Response to PC/12/05 „Public Consultation on pharmacovigilance fees“

1. Introduction

1.1. Who is ECHAMP?

ECHAMP stands for European Coalition on Homeopathic and Anthroposophic Medicinal Products. ECHAMP is a European Economic Interest Grouping (EEIG) of companies active in the production and distribution of those products. With 48 member companies in 18 Member States we represent the majority of the manufacturers of Europe's homeopathic and anthroposophic industry. Our industry in figures amounted in the year 2010 to 1,035 million Euros in turnover and to 8,000 employees.
We endorse the rights of more than 110 million patients and consumers in the EU to have easy and comprehensive access to reliable homeopathic and anthroposophic medicinal products which meet the highest standards of quality, safety and effectiveness. We are registered in the transparency register of the Commission and the Parliament with the user number 85825114058-57.

Some of our member companies qualify as SMEs as defined by the EU. However, many of our other member companies have the structures and problems of SMEs – also because of the very special characteristics of their product portfolios – but do not fit under the reduced definition of SME of the EU.

1.2. Where are homeopathic medicinal products concerned by the present consultation?

In respect with the present consultation we first explain how homeopathic medicinal products are concerned by the future work of EMA for pharmacovigilance and the related fees.

Generally the simplified registrations of homeopathic medicinal products are excluded from the obligations of title IX of Directive 2001/83/EC and the provisions for pharmacovigilance (refer to article 16.3), therefore the issue of fees by EMA related to pharmacovigilance does not concern this type of product.

In contrast to the simplified registrations, the marketing authorisations of homeopathic medicinal products are purely national authorisations in line with the provisions of Article 16(2) of Directive 2001/83/EC. As long as they are not nationally covered by rules for well-established use or generics, the PSUR will be required in future, as homeopathic medicinal products authorised according to article 16(2) have not been considered by the PSUR exception (see article 107(3)b); so in many cases PSURs will have to be submitted. At the same time we expect that, due to the very specific nature of this type of products, cases of Referrals and PASS will remain the exception. Authorised homeopathic medicinal products use have been marketed for decades with an extremely low risk profile. Adverse events are rare, serious adverse events use to occur in very rare cases. In addition the homeopathic

combination products use to be original per manufacturer/applicant. Generic situations usually do not occur.

In addition, the obligation to put information according to Article 57 (2) of Regulation 1235/2010 into the EV data base applies to the authorised homeopathic medicinal products and therefore the position of the annual service fees linked to the EurdraVigilance (EV) database is relevant as well.

1.3. How relevant is the proposal presented to ECHAMP member companies?

Many of our member companies hold hundreds of homeopathic MA according to article 16(2) with different active substance combinations so that they are highly concerned by the upcoming fee system. It is a special characteristic of homeopathy and anthroposophic medicine that a high number of products of very low sales levels (frequently less than 100 packages per year) are offered to therapists and patients in order to guarantee the quality of the respective therapeutic approaches. This means that exaggerated regular fee levels present a serious threat to the availability of these products in the Member States of the European Union.

We would like to exemplify this at the concrete example of figures from Austria, which is a Member State of the EU where homeopathy and anthroposophic medicine have a long-term tradition:

In Austria currently 428 homeopathic products are on the market which are based on marketing authorisations according to article 16(2) (source: Arzneispezialitätenregister der AGES, Reg.-Code: "3-"; https://pharmaweb.ages.at/index.jsf). In relation to the proposed PSUR fees (max. 80,300 € per product) it has to be stated that 91.4% (391 products) of these 428 products have annual sales below 80,000 €, while only 8.7% (37 products) have annual sales of 80,000 € or more (i.e.) and just 5.4% (23 products) have sales of 160,000 € or more i.e. (Source: IMS Dataview, HOM/OTC-Report 2011). As for the annual fees, manufacturers with an assortment of 50 products for example (which is not much in the context of homeopathy and anthroposophic medicine) would pay 50,000 € per year just as annual fee for the EMA database.

In conclusion, our members seriously are worried about the presented proposal and see the existence of their service to patients and of their business strongly in danger.

