# David Traub – President, IM Switzerland Novartis



***We must secure a sustainable future where innovation and patient care thrive together***

25.10.2024

Tags: Switzerland, Novartis, Strategy, Innovation, Digital, Access

*David Traub, General Manager of Novartis in its home country of Switzerland, reflects on his journey to Novartis, emphasizing the need for innovation in Swiss healthcare. He discusses challenges in access to innovative medicines and the importance of healthcare digitalization, calling for bold reforms. Traub aims to collaborate with stakeholders to modernize the healthcare system and drive patient-centred innovation.*

**Can you provide a brief overview of your career journey? What motivated your move to Novartis in the summer of 2024 after two decades at Roche?**

I began my career as a physician and spent some time working in clinical settings. However, being born and raised in Basel, it was natural for me to become curious about the pharmaceutical industry. What truly drove me to this field was the desire not to accept the limitations of current medical treatments. I've personally encountered many situations where the available options for patients were simply not enough, and that inspired me to explore how we could push the boundaries of science and medicine further.

I joined Roche over 20 years ago, and throughout my career there, I had the privilege of working in a wide range of roles. I began in sales and marketing, then transitioned to a medical director role in Canada. I later worked in global marketing and product development, served as a country medical director in Germany, and led the access team there. Most recently, I was the General Manager for

Finland. This diverse experience has allowed me to understand the importance of collaboration across various functions. What's unique about our industry is that no single person can drive meaningful impact on their own: Success is achieved through the collective integration of expertise and perspectives, all working toward a shared goal of improving patient outcomes.

As for my decision to move to Novartis, it has long been a professional goal of mine to take on a leadership role with one of the major Swiss pharmaceutical companies in our home market. The Swiss healthcare system is currently facing significant challenges, and I see an opportunity for Novartis to play a pivotal role in shaping a more sustainable future for the system. My aim is to help create an environment that supports not only the innovative treatments we offer today but also the future advancements we will bring to patients in the years to come. This opportunity to make a difference in my home country was a key factor in my decision to join Novartis.

**What challenges do you see in Switzerland's healthcare system regarding access to innovative medicines, and what solutions are needed?**

One of the key challenges we face in Switzerland is the gradual erosion of access to innovative treatments. The current public discourse has shifted significantly toward focusing on healthcare costs, and there's growing pressure on the system. Although Switzerland's healthcare system remains highly effective, we're seeing signs of degradation, particularly in its ability to accommodate and integrate new, innovative therapies.

For example, only about half of the new medicines widely available in Germany are accessible to patients in Switzerland through the standard reimbursement system, the so-called list of specialties. This is deeply concerning, particularly given the significant investment that our society makes in healthcare. It's unacceptable, not only because patients are missing out on vital treatments, but also because the conditions for supporting innovation in our local market are deteriorating. This is a trend that we urgently need to address.

There are three main areas where improvement is necessary. First, Switzerland's pricing system for innovative medicines disproportionally focuses on costs without giving due consideration to the value these medicines bring. The system uses two key mechanisms: foreign price comparisons and therapeutic cross-comparisons. The foreign price comparison benchmarks Switzerland against other European countries, many of which have a significantly lower GDP per capita. This approach fails to account for purchasing power parity, something countries like Germany do adjust for, but Switzerland does not.

Second, the therapeutic cross-comparison process is currently often based on economic rather than medical grounds. For instance, a twenty year old and very cheap drug with a totally different mechanism of action might be used for comparison, even if it does not represent the current standard of care. Regulation should ensure that such comparisons are made based on medical criteria – so that the actual value of innovation can be assessed against current clinical standards. Finally, unlike other advanced Health Technology Assessment (HTA) markets, such as Germany or the UK, Switzerland does not account for the therapeutic, economic, or societal value of medicines when making pricing decisions. This is critical because if society wants to make well-informed investment decisions in healthcare, it needs to allocate resources based on the value that innovation delivers. Whether it's reducing hospitalizations, enabling patients to live more productive lives, or curing diseases, these benefits should be factored into pricing decisions.

