



# Brazil: Growing Wealth through Health

2024

  
EXECUTIVE  
FORECAST





**Executive Forecast Brazil 2024: Growing Wealth through Health**

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# Executive Summary

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In its third Brazil edition, Executive Forecast gives continuity to our ‘deep dive’ into the nation’s life sciences sector, engaging with leading representatives to chart a forward-looking agenda that prioritizes healthcare, patient well-being, and sustainable systems.

As the largest economy in Latin America, Brazil stands at the forefront of a growing movement among emerging markets to drive innovation, boost self-reliance—embodied in the Plano Nova Indústria Brasil—and amplify its international influence, exemplified by Health Minister Nísia Trindade Lima’s leadership as head of the Ministerial Board of the World Health Organization (WHO) TB Vaccine Accelerator Council. Health is a key driver of both economic growth and innovation, and Brazil is actively working to unlock its full potential in this arena. Amid its journey toward greater health autonomy, Brazil is focusing on revitalizing domestic production capabilities, addressing deindustrialization trends, and ensuring that health and economic prosperity grow hand-in-hand.

Through direct conversations with influential leaders in the pharmaceutical, MedTech, and healthcare sectors, as well as policymakers and key opinion leaders (KOLs), we aim to capture Brazil’s dynamic health ecosystem in transition. Supported by data and insights from IQVIA, WHO/PAHO, OECD, and other leading sources, this edition explores how Brazil is shaping its health sector to become a resilient and innovative force on the global stage.

# Contributors

This report brings together valuable insights from diverse areas of Brazil's health ecosystem, creating a unified message: "Health drives a nation's true wealth."



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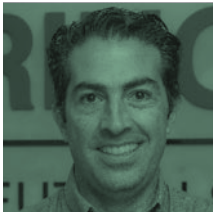
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# Our purpose

We discover and develop innovative medicines and diagnostic tests to help people live better, longer lives.

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# Introduction

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The year 2024 marks a pivotal moment for Brazil's healthcare industry. With the government's ambitious reindustrialization plan placing health autonomy at the forefront, the nation is taking decisive steps to strengthen its local production capabilities and foster innovation. This transformative agenda coincides with Brazil's presidency of the G20, a platform offering an unparalleled opportunity to address the region's most pressing health challenges. Two critical themes dominate the G20 discussions: digital health and health self-sufficiency—topics that demand collaboration among stakeholders at both global and regional levels.



**Márcio Elias Rosa**, Executive Secretary - Ministry of Development, Industry Trade and Services (MDIC) states: "Brazil offers impressive numbers. There is a very large internal market and an absolutely organized, capable, and highly effective unified health system. The effort to industrialize the health sector here in Brazil coincides with what is happening today in the United States and France, considering the need to enhance sovereignty, autonomy, and reduce vulnerabilities."

Additionally, Brazil ranks among the top 15 countries in scientific research, with universities and educational institutions producing impactful work for years. With a strong market, a supportive ecosystem, highly qualified universities, hospitals, research institutions, and a stable regulatory environment, Brazil is well-positioned for growth in scientific and industrial innovation."



**Sydney Clark**, Senior Vice President (LATAM), IQVIA observes: "Brazil's significance in Latin America's healthcare landscape is undeniable. The region's pharmaceutical market totals \$85 billion, with Brazil contributing nearly

half at \$41 billion. Home to one-third of Latin America's 617 million people, Brazil is more than just a market leader in size. It also stands out for its regulatory maturity, with ANVISA, the country's regulatory agency, earning respect on the global stage. Recent initiatives such as recognizing analyses from foreign regulatory bodies, incorporating real-world data (RWD) into regulatory submissions, and launching a pilot program for start-up-driven drug development underscore ANVISA's commitment to modernization. Legislative advances, including new clinical trial regulations awaiting presidential approval, further signal a promising environment for R&D in the country."



All these developments enhance Brazil's appeal as a hub for pharmaceutical innovation. This transformative momentum is bolstered by an unprecedented alignment among Brazil's leadership.

Yet, the challenge remains in demonstrating the tangible benefits of increased health investment. As **Yaneth Giha**, Executive Director of FIFARMA, highlights, the socioeconomic burden of disease in Latin America underscores the need for better disease management and greater returns on health investments. "Health has powerful economic effects and is an opportunity for these countries to excel," she asserts, emphasizing the importance of leveraging platforms like the G20 to champion the economic and societal dividends of investing in health.

This report brings together diverse voices from the healthcare ecosystem, uniting public, private, and multilateral stakeholders. It explores how Brazil can capitalize on this moment to advance its health agenda, foster innovation, and lead the region in creating a more resilient, self-sufficient healthcare system.

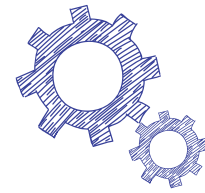


# Chapter I

## Building Wealth Through Health

### Shaping a New Health Agenda

*“A healthy population is a productive one, laying the foundation for economic growth and redistribution. Thus, prioritizing health is essential for the progress of our countries.” Nelson Mussolini, President, Sindusfarma, Brazil*



# Gearing for Health Leadership

Brazil is the largest country in both South America and Latin America and boasts a population of approximately 216 million people, making it to the ranking of the most populous countries in the world, after China, India, USA, Indonesia and Pakistan. Its demography is diverse and spreads through 26 states and a federal district, which reflect a mixture of ethnicities and cultures. This cultural diversity is integral to Brazil's identity, shaping its society, customs, and traditions and business opportunities.

Brazil is at a crucial moment in redefining its healthcare ecosystem, aiming to become more autonomous and resilient amid a rapidly changing global landscape. With an emphasis on attracting private investment, digitalizing the sector, and fostering stronger national production in both MedTech and pharmaceuticals, the country is



shaping a sustainable healthcare framework that addresses its unique challenges while positioning itself as a leader in Latin America. **Fernando Silveira**, CEO of ABIMED, emphasizes this ambition, stating, "First and foremost, Brazil is open for business. We are keen to attract more investments into the country, and the government is providing ample support to facilitate this. Additionally, Brazil has the potential to emerge as a significant regional hub, not just for Latin and Central America but also for African nations. We have much to offer in terms of opportunities."



As **Sydney Clark**, Senior Vice President (LATAM), IQVIA, notes: "Latin America is not a connected region like Europe. There are few regional stakeholders with significant influence at the country level. There is an opportunity

to increase collaboration and to proactively benchmark within the region, seeking to raise the bar across Latin America as a whole. This is where Brazil can play an important role, setting the tone and providing examples of best practices."

Despite obstacles in healthcare funding and the challenge of serving Brazil's vast and diverse population still being a reality, industry leaders see a clear opportunity for transformative change.

**Lorice Faria Scalise**, President of Roche Pharma, Brazil, states: "Our GDPs are growing, we produce more, and we have access to advanced technologies. The key issue is that we often try to solve today's problems with yesterday's solutions. We must embrace innovation, including artificial intelligence, to truly advance."



By addressing Brazil's challenges through innovative strategies, the country is not only working toward a more autonomous healthcare system and stronger health industry but also paving the way for a sustainable and inclusive model that other nations may look to as inspiration.

"For the first time, the president, vice president, health minister, and the president of BNDES share a unified vision: the need to invest in local production as a catalyst for innovation and economic growth. This level of unity among key leaders is unprecedented, and we must seize the moment," emphasizes **Paulo Fraccaro**, CEO of Brazil's Medical Device Association ABIMO.



# Nova Industria Brazil: Rebuilding the Industrial Sector



**“The new policy places innovation and sustainability at the center of economic development, stimulating research and technology in the most diverse segments, with social and environmental responsibility.”** Geraldo Alckim, Vice President and Minister of Development, Industry, Trade and Services, Public Statement.

In a move to modernize and strengthen Brazil’s economy, President Luiz Inácio Lula da Silva has prioritized the health industry within Brazil’s new industrial policy, Nova Indústria Brasil (NIB). Officially launched in January 2024, NIB is a 10-year, R\$300 billion plan to revitalize Brazil’s manufacturing sector by focusing on six key areas: Sustainable Agroindustry, Infrastructure, Health Industry, Bioeconomy, National Defense, and Digital Transformation. This ambitious policy aims to rebuild Brazil’s industrial base, creating jobs and wealth while enhancing domestic security and self-sufficiency.

A core pillar of NIB is the Health Industry strategy, designed to reduce dependence on imported medicines and medical devices by boosting local production and enhancing access to affordable healthcare. This plan not only aims to lower healthcare costs but also fosters research and development, paving the way for advancements in medical treatments and technology. By investing significantly in domestic



health production, the government seeks to build a self-sustaining healthcare sector that can address national needs independently of global supply chains. **Márcio Elias Rosa**, Executive Secretary, Ministry of Development, Industry Trade and Services (MDIC), Brazil, describes the proposal as following: “Neo-industry is not a mere re-industrialization. The world has changed, and it is necessary to rebuild Brazilian industrial base that suits the present moment. It needs to be greener; more productive, ergo more competitive; more innovative, dealing with an effective digital transition – taking advantage of new technologies like AI; and more export-oriented, because we know well that no consolidated industry survives solely on domestic trade.”

From his LATAM perspective, **Sydney Clark**, Senior Vice President (LATAM), IQVIA, states: “Industrial and Economic Healthcare Complex Strategy and New Industry Brazil. Both programs seek to drive investments for local production of drugs and medical devices/equipment in the country, as well as foster a better environment for local R&D. The expectation is that over \$10 billion will be invested into these programs from both public and private funds.”



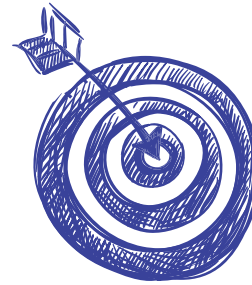
“This trend towards industrial revival has been observed globally”, observes **Fernando Silveira**, CEO, ABIMED, and adds: “The proposed policy is modern and comes with clear targets and metrics. We have been actively collaborating with various associations and providing input to the Ministries of Health and Industry and Commerce to ensure that the unique needs of MedTech are satisfactorily addressed within this broader industrial policy framework. Unlike in other countries where industry refers solely to pharmaceuticals, our market requires distinct considerations that we are working to integrate into this policy.”



That collaboration is key for success, knows also **Reginaldo Arcuri**, President, FarmaBrasil: “NIB opens a huge opportunity for development and innovation, and we are ready for the PDPs, prepared to use the mechanisms the Health Ministry offers, such as the PDIL, the development program for local investment. We can move forward in Brazil, but only if we work together.”



