UNAIDS 2017

PRICE REDUCTION OF THE DOLUTEGRAVIR-BASED ANTIRETROVIRAL THERAPY REGIMEN

FREQUENTLY ASKED QUESTIONS

21 September 2017

Price reduction of the dolutegravir-based antiretroviral therapy regimen **Frequently asked questions**

On 21 September 2017, the governments of South Africa and Kenya, the Joint United Nations Programme on HIV/AIDS (UNAIDS), the Clinton Health Access Initiative (CHAI), the Bill & Melinda Gates Foundation, the United States Agency for International Development (USAID), the Global Fund to Fight AIDS, Tuberculosis and Malaria (Global Fund), Unitaid and the Department for International Development (DFID) announced a new price agreement to make a fixed-dose combination antiretroviral therapy regimen containing tenofovir, lamivudine and dolutegravir (TLD) more widely available at a reduced price in countries with some of the world's most significant HIV burdens.

This is the first time this regimen will be offered as an affordable, generic, fixed-dose combination, which will increase access for millions of people living with HIV in low- and middle-income countries. Below are a set of key messages and questions and answers to guide communications around the announcement and respond to media inquiries.

Key messages

- As innovations improve HIV treatment and medicine delivery, it is important to continue expanding access to the best possible treatment for people who need it most.
- A new agreement between HIV partners will guarantee, for the first time, that a generic first-line antiretroviral therapy regimen using dolutegravir will be available at a reduced price.
- Antiretroviral therapy using dolutegravir has several advantages over other regimens, including clinical superiority, improved side-effect profile, and reduced risk of viral resistance. Studies are under way to clarify the safety and use of TLD among children and pregnant women living with HIV and people living with HIV on treatment for tuberculosis (TB).
- Thanks to efforts like the agreement, more people in low- and middle-income countries will be able to receive this best-in-class antiretroviral therapy at a lower price than they would otherwise pay.
- Continued collaboration among partners will be critical to preserve the efficacy of antiretroviral therapy and reach the millions of people who still do not have access with the best treatment options.

QUESTIONS AND ANSWERS

ACCESS

How much cheaper will the regimen be under the new agreement?

- Depending on the region, we expect that on average the price will be reduced by at least 10-15%, compared with what countries would otherwise pay for the tenofovir, lamivudine and efavirenz regimen (TLE).
- Ministries of Health and program managers from the 92 low- and middle-income countries covered under the agreement[1] should anticipate being able to order TLD under the agreements at a projected average price of US$ 75 per person per year.
  - The negotiated ceiling prices for TLD are competitive with, and in many cases lower than, other ceiling prices for the current first-line treatment mainstay, the TLE fixed-dose combination.
- It is important to note that in addition to these savings, overall treatment costs are expected to decrease due to reduced side-effects, and reduced or delayed likelihood of treatment failure which requires more expensive treatment.
- Further pricing details are available from Mylan or Aurobindo, the generic manufacturers currently licensed to produce TLD under the agreement.

Are you choosing to make a cheaper regimen more widely available just to save money?

- This new agreement to make TLD more widely available to low- and middle-income countries has many benefits.
- TLD is an improvement over the currently-used efavirenz-based therapies because it has been shown to have clinical superiority, an improved side-effect profile, and a lower risk of viral resistance, and therefore it is more likely to maintain its high efficacy over the longer term.
- Fundamentally, TLD can improve the quality of life of people living with HIV.
- This ceiling price agreement ensures that suppliers are able to make TLD more widely available, while also reducing the price compared to what countries would otherwise pay for it.

When will TLD be available at the reduced price?

- The reduced-price regimen is expected to be available to ministries of health of low- and middle-income countries in April 2018.
- The timing of medicine availability in each country depends mainly on regulatory requirements and national introduction plans set by the individual country.

[1] Source: https://medicinespatentpool.org/mpp-media-post/viiv-healthcare-medicines-patent-pool-extend-licence-for-dolutegravir-to-all-lower-middle-income-countries/

How likely is it that some countries or organizations will want to roll out TLD but will not be able to procure it at the lowered price?

- While we are hopeful that this agreement will have a lasting impact for many millions of people, we realize this is just one step to increasing access to antiretroviral therapy.
- The reduced price will be honoured for all TLD sold by the two suppliers in the 92 low- and middle-income countries covered under the agreement.
- These two suppliers are able to cover a significant portion of the total projected market for HIV treatment with TLD in these countries.
- Before finalizing agreements with Mylan and Aurobindo, the Bill & Melinda Gates Foundation and CHAI reviewed their existing and planned capacity to confirm they will be able to meet expected demand for TLD. This ability, by any antiretroviral medicine manufacturer, is enhanced by the lower dosage of TLD.
- Additional suppliers are expected to receive regulatory approval for TLD in the months to come. While the agreements commit only Mylan and Aurobindo to specified prices, partners expect other suppliers to match these prices as part of a competitive marketplace.
- We hope this commitment will encourage other partners and suppliers to take similar actions to reduce the price of life-saving medicines in order to reach more people who will not be covered under this agreement.

