

Four Regional Tenders for one Nation's Self Sufficiency

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Disclosure

I hereby declare that I have neither financial nor non-financial relationships related to any of the products or services described, reviewed, evaluated or compared in this presentation.

Agenda

- Regulatory framework
- Evolution of the Italian system
- Tenders, offers and impacts on the provision of PDMPs

Healthcare governance in Italy

Federalist framework since 2001

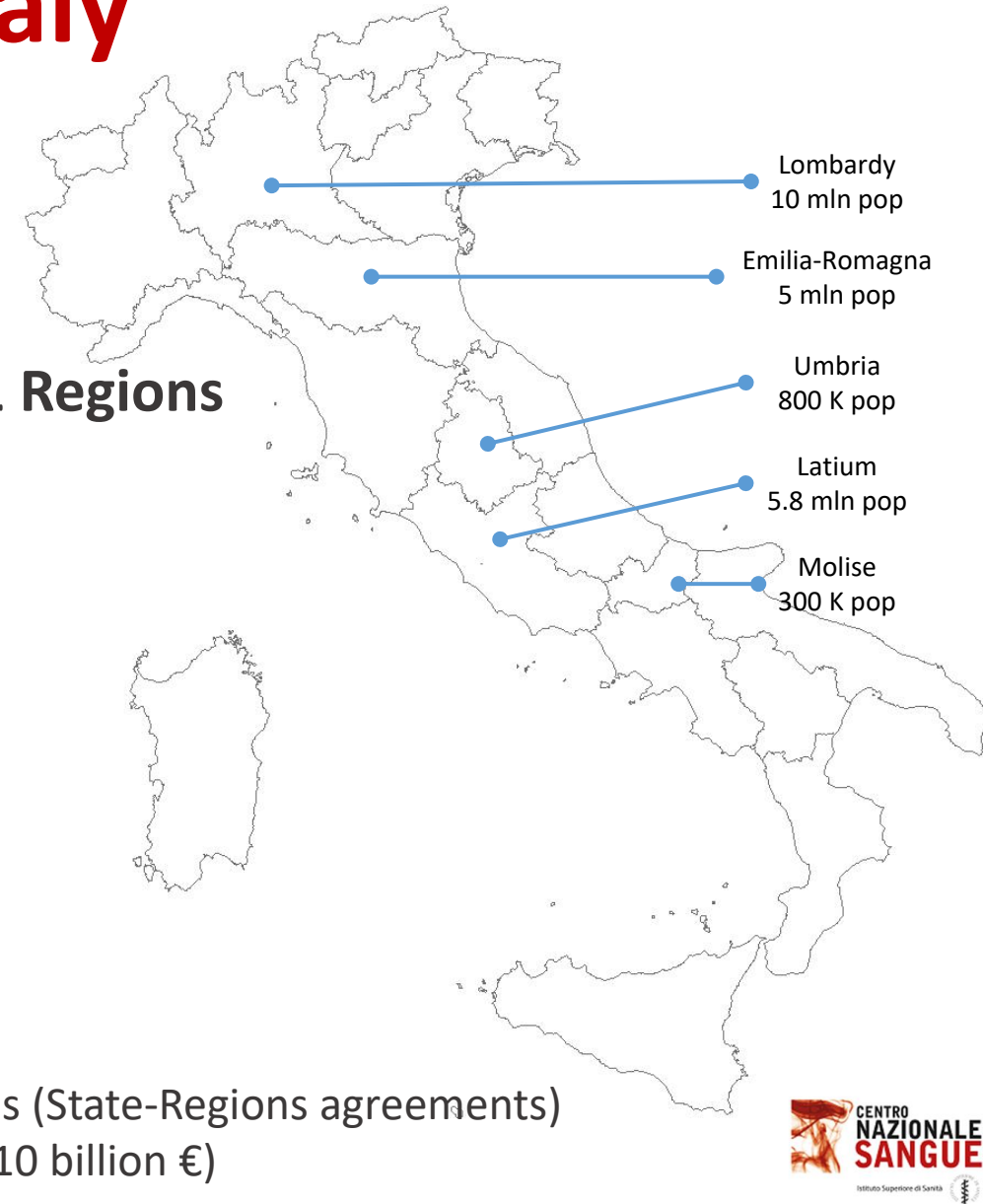
Delivering healthcare (HC) is by law delegated to the 21 Regions

6 Autonomous Regions and Provinces with additional autonomy/privileges
(Aosta Valley, Friuli Venezia Giulia, AP Trento, AP Bolzano, Sicily, Sardinia)

Ministry of Health

Responsible for:

- general healthcare legislation
- transposing EU provisions
- defining “basic healthcare levels” (BHCL)
- control of BHCL application in the regions
- control of regional budget balance
- general public health regulation
- Any law / regulation must be preliminarily formally “shared” with regions (State-Regions agreements)
- Ministry of Economy strongly conditions the HC national budget (108-110 billion €)



The Italian Blood System and PDMPs

Law no. 219 October 21, 2015

Founding Principles

Art. 1
National Self-sufficiency

Art. 2
VNRB donation
PDMPs production is part
of Transfusion medicine
activities

Art. 5
Transfusion medicine
activities (including the
PDMPs production) are
BHCLs