# Challenges and Opportunities in Brazil's Health Ecosystem



With a government committed to accelerating growth in the healthcare sector, industry leaders and stakeholders have identified key challenges and promising opportunities to pursue:



## Strengthening Health Policies

“We firmly believe that by advocating for the right policies, we can drive positive change and foster greater equality within the MedTech segment, as well as the Health Sector. Specific issues we have been addressing include tax reforms, AI legislation, and sustainability measures.” **Fernando Silveira**, CEO, ABIMED, Brazil



“Currently, several significant projects are being discussed in the National Congress of Brazil, including regulations for clinical research, the implementation of a national electronic health record, and the establishment of a national health data network that integrates artificial intelligence into healthcare. We are collaborating with all parties involved in these discussions to advance these crucial topics.” **Evelyn Tiburzio**, Technical Director, ANAHP, Brazil



“Public policies should be seen as a science. The Executive Power should focus on the design and implementation of public policies based on the best evidence and for the good of the whole population.” **Ana Estela Haddad**, Secretary of Information and Digital Health, Ministry of Health, Brazil



## Driving Innovation and Research

“FIFARMA’s priority is to work on more robust innovation and intellectual property ecosystems in the region to improve the quality and quantity of clinical research and have intellectual property policy certainty. We have great opportunities in these areas, and it is key that we actively engage to promote better ecosystems, which in turn will create more competitive systems in our countries.” **Yaneth Giha**, Executive Director, FIFARMA



“Brazil is actively exploring new ways to drive incremental innovation alongside tax reform. The National Institute of Industrial Property (INPI) has recently undergone significant modernization efforts. Brazil ranks among the top 15 countries in scientific research, with universities and educational institutions producing impactful work for years. With a strong market, a supportive ecosystem, highly qualified universities, hospitals, research institutions, and a stable regulatory environment, Brazil is well-positioned for growth in scientific and industrial innovation.” **Márcio Elias Rosa**, Executive Secretary, MDIC, Brazil



“Clinical research is crucial for innovation, and we need a regulatory environment that supports this process. We are partnering with the Ministry of Health in order to promote a safe environment for technology transfer between public and private laboratories, to strengthen the health industrial complex. Additionally, we are focused on aligning our regulatory standards with international benchmarks, particularly regarding intellectual property rights, such as the time it takes for the INPI (National Institute of Industrial Property) to approve patents, which is still too lengthy.” **Renato Alencar Porto**, Executive President, INTERFARMA, Brazil



“Strengthening the clinical research industry will create a beneficial feedback loop with academia, benefiting both sides. Furthermore, this growth will extend to other sectors such as logistics, diagnostics, health tech, and software solutions.” **Paulo Fernandes**, President, Associação Brasileira de Organizações Representativas de Pesquisa Clínica – ABRACRO



“Innovation in Brazil is a hot topic. A new law for Clinical Research in Humans (PL 6007/23) aims to simplify and reduce the ethical and regulatory approval time, aiming to significantly boost Brazil’s R&D capabilities. At present, only 1.9% of global R&D is conducted in Brazil. With the new law, the goal is to increase this to 4% over the next few years. Brazil’s large and diverse population of 220 million people provides a rich environment for conducting R&D and clinical trials, which can facilitate product registration internationally.” **Rafael Suarez**, CEO and Head of LATAM, Ferring



### Chances for a Local Innovative Industry

“To achieve sustainability and produce the necessary inputs and finished products domestically for our country’s health, industrialization is the critical component. CMED’s role is to provide predictability in pricing so that investors can make informed decisions. While our current regulations work well for generic and synthetic drugs, we need to update the rules for incremental and radical innovations to reflect the complexities of today’s pharmaceutical market.”



**Daniela Marreco Cerqueira**, Executive Secretary of CMED, ANVISA, Brazil

“In 2023, Brazil’s medical device consumption totaled \$12 billion—\$5 billion from local production and \$7 billion from imports. To address this imbalance, the government must prioritize local products. Currently, local producers pay taxes when selling to the public sector, while imports do not. Equalizing tax conditions would exempt local producers. As tax reforms progress, we aim to remove these barriers through collaboration across all government levels. Our efforts extend beyond medical products to include drugs, food, cars, and electronics. While Brazil can’t produce everything, our goal is to achieve at least 60% local production.”



**Paolo Fraccaro**, CEO, ABIMO



*“It is crucial for us to establish domestic production capabilities, reducing our reliance on importing technology and focusing on cultivating a broader range of manufacturing industries instead of solely grains and imported technology.”*

**Sergio Frangioni**, Director, Blanver, Brazil



### Handling the Cost of Healthcare

*“Addressing the financing of health systems will require a focus on prioritization and a better allocation of resources towards prevention, early detection, and effective treatments. This approach is essential for ensuring the long-term viability and effectiveness of healthcare systems in LATAM. Latin America invests, on average, only about 3.7% in public health. WHO recommends that this figure has to be a minimum of 6%. Economic reports consistently demonstrate that increased investment in healthcare leads to improved productivity and higher GDP per capita. Therefore, there needs to be a dialogue with finance ministries to recognize healthcare as a strategic economic discussion.”*

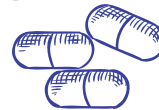


**Rolf Hoenger**, Area Head, Roche Latam

“Fee-for-service remains the predominant payment model in Brazil, but we are working towards risk-sharing strategies, particularly with the incorporation of high-cost drugs into healthcare systems. These discussions highlight the potential for concrete actions moving forward.”



**Evelyn Tiburzio**, Technical Director, ANAHP, Brazil



### New Drug Pricing Models

“No one consumes medicine by choice; it’s a necessity. Reducing or eliminating taxes on essential medicines is crucial to ensuring that the population has access to these treatments. We are working to ensure that all prescription medicines have a zero-tax rate, which will benefit public health and strengthen the economy because healthy citizens contribute more to the economic system.”



**Renato Alencar Porto**, Executive President, INTERFARMA

“Our goal is to advocate for all medications to receive a 60% discount and for drugs used in the treatment of rare diseases, oncology, and other high-cost conditions to have a tax reduction rate of 100%. This is a critical issue that demands a strong and persistent advocacy effort.”



**Reginaldo Arcuri**, President, FarmaBrasil



### Improvement of Public – Private Partnerships

“The private sector’s involvement is essential for research advancement. Private investment drives technology transfer and clinical research, which require substantial funding. Unlike the public sector, private companies can absorb these financial risks. Public investments in uncertain research outcomes can lead to increased taxes and poor returns, whereas private companies manage these risks internally. Ultimately, the private sector must lead in high-risk research areas, allowing the government to focus on broader public health investments, like sanitation, which have a more immediate and widespread impact on public health.”

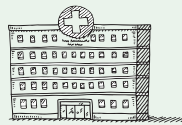
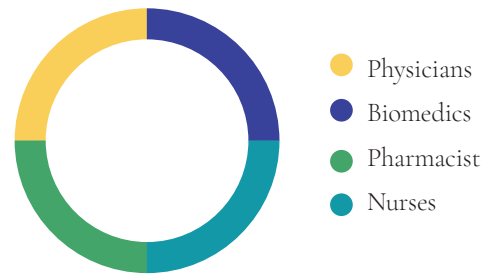


**Nelson Mussolini**, President, Sindusfarma.

# Characteristics of the Health Sector in Brazil

- 302 thousand Pharmacists
- 693 thousand Nurses
- 1.6 million Nursing Technicians
- 425 thousand Nursing Assistants
- 452 thousand Physicians
- 100 thousand Biomedics
- In addition to many biologists, physiotherapists, dentists, etc

Main health professionals who make up the team of a study site.



**140 thousand**  
health establishments



**453 thousand**  
beds



Employs more than  
**6 million people**  
(7% of the total workforce)



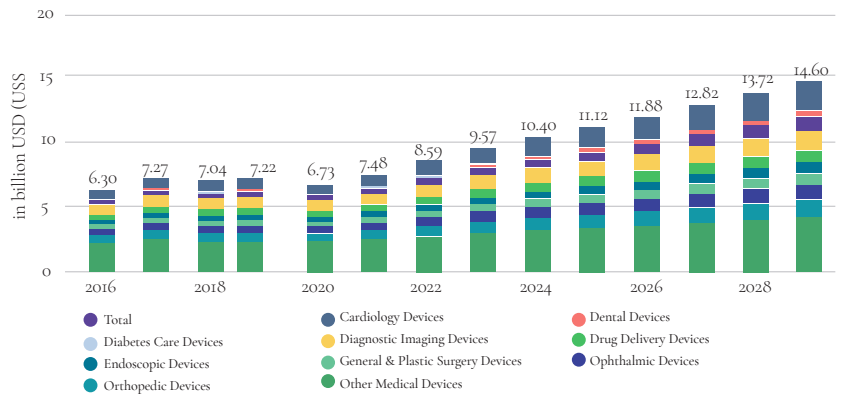
**46.5%**  
in other sectors activities, such as the pharmaceutical industry, service providers, etc



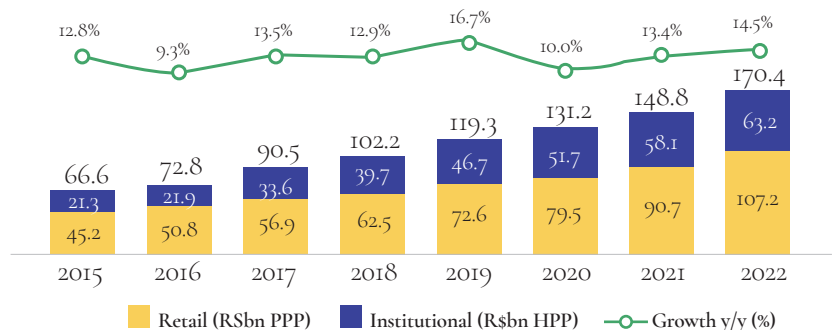
**53.5%**  
in assistance activities

## Medical Device Market in Brazil- Projected Revenue

Revenue is expected to grow at a 6.98% CAGR (2024-2029), reaching \$14.59 billion by 2029.



## The Brazilian pharmaceutical industry (R\$bnn)



Source: Interfarma, IQVIA Pactual. PPP = pharmacy purchase prices. HPP= hospital purchase prices

# Márcio Elias Rosa

Executive Secretary - Ministry of Development, Industry  
Trade and Services (MDIC), Brazil



**EF: In conjunction with the Ministry of Health's joint project, what are the main strategies to improve the health sector in Brazil?**

**MR:** The Ministry of Development, Industry, and Commerce was reestablished by President Lula to develop Brazil's industrial policy in line with contemporary conditions. Industrial policy must recognize that the so-called global value chains have been disrupted or are undergoing major revisions. Sustainability should be discussed as it relates to these three aspects: environmental sustainability, in which Brazil can be a major player; economic sustainability; and social sustainability, which can drive development by generating jobs and distributing income.

The relationship with the Ministry of Health is so relevant and important that mission number 2 of the New Industry Brazil is precisely the mission related to what we call the health economic and industrial complex, with the purpose of expanding our production capacity and reducing our external dependence or vulnerability. The goal to be achieved is the possibility or capacity to produce 70% of medicines, vaccines, equipment, medical devices, and other materials and inputs in Brazil within the next 10 years. We call this new industrial policy "Neo-industry". It is not a mere re-industrialization because the world has changed, we need to look to the future. It is necessary to rebuild or establish a Brazilian industrial base that suits the present moment. It needs to be greener; more productive, ergo competitive; more innovative, dealing with an effective digital transition – taking advantage of new technologies like AI; and more export-oriented, because we know well that no consolidated industry survives solely on domestic trade.

Brazil has a unified health system, which is surely one of the best in the world. This great system is obliged to make large government purchases of supplies, vaccines, medicines, medical devices, at a scale like no other client in the world.

**“ The national health industry is not only a matter of political choice; it is a strategic imperative. ”**

Our job at MDIC is to define the macro policy and identify the possibility of resource allocation, and the Ministry of Health sets priorities. We have, for example, a recent case of BNDES funding a large conglomerate in the health area with around half a billion reais for industrial development, and the funding for the development of 16 generic medicines here in Brazil. Another initiative relates to government procurement for the SUS. This new PAC, which is a growth acceleration program, foresees the investment of one billion reais for the development of advanced therapies and vaccines, and technologies with mRNA.

We are very grateful for renowned institutes like Fiocruz and Butantan, which are the main recipients of investments within the PAC. We also need to empower our national regulatory agency, Anvisa, so that it can both strengthen its actions and streamline its procedures. It is worth noting that Brazil had its tax reform approved

last year, which was long-awaited for decades and should introduce a more favorable business environment. This tax reform is another key addition that will translate into a boost for our industrial policy.

