



Box L40, Standard Life Centre
333 Laurier Avenue West, Suite 1400
Ottawa, ON K1P 1C1

March 3, 2017

Chris Halyk
President, Janssen Inc.
19 Green Belt Drive
Toronto, ON M3C 1L9

RE: Market Intelligence Report: Biologic Response Modifier Agents, 2015

Dear Mr. Halyk:

This is in reply to your letter dated February 23 to Dr. Levine in his capacity as acting Chairperson of the PMPRB. Dr. Levine extends his best wishes and has asked that I reply to you on his behalf.

In your letter, you reiterate certain previously expressed concerns with the content of the Market Intelligence Report ("MIR"). You also request that the composition of the NPDUIS Advisory Committee membership be revised and that the PMPRB review its social media practices to ensure they are not at odds with its quasi-judicial function. I will address each of these points in turn.

Your characterization of the MIR report as "incomplete, biased and poorly researched" notwithstanding, we continue to stand by its quality, accuracy and impartiality, for the reasons set out in my previous letter to you dated November 10, 2016. In the four months since its publication, not a single substantive error or omission has been brought to our attention that goes to price, utilization or cost, which you will recall are the three factors that triangulate the boundaries of all NPDUIS reports. Again, while we do not dispute industry claims regarding disease prevalence in Canada, it is simply not within the remit of an NPDUIS study to make the case for the broader value proposition of a particular medicine or class of medicines to the health care system.

In terms of the NPDUIS Advisory Committee, its current composition reflects its origins under the Minister of Health's section 90 authority as a federal, provincial and territorial partnership mandated to provide price, utilization and cost trend information to policy makers and public drug plan managers. While we are the first to acknowledge your point that the pharmaceutical landscape has changed considerably since 2001, when NPDUIS was first established, to the extent you feel that this warrants "substantive changes" to its membership, that is a matter best raised with the Minister and her provincial and territorial counterparts. That said, and as mentioned at our December 19 meeting with your company, we will undertake to convey to the Advisory Committee your request that future NPDUIS reports be shared with stakeholders prior to publication and will follow up with you on the response to that request at the earliest opportunity.

While you may feel the language in the MIR evidences a bias inherent in NPDUIS, in our experience, the inferences drawn from our reports and publications tend to reflect the beliefs, interests and concerns of our readership. Indeed, it is not uncommon for the same PMPRB publication to be referenced or relied upon by different individuals or groups in support of

diametrically opposing points of view. Thus, while it is true that a tweet about the MIR from a lone academic momentarily revived an unfavorable colloquialism about the state of drug pricing in Canada, in the month of February alone, Innovative Medicines Canada (IMC), the industry association to which Janssen belongs, tweeted approvingly of the PMPRB's mandate and/or information emanating from its reporting arm on 11 separate occasions.

As to your final point, the PMPRB has a comprehensive social media strategy in place that takes into account the organization's current priorities and modernization initiatives while maintaining compliance with Treasury Board Secretariat policies and directives. The PMPRB has had an active presence on Twitter since 2012, in keeping with its obligation to use a variety of media and platforms to engage with Canadians and maximize its reach. In doing so, however, we are always mindful of the dividing line between our regulatory mandate and our reporting mandate. From an operational standpoint, this means that any messaging regarding the issuance of Board orders or decisions, is minimalist in nature, as befits the exercise of a quasi-judicial function, and originates from the Board Secretariat alone. In contrast, messaging of PMPRB reports and studies is jointly developed by our communications and policy teams with a view to increasing the awareness of, and audience for, these types of publications.

However, as discussed at our December 19 meeting, it has never been our intention to sensationalize our reports at the expense of a particular stakeholder or group of stakeholders. Accordingly, in the future, the PMPRB will avoid singling out any particular company or medicine in its communication materials pertaining to its reports and studies, including in its use of social media, unless absolutely necessary to the contextual understanding of the underlying subject matter.

Thank you for bringing the above matters to our attention. We look forward to further constructive dialogue with Janssen in the context of our ongoing consultation on Guidelines modernization.

Sincerely,



Douglas Clark
Executive Director

Cc: The Hon. Navdeep Bains, Minister of Innovation, Science and Economic Development
The Hon. François-Philippe Champagne, Minister of International Trade
The Hon. Jane Philpott, Minister of Health
Geneviève Hinse, Chief of Staff to the Minister of Health
Elder Marques, Chief of Staff to the Minister of Innovation, Science and Economic Development
Dr. Mitchell Levine, Vice-Chairperson, Patented Medicine Prices Review Board
NPDUIS Advisory Committee Members