What are the countries that have the negotiated pricing?

- Please refer to the Medicines Patent Pool website (also listed on page 8 of this document: http://www.medicinespatentpool.org/mpp-licences-on-dolutegravir-dtg-2/

Why does the agreement include only the countries covered by the Medicines Patent Pool? Why does the agreement not include more middle-income countries?

- In order to focus limited resources on the countries with the greatest need, the agreement was able to cover only the 92 countries in the Medicines Patent Pool agreement with ViiV Healthcare - the original patent holder.
- There are 35 million people living with HIV in low- and middle-income countries. The countries that benefit from the ceiling price agreement represent over 90% of people living with HIV in these countries.
- We recognize that some middle-income countries that would benefit from this price reduction are left out of this agreement, and we remain committed to working together to fill these needs.

Could the price of TLD increase in the future?

- The ceiling price agreement will cover pricing for the next several years. The price of TLD is not expected to increase upon expiration of the agreement. In fact, as

countries transition to this new regimen and generic manufacturers scale up to meet global demand, further price reductions are more likely.

PARTNERS

How were Mylan and Aurobindo selected for the guarantee? Why were other suppliers not included?

- These two generic pharmaceutical companies were chosen after a process of careful consideration of many major antiretroviral manufacturers.
- Both companies are major suppliers of antiretroviral medicines in low- and middle-income countries and furthest along in their product development and regulatory approval processes for TLD.
- All antiretroviral medicine manufacturers with a voluntary licence for dolutegravir, regardless of whether or not they are included in this agreement, will continue to be eligible to supply antiretroviral medicines through existing independent tender processes.

How is each partner involved in this agreement?

- The United States President's Emergency Plan for AIDS Relief (PEPFAR), the Global Fund, and the governments of South Africa and Kenya will be the major procurers. Representatives from all four provided recommendations on preferred treatment regimens and helped to forecast demand.
- People living with HIV in South Africa, Kenya and other low- and middle-income countries will be the recipients of the reduced-price medications.
- The Medicines Patent Pool is providing the licensing channel that will facilitate access to TLD.
- Mylan and Aurobindo will manufacture and supply the medicines.
- The Bill & Melinda Gates Foundation serves as the guarantor and donor through the Global Fund.
- CHAI is the major implementing partner negotiating the various agreements, and is working in countries to drive uptake, however CHAI does not have a legal role in the agreement. CHAI was funded by Unitaid and DFID for this work.
- UNAIDS will work with national governments and build political commitment to leverage the agreement to expedite the transition to superior, more efficient, more durable dolutegravir based regimens.

MEDICINE

Why did partners choose to support this medicine instead of another option?

- Dolutegravir is a highly effective medicine used widely in high-income countries. It is currently recommended by the several international guidelines as a preferred treatment for HIV, and by WHO as a first-line alternative[2].
- Many low- and middle-income countries are already transitioning HIV treatment standards to include TLD:
  - South Africa will transition the majority of its 4 million people living with HIV to TLD in 2018, opening up a large market for this medicine. This agreement makes it affordable for them to do so.
  - In 2017, Unitaid, in partnership with CHAI and the respective Ministries of Health, rolled out dolutegravir as an individual pill on a pilot scale in three countries (Kenya, Uganda and Nigeria). These countries were chosen as they are historically early and fast adopters of new, optimal antiretroviral medicines. This pilot provided a key opportunity to test the use of dolutegravir in first-line therapy and prepare distribution channels.
  - Botswana currently has around 50 000 people living with HIV on dolutegravir.

Is dolutegravir safe for patients who are children, pregnant women or co-infected with tuberculosis (TB)?

- WHO currently recommends dolutegravir as alternative first-line antiretroviral therapy for adolescents living with HIV, but dolutegravir is currently not recommended for use in children. Evidence for the safety and efficacy of dolutegravir is still limited in specific populations, including young children, pregnant women and people receiving TB treatment. The ongoing clinical studies in these groups will provide results in two to three years.
- As the use of dolutegravir expands in these populations, WHO recommends active implementation of medicine toxicity monitoring and enhanced pregnancy safety surveillance.
- By the end of 2017, WHO will review all the new data regarding the use of dolutegravir in children as initial reports of dolutegravir use among children look reassuring in terms of efficacy, safety and tolerability.

[2] Source: http://www.who.int/hiv/pub/toolkits/transition-to-new-arv/en/

There have been reports that dolutegravir has more side-effects than expected. Does this news change the partners' decision to switch to this regimen?

- While all antiretroviral medicines have side-effects, and individual treatment decisions should be made by a patient and his or her health-care provider, dolutegravir is an improved option for HIV treatment.
- Dolutegravir's superiority over efavirenz-based therapy at standard doses (600 mg) has been determined in clinical trials.
- In TLD treatment, dolutegravir replaces efavirenz 600 mg, which has a higher incidence of side-effects, but is still used widely in low- and middle-income countries.

What are the advantages of dolutegravir to the AIDS response and to national health systems?

