

AmCham**Denmark**

The Voice of Foreign Companies

HEALTHCARE POLICY AGENDA

Bringing the Benefits of
Innovative Practices to Denmark

November 24, 2008

Background

The Healthcare Ambition

We are convinced that Denmark has the means to build on areas necessary to create a world class healthcare system. We also believe there is a long way to go. The most striking evidence is that Denmark has one of the lowest life expectancies among the EU's OECD countries - 15th position with 77.9 years, well behind Sweden and Finland, and Germany. (see figure 1). Though boasting one of the highest life expectancies in 1960, Denmark has fallen short of reaping the benefits that have contributed to increasing life expectancy in other EU countries.

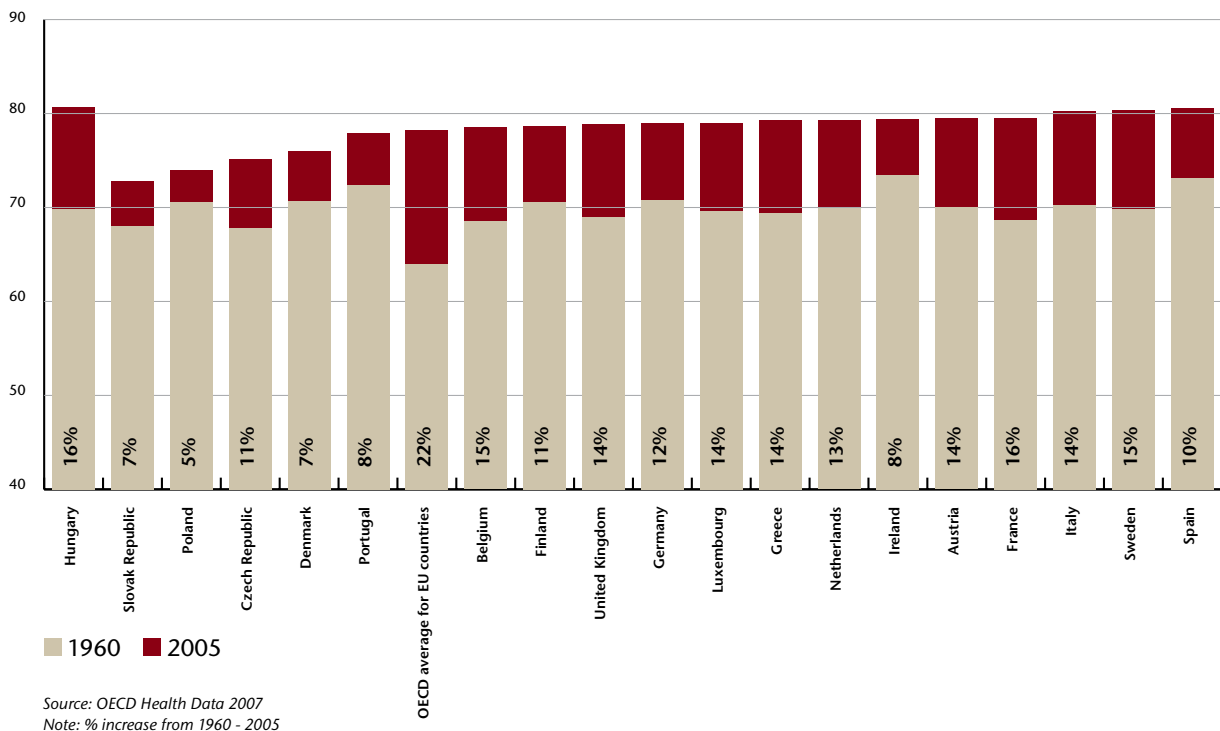
Recent actions by the Government indicate that healthcare is increasing in visibility and importance. Specifically:

- The Danish healthcare budget has been raised for 2 years running in 2007 and again for 2008.

- A new structural reform is being implemented that is designed to improve quality of care
- Comprehensive disease plans have been put together and are also being successfully executed (e.g. cancer plan and heart plan)
- Further investment plans of up to 100 Billion DKK are being discussed by the Regions
- Government has established a committee on Prevention with the objective to prolong life expectancy by 3 years over a 10 year period.