**EF: Regarding public-private partnerships, what future initiatives do you think will support collaboration in Brazil?**

**MR:** Even though the state doesn't need to be the protagonist, it is the strategic driver of development in all areas, and especially in health. I can give some examples, such as access to credit and financing. We have resumed, for instance, the program for productive development partnerships, the PDP, which is aimed at technology transfer for the manufacture of products for the SUS. We launched a local development and innovation program, initiated by the federal government under President Lula, which aims to reduce the vulnerability of our economic-industrial complex by supporting and encouraging the development of innovative solutions here in Brazil. By encouraging investment in research and innovation within the national territory, we will be able to attract more private partnerships.

The health economic-industrial complex represents 10% of the GDP. It accounts for about 9 million direct jobs and around 25 million indirect jobs. In other words, whether because of the public service's relevance or the social benefit, I would say that the collateral effects here are only positive.

**EF: Why is Brazil the best country in Latin America to invest in, and how does the government plan to simplify these processes to attract more foreign investors to reposition Brazil on the global map?**

**MR:** Brazil offers impressive numbers. There is a very large internal market and an absolutely organized, capable, and highly effective unified health system. The effort to industrialize the health sector here in Brazil coincides with what is happening today in the United States and France, considering the need to enhance sovereignty, autonomy, and reduce vulnerabilities.

Brazil offers the private sector a well-established ecosystem. We have relationships with major business groups in this area. Brazil is actively exploring new ways to drive incremental innovation alongside tax reform. The National Institute of Industrial Property (INPI) has recently undergone significant modernization efforts. Brazil ranks among the top 15 countries in scientific research, with universities and educational institutions producing impactful work for years. With a strong market, a supportive ecosystem, highly qualified universities, hospitals, research institutions, and a stable regulatory environment, Brazil is well-positioned for growth in scientific and industrial innovation.

Brazil today is the sixth-largest drug market in the world. So, if we combine all this with this consolidated market, I would say that the private sector makes a good deal when investing in Brazil.

**EF: Do you have a final message for our readers?**

**MR:** The final message is one of optimism. Brazil today has the lowest unemployment rate in the last 10 years, presents growth rates above expectations for our GDP, and all of this with a gradual reduction in interest rates and controlled inflation. Overall, we are experiencing an opportune moment in the history of our country.

# Ana Estela Haddad

Secretary of Information and Digital Health, Ministry of Health, Brazil



**EF: How has your background contributed to your ability to perform in your role at the Ministry of Health, and what advice do you have for other professionals seeking to take a similar path?**

**AEH:** It has been a long journey since my undergraduate course in dentistry, starting when I began teaching and working as a clinician specialized in pediatric dentistry. After teaching for some years and finalizing my PhD, I became a professor at the University of São Paulo, which was a dream come true for me.

Starting to work in public policies at the Ministry of Education was a difficult step and a challenging decision. Until then, I had never been a public policymaker, a move that changed my life forever. I no longer see things in the same way; public policies are incredibly hard to design and implement. However, when a proper balance is found, it can make a huge difference to the country and many people's lives. Young people can start dreaming and making positive life decisions within the policy we create. Public policies should be seen as a science. The Executive Power should focus on the design and implementation of public policies based on the best evidence for the good of the whole population.

**EF: As the Secretary of Information and Digital Health, you lead several initiatives, including DATASUS and the Innovation and Digital Health Lab. Could you tell us about these initiatives and how they will be integrated into physical health spaces?**

**AEH:** In 2023, when President Lula da Silva began his third mandate, our Health Minister, Nísia Trindade, created a new Secretariat of Information and Digital Health. Three departments were detached from the Executive Secretariat to constitute the new Information and Digital Health Secretariat.

“ The main goal of the new Secretariat is to promote the digital transformation of the Unified Health System, with the aim of expanding citizens' access to health actions and services, as well as achieving continuity of health care. ”

High-quality data allows good health decisions to be made by policymakers, healthcare professionals, and the citizens themselves, who are the ones with the most influence on their own wellbeing. With adequate information and resources in the palm of their hands, citizens can control their own electronic health records, a big step in self-managing their health and making better decisions with regard to lifestyle, diet, sleeping, exercise habits, etc. This not only helps to treat conditions but increases preventative ability as well. We consider the citizen's journey, and we are digitally transforming and reorganizing the health system, integrating primary healthcare and specialized high-complexity

care within digital health, reducing the need for patients to attend appointments in person unless necessary, relieving pressure from our universal health system. SUS is responsible for 100% of the population and around 75% depends exclusively on SUS, which amounts to 150 million people who depend exclusively on SUS. SUS performed 2.8 billion healthcare procedures last year.

**EF: How are you ensuring the quality of data and equal access to digital resources?**

**AEH:** Ensuring data integrity and quality is not simple, especially when dealing with a universal health system that spans federal, state, and municipal levels. We must work considering all these stakeholders. At the beginning of this year, we launched the “Digital SUS Program,” supported by financial resources for all the municipalities and states, where we provide tailored support and receive information related to our digital transformation.

Each municipality and state must diagnose their healthcare network, what they have, what they lack, their biggest challenges, and what they want to prioritize, such as cancer or women's health, for example. Following this, a national index of digital maturity in health is applied to the given municipality to have a baseline and understand the big picture across the country. Our health system is divided into macro-regions, of which we have about 120, and we will provide an action plan for digital transformation to each and support them technically as well as financially. Each region has specific differences, both cultural and economic, that must be respected.

The Innovation and Digital Health Lab will be a space where we can interact with the private and public sectors to participate in the SUS agenda, which will drive innovation. We also have some national structuring actions: we are developing a national health data network, a platform of interoperability, and it will be an ecosystem to have and exchange data for both the public and private sectors. Creating an ecosystem will be crucial for connecting electronic health records, health professionals, and different services nationwide.

When we started the SUS Telehealth Program in 2006, connectivity was really a huge challenge, but now we have made important advancements. Currently, we have many programs, and the Ministry of Communication is working to improve the connectivity infrastructure, especially in rural areas and in the Amazon region. However, we are in a good place with a roadmap to advance together.

**EF: The Ministry of Health aims to boost national self-sufficiency in pharmaceuticals and medical technology, with a goal of producing 70% of medicines locally. Is the same philosophy being applied to the data and information space?**

**AEH:** Ministra Nísia added a new dimension to the already existing Secretariat of Science, Technology, and Innovation: the health economic-industrial complex. She considers health an important component of the country's economic growth. This is not a task for the government alone; it requires the collaboration of both public and private sectors. Secretary Carlos Gadelha is working on this, and we work closely with him to apply the model to digital health in the partnerships we make in the public and private sectors. This collaborative approach gives us optimistic perspectives on the future of digital health in Brazil.

# Daniela Marreco Cerqueira

Executive Secretary of CMED, ANVISA, Brazil



**EF: What are CMED's main priorities for 2024?**

**DMC:** Our key priority for 2024 is updating CMED's regulatory framework. We are revising several norms, including Resolution 2 of 2004, which outlines pricing criteria for medications in Brazil. Given the evolution of the pharmaceutical market, especially with the introduction of biological and advanced therapies, this revision is essential. Other pricing-related projects include establishing criteria for pricing incremental innovation medications, advanced therapy products, and non-new biological products. These revisions aim to foster investment in innovation and ensure that medications remain accessible and affordable.

Additionally, we are working on updating CMED's internal regulations, including Resolution No. 3. We are also revising the Price Adequacy Coefficient (CAP), a mandatory discount applied to public medication purchases, and updating penalties for market violations. These efforts will help create a comprehensive update to CMED's regulatory framework.

**EF: On the topic of new scientific discoveries, how will CMED help foster innovation in Brazil?**

**DMC:** Our big challenge is balancing the needs of the SUS, the largest public healthcare system in the world, while creating an environment where new technologies can flourish. We need to ensure pricing allows the industry to bring new medications to Brazil while maintaining the sustainability of the healthcare system.

Incremental innovation is as a crucial step for the national industry to advance towards radical innovation, which is not yet a reality for the Brazilian industry but will certainly become one. Innovation requires greater interaction between our industry, academia, and government.

“No country can innovate without this triple helix: academia, government, and industry.”

In terms of incremental innovation, CMED aims to establish criteria to encourage the national industry to invest in innovation. This step is important to bring more productive technology to Brazil and fulfill Goal 2 of the New Industry Brazil program, increasing the sustainability of our health system by having 70% of the necessary inputs manufactured domestically.

Regarding radical innovation and advanced therapies, the world is discussing how to price advanced therapies, but there is no established formula yet. Our health system will work on a type of risk-sharing strategy to facilitate access to these high-cost products.

**EF: What advice would you give to foster public-private partnerships in Brazil, and what benefits do they offer?**

**DMC:** To improve public-private relations, we need solid and predictable regulatory and legal frameworks and transparency. Strengthening dialogue is essential to provide the legal security needed not just for investors but also for regulators, as health system managers also require legal security and predictability in decision-making.

Despite having a well-defined regulatory framework, we see very productive development partnerships, which should be country policies rather than government

policies. This impacts private sector investment decisions due to uncertainty about the continuity of such programs.

**EF: On the topic of the new industrialization plan in Brazil. What are your expectations for this plan, and how can it further stimulate the pharmaceutical sector in the country?**

**DMC:** To achieve sustainability and produce the necessary inputs and finished products domestically for our country's health, industrialization is the critical component. Our industry must be capable of producing these inputs. As CMED, we need to provide predictability and a regulatory framework that allows investors to make decisions, knowing, or at least having a good idea of, the product's final price.

CMED's role is to provide predictability in pricing so that investors can make informed decisions. While our current regulations work well for generic and synthetic drugs, we need to update the rules for incremental and radical innovations to reflect the complexities of today's pharmaceutical market. Innovation is an ecosystem; it will not be driven solely by the Ministry of Health or the Ministry of Development, Industry, and Trade. It involves patents, clinical studies, academia, pricing, and registration. This ecosystem must be well-coordinated to bring more industrialization and sustainability to our health inputs production.

**EF: What is CMED's perspective on incorporating AI, device interoperability, and integrating new technologies into regulatory practices?**

**DMC:** Artificial intelligence can significantly optimize our processes, for example, when handling large volumes processes like complaints and pricing dossiers, allowing us to focus our human resources on tasks that truly require them. Tasks that are repetitive or could be performed by AI would save human effort, enabling the team to focus on updating the regulatory framework, something that must be done by humans. However, whenever I discuss AI, I like to emphasize that human interaction with technology will always be necessary.

**EF: How can we attract more people to work in the public healthcare sector?**

**DMC:** In the public sector, we face a significant bottleneck: civil service examinations are needed to staff agencies like Anvisa effectively. Due to the spending cap, restoring the necessary workforce has been challenging. We currently have a deficit of over 500 staff members. Despite this, Anvisa's recent civil service examination attracted substantial competition, reflecting the job's appeal, including competitive salaries. However, we still need financial resources to hold more exams and increase staff.

**EF: Why is a dollar invested in Brazil worth more than a dollar invested elsewhere?**

**DMC:** SUS makes Brazil an extremely attractive country for any health investor. It guarantees universal, equitable, and free access to any citizen. Brazil is a significant purchaser of pharmaceuticals and has the largest pharmaceutical market in Latin America and oscillates between the fifth and sixth largest in the world.

Data from our pharmaceutical market yearbook includes 220 profitable companies, over \$26 billion in revenue, more than 4,799 marketed products, nearly 2,000 active pharmaceutical ingredients, and 6.2 billion medication packages sold.

Brazil is a very large market with great potential for growth, provided there is investment in research and development. It's a cycle that will yield economic and social benefits for the country. This is clear even in the UN Sustainable Development Goals. Innovation is prominently featured, and investment in health brings positive outcomes for the country.