2. General comments

2.1. General Principles

The proposal aims to apply the principles of proportionality, transparency, equal treatment of MAHs and minimum additional administrative complexity. In general, we consider all four principles worth to be followed and supported. However, in concrete, the question comes up how far the forth principle (simple administrative organisation) – if extended too far – is in contradiction with the first three principles especially with the idea of proportionality.

Proportionality
The principle of proportionality between the amount (level) of the fees and the nature of the work/tasks to be carried out by EMA must be taken into better account when fees are proposed, e.g. for the assessment of a PSUR for a well known substance or a combination thereof. That means that the factual workload of the assessors is to be taken into account which is assumed to be considerably lower with regard to PSURs for longstanding and well known products than for new chemical entities.

Regarding the annual service fee it is to be taken into consideration if companies do benefit from the planned services by EMA or not.

Transparency
Transparency is given by the proposed fees only regarding to what the fees correspond to. However, due to grouping it is not clear in advance how high the fees would be at the end. Example: If a PSUR is to be written for a product containing a substance from the URD list the MAH cannot know how many other MAHs will submit a PSUR for the same substance.

Equal treatment of MAHs
In principle an equal treatment of MAHs is welcomed. But the principles of proportionality AND equal treatment will be respected at the same time only if the difference between different assessment efforts by EMA will be considered. Otherwise equal treatment of MAHs would lead to unequal chances for MAHs.

Minimum administrative complexity
The present draft seriously provides the impression that the aim of having streamlined administrative cases with it's orientation at the situation of CAPs is much too less differentiated. Thus, it does not at all reflect the variety of the landscape of medicinal products being non-CAPs in the EU. A few manufacturers of certain product categories might profit from the fee structure (like big manufacturers of generics) while for many others the fee structure is far beyond rationale and adequate.

To us, in the presented draft, the proportionality principle and the principle of equal treatment of MAHs appear strongly violated.

2.2. Benchmarks

As it is foreseen to apply the EMA fees also to non-CAPs we think that it is neither proportionate nor adequate to deduct the fees from the benchmark of a type II variation for a CAP solely. There is a huge heterogeneity of medicinal product categories within the EU, and the assessment effort for a PSUR for example is much reduced compared to the CAPs or new chemical entities (NCEs).

The period of time of marketing may be a relevant parameter for differentiation of the assessment effort for PSURs. But it is far from adequate to foresee the 2 years as only limit. It might be correct and adequate that for medicinal products based on NCEs the assessment effort within the first years is lower than after 2 years because of the increasing accumulation of ADRs. However, in contrast to this, the effort for medicinal products which are marketed for decades with a well-known safety profile will be even much lower than that of a NCE within the initial two years. It has to be kept in mind that the PSURs for authorised

homeopathic medicinal products for example remain to be assessed in spite of the rare occurrence of ADRs and very low occurrence of serious ADRs.

And as a third point we would like to refer to existing national fee levels. We don't understand why for non-CAPs the EMA fees should be so excessively higher than the comparable current national fees for identical activities? - Better and smart regulation and proportionate measures should not stay with good intentions, it should also be applied in practice in the cases where it really applies and where the arguments are clearly there.

For example, the current national fee for a PSUR for a homeopathic medicinal product in Austria is 100 €. In Germany, the fee for the assessment of a PSUR (independent of the category of medicinal products) depends of the fact if the product is marketed longer or shorter than 10 years. For products which are marketed for less than 10 years the fee is 1,300 € in the national procedure and for products which are marketed longer than 10 years the fee is 650 €.

We propose to look for benchmarks which are suitable for non-CAPs and for the existing diversity of medicinal products on the EU markets within the existing national fee systems of the Member States of the EU.

3. Comments regarding the consultation items

Consultation item no 1:

We do not agree with the proposed fee for single assessment of PSURs.

Explanation

According to the long standing experience with the homeopathic medicinal products and the PSURs submitted in the past to the national CAs the volume of such a PSUR is very small; accordingly the assessment effort linked to the reports is negligible: For most of the products there is not one single ICSR in the report, for some there will be up to 10 per report and for the few products with comparatively high figures of cases it might be up to 50. Serious ADRs will be involved in very rare cases only.