These measures are all a good start. However, going forward there remain a number of priority points that need to be addressed if Denmark is to achieve its goal of creating a world class healthcare system.

Figure 1: Life expectancy at birth, total population, 1960 and 2005

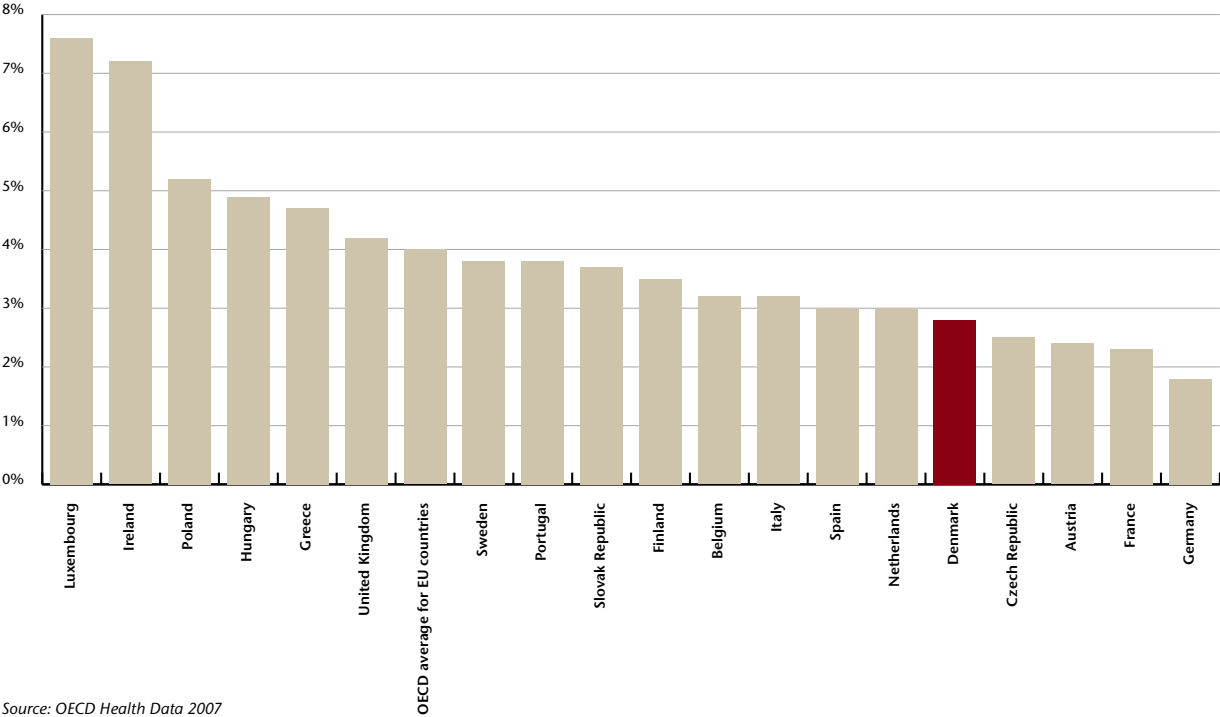


Priority Points

1. Increase the overall investment in healthcare by viewing it as an investment, not a cost

- Increase the growth rate in healthcare spending, both public and private, to the OECD average of 4%. (see figure 2)
- Commission a health economic study to identify the key areas of under-investment in the health care system.
- Prioritize investment in hospitals, general practice, equipment, and disease prevention.

