Calin Galaseanu – General Manager, Novo Nordisk Hungary



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Calin Galaseanu, recently appointed general manager of

Novo Nordisk Hungary, elaborates on the country's strong treatment paradigm for diabetes. He goes on to highlight Hungary's key positioning as a strategic affiliate for Novo Nordisk in the areas of market access success and clinical trial capabilities.

After more than ten years with BMS in Romania, what was the motivation for you to join the Novo Nordisk team in Hungary?

I was working at BMS for quite an extensive period of time and there comes a point when change is necessary for one's career. I was eager to have the opportunity to join a company with an entirely different portfolio in a new market.

What were your first impressions of the pharma market here and how did the reality of Hungary defer from your expectations?

I was familiar with the realities of the Hungarian market before I even came to the country. In Romania, I was the president of the ARPIM (Romanian Association of International Medicine Manufacturers) for five years which was a member of the EFPIA (European Federation of

Pharmaceutical Industries and Associations). We often had board meetings in Brussels where I was part of a working group that represented the CEE region in which we discussed the conditions of all the countries in this area.

How would you assess the level of diabetes care in Hungary, a country in which nearly ten percent of the population suffers from the disease?

Hungary is not necessarily different from the rest of Europe when talking about the incidence of diabetes, which is about 9.5 percent locally. Additionally, as in the rest of Europe, we are seeing an interesting phenomenon regarding healthcare expenditure; only five percent of the care expenditure for diabetes is allocated to pharmaceutical products. The remaining 95 percent of this cost goes towards the treatment of the complications caused by the disease such as amputation and blindness. Therefore, from all of the direct and indirect costs of diabetes as a social burden, only a very small portion goes toward pharmaceutical treatment.

This being said, Hungary is actually one of the most fortunate countries in Europe for the treatment of diabetes. These products are well reimbursed, and patients have access to virtually all of the latest innovation that is introduced to the market.

Considering the challenge of health literacy in the country, how is Novo Nordisk continuing to be involved in educating diabetes patients and caretakers?

While good access to treatments is essential, adherence is also important in the management of the disease. Not just particularly in Hungary, but this is a major challenge within healthcare overall. When patients do not follow their treatment regimens properly, for whatever reason, this leads to major complications down the line.

In this respect, the government is implementing several different programs in the market to reach GPs and patients. What Novo Nordisk and the industry can do is work with patient advocacy groups to raise this awareness. Through communication the healthcare professionals, they can relay to patients the importance of adherence to their disease.

The patient associations here in Hungary are very mature, having built strong relationships with the authorities and industry over many years of collaboration. Furthermore, they are very active members of the European network, which is important for any patient group regardless of the

therapeutic area. On one hand, they can learn new practices from international patient groups while also sharing their experience with other countries which may not be as developed in the treatment of diabetes as Hungary.

Novo Nordisk's main product areas cover diabetes, obesity, haematology, and growth disorders. Can you tell us about your overall portfolio in Hungary and the balance of these products?

Nowadays the weight of our operations is split 80/20 between diabetes and what we call biopharma – hematologic disorders and human growth hormones. However, we have very ambitious plans moving forward to scale up and expand our portfolio in the country.

Within the affiliate, we are preparing to launch new products in diabetes in addition to haemophilia and further exploring possibilities in obesity in 2020. This is somewhat a virgin area here in Hungary because obesity is an out-of-pocket market that requires the industry to be very aware of the purchasing power of patients without reimbursement. Therefore, we have to step back and make our calculations as to how we will address the market as we prepare to open the scope for obesity in Hungary.

The way that this area is addressed in Europe is increasingly becoming more aware that obesity is in fact a disease rather than a lifestyle. Patient groups around Europe are working vigorously to raise awareness to the authorities that obesity is more than just consuming calories but rather a complex condition which can have upwards of 90 factors, such as genetics, that can cause the disease. Internally within Novo Nordisk we must be sure to avoid treating obesity with a diabetes mindset as the two diseases are entirely different.

What is the strategic importance of Hungary and the affiliate for the regional operations of Novo Nordisk?

What makes Novo Nordisk Hungary unique not only within the CEE region but all of Europe is our key success in market access. For example, one of the company's flagship products, Ozempic®, was launched here in Hungary very successfully in mid-April whereas Germany will introduce this product mid-January 2020. It is a very significant accomplishment that a country in the CEE region has been able to launch an innovative product earlier than a key market such as Germany. This attests to the importance of bringing innovation in the treatment of diabetes from the Hungarian

government’s perspective. It is very exciting to see that Hungarian patients can be among the first in Europe to be treated with such a novelty product.