# Sydney Clark

Senior Vice President, IQVIA LATAM



**EF: What role does Brazil play in LatAm's pharma market play?**

SC: The pharmaceutical market totals \$85 billion in LatAm. Brazil, at \$41 billion, represents roughly 50%. In terms of population, the country holds approximately one-third of the region's 617 million people. Brazil is also amongst the regional leaders in regulatory maturity, with ANVISA highly regarded amongst global regulatory agencies. From a legislative standpoint, the Senate's recent approval of new regulations regarding clinical trials in Brazil will greatly improve the environment for R&D in the country.

Latin America is not a connected region like Europe. There is an opportunity to increase collaboration and proactively benchmark within the region, seeking to raise the bar across Latin America. Brazil can play an important role in this, setting the tone and providing examples of best practices.

**EF: What are IQVIA's top priorities for 2024 in LATAM and Brazil?**

SC: We strongly believe in powering healthcare through connected intelligence. This involves connecting not only information but the different stakeholders within the healthcare ecosystem. We are now directing more resources towards providing information and services in high specialty and non-retail channels across various Latin American countries. We have also developed solutions catering to specific niches, including Consumer Health and Rare Diseases.

Over the past 5 years, we have invested resources in connecting payers, providers, and pharmaceutical companies using real-world data (RWD). In Brazil, for example, we've developed over 20 partnerships to build an anonymized, data-privacy-compliant RWD datalake that enables a host of analytics to support medical, market access, and commercial decision-making. These efforts promote dialogue amongst stakeholders and support the adoption of new technologies and the improvement of efficiency in healthcare expenditure.

**EF: What emerging trends do you observe in portfolio management in Latin America?**

SC: In Latin America, there will be a significant portfolio shift during the next 5-10 years, driven by the end of the patent life of several drugs and the more complex nature of global pharmaceutical R&D pipelines. We are observing many global multinational corporations transitioning their pipelines to high-specialty, niche population solutions, addressing very specific unmet needs. This will require the development of new capabilities around disease awareness, diagnosis, market access, and patient support.

Additionally, the launch environment is becoming more complex. Longer patient journeys, more channels of communication (omnichannel), more budget-constrained payers, more complex delivery mechanisms (e.g., cell & gene therapies), and greater evidence requirements are some drivers. Roughly 40-50% of the consulting work we perform in Latin America is for launch planning and execution, demonstrating the importance executives give to the topic.

Another critical element in portfolio management is the so-called patent cliff. We estimate that \$11 billion in drug sales in Latin America will face the end of exclusivity over the next five years, with roughly two-thirds in biologics. Payers will benefit from the entry of generics and biosimilars, hopefully driving patient access due to lower price points. Originators and generic/biosimilar players will seek to maximize their

presence in the market, and portfolio & launch planning will play a determining factor in how effectively they do so.

**EF: Why is \$1 invested in Brazil worth more than anywhere else?**

SC:

“Brazil has been the key engine of growth in Latin America for many years and will likely continue to play this role.”

We project that Brazil's pharmaceutical market will grow at an annual compound rate of 9.1% during 2023-28. Brazil's absolute growth shall represent roughly 50% of the region's total growth. Key drivers of growth include aging demographics, unhealthy lifestyle habits, greater government investment in the healthcare sector, and continued growth of the private healthcare sector.

Adopting new technologies is critical in growth and foreign investment decisions. IQVIA and FIFARMA have recently published the 2023 W.A.I.T. Indicator Report for 2023, covering eight countries and two therapy areas (oncology and rare diseases). The report demonstrates that the region faces important drug access gaps. In Brazil, less than 30% of drugs launched globally between 2014-21 have some degree of access to the public system. We hope this report raises awareness of this challenge and fosters dialogue among stakeholders to develop solutions to alleviate limited access.

**EF: How is innovation being fostered in Brazil?**

SC: Since the election of the new government in Brazil, two major programs have been put in place: Industrial and Economic Healthcare Complex Strategy and New Industry Brazil. Both programs seek to drive investments for local production of drugs and medical devices/equipment in the country and foster a better environment for local R&D. The expectation is that over \$10 billion will be invested into these programs from public and private funds.

There is a resurgence of initiatives related to technology transfer and a renewed commitment to onshore the production of essential drugs. Today, many local companies are active and delivering incremental innovation. We are seeing the launch of new delivery mechanisms (e.g., extended or rapid release) and new formulations. Many companies are actively pursuing R&D inside and outside Brazil and envision a portfolio mix with greater participation of products resulting from their own incremental or radical innovation.

There is a long road ahead to ensure Brazil has an ideal environment for local production and R&D, but important steps are being taken. The country needs to address the high cost of producing locally to effectively compete against global players in countries like India and China. From a clinical research perspective, we sometimes look at countries like South Korea and China – they were able to radically transform their biopharmaceutical industrial and R&D parks. Maybe there are lessons we can learn from them to expedite our own development and avoid pitfalls. This will require significant collaboration across several government ministries, as well as the different stakeholders within the private sector.

# Nelson Mussolini

President, Sindusfarma, Brazil



**EF: This year marks your 15th anniversary at Sindusfarma. What are you most proud of achieving over these years?**

NM: When I joined Sindusfarma, the organization transformed from a purely state entity focused on regulatory and educational issues to a broader role. Building a pharmaceutical company is complex, requiring years of certification to deliver products. To support this, we brought in suppliers for capsules, machines, transport, and storage. When I arrived, we had 128 members; today, we have over 585 and continue to grow. We have shifted from having members to having clients, providing extensive services such as price regulation, access, research, and communication. Over the past 15 years, I am proudest of transforming Sindusfarma into a true service bureau, enhancing its national and international exposure and impact.

**EF: How is Sindusfarma working to accelerate regulatory processes and establish Brazil as a leader in research and innovation?**

NM: After over a decade of effort, we passed a new clinical research law in the National Congress. This law modernizes clinical research in Brazil without stripping any rights from research participants. Critics worry about the ethical treatment of participants, but our law aligns with international standards from countries like the US, Canada, and various European nations, ensuring bioethical protections.

Bureaucratic delays often prevent us from meeting strict international deadlines for participant recruitment, hindering our progress. Improving this process will foster technical development and enable Brazilian researchers to collaborate globally, enhancing knowledge exchange. This will allow us to serve many more people, potentially addressing the needs of over 55,000 individuals currently lacking treatment. Research is crucial for development; no developed country thrives without an advanced clinical research sector.

The private sector's involvement is essential for research advancement. Private investment drives technology transfer and clinical research, which require substantial funding. Unlike the public sector, private companies can absorb these financial risks. Public investments in uncertain research outcomes can increase taxes and poor returns, whereas private companies manage these risks internally.

Ultimately, the private sector must lead in high-risk research areas, allowing the government to focus on broader public health investments, like sanitation, which have a more immediate and widespread impact on public health.

The pharmaceutical industry has played a crucial role in extending and improving lives. Better health means people live longer, healthier lives, contributing more to the economy and reducing the financial burden on the healthcare system. Healthy individuals continue to pay taxes and contribute to society rather than becoming costs due to illness. By prioritizing health, we ensure that people can continue to drive economic and societal development.

**EF: With advancements in technological innovation, how do you foresee changes in the market and new financing models for treatments?**

NM: Risk-sharing is crucial. With over 150 million Brazilians relying on SUS, we need to ensure efficient use of resources. During the pandemic, the unified health system proved its value by handling the majority of treatments. If a product incorporated into the system does not deliver results, it should be discontinued for the overall benefit of the system. If a product doesn't achieve the promised results, the company should take responsibility and possibly refund the costs. This rationalizes the use of public resources, which ultimately come from taxpayers.

**EF: How can Brazil's production and autonomy in manufacturing enhance the country's economic growth and inclusion?**

NM: While significant in local production, Brazil's pharma industry faces a crucial challenge with Active Pharmaceutical Ingredients (APIs). Only about 5% of Brazil's API needs are domestically produced, with the rest imported. This reliance on imports stems from the global trend of many countries, including Brazil, abandoning API production due to environmental concerns. Countries like India and China have dominated API production due to economies of scale, making it challenging for countries like Brazil to compete.

Despite its importance in the health sector, Brazil represents only a small fraction of global API consumption, around 2.7% to 3%. Establishing a local API industry for such a small market share would lack sustainability and competitiveness against Asian producers.

The solution lies in the American continent, recognizing the need for local production and supporting it. By uniting efforts, countries in the Americas could potentially secure up to 40% of the API market, making it a competitive entity. However, establishing a viable API industry in countries like Argentina, Brazil, Chile, or Colombia is daunting due to high investment requirements and insufficient market scale.

Furthermore, the environmental concerns surrounding API production add another layer of complexity. While the Americas have stringent environmental regulations, Asian countries often have laxer enforcement. This creates a dilemma for countries deciding between environmental preservation and domestic production.

**EF: Rather than competing with India's established industries, do you think Latin America should prioritize addressing common challenges like dengue?**

NM: Brazil is working on a dengue vaccine through a public institute, and governments should support such initiatives across Latin America. It's a critical issue in our region, causing many deaths. These companies developing vaccines don't necessarily need to prioritize profit. This type of medicine has great potential for development.

Another concerning issue is the resistance to vaccines. There's a significant anti-vaccine campaign spreading misinformation. My priority is advocating for health. That's our main responsibility.

**EF: Do you have any final message you want to send to the readers?**

NM: Health and science play pivotal roles in social development, more so than income distribution.

“ A healthy population is productive, laying the foundation for economic growth and redistribution. Thus, prioritizing health is essential for the progress of our countries. ”

Education remains integral to our values. We've maintained and expanded partnerships with major universities in Brazil. We've invested significantly in the education and training of our employees and key stakeholders, to ensure a better understanding of health and the pharmaceutical industry. This commitment to education has been a cornerstone of our efforts, and we continue to prioritize it as an investment in our future.

# Yaneth Giha

Executive Director, FIFARMA



**EF: As president of FIFARMA, what are your priorities for this year, and has your focus changed since you took on the role two years ago?**

YG: As I complete my second year at FIFARMA, I am proud to see the organization's evolution pivot on two significant axes. The first is a shift towards focused action through established priorities. The second is a drive to be more regional, amplifying the voice of Latam in other global arenas. Our vision is to become an increasingly regional organization, fostering connections, identifying successful practices in one country that can serve as a model or inspiration for others, and ensuring that the countries in the region gain visibility on a global scale. We are committed to spreading the voice of Latin America to other parts of the world.

Our priorities are focused on the alignment of the needs of the region, the first being treating health as an investment, not simply a cost that should be minimized. Latam is a region that, despite the advances of recent years, still has very limited budgets for health. Compared to the OECD, European, or Asian countries, health budgets are always lower in Latin America. The challenge lies in demonstrating that we will have more positive results for patients and Latin American society with increased investment in health. For this reason, together with the WifOR Institute, we undertook a study on the socioeconomic burden of diseases in Latin America. We analyzed the burden of seven diseases in eight Latin American countries: Brazil, Mexico, Argentina, Colombia, Chile, Peru, Ecuador, and Costa Rica. The results are clear: disease management in Latam can improve so that there is a greater return on investment. We will continue our strong agenda in this space, within the framework of the G20 and APEC, to show the countries of the region that investing in health pays dividends. Health has powerful economic effects and is an opportunity for these countries to excel.

FIFARMA also has the goal of reducing access times to innovative medicines. FIFARMA and IQVIA created the FIFARMA W.A.I.T. indicator for Latin America two years ago. This study analyzes the waiting time Latin American patients experience to access innovative drugs for conditions like cancer as well as orphan diseases. In Latin America, we are facing a considerable challenge. The region's access to oncology and rare disease medications is limited by regulatory and reimbursement challenges. The WAIT report allows us to speak with countries to build joint strategies. At FIFARMA, we look for robust data that enables us to have powerful conversations.