Art. 15 (PDMPs production)

4
Ministerial
Decrees
April 12, 2012

Ministerial
Decree
December 5,
2014

Art. 16 (import-export)

State-Regions
Agreement
February 7, 2013

Ministerial
Decree
December 2,
2016

Instruments

State-Regions
Agreements
October 20, 2015
June 17, 2021

State-Regions
Agreement
February 7, 2013

**Lgs.D
261/2007**

Art. 26

Ministerial
Decree
December 2, 2016

**Plasma and PDMPs
National Plan
2017 - 2021**

Law no. 219/2005 art. 15: MDs April 12, 2012

1. **Model** for the agreements between the Regions and the AAPP and the Companies manufacturing PDMPs for the processing of the plasma collected on the national territory.
2. **Procedures** for submitting and evaluating applications aimed at obtaining the inclusion between Companies manufacturing PDMPs authorised for [...] processing of plasma collected on the national territory.
3. **Provisions** on the import and export of human blood and its products.
4. **Transitional arrangements** for the market authorisation of PDMPs produced from plasma collected on the national territory.

MDs April 12, 2012: Model for the agreements

- [...] a **tender procedure** in compliance with current legislation, **with a minimum duration of 3 years**. The contract with companies, which operate as service providers, is considered a **method of “manufacturing on behalf of third parties”**
- **Public full ownership** of the plasma [...], of all pharmaceutical specialties derived from this plasma, as well as of the residual raw material, including wastes.
- offers must include :
 - the pre-processing phase;
 - the phase of plasma transformation and production of PDMPs;
 - the phase of distribution of PDMPs;
 - product safety.

MDs April 12, 2012: Model for the agreements

Each tender MUST consider at least the following medicinal products regularly authorised and provided with a marketing authorisation (mandatory PDMPs):

- **Albumin**
- **Coagulation Factor VIII concentrates (pdFVIII)**
- **Polyvalent immunoglobulins for intravenous use (IVIg)**

MD December 5, 2014: Identification of Companies authorised...

“The companies [...] authorised to stipulate agreements with the Regions for the processing of plasma collected on the national territory are identified in the following:

- Baxter Manufacturing S.p.A. (plant in Rieti, Italy)
- CSL Behring S.p.A. (plant in Bern, Switzerland)
- Grifols Italia S.p.A. (plant in Barcelona, Spain)
- Kedrion S.p.A. (plant in Bolognana, Italy)
- Octapharma Italy S.p.A. (plant in Stockholm, Sverige)

MD December 5, 2014:

- redesigns the new structure of the System:
- introduces several business partners
- allows to start new tenders
- Activates the implementation of new interregional aggregations

Agenda

- Evolution of the Italian system

Interregional agreements: Italian scenario in 2014

Two interregional agreements:

- **AIP**
(Accordo Interregionale per la Plasmaderivazione
- Interregional Agreement for PDMPs)
- **Accordo LPS**
(Lombardy, Piedmont, Sardinia)
- All other Regions stipulated
individual agreements

to the only authorised Company:
Kedrion S.p.A.

