Mike Thompson – Chief Executive, ABPI, UK



"There is absolutely no doubt that the NHS will have to adapt to an evolving landscape if it is to continue to deliver world-class healthcare"

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Mike Thompson, chief executive of the Association of the British Pharmaceutical Industry (ABPI) reveals his staunch faith in the British health service but calls for the NHS to welcome and drive change by enhancing productivity. With positive evolutions in the UK government's approach to collaborative partnerships, he warns that clarity for the industry in the next stage of Brexit talks is of upmost importance to both UK and EU patients.

The NHS is celebrating 70 years of existence this year. Considering prevailing pressures on the system, do you think it will survive a further 70 years?

I believe—as does the British public—that the NHS will be around for many decades to come. There is enormous public support for the NHS, and this was illustrated in a recent YouGov poll we carried out into the British public's attitudes to science and health. We found that 81 per cent of people say they are proud of Britain's history of innovation in healthcare and medicine, credited to the role of the NHS, and 86 per cent think it is important that Britain continues to be a global leader in health and science innovation

Nevertheless, there is absolutely no doubt that the NHS will have to adapt to an evolving landscape if it is to continue to deliver world-class healthcare. It is common knowledge that technological advancement and changes in patient expectations necessitate a certain level of transformation. There is a need to go well beyond maintaining the status quo.

The challenge for the NHS—which is actually an agglomeration of five independent organizations—is to drive this change. It is incredibly difficult to drive change through an organization constructed in this manner. While I have little doubt in the future longevity and a staying power of this iconic institution, the major task at hand is going to be all about mastering this evolution process.

What are the main axes of change you see the NHS as having to go through?

The main conclusion of the recently published Life Sciences Industrial Strategy (LSIS) was that the only way the NHS can cope with an increase in volume—which we know will most definitely occur—is to become more productive. At the heart of productivity is innovation and when it comes to making decisions about breakthrough, innovative medicines it’s important to factor in how this medicine will lead to increased productivity and savings elsewhere in the system.

Indeed, one of the challenges for the NHS is that it operates with very short budget cycles, and this is the subject of interesting debates in the British political arena at the moment: to determine whether the NHS should be assigned a longer-term budget. To drive change, the NHS has to invest in innovation that serves as a conduit to that change, and budget planning becomes absolutely essential. Only under these conditions will the NHS become considerably more productive.

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For now, within the very tight budget controls the NHS lives under, it is tremendously difficult for the body to engender positive evolution within the system.

Increasingly, we see politicians recognizing that productivity and innovation are critical ingredients to fostering the sorts of changes and outcomes that everyone is striving for. A precondition to all of this is amendments to budget allocations.

Just how significant a step is the Government’s Life Sciences Industrial Strategy?

We believe an Industrial Strategy is the right approach for our industry: we worked closely to support Sir John Bell in developing the strategy, and industry has already shown its support for the delivery of the strategy through the first Sector Deal – and we expect to deliver a second sector deal later this year.

With such wide-ranging support from our Industry it was no surprise that the Government decided to launch its own cross-sector Industrial Strategy white paper at The Francis Crick Institute. As an industry we know that there is a triple win that we need to work hard to keep in focus. A win for

patients with improved outcomes, a win for the NHS with system efficiencies and a win for industry with a greater and faster uptake of our innovation.

What sort of changes need to be made to how the NHS and industry interact and collaborate if we are to see produced value ultimately reaching patients?

Within the NHS, only medicines are subject to any sort of real productivity check. As an industry, we recognize that NICE does a tremendous job as a HTA body to assess this productivity. Companies themselves are also getting noticeably better at bringing forward information that demonstrates not only the improved patient outcomes they are delivering, but also their instrumental role in driving efficiency within the public health system.

Some UK regions have also begun reengineering patient pathways. Based on their desire to access the best innovation to improve the health of people in their region, NHS Manchester has been a leading example in this regard. I predict dramatic changes taking place over the course of the next 20 years, as payers will increasingly realize that the benefits industry brings to the table require significant reengineering of patient management.

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Secondly, the manner in which private industry and the NHS work together will be of fundamental importance. The upshot of any upheaval around how medicines are being delivered is that we are going to need to see a much greater level of integration than previously was necessary. Without integrated partnerships we will simply not be able to realize the sorts for benefits that we are striving for.

This all comes down to adopting a change of mindset and forging an unprecedented relationship between industry and the NHS going forward. All in all, I believe this can be great news for the patients!

How would you assess the government’s readiness to work towards such improved collaboration?

We can see that the UK is a huge champion for innovation. We are the third largest pharmaceutical cluster outside of the west and east coasts of the US. The ensured continuum of this position has to come from companies that invest in the UK, seeing that their medicines will find access here.

Nonetheless—and the ABPI does not tire of pointing this out—the business model of the pharmaceutical industry remains very fragile. As a company, you have to meet the challenge to

ensure you see a return on investment. If new medicines do not find early uptake in a healthcare system, industry will look elsewhere. There is no lack of attractive choices and the Chinese government's heavy investing in healthcare is just one incentive among many.

There are massive opportunities for global industry int the UK and we believe that this is well-understood by the government. The question is whether we can collectively find a way to collaborate for the benefit not just of the industry, but the NHS and the patients too. This is the goal that we are working towards. If we can find a way to do this, it will resolve fundamental challenges.

There is a great opportunity to create win-win opportunities all round. Some in the government—Lord O'Shaughnessy, Under Secretary of State at the Department of Health, for example—have demonstrated a willingness to understand the industry. Such insightful levels of comprehension and dedication to partnering make me feel confident that we can achieve our goals.

Brexit is on everybody's lips; what are the implications for your members?

Every month, some 45 million packs of medicine leave the UK for Europe, and 37 million packs leave Europe for the UK. I think it is safe to say that we are all in this together. A 'no deal' Brexit, where the UK leave's the EU in March 2019 without an agreement on the regulation, trade and supply of medicines, would be extremely challenging for our members.

The UK is the third largest biopharmaceutical cluster in the world. As global healthcare changes, it is important that Europe maximises our strengths in life sciences. Fracturing the European life sciences industry as a result of Brexit would be damaging to the industry across Europe. That's why it is in the interests of the EU to ensure the UK remains integrated as far as possible to the European life sciences eco-system, which would also be in the best interest of European patients.

There are some major political questions that still need to be resolved and these decisions will directly impact on the life sciences sector. We need to ensure we continue to have a pan-European voice to ensure continued access to innovation for all patients in Europe.

Is the UK still going to be sufficiently appealing for foreign investors?

It is truly a great time to be working in UK Life Sciences. This puts the UK as one of the world leaders for an industry that researches and develops the next generation of medicines for patients across the world.

We are also at the forefront of a real wave of scientific advancement. 20 years ago when I joined our industry, we would never talk about cures. Today we talk about the huge strides our industry has made and talk about cures in some disease areas. IN my lifetime we've seen diseases such as HIV/ AIDS transformed into a chronic, manageable condition

In some respects, Brexit could potentially be advantageous for the UK. In the past, we have been seen as a gateway to Europe. Although this might change in the future, we have an opportunity to take Britain global. The focus will be more on our offering to global companies and how we can set ourselves apart as more appealing. In the long term, we could even gain from the current complications.

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