This is something I feel strongly about, especially given my background in market access and leadership roles across different countries. Switzerland is starting to fall behind in creating the right conditions for innovative medicines to thrive. This is not only a challenge for Novartis but also a critical issue for the public discourse and policymakers. We need to ensure that Switzerland remains an attractive location for the economically important pharmaceutical industry – and that the healthcare system evolves in a way that continues to support innovation and delivers benefits to patients, both today and in the future.

**Are Swiss stakeholders aware of these challenges, and how receptive are they to these issues?**

Unfortunately, I believe there is still limited awareness among stakeholders. The current discussion is primarily focused on overall costs and budgetary constraints, rather than on evaluating the true value that innovative medicines can offer. In more advanced HTA systems assessments take into account factors like preventing relapses, reducing hospitalizations, or improving patients' quality of life. In Switzerland, we are largely missing this critical part of the conversation. We need to define what constitutes value for patients, for the healthcare system, and for the society. This is not an easy discussion, but a constructive debate is necessary if we want to ensure that the healthcare system delivers sustainable benefits.

**How is Novartis' refocused portfolio progressing in Switzerland?**

We are proud of our progress and the innovations we've introduced to patients over the years, with plans to continue delivering transformational therapies that address unmet needs. This mission—to discover new ways to improve and extend people's lives —is what drives us every day. Novartis' focus on innovative medicines resonates with me on a very personal level, as it reflects the essence of why I entered the industry in the first place: To challenge the boundaries of what's possible in medicine and provide options where none existed before.

Launching a portfolio like ours in Switzerland, a smaller market, is certainly challenging. It's no longer enough to present robust clinical data; we now need to build a comprehensive case that considers clinical, economic, and societal factors. One of the areas where we see enormous potential is radioligand therapy, a new approach in cancer treatment. The Swiss market is well-suited to lead in this area due to its strong scientific foundation and institutional framework. Beyond radioligand therapy, we are also focusing on secondary prevention in conditions like early breast cancer and high-risk cardiovascular diseases.

However, we continue to struggle with reimbursement processes – not only in the outpatient setting but also regarding the totally different processes for hospital-administered treatments like RLTs. We're actively working with our partners at the policy and institutional levels to find solutions. Together with our industry association Interpharma, we've submitted proposals aimed at improving access to innovative medicines in Switzerland, and we hope to see meaningful changes soon.

**As a key player in Switzerland, do you feel there are particular expectations placed on Novartis in its home market?**

Absolutely, and these expectations are well-founded. Novartis plays a crucial role not only in the Swiss healthcare system but also in the broader economy. With that comes a great responsibility—to be a proactive and constructive partner. It's not enough to merely highlight the challenges; we need to be part of the solution, offering proposals that can address the current issues. This requires collaboration with various stakeholders to drive meaningful change. That's what's expected of me, and it's what's expected of Novartis as a whole, given our significant presence in the country.

Every year, hundreds of thousands of patients in Switzerland benefit from our treatments. Last year, we invested 4.6 billion Swiss francs in research and development within the country, and our contribution to Switzerland's GDP was 24 billion Swiss francs which equals 3% of the country's

GPD. These numbers reflect the considerable responsibility we have—not only to patients but also to the healthcare system and to Swiss society as a whole. Our goal is to ensure that the innovations we bring make a tangible difference for patients, while also maintaining our strong economic foundation. This balance is essential to ensure Novartis continues to be a major contributor to both the Swiss healthcare system and the national economy.

**What significance does the Swiss market hold for Novartis, particularly given its proximity to the global headquarters?**

Switzerland holds a special place for Novartis. This is our home base – where we make our largest investments in research and development, and where over 10,000 of our employees are based, creating jobs for an additional 30,000 people. Given this strong presence, we pay close attention to what happens in Switzerland. One example is our clinical research. We highly appreciate the collaboration opportunities we have with Swiss study sites, but this only makes sense if we can ensure that the treatments we develop here will be accessible to Swiss patients. Without that, conducting clinical research in the country would be challenging from an ethics and sustainability perspective. In summary, there is a deep emotional connection to Switzerland within Novartis, and the country holds significant importance for our leadership. However, it’s critical that the Swiss system supports innovation and doesn’t make it overly difficult for us to operate. There’s goodwill, but we need to make sure that the system remains conducive to progress and growth.