To mitigate the challenges of increased wait times, we aim to support regional health regulatory agencies in connecting better and improving regulatory standards to achieve standards more aligned with those in other countries. We have two major initiatives in the regulatory field: we are about to launch the Observatory of Good Regulatory Practices, a regional survey to assess how health agency clients measure the development of each agency, creating a powerful tool with comprehensive data to identify the challenges of each agency and secondly, promote and encourage the use of regulatory reliance and foster trust in what health agencies do globally. FIFARMA's last major priority is to work on more robust innovation and intellectual property ecosystems in the region to improve the quality and quantity of clinical

research and have intellectual property policy certainty. We have great opportunities in these areas, and it is key that we actively engage to promote better ecosystems, which in turn will create more competitive systems in our countries.

**EF: How can leaders from different countries work together and support each other to change Latam's position on the global map?**

YG: Collaboration is essential when facing healthcare challenges. The region has a wonderful opportunity because two powerful events are being held in Latin America: the G20 in Brazil and APEC in Peru. They are two important moments that offer the chance to discuss the region's greatest challenges. At the G20, there are two defined topics, digital health, and health self-sufficiency, and both require conversations from all actors at a global and regional level. In APEC, the agenda is broader but also presents an opportunity to align objectives and initiatives.

Collaboration in the many existing initiatives is essential and can trigger changes quickly. These are not necessarily large initiatives but small actions such as regulatory harmonization and convergence. More alignment and matching regulatory standards would help attract more production, capacity development, and clinical research to the region.

**EF: You have worked in defense, education, and now healthcare, three areas which, at the surface, seem unrelated. What is the guiding purpose that has taken you to all these places?**

YG: Transformation is the unifying word that applies to all the areas I have worked in. I like improving a situation, regardless of the area, to transform reality into something better. Defense is about keeping people safe, health is about giving people long, healthy lives, and education is about generating opportunities for the next generation. Covid taught us a hard lesson: without health, we have nothing.

**EF: Why is one dollar invested in Latin American healthcare worth more than a dollar invested elsewhere?**

YG: Latin America has so much potential. Any investment in Latin America can ignite so much more positive change because there is so much to do in the region, and one improvement can lead to a domino effect of positive change. Latin America has lacked opportunities in the past, but once we get a foothold, the sky is the limit.

**EF: Do you have any final message to share?**

YG:

“ We must continue working together to get where we want. Discipline, perseverance, and passion for what we do will give us the necessary energy to keep going and to keep building. ”

# Renato Alencar

## Porto

Executive President, INTERFARMA, Brazil



**EF: What attracted you to Interfarma, and what mission have you set for your term as the new president?**

RP: What drew me to Interfarma was the pharmaceutical industry's ability to transform lives. I believe in dreaming big, and the pharmaceutical industry, especially in research, is one of the highest fields where such dreams can be realized. Every day, these companies change lives and revolutionize treatments, bringing us ever closer to curing diseases.

“ My mission is to reposition Interfarma as a leading voice in health, to champion innovation, and to ensure that the best technologies reach people, enhancing their quality of life. ”

**EF: Why do you believe that investing 1 dollar in Brazil is more valuable than in other places?**

RP: Brazil offers unique characteristics that make it an attractive destination for both foreign and domestic investments. Our country has a hybrid healthcare system, where both public and private sectors play significant roles. Additionally, we have top-tier universities, exceptional scientists, and a developing economy that still has many unmet needs. With a population of 212 million, Brazil is a vast and growing market. Investing in health here means investing in cutting-edge technology and highly qualified professionals, which ultimately strengthens our economy by keeping citizens healthy and productive. While I love visiting other countries, my passion lies with Brazil.

**EF: You've mentioned the significant potential of Brazil. What are your priorities as the president of Interfarma for 2024 and 2025?**

RP: My main priorities are to reposition Interfarma as a central player in health discussions in Brazil, to highlight the value of pharmaceutical innovation for society, and to ensure that the best technologies are accessible to all Brazilians to improve their quality of life. These goals require that society recognizes the importance of investment in research and development, and that these medicines reach the people who need them.

**EF: What initiatives are you promoting to achieve these goals?**

RP: We are working closely with public stakeholders to transform the clinical research environment in Brazil, aligning it with international standards. Clinical research is crucial for innovation, and we need a regulatory environment that supports this process. We are partnering with the Ministry of Health in order to promote a safe environment for technology transfer between public and private laboratories,

to strengthen the health industrial complex. Additionally, we are focused on aligning our regulatory standards with international benchmarks, particularly regarding intellectual property rights, such as the time it takes for the INPI (National Institute of Industrial Property) to approve patents, which is still too lengthy. We are also heavily investing in communication to educate the public about the innovation cycle, its importance, and the challenges we face, such as the time and resources required to develop new medicines.

In collaboration with IQVIA and Fifarma, we are conducting comparative studies between Brazil and other Latin American countries to map access to new technologies, especially in five therapeutic areas (TA): oncology, inflammation and immunology, central nervous system, cardiometabolic, and transversally, orphan drugs. From 2014-2023, we have registered 175 products for these conditions in Brazil, but only 20 are available in the public-private system without restrictions. This needs to change.

**EF: How do you define access to healthcare?**

RP: Access means ensuring that the Brazilian population has the best treatments available, at the right time, in the right quantity, and at the right dose. Failing to provide these treatments creates inequality compared to other countries. If we have an innovation, an effective treatment, it should be available to everyone who needs it.

**EF: What are the main challenges and opportunities presented by the tax reform?**

RP: Tax reform is an opportunity for Brazil to reduce the tax burden on medicines, which is one of the highest in the world. No one consumes medicine by choice; it's a necessity. Reducing or eliminating taxes on essential medicines is crucial to ensuring that the population has access to these treatments. We are working to ensure that all prescription medicines have a zero-tax rate, which will benefit public health and strengthen the economy because healthy citizens contribute more to the economic system.

**EF: What are the expectations regarding the new clinical research law?**

RP: We hope that Brazil will rise from 19th to 10th place in global clinical research rankings. The recently approved clinical research law is an important step in this direction, although we still face challenges, such as the presidential veto on maintaining treatment indefinitely after a clinical study, which differs from international standards. We are working to overturn this veto. With this new regulatory framework, we estimate that it will attract around 5 billion reais per year in investment, reach a total of 85,000 professionals working in the sector, an increase of 48,000, and benefit around 55,000 new patients. Additionally, we are developing a national database to monitor all ongoing clinical research, which will further strengthen Brazil's role as a pharmaceutical innovation hub.

**EF: Is there anything else you would like to mention?**

RP: I'd like reaffirm our commitment at Interfarma to promoting innovation and actively collaborating with the health sector. Working in the pharmaceutical industry is incredibly rewarding, especially when we see the positive impact our innovations have on people's lives. We are always available to share data and information that help enrich discussions on crucial topics like tax reform and clinical research.

# Reginaldo Arcuri

President, Grupo FarmaBrasil



**EF: In a transformative year with numerous developments in Brazil, what are FarmaBrasil's key strategic priorities in 2024?**

RA: This year, we are dealing with two overarching challenges for the industry:

The ongoing Congress debate on implementing tax reform in Brazil is a crucial issue for the pharmaceutical industry and the healthcare sector. This constitutional amendment has the potential to significantly impact the industry, as it allows medicines to be taxed at a reduced rate of either 60% or 100% of the standard rate. The proposal sent by the Executive Branch to Congress includes three lists: one for medications subject to full tax, another for medications eligible for a 60% discount, and a third for medications exempt from taxes. Our goal is to advocate for all medications to receive a 60% discount and for drugs used in the treatment of rare diseases, oncology, and other high-cost conditions to have a tax reduction rate of 100%. This is a critical issue that demands a strong and persistent advocacy effort.

The most pressing issue we face currently is ANVISA's backlog. ANVISA, the regulatory body for the pharmaceutical industry, is currently in a staffing crisis. The number of people working there diminishes every year due to retirements and staff turnover, and the government is not filling in enough of the vacant positions. As an entity representing many firms in the sector, we are constantly addressing this issue, engaging in dialogue with various government departments. ANVISA manages about 20 or 30% of the Brazilian GDP; we have repeatedly expressed that delays are detrimental to the sector's evolution and economic development. The lack of qualified personnel to evaluate the pharma dossiers, dossiers for the food industry, or agrochemicals for the agricultural sector exacerbates the situation. We are not seeing solutions on a short-term basis, but the government will have to address this critical subject to ensure the industry's growth.

We face complex times ahead as we adjust to new regulations and observe how control organs function. This will shape the country's legal security and impact project timelines and technological transfers over the next decade. Meanwhile, many firms are investing heavily to expand production for the private market. Eurofarma, for example, is making a \$500 million greenfield investment in Minas Gerais, and other companies are also making significant investments. The sector is dynamic, focusing on radical molecule development and expanding both in Brazil and abroad, with projections for Latin America, Europe, Africa, and the Middle East. Despite Brazil's challenges, these companies are planning long-term, increasing their contributions to the pharmaceutical industry and the country's GDP.

FarmaBrasil has been actively participating in the government program of PDPs (Partnerships for Product Development) since its inception. The first phase of this program included monoclonal antibodies. On June 18th, the Ministry of Health will hold a meeting to disclose which molecules will be offered to the private sector and laboratories for a new round of PDP projects. We eagerly await this announcement and are fully prepared to contribute to these new projects and further strengthen the industry.

**EF: Will NIB (Nova Indústria Brasil) be effective? How will companies capitalize on the changes?**

RA: There is still discussion about different proposals, but we are still not building together. Unless this changes, the ambitious industrial policy proposal which aims to increase production to 70% of the SUS consumption will be impossible. Collaboration with the private sector is an absolute necessity because 70% of the medicine consumption in Brazil has always belonged to the private industry. Public laboratories cannot meet the current demand, let alone what they are predicting for the future. We have positive examples, such as PDPs, collaborations, and the construction of solutions between the public and private sectors.

We cannot afford any more missed opportunities; we have presented very detailed proposals to the government and await their answer with hope, especially as our companies have committed to continuing to invest in the country. The potential is huge; we all agree that SUS is vital to the country, but to achieve a change together, we must understand exactly what is being planned.

For example, we must know how many and what type of molecules we can produce, how much investment is needed, whether ANVISA will meet our requirements and deadlines, etc. We can continue working independently, without the government, with limited results, but working together with a common objective would strengthen and benefit both sides. NIB is a good proposition, and we believe it holds great potential for positive change if carried out correctly.

**EF: Do you have any final comments on 2024 and how it will be remembered in Brazil?**

RA: This month, two important points will be decided: first, we will have the concrete measures for the Health Mission (PDPs and PDIE), and second, the NIB Plenary Session, where a plan will be presented. FarmaBrasil companies have adhered closely to the NIB's current concrete measures, which include 500,000 million Reais for financing the BNDES and reduced interest rates for investment in innovation. The first to take advantage of these innovation loans were FarmaBrasil companies. NIB opens a huge opportunity for development and innovation, and we are ready for the PDPs, prepared to use the mechanisms the Health Ministry offers, such as the PDIL, the development program for local investment, covering technology, and offering competitive offers. We hope to find ways to work together, which is in all our interests.

“ We look forward to the benefits of investing, interacting, and having tough protection measures. We can move forward in Brazil, but only if we work together. ”

# Fernando Silveira

CEO, ABIMED (Associação Brasileira da Indústria de Tecnologia para Saúde)



**EF: What accomplishments have you been proud of over the past five years?**

**FS:** Over the past five years, we have experienced two distinct phases on a global scale. We navigated through the pandemic, its aftermath, and the resurgence of the business momentum. In 2023, we entered the first full year post-pandemic, where one of our key focuses was revitalizing the association. Beyond the association, our efforts have been directed towards enhancing people's access to cutting-edge MedTech across Brazil, a large and diverse country with significant inequalities. While some areas boast state-of-the-art technology, others still need development. Our aim is to bridge this gap. Additionally, we have elevated the association's role in shaping public legislation and regulations of our industry and the broader healthcare sector. By advocating for the right policies, we can drive positive change and foster greater equality within the MedTech segment and the Health Sector.