In addition, it is not adequate and not proportionate to differentiate fees for the marketing of shorter respectively longer than two years only. A lot of the long-term used medicinal products in the EU are well-known respectively have low risk profiles; this means, that the assessment effort decreases with longer periods of time of marketing. It seems odd to require lower fees for NCEs marketed for less than two years than for the homeopathic medicinal products which are on the market for decades.

It also has to be mentioned that a grouping with medicinal products of other MAHs is rather unlikely in our field as the various combination products of the MAHs homeopathic medicinal products use to be unique formulations.

In conclusion fees of 40,150 € respectively 80,300 € just appear excessive with respect to the assessment effort for our category of medicinal products.

They also appear excessive with respect to the existing national fee levels: In Austria the fee for a PSUR of a homeopathic medicinal product is 100 €, in Germany for all medicinal products (independent of category) which are marketed for less than 10 years the fee is 1,300 € and for products which are marketed longer than 10 years the fee is 650 € in the national procedure each, in Latvia they are about 1,435 € for all types of products and in Lithuania 732 €. In some Member States, no additional fees are charged for PSUR assessment. PSUR-assessment is included in the annual fee.

Proposals

Alternatively fees proportionate to the risk of a product should be charged.

1. Adequate measures for assessment efforts and fee levels may for example be the number of serious ADRs per report period.
2. Or the existing national fees for non CAPS in the national procedures may be taken as benchmark.
3. If the period of marketing shall be a parameter, then longer periods of time have to be introduced with decreasing fee levels as it is found for example in Germany with the 10 years limit.

Consultation item no 2:

Generally, we consider grouping of PSURs as relevant, however it is not possible in advance to calculate the fees to be charged as the number of MAHs to submit a PSUR for the same substance is not known. For homeopathic medicinal products the only relevant opportunity for grouping will be the case where different national PSURs of one MAH are grouped; this only will become a real *opportunity* if the EMA fees will end in more realistic orders of magnitude (otherwise the continuation with national PSURs will stay economically more interesting).

Proposal
Develop a more suitable fee system and grouping will become a realistic opportunity.

Consultation item no 7:

We do not agree with the proposed pharmacovigilance service fee.

Explanation

We consider that the database where information on medicinal products under article 57(2) of the Regulation 1235/2010 are submitted is a sovereign task which should be paid by public funding: The intention is information of the public, the submission of these data is not done voluntarily by the MAHs and the data requested are not conform with the internal databases of MAH. Therefore the additional administrative burden is extremely high for companies with many MA (as manufacturers of homeopathic medicinal products are). As a consequence the costs for personnel to carry out this work and for software are high as well. So it seems not acceptable to have to pay an extra fee on top for the service by EMA maintaining the database in execution of the requirements of article 57(2).

Furthermore, our member companies providing low risk homeopathic medicinal products from more than 1000 different natural substances will not profit from the EMA services offered: There are only a few number of ADRs for the homeopathic medicinal products so that there will be no benefit from signal detection carried out by the EMA with the help of EV database. Regarding the literature monitoring (which has not started although the fees will be requested soon) we do not expect that the substances of natural origin used in homeopathic medicinal products will be on the list.

It is not fair and not proportionate to link the fee for the EMA service of literature monitoring and signal detection to all the products submitted under article 57(2). We understand, that it might be “not possible (or very difficult) to identify individual addressees” benefiting from the services (of literature monitoring and signal detection). However, we do not agree that this difficulty legitimates to distribute the fees for activities in sovereign responsibility to all MAHs and MAs equally irrespective if they do profit from the real service or not.

And finally, homeopathic MAHs will submit a big figure of MAs with usually low sales (below 100 packs per year) into the database. The service fee cause an extreme extra burden and endanger the availability of these products.
In conclusion, the annual service fees will lead to an extreme imbalance of fee related to benefits at the expense of the manufacturers of low risk products of natural origin.

Proposal
No fees should be charged at all for submission of products into the database under article 57(2).
If fees shall be requested for the EMA services of literature monitoring and signal detection this must be charged from the beneficiaries and not from those companies not profiting from the literature service and the signal detection.
However, as a matter of principle, any fee should be proportionate to the work linked with the specific service provided. For authorized homeopathic medicinal products the workload for the EMA is expected to be neglectable.