**Switzerland is often seen as a global healthcare leader, yet it lags behind in healthcare digitalization. What are your thoughts on this, and what steps need to be taken to bridge the gap?**

Frankly, it’s deeply frustrating to see how far Switzerland has fallen behind in healthcare digitalization. We’re not just slightly behind; we’re vastly outpaced by countries such as Finland, Estonia, and several others within and beyond Europe. The main issue, in my view, is that the public and political discussions here are almost entirely centred on data privacy, safety, and risk. While these concerns are legitimate and must be addressed, they have overshadowed the incredible opportunities that digitalization brings.

There are three critical areas where Switzerland is missing out. First, from a patient perspective, digitalization offers transparency and empowerment. Patients should have real-time access to their

health data, allowing them to manage their health more effectively. At present, that data is largely inaccessible. Second, from a healthcare system standpoint, you cannot ensure quality care or make informed, value-based investments without tracking outcomes. We simply don’t have the necessary data to evaluate what’s working. Third, from a research and scientific perspective, we’re underutilizing the wealth of real-world data that could be collected to understand disease patterns and treatment outcomes.

In Finland, where I previously lived, every resident is automatically assigned an electronic patient dossier linked to their personal ID number and accessible via their online banking credentials. This system offers complete transparency, with patients able to access all their health records—vaccinations, lab results, imaging, surgery reports, medications, and so forth—right on their phones. This is incredibly useful and empowering for patients and their caregivers, and a stark contrast to the challenges they have to go through in the Swiss system to access the same information; also, it helps avoid wasting resources through redundant interventions. When it comes to using anonymized health data for research purposes, Finland’s electronic health record system allows tracking of long-term patient outcomes and integrates genomic data for research, allowing for deeper insights into disease mechanisms and treatment efficacy. This kind of infrastructure has been in place for years, and the benefits are clear. The technology is available, and it has been proven reliable and safe. So the question we need to ask is, why are we still stuck in discussions that almost exclusively revolve around risk? We should be focusing on what we’re missing out on by not advancing.

**With initiatives like DigiSanté promoting healthcare digitalization in Switzerland, are these efforts sufficient, and what further changes do you foresee to drive progress?**

Initiatives like DigiSanté are positive steps, but they are not nearly enough. Switzerland is decades behind, and we shouldn’t simply aim to catch up with where countries like Denmark or Finland were ten years ago. We need to think much bigger and be far more ambitious. Beyond these initiatives, the public discourse needs to change. Right now, the conversation is still dominated by concerns over risks, but we’re not talking enough about the value digitalization could bring. If this mindset doesn’t shift, we risk implementing limited digital solutions that won’t deliver the full potential. For example, we might end up with an optional, fragmented electronic patient dossier system that only works with some providers. In my opinion, that would be a half-measure and not good enough.

Based on the Finnish example, I believe we should consider an opt-out system where all citizens are automatically enrolled, with one national standard. This system should also be interoperable with other European countries to maximize its effectiveness. Anything less would mean that Switzerland continues to fall behind in the global healthcare landscape.

**Looking ahead to 2024 and 2025, what are your key priorities and goals for Novartis in Switzerland over the next few years?**

There are two primary priorities I’m focused on for the coming years. First, as General Manager of Novartis in Switzerland, my goal is to ensure that we continue to bring innovative treatments to Swiss patients, delivering real value to the healthcare system and society. Success in innovation naturally leads to commercial success, but our core mission is always to make a meaningful impact on patient care through the advancements we offer.

The second priority, closely related to our earlier discussion, is to work collaboratively with other stakeholders to ensure that Switzerland’s healthcare system evolves to meet future needs. We must modernize our platforms, processes, and regulations with a particular focus on the reimbursement situation so that our healthcare system can remain competitive and forward-looking, not only in the short term but for the long-term benefit of patients and the industry. It’s about securing a sustainable future where innovation and patient care can continue to thrive together.

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