“ Specific issues we have been addressing include tax reforms, AI legislation, and sustainability measures. These discussions are not exclusive to Brazil but are part of a global dialogue. ”

**EF: What decisions and questions are stakeholders and leaders facing this year regarding artificial intelligence?**

**FS:** Over the years, we have seen a significant increase in the use of AI, both in software applications and in various components of equipment. This discussion has gained global attention, and here at ABIMED, we hold the position that it is crucial for our legislation, particularly in Brazil, to strike a balance. AI is deeply embedded in various aspects of healthcare, from hospital management to medical diagnostics and beyond. Therefore, it is essential for legislation to provide a broad framework while empowering regulatory agencies like ANVISA in Brazil to oversee specific aspects such as registering and approving medical device software. By maintaining a balanced perspective, we can ensure that the regulatory environment supports innovation and growth in the healthcare sector without compromising safety or creating unnecessary barriers.

**EF: Do you have any updates regarding the work you are doing in industrial policy and legislation?**

**FS:** The government recently introduced a new industrial policy to revive the industry sector. Like many other countries, Brazil experienced early deindustrialization, with sectors like agriculture taking priority. However, a robust industry sector is essential to create jobs and distribute wealth more equitably. This trend towards industrial revival has been observed globally. Many nations are focusing on rebuilding their industries to enhance domestic security and self-sufficiency. In Brazil, there is still work to be done to fully implement this industrial policy, which requires specific legislative measures.

The proposed policy is modern and comes with clear targets and metrics. We have been actively collaborating with various associations and providing input to the Ministries of Health and Industry and Commerce to ensure that the unique needs

of MedTech are satisfactorily addressed within this broader industrial policy framework. Unlike in other countries where industry refers solely to pharmaceuticals, our market requires distinct considerations that we are working to integrate into this policy.

**EF: What initiatives are ABIMED members currently working on?**

**FS:** We have member companies who are making investments in Brazil, leveraging specific policies at both the federal and state levels, particularly here in São Paulo, as the state that accounts for around 70% of the market and business operations. These investments are not solely focused on production; they also extend to research and development, which aligns with the significant federal efforts to encourage innovation in Brazil. ABIMED plays a central role in coordinating cooperation and advocacy efforts with Congress or government agencies. By working through the association, we can consolidate perspectives and proposals that benefit the entire sector rather than individual companies.

**EF: Why should multinational companies invest in Brazil?**

**FS:** Brazil is open for business. We are keen to attract more investments into the country, and the government provides ample support to facilitate this. Additionally, Brazil has the potential to emerge as a significant regional hub, not just for Latin and Central America but also for African nations. We have much to offer in terms of opportunities. Furthermore, our domestic market is substantial enough to yield favorable returns for any company.

**EF: How do you maintain a fair balance between multinational and local companies within ABIMED?**

**FS:** Our association comprises companies of various sizes and origins. We have members ranging from small local distributors to global industry leaders from different parts of the world. I see two key dynamics at play here. Firstly, there's significant room for improvement among Brazilian companies. On the other hand, global multinationals bring cutting-edge technology and innovation to the Brazilian market. Brazil's process of deindustrialization has disrupted internal supply chains and networks, limiting the ability of multinational corporations to operate here as they do in countries like the US, China, or Germany. However, smaller Brazilian companies still have plenty of opportunities to elevate their production capabilities to another level. Achieving a balance between these different types of companies could foster beneficial cooperation. Our organization's structure creates an environment where companies can coexist under the same governance model. This facilitates the potential for cooperation and future collaboration, enabling the development and expansion of products by both Brazilian and multinational companies operating in Brazil.

**EF: What do you expect to be the key developments in Brazil's healthcare sector in 2024?**

**FS:** This year marks the beginning of a new era for the industry, especially with the advancements in AI. These movements will significantly shape the healthcare market in Brazil. It is crucial to understand that AI, like any other technology, is valuable only if it promotes wellness and improves people's lives. Here in Brazil, we have a great opportunity to leverage these advancements. The pandemic has highlighted the importance of health and well-being. Without good health, people cannot work, study, or contribute effectively. This realization will be driving progress in the coming year, both in Brazil and around the world.

# Paulo Fraccaro

CEO, Associação Brasileira Da Indústria De Dispositivos Médicos (ABIMO)



**EF: What word would you use to summarize ABIMO's agenda for 2024?**

**PF:** Work. Hard work. Our agenda for 2024 is concentrated in three points. Taxes, valuation of medical device production, and convincing the government that without a budget for public hospitals to buy innovative products, it does not make sense for us to invest in the production of medical devices. Production only takes place if we can foresee the possibility of making sales. And the biggest client in the Brazilian health sector is the government.

The new government stated that, until 2033, they need local production to supply at least 70% of their needs. This means that the government needs to invest in local production, as well as in public hospitals so that they can afford to buy our products.

**EF: What is the best strategy to balance local and multinational interests?**

**PF:** In 2023, the total consumption of medical devices in Brazil was about \$12 billion, with \$5 billion from local production and \$7 billion from imports. To reverse this imbalance, the government must ensure the public sector is prepared to prioritize local products.

Currently, local producers pay taxes when selling to the public sector, while imported products do not. Equalizing tax conditions for imports would allow local producers to be tax-exempt. As the government collects taxes, it must adjust taxes elsewhere to maintain balance. We are working on national tax reforms, with collaboration across all levels of government to remove these barriers.

Our efforts go beyond medical products to include drugs, food, beverages, cars, and electronics. I am confident that these barriers can be eliminated, benefiting both local and multinational companies. While we can't produce everything in Brazil, our goal is to have at least 60% of production done locally.

**EF: What initiatives outside of regulation are ABIMO members engaged in?**

**PF:** The CEOs of Brazilian production companies are awaiting government decisions. Until the government clarifies its stance, they cannot focus on anything else. During my 20 years as president of the association, I learned how difficult it is to plan and present a budget under these conditions. We are pushing for these critical decisions to become national law, so they remain stable regardless of who's in power. Our CEOs are waiting for a clear, unified plan.

Regulations for the health sector must fall under a single law. Without it, companies will only produce enough to meet current local demand.

**EF: What are some positive developments in the Brazilian health sector this year?**

**PF:** For the first time, the president, health minister, vice president, and president of BNDDES are aligned in their thinking. They all agree on the need to invest in local production and to prepare local producers for this transformation.

“ There's also recognition that local production can foster innovation. This level of unity among key leaders is unprecedented, and we must seize the moment. ”

**EF: Why is one dollar invested in Brazil more valuable than in any other LATAM country?**

**PF:** Brazil has 200 million people, with 150 million relying on the public health system (SUS) and 50 million covered by the private sector. The government spends the same amount to serve 150 million as the private sector does for 50 million, making the public sector more efficient. However, it needs further investment to improve services and close the access gap.

The public health system in Brazil is unique but must meet a minimum standard of care for all. COVID showed we can organize and offer similar treatment across the board. By expanding access and improving the system, we'll attract more companies, boost production, and drive competitive pricing.

We also need to invest in Artificial Intelligence. Many small, remote cities struggle to maintain hospitals, so connecting them to larger medical centers through digital tools is key. Companies are already working on this, and it will lower costs, especially since retaining physicians in these areas is expensive. AI is the future and will help us address many challenges in healthcare.

# Paulo Fernandes

President, Associação Brasileira de Organizações Representativas de Pesquisa Clínica – ABRACRO



**EF: What are your top 3 priorities for the rest of 2024?**

**PF:** We currently play a crucial role in supporting the ongoing discussions related to the Law Project for Clinical Research in Brazil. Our role in these discussions is to ensure that they are based on the facts, not on the sensationalism that can be found around clinical trials. ABRACRO is advocating for a more robust ecosystem with an increase in clinical trials that are delivered with high quality. As an association centered around professional services, we believe it is part of our mission to empower individuals. We offer educational courses, with plans to expand our offerings over time. It is important to note that all these efforts are conducted on a not-for-profit basis; revenue generated from our educational activities is reinvested back into education.

As the ecosystem matures and the market expands, more individuals with entrepreneurial perspectives will emerge, seeking innovative approaches to clinical research in the country. We aim to expand the association to engage these individuals and support their development, their unique knowledge and their expertise. Interacting with and learning from established market leaders will further enrich their capabilities. This interaction will foster positive outcomes within the ecosystem and prepare Brazil to become a leading force in clinical research within the next decade.

**EF: Can you explain how law 6007/2023 is a step in the right direction for Brazil?**

**PF:** Brazil presents an excellent environment for conducting clinical trials due to robust regulations from both regulatory authorities such as ANVISA, as well as local and national ethical authorities. We benefit from well-defined rules that ensure trials are conducted safely while enabling the country's participation in clinical development.

The 6007/2023 law aims to enhance market predictability by streamlining the assessment process, reducing bureaucracy, and improving competitiveness in comparison to other global counterparts. This law will make trials safer for participants and also protect investors who take the financial risk of developing a new treatment or intervention through the implementation of clinical trials in the country. Beyond expanding the market for conducting global trials, we aim to foster the development of trials conceptualized and organized in Brazil that can be executed on a global scale.

**EF: How are your members helping to speed up the assessment of clinical trials in Brazil?**

**PF:** ABRACRO's membership is divided almost evenly between companies from abroad and Brazilian companies. The foreign companies typically include established CROs conducting clinical trials for biotechs and global pharmaceutical companies. Beyond just implementing their trials and achieving their objectives, these foreign companies also contribute valuable knowledge to the Brazilian industry. Running trials is not just about conducting them but also leaving behind sustainable knowledge and capabilities. On the other hand, Brazilian companies, being familiar with the local market, often specialize in niche areas like logistics, where they bring innovative solutions and highly specialized professional services.

**EF: How do you envision the future of data management, especially AI and language models?**

**PF:** In 2024, we established internal committees: one focused on real-world evidence and the other on digital technologies. These committees will serve as forums for deepening our understanding and developing expertise in these critical areas of technology, both presently and in the future. As our association grows, the internal committees will also take

on the responsibility of educating our executives with the necessary knowledge for engaging in discussions with regulators. Artificial intelligence and machine learning will soon become an essential tool, similar to electricity, and we are in the field actively exploring ways to automate data extraction from electronic medical charts to minimize transcription errors and maximize data generation efficiency. This is a very innovative area, which still lacks solutions globally, not only in Brazil.

We are committed to leveraging innovative solutions and technologies to drive progress within our association and the broader healthcare ecosystem.

**EF: Why is investing in clinical trials in Brazil more valuable than anywhere else?**

**PF:** The diversity of the population presents a significant advantage for the country and the region. The need to generalize results and control development costs will drive the industry to seek locations where large trials can be conducted efficiently with diverse populations. Instead of conducting trials in various locations globally and aggregating statistics afterward, why not incorporate Brazil into every Phase Two and Phase Three trial? This approach is not only cost-effective due to lower labor costs in Latin America but also facilitates data generalization across a wide range of indications.

**EF: What are the economic benefits of Brazil becoming a life sciences innovation hub?**

**PF:** The value-added chain for clinical trials involves more than just conducting the trials themselves. It requires a comprehensive ecosystem involving logistics, specialized companies, and advanced laboratory capabilities for diagnostic tests beyond regular care biomarkers. Additionally, creating pathways for academia to enter the pharmaceutical sector will bridge the gap between research and practical applications, allowing Brazilian innovations to transition from the bench to the bedside more efficiently—a transition that is often lacking in Latin America.

