

Takeda's Position on Value-based Healthcare

Key message

Takeda believes value-based healthcare can help health systems deliver more benefits to patients and society by allocating more resources to high value-care and fewer resources to low-value care. "Value" is characterized by the specific outcomes achieved in the eyes of all stakeholders, and patients above all.

Takeda believes information technology can be used in a responsible way to collect the health data that value-based systems need for assessing value as measured by outcomes – which reflect the real changes in patients' health – and that stakeholders should have a shared financial interest in achieving these health outcomes for patients and society.

Takeda sets out the following key principles for transitioning healthcare systems to a value-based model: cooperation and partnership, setting standards for outcomes, responsibly gathering outcome data, and a shared long-term vision.

Background

Most health systems pay a fixed price for each unit of medical care given to patients, for example, for one dose of medicine or for one medical procedure. This is a straightforward way to reward companies and other entities in the health system for their products and services. However, the value or benefits that patients receive from medical care are often highly variable, and the incentives are often tied to consumption of medical care rather than for optimizing health outcomes – which reflect the real changes in patients' health.

The challenge and opportunity for health systems is to allocate more resources to the high-value care that provides the most benefits to patients and fewer resources to the low-value care. In response, value-based healthcare is evolving as an international model for optimizing the value of care in health systems.

Takeda's position

Takeda is a science-based, R&D-driven company aiming to develop highly innovative medicines for patients. Our values ensure that we serve patients, build trust with society, strengthen our reputation, and develop our business, in that order. Value-based healthcare is consistent with these values because it is centered around

patients and realizing the benefits of better health for health systems, caregivers, and society. Takeda is committed to developing innovative products that provide better health outcomes for patients and society. One example of value-based healthcare is the health system reimbursing Takeda for a medicine on condition it achieves a pre-determined outcome for a patient and society such as improved function and less dependence on caregivers.

However, the definition of “value” will often vary based on the stakeholder and what outcome they aim to achieve for patients, as well as the available prevention or treatment options. Basic health services and high-quality generic medicines can provide value, as well as medical and pharmaceutical innovations for unmet patient needs. We believe there is no ‘one-size-fits-all’ approach to value-based healthcare. Rather, the model should be adapted to the needs of different patient populations. Often, we will need to experiment to learn which approach works best.

To optimize value, health systems need to be able to measure the outcomes or real changes in patients’ health following an intervention, for example, taking a prescribed medicine. This requires access to comprehensive health data to see whether the intended outcome for the patient from taking the medicine has been achieved. We believe information technology can be used in a responsible way to collect and analyze health data for this purpose and that wherever possible patients should be empowered with the tools and standards to measure and share their outcomes.

Pricing and reimbursement frameworks will need to be adjusted so there is a financial incentive for all stakeholders to achieve the intended outcomes for patients. We believe prices for innovative products should be based on value as measured by outcomes and should allow for sustainable investment in R&D, particularly for diseases with low prevalence. However, we also intend to deliver our vaccines, medicines, and therapies at prices which are acceptable to payers and society depending on their ability to finance innovation.

Takeda sets out the following key principles for transitioning healthcare systems to a value-based model.

Cooperation and partnership

Takeda believes increased cooperation among healthcare stakeholders is essential to establishing value-based systems. We will contribute to the debate on how to design healthcare systems according to value-based principles and will partner with patients, academia, governments, payers, providers and other stakeholders to pilot value-based approaches.

Setting standards for outcomes

We support multi-stakeholder efforts to establish standards for outcomes as the first step towards generating

evidence for value-based health systems. We also call for flexible approaches to demonstrating outcomes for rare diseases because small patient populations often make standardization difficult or impossible.

Responsibly gathering outcome data

We support multi-stakeholder efforts to improve interoperability of health data systems and find solutions for responsibly gathering outcome data, for example, through independent observatories for patient-reported outcomes.

Shared, long term vision

We believe all health stakeholders benefit from taking a long-term approach to measuring and learning from outcome data so that value-based systems can be continuously optimized.

Closing

Successful transition to a value-based system will not be simple. It will require a flexible approach to the needs of patients, better information, and appropriate incentives including for innovation. Takeda believes that value-based healthcare will lead to better allocation of resources in health systems and better health outcomes for patients and society.

October 2019