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**TGA consultation on reforms to  
the generic medicine market  
authorisation process**

**Response from the Australian Commission on  
Safety and Quality in Health Care**

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# Summary

The Therapeutic Goods Administration (TGA) proposes reforms to the generic medicine market authorisation process. The Australian Commission on Safety and Quality in Health Care (the Commission) strongly supports a well-defined, efficient and standardised approval process that supports medicine accessibility without compromising safety and efficacy. The availability of options for medicine supply in Australia is critical to ensuring quality use of medicines and patient safety.

## Introduction

In February 2019, the TGA distributed a public consultation paper concerning Reforms to the generic medicine market authorisation process (**Appendix A**).

The Commission strongly supports the proposals to improve the generic medicine market authorisation process and provides the following feedback in relation to:

- reduction of regulatory barriers for generic prescription medicines registration, while maintaining existing safety, quality and efficacy standards
- making the application process easier by making regulatory requirements clearer and more transparent
- supporting international work sharing opportunities
- providing incentives for specific generic prescription medicine applications, where these would support a more robust supply of medicines and where shortages have been experienced in the past.

The feedback focuses on the importance of supporting generic medicines supply in Australia and reducing issues relating to medicines shortages. The Commission acknowledge the reforms will also increase consumer choice around medicines; reduce the regulatory burden for sponsors and the TGA; and have cost benefits to the consumer and Australian Government.

## Context

Medicine shortages are a global issue. In Australia, the issue is exacerbated by the high percentage of imported, rather than locally manufactured, prescription medicines (90%). Options for alternative medicines may be unavailable or limited. This has an impact on the quality of consumer care. It also impacts patient safety by the introduction of medication errors with potentially serious outcomes.

The TGA has implemented reforms to improve management of medicine shortages in Australia, including improving communication and increasing transparency of these shortages. The Medicines Watch List was introduced in November 2018 as part of these reforms and is supported by the Commission<sup>1</sup>.

Whilst the prompt communication of shortages improves quality and safety, the proactive increase in accessibility to medicine options would reduce the number of medicines in short supply. The reforms to the generic medicines review and approval process have the potential to increase medicine availability and further improve quality use of medicines and the delivery of safer consumer care. There may be a risk that existing manufacturers cease to supply the agent as it is no longer viable with more competition.

## Background

The worldwide issue of medicine shortages is worsening with time<sup>2</sup>. The International Federation of Pharmacists (FIP) has taken an active role in defining, raising awareness and making recommendations to alleviate the issue of medicine shortages. FIP provides advice to the World Health Organization and the resolutions align with those of the 2016 World Health Assembly resolution “Addressing the global shortage of medicines and vaccines” (69.25)<sup>3</sup>.

The association between medicine shortages and harmful medication errors is well documented. A survey undertaken by the Institute for Safe Medication Practices (ISMP) recorded approximately one in three (35%) respondents experienced a near miss during the past year due to a medicine shortage. One in five reported adverse patient outcomes over the year due to medicine shortages<sup>4</sup>.

A number of issues are associated with medicine shortages which have the potential to impact safe and effective use of medicines. These are summarised in the Commission response to the TGA consultation on Management and communication of medicines shortages (**Appendix B**).

These issues have a significant impact on clinical care. The Society of Hospital Pharmacists of Australia report 32% of actions in response to medicine shortages directly impact patient care<sup>5</sup>. This may have implications for length of hospital stay. For example, using a less efficacious medicine may extend the treatment period; alternative therapies may increase exposure to more adverse effects; and using injectable medicines when oral formulations are unavailable exposes the patient to increased risk of infection.

Medicine shortages are not able to be prevented completely. Therefore, processes for health services to manage shortages are in place under the National Safety and Quality Health Service (NSQHS) Standards. Standard 4: Medication Safety requires hospitals implement policies and procedures for medication management and manage risks associated with medication management<sup>6</sup>.

These processes are compromised when medicine shortages arise without adequate warning and no information regarding how long the shortage is expected to last. The Commission welcomes the introduction of the Medicines Watch List with guidance on the management and communication of medicine shortages and discontinuations in Australia.

Measures to proactively avoid shortages and negate the processes for management will further help minimise the potential for medication error and patient harm.

Medicine shortages are a global issue and the contribution made by accessibility to generic medicines varies across international jurisdictions. In 2017, the U.S. Food and Drug Administration (FDA) conducted an analysis of data from ten countries, including the U.S. and Australia, to determine generic medicine availability. The agency evaluated the top 100 prescription-generic drugs sold in the U.S. and looked to see if they were available in the nine other countries. Availability varied between five unavailable in Canada and 25 not available in Japan<sup>7</sup>.

There is opportunity for Australia to collaborate with international partners to streamline the application of generic approvals. In October 2018, the FDA launched a Drug Competition Action Plan focussing on three areas to facilitate more generic competition, promote patient access, and improve the economics of developing generic medicines<sup>8</sup>. In November 2018, The International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use (ICH) published a reflection paper on Further Opportunities for Harmonization of Standards for Generic Drugs in consideration of global collaboration<sup>9</sup>.