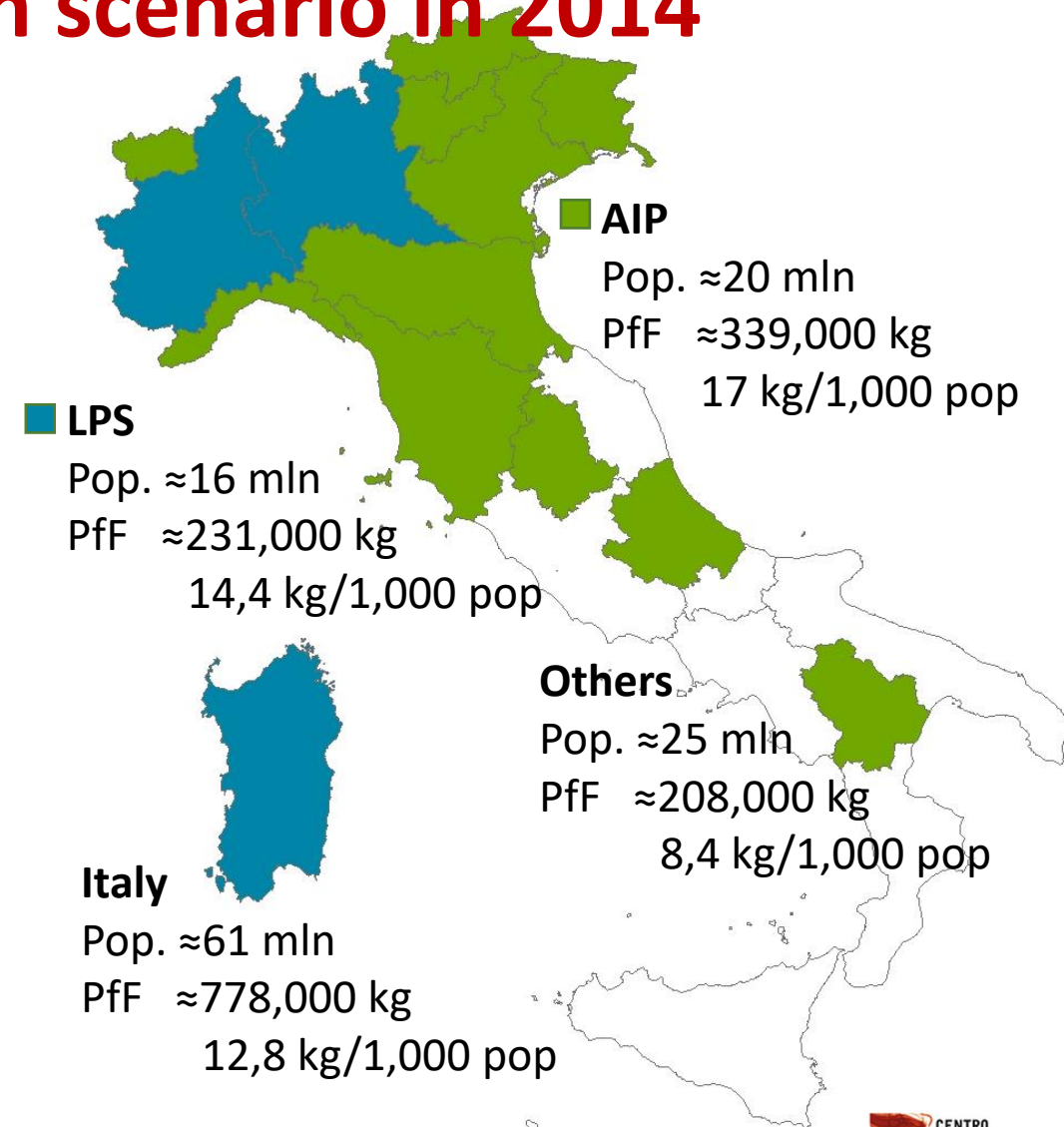


Interregional agreements: Italian scenario in 2014

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to the only authorised Company:
Kedrion S.p.A.

≈ 144 € per kg

Albumin
IVIg
pdFVIII

All possible vials coming from
the manufacturing of PFF

Antithrombin
Prothrombin complex
concentrates-3 factors (PCCs-3F)
Coagulation Factor IX
concentrates (pdFIX)

According to specific planning of production

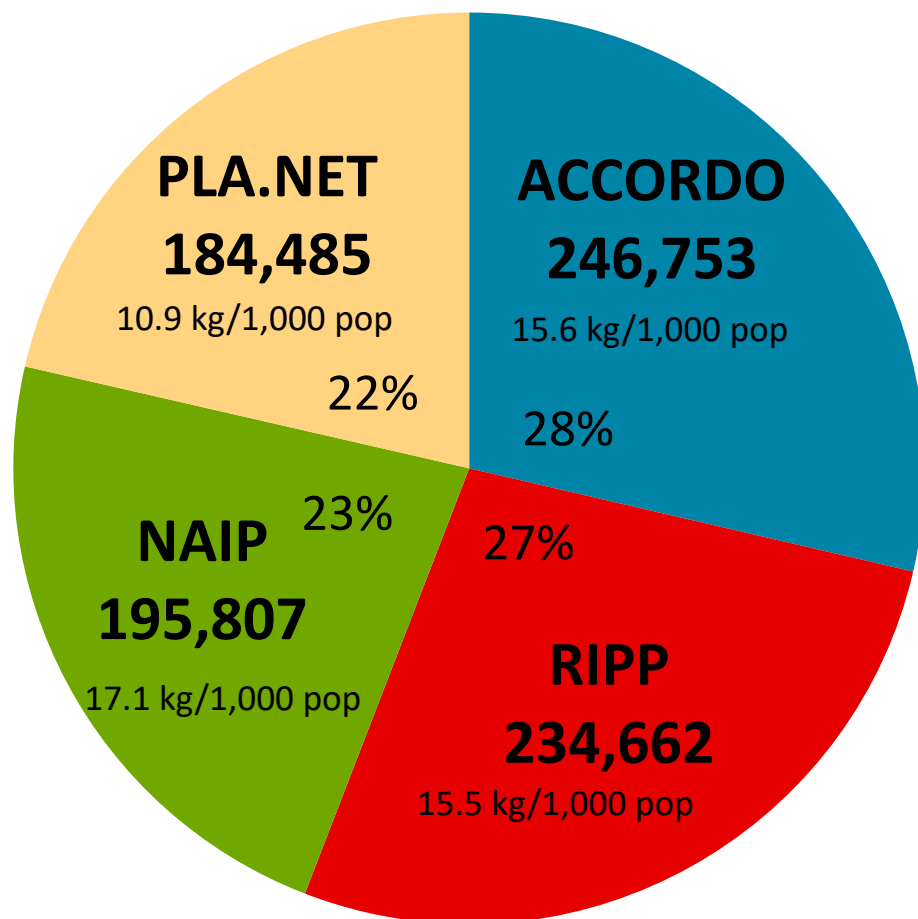
Interregional agreements: Italian scenario in 2015 - 2022