Figure 2: Annual average growth rate in real health expenditure per capita, 1995-2005



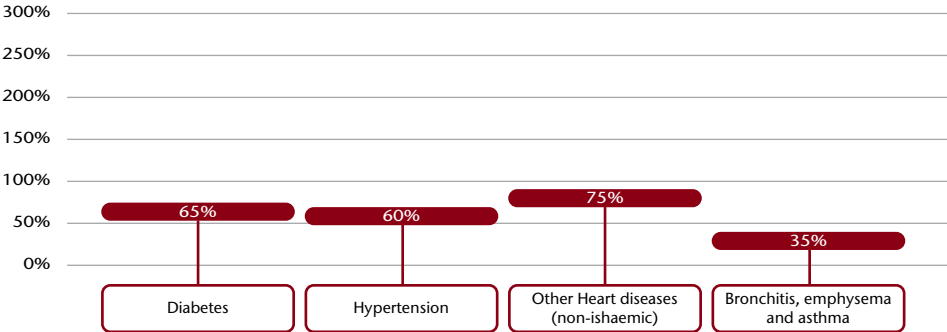
Source: OECD Health Data 2007

Priority Points

2. Make Denmark the Gold Standard Country in the Management of 6 priority diseases

- Commit to bring Denmark in the top 10% of EU countries in the prevention and management of 6 priority disease areas: Hypertension, Diabetes, Hypercholesterolemia, Osteoporosis, Cancer and COPD. (see figure 3 and 4)
- Set specific yearly goals to measure progress vs. other countries in the prevention, diagnosis, treatment and health outcomes in each of these disease areas.
- Update national (and regional) guidelines for each disease area, focusing on prevention as well as diagnosis and treatment.
- Increase Regional and National funding of new research, new therapeutic approaches, and non-pharmaceutical approaches to prevention and management.
- Increase patient and caregiver awareness and involvement in preventing and managing these diseases through direct education and compliance.
- Reduce inaccurate diagnosis and treatment via a comprehensive and mandatory Continuing Medical Education program aimed at General Practitioners
- Explore programs to incentivize General Practitioners to increase their effective treatment of these diseases.
- Reduce the cost burden on patients by providing significantly reduced co-payments for medication in these priority and chronic disease areas.
- Partner with patient and physician societies and healthcare companies to increase the investment and focus of managing these disease areas.

Figur 3: Increase in mortality rates for certain disease Categories



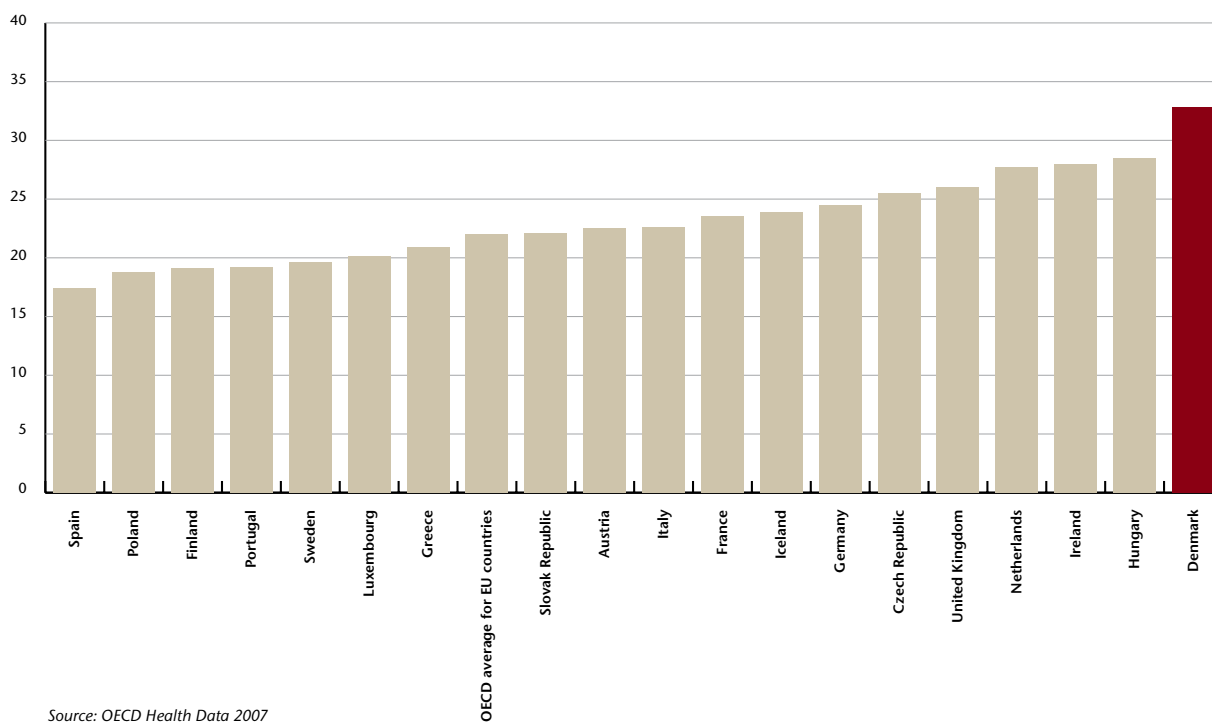
*Note: 1985-2001 (both genders per 100,000 persons).
Source: Danish National Board of Health, The Causes of Death Registry 2005*