By expanding clinical research, we anticipate positive impacts across various sectors. For instance, despite having a strong clinical research ecosystem, few colleges offer dedicated subjects on clinical trials within their curriculum. Strengthening the clinical research industry will create a beneficial feedback loop with academia, benefiting both sides. Furthermore, this growth will extend to other sectors such as logistics, diagnostics, health tech, and software solutions.

**EF: Is there any final message you would like to share with the rest of the healthcare industry?**

**PF:** Brazil played a significant role in multiple projects developing vaccines and treatments, demonstrating high performance and quality. We acknowledge the need for continuous improvement and agility, especially in the rapidly evolving field of technology.

“As we strive for growth and enhancement, we recognize the importance of adapting quickly to technological advancements and maintaining our strong foundation within the clinical research landscape.”

# Evelyn Tiburzio

Technical Director, ANAHP, Brazil



**EF: How has the supplementary health sector evolved in the last two decades, and what are ANAHP's priorities for 2024?**

**ET:** In the past four years, our healthcare sector in Brazil, like the rest of the world, has faced significant financial barriers. Since the COVID-19 pandemic, the private hospital sector has been under intense pressure from health insurance companies in Brazil, which have been implementing aggressive denial policies and delayed payments for hospital services. To address this complex scenario, we have adopted a dual approach. Firstly, we engage in ongoing dialogue with insurance companies to enhance the relationship between insurers and hospitals. We also collaborate with Brazil's supplementary health system regulatory agency (ANS) and other stakeholders in the healthcare industry.

Secondly, we actively promote discussions and solutions through debates, workshops, events, and knowledge sharing on best practices and operational efficiency in the hospital sector.

**EF: What initiatives are ANAHP and its partners working on to reform the system?**

**ET:** Currently, several significant projects are being discussed in the National Congress of Brazil, including regulations for clinical research, the implementation of a national electronic health record, and the establishment of a national health data network that integrates artificial intelligence into healthcare. We are collaborating with all parties involved in these discussions to advance these crucial topics.

Investment is another critical aspect that requires a collective effort to improve the regulatory and bureaucratic landscape in Brazil.

“Our collaborative efforts involve initiatives to reduce insurance denials, facilitate hospital partnering to develop primary care solutions, and aid the healthcare industry and insurers in exploring more efficient payment models focused on value-based care.”

Fee-for-service remains the predominant payment model in Brazil, but we are working towards risk-sharing strategies, particularly with the incorporation of high-cost drugs into healthcare systems. These discussions highlight the potential for concrete actions moving forward.

Engaging with the private sector can help improve the healthcare system and overcome these payment challenges. It will take a couple of years to see significant improvements as we continue these dialogues and collaborations with other stakeholders.

**EF: Can you share any notable success stories where hospitals have maximized their limited resources effectively?**

**ET:** We have noted some actions in hospitals that showcase effective resource management. For example, the A.C. Camargo Cancer Center works closely with the pharmaceutical industry on specific protocols and healthcare programs. On the other hand, hospitals like Hospital Israelita Albert Einstein have established innovation centers that foster the development of healthcare startups.

**EF: How do you see telemedicine evolving in the future?**

**ET:** During the pandemic, there was significant progress in telemedicine in Brazil, facilitated by collaborations between private hospitals and the public sector. This collaboration helped extend healthcare services to challenging locations, ensuring access to care for those in need. We still have a long way to go to get increased access and maintain the same rate of growth we saw during the pandemic.

**EF: What initiatives are you pursuing with your partners regarding digitalization or technological advancement?**

**ET:** Our approach involves integrating them into our hospital environment by inviting them to participate in our congresses, events, and discussions on innovation and challenges. Their involvement contributes significantly through knowledge sharing, networking, and participation in our CONAHP congress brought together more than 5,300 healthcare executives. This congress serves as an opportunity to collectively address sector challenges and explore collaborative solutions.

**EF: How can advancements in the private sector have an economic spillover to the rest of the country, and vice versa? How can improving the public system (SUS) positively affect the private sector?**

**ET:** Our mission as a representative organization is to promote the quality of medical and hospital care in Brazil, both private and public. We understand that we have a responsibility to the healthcare system.

ANAHP believes that data measurement is an essential part of the evolution of healthcare. That is why the ANAHP system of hospital indicators has been made available for free use by public hospitals. Our purpose is to promote qualified benchmarking for these organizations and provide tools that help drive quality improvement. We also provide free participation for managers of public institutions in our events, such as CONAHP; we believe in sharing qualified knowledge.

We engage extensively with the Ministry of Health to enhance the integration of private and public healthcare in Brazil, recognizing the complexities involved. 75% of the population in Brazil is served solely and exclusively by public health and heavily relies on support from the private sector. For example, about 70% of complex surgeries within the public system are conducted in private hospitals, highlighting a significant level of integration. The health minister is increasingly recognizing the benefits of this partnership with the private sector, and we are encouraged by the progress in this area. We will start a partnership with the health minister to bring more hospitals to our system of hospital indicators.

**EF: What is the system of hospital indicators, and what does it provide?**

**ET:** We operate a platform that aggregates numerous indicators related to our hospital systems, encompassing quality and financial metrics. This platform incorporates over 250 indicators specifically tailored for the hospital sector. Annually, we release our “Observatório,” which uses data from the system as a source, gathering the main information in this material, which is available to everyone. This publication details the technical specifications of all collected indicators and provides insights for participating hospitals. It functions as a benchmarking initiative enhancing performance across the healthcare sector.

This platform existed for almost 20 years before we started collecting data. Over the years, we worked on improving this platform until it became the product that we have today. It is the most important system of information about hospitals in Brazil. Almost 200 hospitals participate in this initiative, and we hope to grow that number through collaboration with the Ministry of Health.

# Vera Valente

Executive Director, FenaSaúde, Brazil



**EF: As a representative voice of private healthcare, what are FenaSaúde's priorities for 2024?**

**VV:** The priority of the private health market in Brazil is expansion, and the challenges we are experiencing are mostly due to legal and regulatory insecurity. Judicialization against the health system is high, making the private health market unstable. Operators use about 90% of their revenue to pay the private health network, which includes hospitals and laboratories. Without funds, the private network can't be sustained, as everything is interconnected. It is crucial to defend the existence of this market, which also impacts the public system because people leaving the private sector end up in SUS. Expanding the private market reduces the burden on SUS. However, current measures often push the market backwards rather than forward, which we must address to maintain sustainability.

**EF: Given the global rise in medical costs, ANS has approved a 7% adjustment rate for private healthcare plans this year. How does this adjustment impact operational costs for healthcare providers, and what strategies can be implemented to develop a sustainable pricing model?**

**VV:** This adjustment applies to a small part of the supplementary health sector. There are various types of plans: individual and family, collective by membership or corporate. Today, 80% of plans are corporate, with negotiable adjustments between the operator and the company. For individual plans, representing a small percentage, adjustments are fully controlled by the regulator, ANS.

Vertical integration is a key characteristic of Brazilian large private health suppliers, where health operators often own the hospitals. This integration allows for better monitoring of costs and prices, as it provides an overview of all related processes. On the other hand, smaller operators offer patients the choice of where they are treated, but pricing may not be as transparent.

ANS sets a single adjustment rate, averaging out diverse cost structures across different operators and regions, which doesn't always reflect the true costs. We advocate for a differentiated methodology that considers these variations to improve accessibility to individual and family plans. Medical inflation includes not just cost increases but also increased usage frequency, making it higher than general price inflation.

**EF: You come from the regulatory sector, implementing the generics law. What motivated you to enter the private health and insurance sector?**

**VV:** My background is in the pharmaceutical sector, having worked at ANVISA implementing generics, then as the first president of PróGenéricos. The motivation was to continue the agenda of expanding access to essential medicines. Access to healthcare precedes access to medications, and in Brazil, this is highly challenging. While SUS's principles are admirable, they are not viable in practice. This creates unrealistic expectations among consumers. I joined FenaSaúde believing in the agenda of expanding healthcare access and the complementary role of the private sector to the public system. We currently care for 52 million people and could care for more, reducing pressure on SUS.

**EF: What would you say are the three most important pillars for a sustainable private health model in Brazil, and what role will technology play?**

**VV:** First, we need to objectively assess what people need and what they can afford.

Currently, the law dictates that either you buy a comprehensive product, or you can't access the system. Many people could resolve their health issues with consultations and exams but lack access. We should offer a range of options, from comprehensive plans to more basic ones that cover primary needs like consultations and preventive exams.

Second, managing costs is crucial. FenaSaúde led a campaign last year against fraud in health care, targeting everything from organized crime to individuals abusing the system. This campaign has had significant results in changing behaviors and reducing fraud, which is a major drain on resources.

The third pillar is addressing the cost of new technologies. We need to have a structured approach to evaluate and negotiate the costs of new treatments and medications. This involves looking at international models and practices, ensuring that new, expensive treatments are only adopted if they offer significant benefits over existing ones. It's about balancing the introduction of innovative treatments with the overall sustainability of the health system.

**EF: What lessons have you learned in your 5 years at FenaSaúde?**

**VV:** We've made significant progress, especially in addressing fraud. We tackled everything from organized criminal groups to individuals abusing the system by, for example, getting multiple receipts for non-medical procedures. This campaign has led to significant changes in behavior and awareness, contributing to a more sustainable system.

Besides our efforts to address fraud, another key lesson is understanding the complexity of this sector. It requires courage to navigate due to heavy regulation and interference from the legislative and judicial branches. The health sector is often misunderstood, which complicates efforts to implement changes.

Communication is a global challenge in this sector. People often have negative perceptions because their expectations of the system are not met. Improving communication to convey the realities and limitations of the system is essential.

Education also plays a critical role, especially for healthcare professionals and the judiciary. Many medical professionals lack understanding of how the health system functions, which impacts their decision-making. Similarly, judicial decisions can have significant financial implications for the system.

“ Education about mutualism—the idea that resources are shared for the benefit of all members—can help make more informed decisions that support system sustainability. ”

Additionally, working closely with the judiciary, especially higher courts like the STJ (Superior Tribunal of Justice), is vital. Helping them understand the broader implications of their decisions on the health system's sustainability is part of our ongoing efforts and one of our chief concerns.



# Chapter 2

## Access & Affordability

### Covering a Nations Healthcare Need

*“In Brazil, with a population of over 200 million, we are committed to prioritizing patient access every day. We aim to contribute more to public policies to improve healthcare access in the country and to expand our industrial capacity, particularly in biotechnology through PDPs.”* Marcelo Belapolsky, Country Head, Sandoz, Brazil

# Expanding Health Access in Brazil



Brazil's healthcare ecosystem is poised for rapid growth, with its pharmaceutical market projected to expand at a compound annual growth rate of 9.1% between 2023 and 2028. According to Sydney Clark, Senior Vice President, IQVIA LATAM, "Brazil's absolute growth shall represent roughly 50% of the region's total growth." This growth is driven by several factors, including aging demographics, unhealthy lifestyle habits, increased government healthcare investments, and the continued expansion of the private healthcare sector.

Despite this progress, access remains one of the most pressing challenges. While Brazil commands 5-7% of the global pharmaceutical market, innovative treatments often fail to reach the patients who need them most. **Adib Jacob**, Region Head Latin America and General Manager Brazil of Bayer Pharmaceuticals, emphasizes this challenge: "It is not enough to develop groundbreaking therapies if they can't reach regions like Mexico, Argentina, or other parts of the continent. Our work in Latin America is centered around ensuring access, setting the right prices, and demonstrating to stakeholders that innovative treatments can often be more cost-effective than current options."



The 2023 W.A.I.T. Indicator Report, a joint research effort of IQVIA and Interfarma sheds light on this issue, revealing that less than 30% of drugs launched globally between 2014-2021 are accessible within Brazil's public healthcare system. **Sydney Clark** highlights the importance of addressing this gap: "Our hope is that this report raises awareness of this challenge and fosters dialogue among stakeholders to develop solutions to alleviate limited access."