Two interregional agreements:

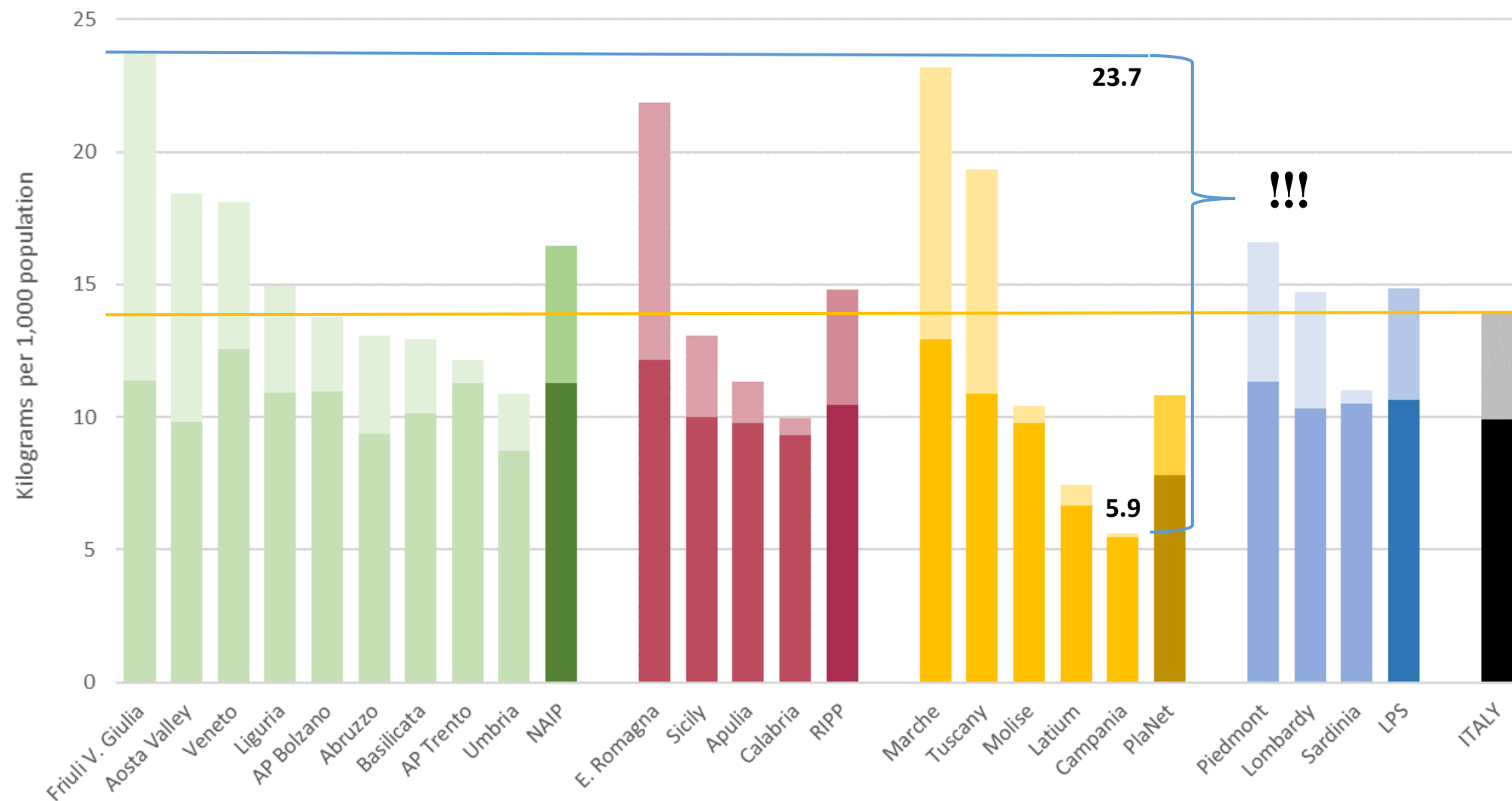
-  **NAIP**
(Nuovo Accordo Interregionale per la Plasmaderivazione – New Interregional Agreement for PDMPs)
-  **Accordo LPS**
(Lombardy, Piedmont, Sardinia)
-  **RIPP**
(Raggruppamento Interregionale Plasmaderivazione – Interregional Group for PDMPs)
-  **Pla.Net**
(Plasma Network)