Priority Points

3. Enable patients and citizens to have better understanding of treatment options

- Ensure that current best practice in Europe should be the guiding element for setting the highest possible standard in Denmark in terms of the provision of basic and legally authorised information sought by citizens (eg FASS in Sweden and Medicines Guides in UK.).
- Explore measures to ensure that citizens without access to the internet can obtain the information they seek.
- Introduce high quality standards for information on treatments provided to patients, whatever the source of that information.
- Further explore mechanisms to validate information to patients on diseases and treatment options.

Figure 4: Breast cancers, mortality rates, females, 2004 (pr. 100.000 female)

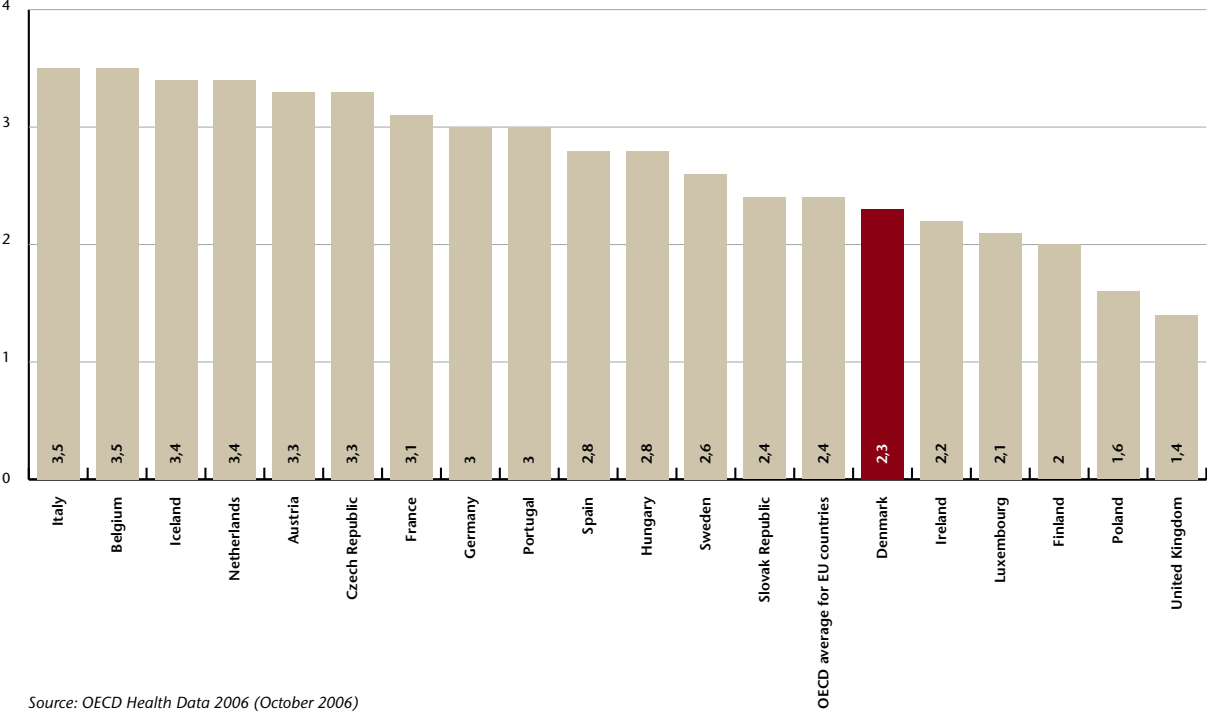


Priority Points

4. Attract more healthcare professionals and scientists, and redefine their roles to address changing demand

- Implement new measures to immediately increase the supply of healthcare professionals and scientists: Facilitate the entry of foreign healthcare professionals and make it more attractive to relocate to Denmark over a longer term period through a change in the tax incentives for foreigners with a healthcare background. (see figure 5)
- Implement new measures to sustain the supply of healthcare professionals over the long term: Create incentives for students to choose a medical/ nursing or scientific education and to practice their profession in underserved parts of Denmark.
- Increase investment in Danish Medical school infrastructure and resources, while at the same time creating a program that encourages and incentivizes students practice medicine for a time in Denmark after receiving their free education.
- Optimize the use of current healthcare professionals by studying and redefining the responsibilities of community specialists and pharmacists, nurses and general practitioners to remove some of the strain on the system

Figure 5: Practicing physicians per 1,000 population (2004)



Priority Points

5. Commit to long term measures to make Denmark a world class R&D center

- Increase public spending on research and development in healthcare in order to drive a necessary private spending increase.
- Increase incentives to boost the amount and size of clinical trials in Denmark. (see figure 6)
- Provide financial incentive to companies developing, manufacturing or introducing innovative treatments, pharmaceuticals, medical devices and diagnostics equipment in Denmark.
- Ensure proper commercialisation opportunities across Denmark with fast access to market for new treatments, taking an overall health economic view as to their value.

Figure 6: Decreasing clinical study expenditures (LIF statistics)