What are your expectations for introducing Novo Nordisk’s newest innovation Rybelsus to the market?

Novo Nordisk Hungary has a legacy of being able to bring top-notch innovation to the local patients. Therefore, I am very confident that we will be able to offer this great novelty to Hungarian patients and doctors. RYBELSUS®, the world’s first and only oral GLP-1 RA therapy to be approved by the US FDA.

What is your assessment of the ease of access for innovation in Hungary today?

There is no such thing as a perfect healthcare environment when it comes to the uptake of pharmaceuticals. Looking at the investment in health as a percentage of GDP, the European average is around 8.5 percent and Hungary is at 7.5 percent. On one hand, this gives us hope for the improvement of expenditure in Hungary, while on the other, we should not consider the healthcare expenditure as a percentage of the GDP as the only KPI of a healthcare system. If we take the US as an example, the total expenditure is upwards of 14 percent of GDP while almost 38 million patients are without any kind of medical coverage.

Overall, looking at the number of new Novo Nordisk products launched in Hungary versus Poland or the Czech Republic, this country leads within the region. Not only looking at diabetes but also our biopharma portfolio, particularly in hemophilia, we are on a positive path for market access and reimbursement.

In your view, are the benefits of innovative products to the healthcare system being properly valued by the health authorities?

I have witnessed in Hungary that there is a great collaboration between the academic, government, and industry stakeholders. There is no gap between these fields which is one the key secrets to the country’s success for innovative access in many therapeutic areas. The academic sector is really working with the administration to raise awareness and discuss key issues regarding the valuation of innovation. For example, the adoption of therapeutic guidelines is quite

smooth here. I believe that many other countries in the region can take Hungary as an example to follow and achieve this same level of success.

What do you see as the opportunities for establishing solid partnerships with the Hungarian government and healthcare authorities?

It may sound trivial, but it is true that everything is eventually tied back to the condition of the local economy, and as long as things are booming, we have the opportunity to grow. The second aspect to consider is what is the likelihood that the government is willing to share this growth with the healthcare sector. In this regard, it is important to look at healthcare as an ecosystem because pharmaceuticals expenditure cannot be judged singularly. While the economy has strong prospects, the government has to distribute its budget where the need is greatest.

Therefore, as a pharmaceutical partner, we understand the importance of finding mutually beneficial funding solutions based on benchmarks. Looking at the fundamental KPIs of health, Hungary is absolutely comparable with western European markets.

To what extent are clinical trials significant within the activities of Novo Nordisk in the country?

The affiliate’s clinical operations team is one of the biggest of Novo Nordisk within the CEE region which attests to the importance of the activity and number of trials deployed in the country. Hungary is involved in all of the major worldwide clinical trials conducted by the company, and there have been instances in which Hungary proudly provided the first patient participants on a global scale for key trials. If a country like Hungary can provide the first patients in a clinical trial involving over 80 countries, before markets like the US or China, that is something which should be highlighted as an internal benchmark regarding the strategic importance of the affiliate.

What are your impressions of the Hungarian talent pool and working culture?

None of the results we have achieved could be accomplished without the highly talented and skilled individuals we have here in Novo Nordisk Hungary. They put a lot of passion into their work daily and what I would like to see more of in the future is the country as an incubator for exporting talents into the operations of the company across Europe. The talent potential is here, and it is one

of my goals as the new general manager to realize this next level of team development.

It is important that people are rewarded for their accomplishments and exceptionally talented professionals are exposed to senior-level management within the company; locally, regionally, and globally.

Now that 2019 is coming to an end, how would you assess the performance of the affiliate this year?

Within the CEE region, Hungary was a top performer in terms of growth. We have reached a critical mass and the affiliate is now on the map of Novo Nordisk for the entirety of its European operations, not just confined within the local geography.

What priorities have you identified for yourself and the affiliate coming into your first full year at Novo Nordisk Hungary?

I would highlight three main priorities going into 2020. The first would be to continue bringing exciting innovation to the Hungarian patients through product launches across the entirety of our portfolio. Second, we are preparing for a change in our office location, which is a major milestone for the affiliate as we have maintained the same facilities since we first entered the market. Third and most important, we will continue developing the talent of our local Novo Nordisk team.

What three points of advice can you offer to other general managers who are coming to a new country for the first time?

My first advice would be to take a step back and learn as much as possible; it is not a good thing to speed ahead without understanding the current conditions. Next, if there are past experiences that can be implemented in a new market, it can be beneficial but should not be the other way around. Finally, get to know your new people, their problems, and their motivations. Quoting Richard Branson, I agree that if you take care of your people first, they will take care of the customer.

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