Interregional agreements: Italian scenario in 2015 - 2022



Interregional agreements: Italian scenario in 2015 - 2022



Agenda

- Tenders, offers and impacts on the provision of PDMPs

New Interregional Agreement for PDMPs - NAIP

Leader **Veneto Region**

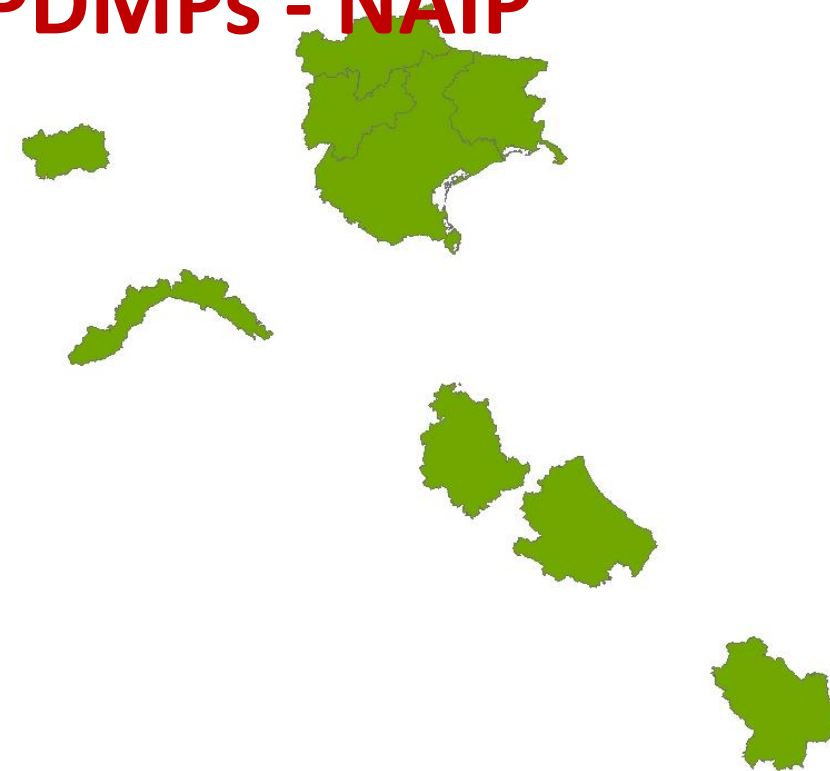
published the tender on **November 2015**

PfF **185,000 kg**

Length of the contract: **60 months + 24 (+6)**

Starting Bid: **≈ € 200 mln (VAT excl)**

Price : Quality = **90 : 10**



New Interregional Agreement for PDMPs - NAIP

Leader Veneto Region
published the tender on November 2015
PfF 185,000 kg
Length of the contract: 60 months + 24 (+6)
Starting Bid: ≈ € 200 mln (VAT excl)
Price : Quality = 90 : 10

94.6 € per kg

**Albumin
IVIg**

All possible vials coming from
the manufacturig of PfF

CSL Behring

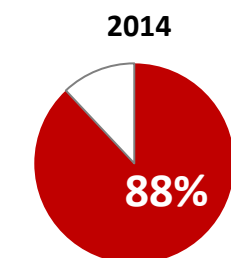
First shipment on May 2017

pdFVIII

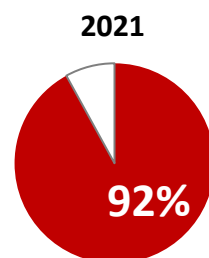
Up to 15 mln IUs

**Fibrinogen (4,500 g)
Ig for Subcutaneous use
FVIII/vWF (1.150 mln IUs)**

Additional quantities are produced on agreed price
(≈ -30% of market price)



SCIg: 0 g



SCIg: 90K g

**IVIg demand
+28%
2014-2021**

Interregional Group for PDMPs - RIPP

Leader **Emilia-Romagna Region**
published the tender on **December 2016**

PfF **200,000 kg**

Length of the contract: **60 months + 36**

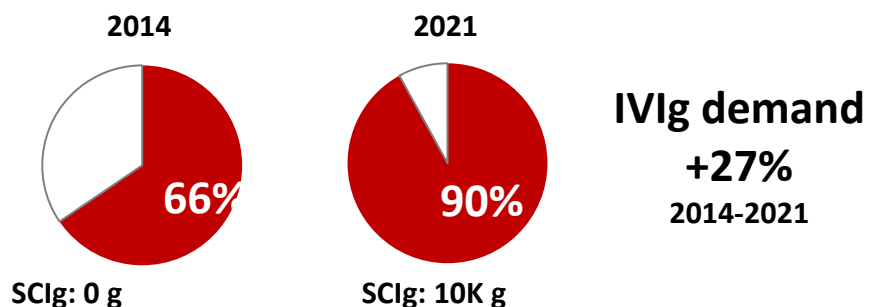
Starting Bid: **≈ € 224 mln (VAT excl)**

Price : Quality = **60 : 40**



Interregional Group for PDMPs - RIPP

Leader Emilia-Romagna Region
published the tender on December 2016
PfF 200,000 kg
Length of the contract: 60 months + 36
Starting Bid: $\approx$ € 224 mln (VAT excl)
Price : Quality = 60 : 40



$\approx$ **117.8 € per kg** Albumin
IVIg


KEDRION
BIOPHARMACEUTICALS
GRIFOLS
All possible vials coming from
the manufacturing of PfF
pdFVIII
First shipment on November 2020

Antithrombin (40 mln IUs)
Ig for Subcutaneous use
PCCs-3F (18.5 IUs)
FVIII/vWF (8.5 mln IUs)
Local haemostatics (60.6 L)
Alfa-1-antitrypsin (3,500 mg)

