we managed to bring new analogs onto the reimbursement list, mainly for type one diabetes patients. We continued our efforts and at the end of last year we managed to include type-2 patients, with the introduction of our long-acting analog insulin. Even though only 70 percent of the price is reimbursed, it still remains a great solution for the patient.

In addition, our global pipeline at Novo Nordisk is extensive and this gives us great flexibility to bring the best innovative drugs to the market. Our challenge is, of course, to place them according to the demand and legal conditions present in the country.

Innovation comes at a price, due in part to higher and stricter safety measures and clinical trials that increase costs. Of course, innovation is necessary; but convincing payers to contribute is not an easy task, especially when we still see signs of economic recession in most European countries.

In the end, patients deserve innovative products to fight their disease and we are willing to compromise with the government to ensure this happens. Moreover, we sincerely hope this year will bring new drugs like GLP-1 analog, which is reimbursed in most of the European Union and has completely changed lives for people with diabetes. It has worked so well that Novo Nordisk France’s turnover with regards to that single drug exceeded Novo Nordisk Poland’s turnover. This drug is unique: it is extremely efficient, lowers blood glucose, safe (does not cause hypoglycemia as it is only active when insulin goes up). Our efforts locally have been to convince the government of the amazing qualities of this drug.

And to understand this better, we produced a report last year showing that diabetes cost USD 2 billion per year, but more importantly half of this cost is due to diabetic complications.

Novo Nordisk took first place in the prestigious Best Workplace ranking of 2012. What does this reward represent for the company?

Employees at Novo Nordisk feel they are truly making a difference in the patient's life and are always rewarded for their efforts. Moreover, three years ago we launched a new program called "Aspiration," dedicated to bringing all patients into good control, and we intend to maintain this mindset and energy at the service of our patients.

As a company as well, we provide our employees with the best working conditions possible, development plans and advanced health packages, such as Novohealth.

The company has engaged in several social and environmental actions. For instance, last year we sponsored a diabetic football team from Poland and they ranked number four in the European championship in Croatia. This was an impressive achievement, as they were better than our national football team!

This is you first assignment as a General Manager at Novo Nordisk. How has this new challenge been so far?

Novo Nordisk is part of my life, and has been for the past 15 years. Most of my career was focused on finance and my last assignment was in France as the CFO for France and Belgium.

When an opportunity came to move back to Poland and step up as the new general manager, I jumped at the chance. Of course, this would never have happened without the company's impressive employee development strategy. When employees are willing to take on a new role and challenge, Novo Nordisk can make it happen.

One and a half years has passed since my nomination as the new general manager of Poland and of course, I am still going through the learning curve, but at the same time my role is truly rewarding on many levels.

With a promising economic outlook of 2.4 percent GDP growth for Poland in 2014, how will we find Novo Nordisk in five years?

Our key goal is to bring our patients into good control. To achieve this, we will keep focusing on diabetes, but we will also strengthen our hemophilia segment. We need of course to maintain our market share level and to a further extent, increase it. Novo Nordisk has all the arguments to succeed: we have the best products, and we also provide the best customer service and education to society.

Diabetes is a pandemic and we must keep fighting it. The Novo Nordisk vision is to treat 40 million patients by 2020 and today this goal is only halfway met. The road is long but our motivation is stronger than ever.

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