- By enabling the rapid transition to dolutegravir-based regimens, the new agreement will benefit the AIDS response and national health systems in numerous ways.
- The new agreement will contribute to the efficiency and sustainability of HIV treatment programs. Altogether, the agreement is expected to save over US$ 1 billion in HIV treatment costs over the next six years. In addition to lowering the per-patient cost of first-line HIV treatment, the greater durability of dolutegravir-containing regimens will reduce demand for more costly second- and third-line regimens.
- The agreement will support and accelerate efforts to achieve HIV epidemic control by hastening progress toward the 90-90-90 targets. More people living with HIV will achieve viral suppression—the ultimate goal of antiretroviral therapy— and it is expected that fewer will discontinue therapy as TLD has fewer side-effects. By reducing per-person cost of HIV treatment, the new agreement will enable available financing to support interventions to further close gaps along the 90-90-90 continuum.
- With this agreement, the global community takes an important step toward ensuring the availability of a single, worldwide standard of care for antiretroviral therapy. The new agreement will enable the global AIDS response to transition from a singular focus on universal access to acceptable and high-quality treatment.

FUNDING

Why did the partners choose a ceiling price agreement? Why not just donate all of the medicines?

- Given the dynamics of the HIV market, this will be a more sustainable, long-term model.
- Volume guarantees help ensure that manufacturers have sufficient incentive to manufacture the product and that the product will be sold at an affordable price.

Why does the price of the medicines vary from country to country?

- PEPFAR, the Global Fund, governments and other entities procure antiretroviral medicines independently and have different requirements and delivery terms that may affect the final cost on a per-patient basis.
- This new agreement ensures that these entities procuring from Mylan and Aurobindo on behalf of the public sector receive the same reduced base price.
- The ceiling price agreements will apply in all 92 countries covered by the Medicines Patent Pool.
- The agreements are expected by some estimates to save over US$ 1 billion over the next six years in low- and middle-income countries.

How do partners determine whether a product is affordable enough to meet the needs of people in low-income countries?

- Partners and manufacturers determine price based on cost projections and economic data from low- and middle-income countries.
- In price negotiations, we worked closely with countries and manufacturers to balance priorities for all partners.

Are you announcing this agreement now due to concern over pending cuts to HIV funding from donors?

- We see this agreement as additive to major investments that donors have already made to curb the HIV epidemic and hope they continue.
- Reducing the price of treatment helps to stretch the impact of every donor dollar to treat as many people as possible.
- Governments and donors must maintain investments in HIV, including through PEPFAR and the Global Fund, in order to develop and deliver the best available prevention and treatment options.

If pressed on length of the agreement or level of funding for each manufacturer:

- The length of the agreement varies between the manufacturers, Mylan and Aurobindo, and the level of funding support was negotiated confidentially.

Eligible countries

Royalty-free Countries

1. Afghanistan
2. Angola
3. Bangladesh
4. Benin
5. Bhutan
6. Bolivia
7. Botswana
8. Burkina Faso
9. Burundi
10. Cambodia
11. Cameroon
12. Cape Verde
13. Central African Republic
14. Chad
15. Comoros
16. Congo
17. Côte d'Ivoire
18. Democratic People's Republic of North Korea
19. Democratic Republic of the Congo
20. Djibouti
21. El Salvador
22. Equatorial Guinea
23. Eritrea
24. Ethiopia
25. Gabon
26. Gambia
27. Georgia
28. Ghana
29. Guatemala
30. Guinea
31. Guinea-Bissau
32. Guyana
33. Haiti
34. Honduras
35. Kenya
36. Kiribati
37. Kosovo
38. Kyrgyzstan
39. Lao People's Democratic Republic
40. Lesotho
41. Liberia
42. Madagascar
43. Malawi
44. Mali
45. Mauritania
46. Mauritius
47. Federate States of Micronesia
48. Mozambique
49. Myanmar
50. Namibia
51. Nepal
52. Nicaragua
53. Niger
54. Nigeria
55. Pakistan
56. Papua New Guinea
57. Rwanda
58. Samoa
59. São Tomé and Príncipe
60. Senegal
61. Seychelles
62. Sierra Leone
63. Solomon Islands
64. Somalia
65. South Africa
66. South Sudan
67. Sri Lanka
68. Sudan
69. Swaziland
70. Syrian Arab Republic
71. Tajikistan
72. Timor-Leste
73. Togo
74. Tuvalu
75. Uganda
76. United Republic of Tanzania
77. Uzbekistan
78. Vanuatu
79. West Bank and Gaza
80. Yemen
81. Zambia
82. Zimbabwe

Royalty Countries

- **Tier 1 (5%)**
  India
  Philippines
  Republic of Moldova
  Viet Nam
- **Tier 2 (7.5%)**
  Armenia
  Egypt
  Indonesia
  Morocco
  Ukraine
- **Tier 3 (10%)**
  Turkmenistan

UNAIDS
Joint United Nations
Programme on HIV/AIDS

20 Avenue Appia
1211 Geneva 27
Switzerland

+41 22 791 3666

unaids.org