# Feedback

## Support for the proposed generic medicine market authorisation reforms

Feedback on **Appendix A (Consultation paper)** is provided according to the sequence of the proposed TGA reform opportunities as follows:

*1. Reduce regulatory barriers for generic prescription medicines registration, while maintaining existing safety, quality and efficacy standards*

Supported.

Sponsors should be given greater opportunity to access data available from international jurisdictions to complete registration requirements in Australia. This may involve using overseas reference products and in some cases not establishing 'identicality'. In this event, consideration should be given to

- evidence of best practice in the production process. This would particularly be the case for biosimilars. These are generic versions, rather than copies, of biologic medicines with a longer and more complex regulatory pathway
- maintaining safety, quality and efficacy standards to protect the Australian public
- testing bioequivalence in a population similar to Australia. Some medicines behave differently depending on ethnicity
- the varying additives being appropriately identified to patients with allergies. For example, some formulations of the influenza vaccine are not appropriate for those with latex allergies whilst others can be used
- enhancing post-market surveillance. Changes the excipient profile in generics may introduce adverse events. Moreover, small structural differences of biosimilars may cause adverse events related to immunogenicity.

*2. Make the application process easier by making regulatory requirements clearer and more transparent*

Supported.

Early advice from the TGA with regard to biowaivers would assist sponsors with decision making on generic applications. More broadly, any changes to the review process require effective, consistent and transparent communication. Resources to assist sponsors to produce high quality, consistent and complete applications should result in fewer rounds of review. The more efficient and less costly application process should encourage generic applications.

The increase in generic medicines will necessarily increase the opportunities for look-alike, sound-alike (LASA) medicine names entering the market. In Australia, LASA medicines present significant risk in clinical settings. The Commission has successfully produced and tested software to screen Australian medicine names for similarity and which has the capacity to reduce the adoption of LASA names before reaching market<sup>10</sup>. Increasing competition may also mean that existing companies elect not to produce the medication anymore as it is no longer viable.

### *3. Support international work sharing opportunities*

Supported. The TGA could consider further opportunities to

- contribute to and publish an international list of off patent medicines where generic medicines could be made available. The list could be categorised according to the potential for medicine shortage and impact of medicine shortage. The categories could form the basis of assisted registration (see 4 below)
- contribute to international collaboration on a list of suitable reference products
- formalise the regular inspection of manufacturers of medicines and biologicals where these are based overseas through international collaboration.

### *4. Provide incentives for specific generic prescription medicine applications, where these would support a more robust supply of medicines.*

Supported.

Assisted registration for generics where there is potential for medicine shortage and/or potential impact on patient safety from medicine shortage could receive priority in terms of time, fees data and administrative requirements. There should be no compromise to safety, quality and efficacy so that Australian public has confidence in the medicines and the registration process. Consideration should be given to the market implication of existing suppliers no longer producing the product due to increased competition.

## Discussion

The Commission is responsible for the development and support of the NSQHS Standards including standards for medicines management. Medicines shortages and their impact on health services has been tabled and reviewed by two of the Commission's advisory groups; the Medication Safety Oversight Committee and the Health Services Medication Expert Advisory Group. These groups advise the Commission from a major stakeholder and a jurisdictional perspective on issues relating to medication safety.

Processes for medication management in situations of medicines shortage are important elements of health service governance<sup>6</sup>. Improving access to medicines should actively reduce the number of medicines in shortage and the health service resources involved in responding to the quality and safety challenges of the medicine shortage.

The Commission also has responsibility for the operation of the Antimicrobial Use and Resistance in Australia (AURA) Surveillance System which provides information needed to understand antimicrobial resistance, and identify antimicrobial use and the appropriateness of use. Managing the impact of antimicrobial shortages is particularly complex, as inappropriate and high use of antimicrobials contributes to antimicrobial resistance. For example, when there was a recent long term shortage of piperacillin-tazobactam, many prescribers used meropenem instead which is a broader spectrum agent and more likely to drive antimicrobial resistance. Increased availability of appropriate alternatives, through generics, may be of assistance.

The Commission supports the increased accessibility to medicines in Australia whilst ensuring the Australian public remain confident in their safety, quality and efficacy. The Commission welcomes further opportunities to review revisions to the TGA's consultation and offers support with discussion on any impact to quality and safe medicines use.

# Appendices

A: Therapeutic Goods Administration. Reforms to the generic medicine market authorisation process. Public consultation paper. Version 1.0, February 2019.

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B: Management and communication of medicines shortages – TGA consultation. Response from the Australian Commission on Safety and Quality in Health Care

[www.tga.gov.au/sites/default/files/consultation-submission-management-and-communication-medicines-shortages-acsqhc.pdf](http://www.tga.gov.au/sites/default/files/consultation-submission-management-and-communication-medicines-shortages-acsqhc.pdf)

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