The Real Value of Innovative Medicine

In order to create a sustainable health care system, it’s important for all stakeholders to holistically look at the burden and overall cost of disease—not just the cost of the critical interventions, if we don’t account for the value of medicine, we’re not looking at the full picture.

But it’s critical that we address the real problem—the rising cost of disease.

Consider the financial burden of HIV in the 1980s.

Despite focus on the high cost of cancer treatments, we’re making

CRITICAL BREAKTHROUGHS IN CANCER

Innovators only captured 5%–9% of the $1.9 trillion of economic value generated through people living longer, healthier, more productive lives.¹

Innovation requires the power to explore and the time to stimulate change. Innovative biopharmaceuticals are part of the solution to the significant burden of cancer, cardiovascular and other serious diseases that impact patients and society.

SO WHAT ARE WE DOING?

To address some of health care’s most pressing challenges, Amgen uses insights from human genetics and biology to innovate biologics and decrease the cost and burden of disease. We are also actively working to:

• Develop innovative new technologies to engage patients/providers to ensure optimal value is derived from our product
• Evolve manufacturing to drive cost down through innovation
• Serve as a leading manufacturer of high-quality and reliably supplied biosimilars
• Graduate and train the next generation of biomedical professionals
• Innovate biologics and decrease the cost and burden of disease.

But it’s critical that we address the real problem—not just the cost of critical interventions, if we don’t account for the value of medicine, we’re not looking at the full picture.

The challenge we face in addressing health care spending is that many stakeholders view the problem from a narrow silo or focus on the short-term financial or budget impact of paying for innovation.

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IN THE ‘80s

Exports estimate the AIDS deal will reach total annual costs of $66.5 billion by 1991—a figure that could bankrupt the health care system

—Washington Post, June 1989

Life-Years Saved Economic Value Created

5-yr Survival Rates Are Up Since Mid-1970s²:

<table>
<thead>
<tr>
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<tr>
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Since Mid-1970s²:

Approximately 80% of the increases in survival rates can be attributed to innovations at treatment²

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