Plasma Network – Pla.Net

Leader **Tuscany Region**

published the tender on **November 2017**

PfF **185,000 kg**

Length of the contract: **60 months + 24 + 6**

Starting Bid: **≈ € 278.3 mln (VAT excl)**

Price : Quality = **70 : 30**



Plasma Network – Pla.Net

Leader Tuscany Region

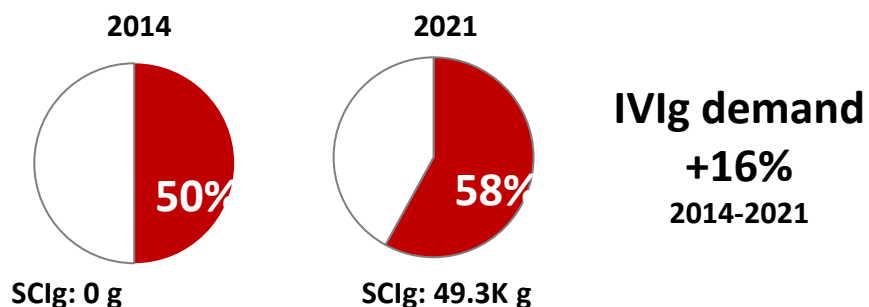
published the tender on November 2017

PfF 185,000 kg

Length of the contract: 60 months + 24 + 6

Starting Bid: ≈ € 278.3 mln (VAT excl)

Price : Quality = 70 : 30



99.85 € per kg

Albumin
IVIg



First shipment on
September 2020

All possible vials coming from
the manufacturing of PfF

pdFVIII

aPPCs (5 mln IUs)

pdFIX (4 mln IUs)

Ig for Subcutaneous use

PCCs-3F (9 IUs)

PCCs-4F (2 IUs)

Protein C (500K IUs)

FVII (700K IUs)

FVIII/vWF (3 mln IUs)



Accordo LPS

Leader **Lombardy Region**

published the tender on **January 2020**

PfF **236,000 kg**

Length of the contract: **48 months**

Starting Bid: **≈ € 111.9 mln (VAT excl)**

Price : Quality = **70 : 30**



Accordo LPS

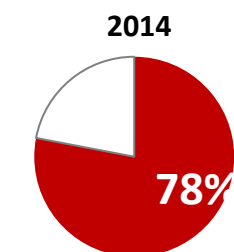
Leader Lombardy Region
published the tender on January 2020

PfF 236,000 kg

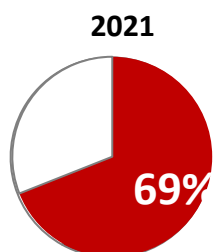
Length of the contract: 48 months

Starting Bid: $\approx$ € 111.9 mln (VAT excl)

Price : Quality = 70 : 30



SCIg: 0 g



SCIg: 2,1K g

IVIg demand
+19%
2014-2021



$\approx$ 144 € per kg



Albumin
IVIg
pdFVIII

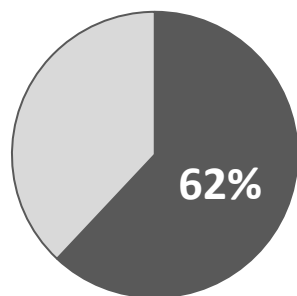
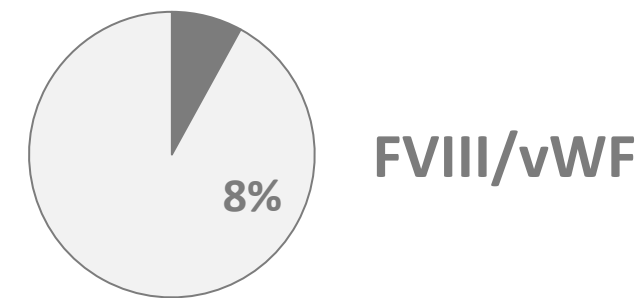
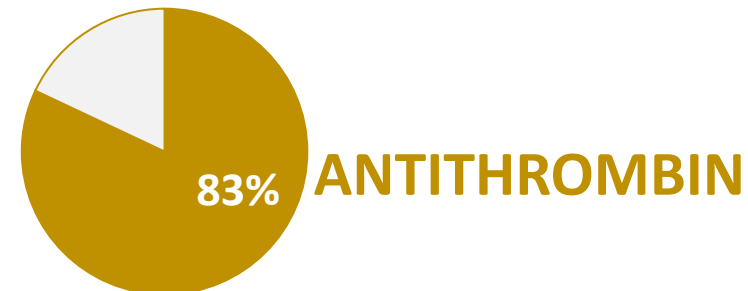
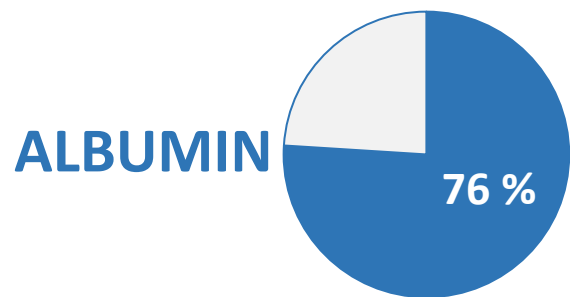
All possible vials coming from
the manufacturig of PfF