2005	2006
367 million kr. 16 million per company	284 million kr. 12 million per company

The AmCham Healthcare Committee

The AmCham's Healthcare Committee brings together international experience and perspective from foreign healthcare companies. We are strongly committed to making the Danish healthcare system world class and a provider of the best treatments to ensure quality of care. Our member companies have made significant contributions towards this goal, including:

- Bringing innovative treatments to the Danish market quickly and broadly.
- Including a focus on non-pharmacological treatments in our communication with health care professionals.
- Making significant contributions to patient information and education focusing on disease awareness and treatment.
- Investing substantial resources in physicians' post-graduate education.
- Helping authorities spread relevant information to physicians on treatment guidelines.
- Voluntarily aligning with the government on a Price Cap Agreement.
- Making significant investments in clinical trial

activities in Denmark thereby contributing to R&D, state-of-the-art treatments and retention of healthcare professionals and scientists.

We believe these dual objectives, of improving the quality of healthcare and of Denmark as an environment which is attractive to healthcare companies, are fundamentally linked.

We carry out our objectives by:

- Setting bold goals and inviting key policy and decision makers to work together with all relevant stakeholders towards achieving them.
- Engaging key healthcare stakeholders and decision makers in discussion of the issues and debate on potential solutions
- Bringing our international perspective and experience to the debate
- Tracking, measuring and reporting the progress made each year

About AmCham's Healthcare Committee

The primary objective of AmCham Healthcare Committee is to work together with the Danish Government and its Ministries to improve the quality of and access to healthcare in Denmark. We seek to accomplish this objective by proposing aggressive goals that will help move Denmark towards becoming a role model in healthcare, while also proposing practical solutions that can help move towards realizing these goals in the immediate term.

As representatives of foreign companies in Denmark, it is also our objective to ensure the business environment in Denmark is attractive to healthcare companies that operate here. We will strive to ensure Denmark remains competitive as a source of healthcare employees for our member companies, as a environment for new clinical research and development, and as an environment which views expenditure in health care as an investment, not only a cost.

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