Anthitrombin

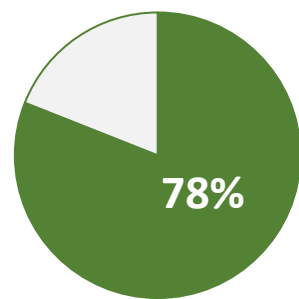
Prothrombin complex
concentrates-3 factors (**PCCs-3F**)
Coagulation Factor IX
concentrates (**pdFIX**)

According to specific planning of production

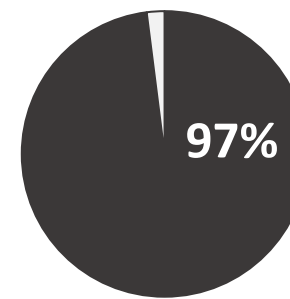
PDMPs self-sufficiency in Italy in 2020



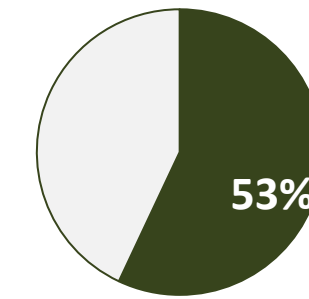
S/D-TREATED PLASMA



FACTOR IX*



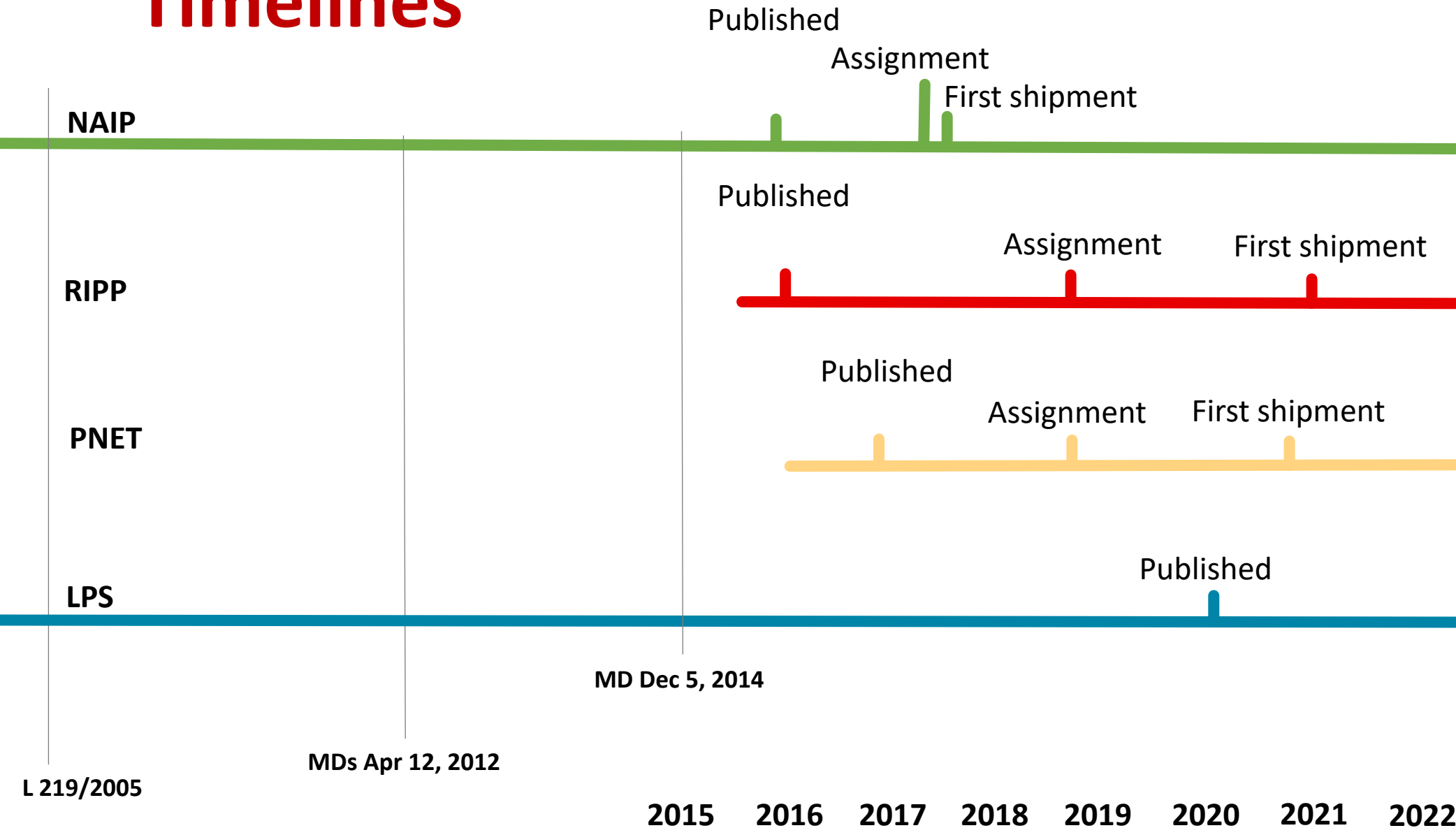
PCCs3



FIBRINOGEN

*100% of total demand for contract-manufactured products

Timelines



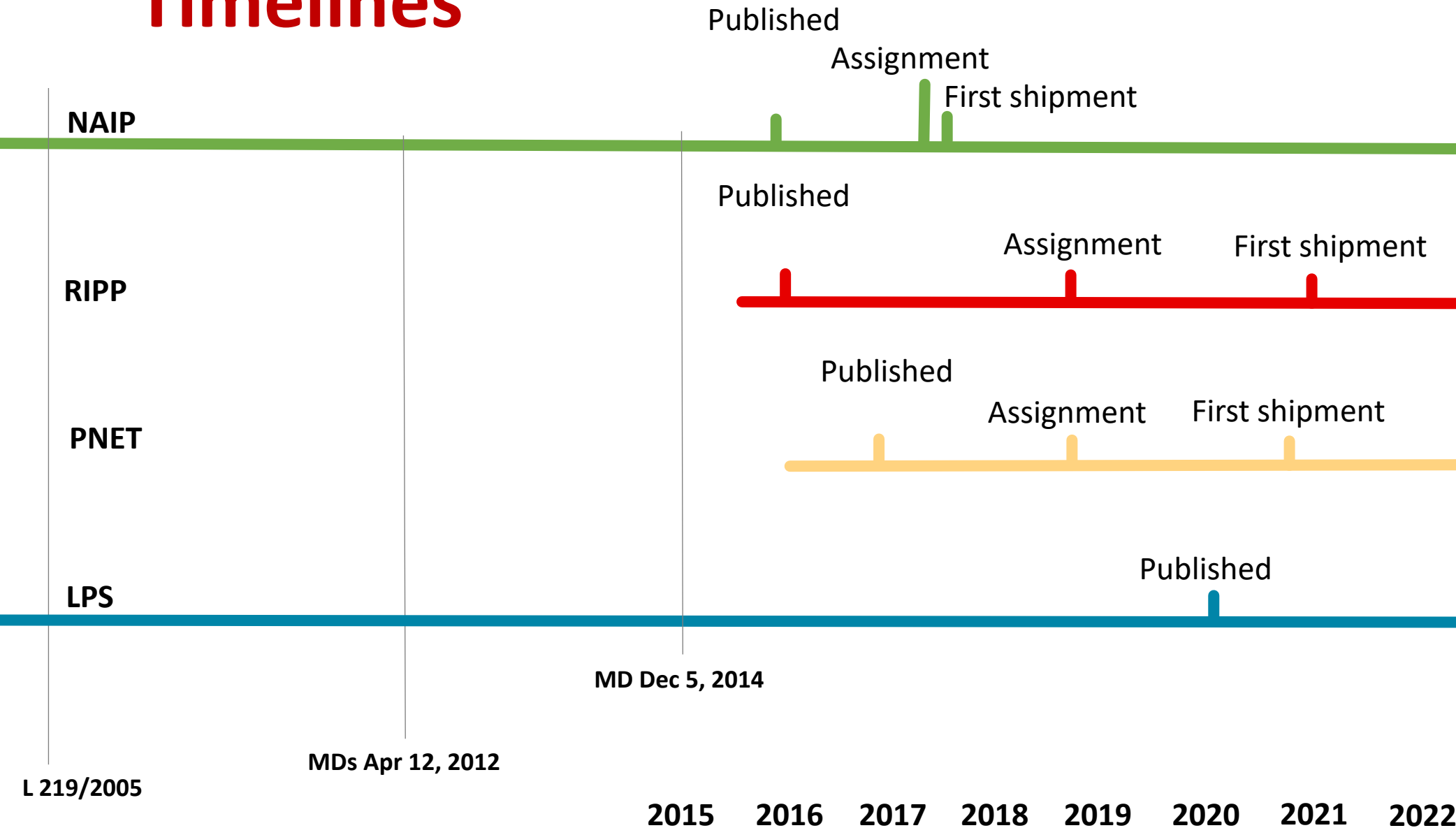
Conclusions

- The interregional agreements are able to achieve adequate quantitative levels of PfF as “raw material” and potentially pursue adequate levels of cost-effectiveness.
- The Italian national system of PDMPs production is not completely set up and the comparison between the tender offers highlights:
 - an increase in yields
 - an increase in the offer of PDMPs
 - an increase of self sufficiency/strategic independence levels
 - a reduction in the price of PDMPs manufacturing

Take home message

- Self-sufficiency / (or better) strategic independence from the market should consider:
 - Improving / ameliorating / enhance or simply adapting a national system to the European-wide framework takes time and long-term actions, thus a mid-long-term strategic planning must be in place
 - Competition among plasma fractionation companies, where investments in R&D are rewarded, is a benefit for patients (and national health systems)
 - Harmonisation of best practices in plasma collection and PDMPs manufacturing production within European countries is not a dream and SUPPLY project is... WELCOME!

Timelines



PEACE, Please