Interfarma's efforts to analyze access trends underscore the need for systemic change. **Renato Alencar Porto**, as Executive President explains: "From 2014-2023, we have registered 175 products for conditions like oncology, cardiometabolic diseases, and orphan drugs in Brazil, but only 20 are available in the public-private system without restrictions. This needs to change."



Introducing new technologies into the market from a MedTech perspective also requires a focus on cost-effectiveness. **Thiago Cabrino**, General Manager at Karl Storz, Brazil, highlights the dual importance of demonstra-



ting both cost-saving potential and quality improvements, stating: "When introducing new technologies, it is crucial to demonstrate their cost-saving potential and the quality improvements they bring. Cash flow remains a significant concern, making it essential to present solutions tailored to the specific needs of each institution."

Nonetheless, the challenges extend also beyond cost demonstration to structural barriers such as taxation and public budgets. **Paulo Fraccaro**, CEO of ABIMO, elaborates: "Taxes, valuation of medical device production, and convincing the government that without a budget for public hospitals to buy innovative products, it does not make sense for us to invest in the production of medical devices. Production only takes place if we can foresee the possibility of making sales. And the biggest client in the Brazilian health sector is the government."



Finally, access to healthcare in Brazil must be viewed through the lens of equity and long-term planning. **Antonio Nasser**, CEO and President of GE HealthCare Latam, underscores the importance of national healthcare strategies beyond political affiliations: "Healthcare should be a country priority, not tied to left-wing or right-wing ideologies. It should be a consistent, country-wide strategy to ensure everyone has access to basic healthcare services."



As Brazil's pharmaceutical and medical device markets continues to grow, the focus must remain on translating innovation into tangible benefits for all its citizens, ensuring equitable access to life-saving treatments, and building a sustainable, patient-centric healthcare ecosystem.

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In the Oncology, Hematology & Rare Diseases areas, our main focus is finding innovative products for licensing and distribution for the Latin America market.



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about us



# Bridging Access Through Health Insurance and Infrastructure



Brazil's healthcare system operates on a dual structure, with the Sistema Único de Saúde (SUS) providing universal public healthcare and the private sector offering additional services. SUS, one of the largest public health systems globally, serves over 200 million people, ensuring access to essential healthcare services regardless of income. However, as demand for quality and efficiency grows, Brazil's private healthcare sector plays a crucial role in maintaining system stability and ensuring sustainability.

## Public and Private Synergy

While SUS is the backbone of Brazil's healthcare infrastructure, private healthcare providers act as a stabilizing force, particularly for higher-income groups. **Vera Valente**, Executive Director of FenaSaúde, highlights the interconnectedness of the two systems: "The private health market impacts the public system because people leaving the private sector end up in SUS. Operators use about 90% of their revenue to pay the private health network, including hospitals and laboratories. Without funds, the private network can't be sustained."

The private sector also offers streamlined access to healthcare services compared to other countries. **João Simões**, Vice President of EY Parthenon Brazil, explains: "In Brazil, you can go straight to a specialist, physician, or emergency room without extra charges. This almost unrestricted access is crucial for its benefits as well as challenges. Alongside access, there is a strong focus on innovating the patient experience. The population expects high-quality engagement and ease of navigation through the healthcare system. This includes access to hospitals with top-notch physical infrastructure, well-known physicians, and the latest technology. The challenge lies in providing this high level of access and world-class clinical and non-clinical experiences while maintaining economic sustainability."

## Verticalization and Consolidation Trends

Brazil is experiencing a wave of vertical integration and consolidation within its healthcare ecosystem. Vertical integration allows private health operators to own hospitals, streamlining processes and enhancing cost transparency. **Vera Valente**, Executive Director of FenaSaúde, notes: "Vertical integration is a key characteristic of Brazilian large private health suppliers. This integration allows for better monitoring of costs and prices, providing an overview of all related processes. However, smaller operators offer patients the choice of where they are treated, but pricing may not be as transparent."

**Patricia Frossard**, Brazil Country Manager & Head of Legal / Compliance Latam, Philips Brazil emphasizes the competitive nature of the market and the need for collaboration: "Everyone now understands that sustainability is not achievable alone in this market; we need to combine efforts, both in the private and public sectors."

## Expanding Infrastructure for Efficiency

Hospitals and private healthcare providers are focusing on infrastructure expansion and efficiency to meet rising demand. **José Henrique Salvador**, CEO of Mater Dei Hospital, outlines their strategy: "Our goal was to become a national chain, with all hospitals operating under the Mater Dei name, and leverage the synergies that come with such a presence. Our strategy includes expanding Mater Dei into regions where we lack significant consolidation." Automation and artificial intelligence are playing pivotal roles in increasing efficiency. Salvador continues: "We are heavily investing in automation and AI to streamline various processes within the hospitals. This includes using robots for routine tasks previously handled by staff, thereby increasing efficiency."

## Innovating Healthcare Models

Brazil's private healthcare sector is also adopting innovative models to address specific demographic needs. MedSênior, for instance, focuses on the elderly population, offering holistic care pathways. **Rafael Cremonese**, in his role as Regional Director, explains: "In every city where MedSênior operates, they have built small units focused on primary care. The goal is to create pre-agreed, high-quality protocols to avoid the usual conflicts between providers and insurers, ensuring patient-centered, efficient, and fast services."

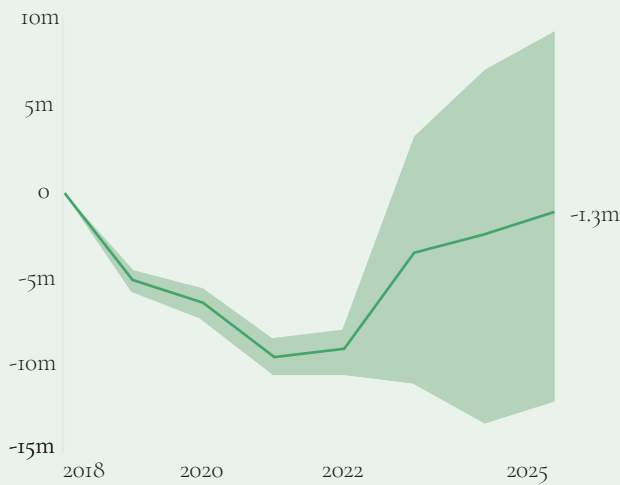
“The Brazilian hospital market is unique and evolving rapidly, with customers seeking high-quality, cost-effective medical supplies and advanced healthcare solutions to support their business needs. The overarching goal is to improve healthcare quality nationwide, particularly in the medical device sector, as we address the needs of an aging population and the rise in chronic diseases.” **Renato Fernandes**, General Manager (CEO), Cardinal Health, Brazil

Brazil’s healthcare system, as outlined by the WHO, integrates public and private sectors to serve its population, which grew by 21.8% between 2000 and 2024, reaching 212 million. The SUS (Sistema Único de Saúde) ensures universal access, while private healthcare caters to a smaller insured group. In 2021, public health expenditure was 4.5% of GDP, with out-of-pocket spending comprising 22.65% of total health

costs. Life expectancy improved from 69.6 years in 2000 to 76 years in 2024, but it remains below the Americas’ average. Brazil’s demographic shift includes 11% of its population aged over 65. While progress is evident, increasing access and quality to healthcare services continues to be a pivotal mission.

## Universal Health Coverage

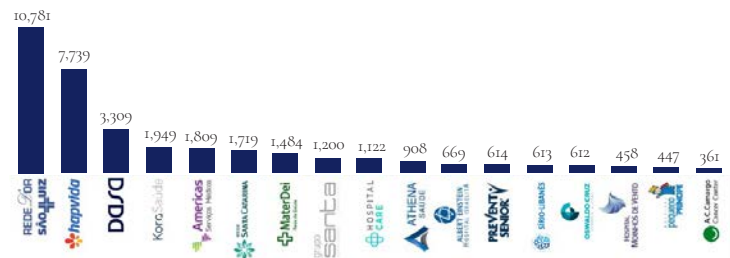
In Brazil, the number of additional people expected to be covered by essential services and not experiencing financial hardship is projected to be -1.3m (-12.1m-9.3m) by 2025 compared to 2018.



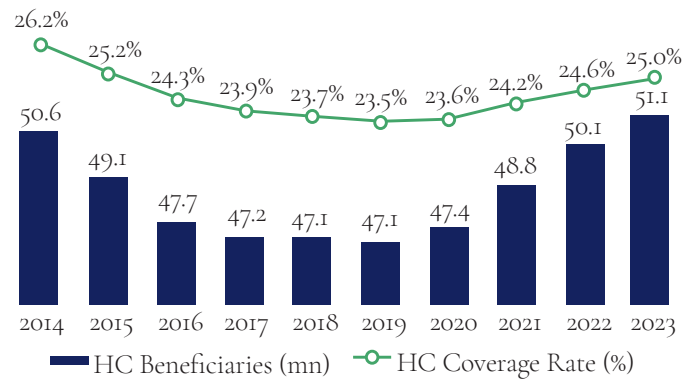
Source WHO <https://data.who.int/countries/076>

Brazil’s private healthcare sector plays a critical role, covering about 25% of the population and driven by demand for high-quality care, shorter wait times, and advanced medical technologies. Significant mergers and acquisitions have allowed major players to expand their

## Largest players in Brazil’s hospital segment - # of beds per player



## Brazilian healthcare beneficiary evolution (mn) and coverage (%)



Source: ANS and BTG Pactual | Data until Nov-23

reach and capabilities. To cater to Brazil’s growing middle class, players are also designing more affordable plans. Additionally, collaboration between public and private sectors is improving access to healthcare services.

# Medicine and MedTech Affordability: Navigating Complexity



“Our big challenge is balancing the needs of the SUS, the largest public healthcare system in the world, while creating an environment where new technologies can flourish. We need to ensure pricing allows the industry to bring new medications to Brazil while maintaining the sustainability of the healthcare system.” **Daniela Marreco Cerqueira**, Executive Secretary of CMED, ANVISA, Brazil

As treatments become increasingly sophisticated and patient care demands evolve, ensuring the affordability of medicine and medical technology is paramount. Brazil faces unique challenges, from balancing local production with global supply chains to managing the growing complexity of drug launches and innovative pricing models. A holistic approach combining generics, biosimilars, tailored solutions, and innovative financial strategies is key to delivering cost-effective healthcare to all.

## The Role of Local API Production

Active Pharmaceutical Ingredients (APIs) are a cornerstone of drug manufacturing, but Brazil's current share in the global API market remains limited at approximately 2.7%-3%. **Nelson Mussolini** outlines the challenge: “Attempting to establish a local API industry for such a small market share would lack sustainability and competitiveness against Asian producers. The solution lies in the American continent recognizing the need for local production and supporting it. By uniting efforts, countries in the Americas could potentially secure up to 40% of the API market, making it a competitive entity.”



Large local players are already taking the reins to push an integrated API industry, reducing dependency on imports and enhancing the local healthcare system's resilience. **Sergio Frangioni**, Director, Blanver, Brazil, states: “It is important to highlight our entry into the biotechnology field. We have set up a platform for manufacturing new APIs. This strategic move is intended to reduce costs for companies and individuals, ensuring they are not burdened by complex systems and high expenses. Failure to adapt to these changes could lead to challenging times for countries, especially in terms of their healthcare systems.”



## Generics and Biosimilars: Increasing Drug Accessibility

Generics and biosimilars play a critical role in expanding access

to medicines, particularly as patents expire. **Marcelo Belapolsky** highlights the rapid growth in these markets: “Our generics and biosimilars markets are growing at double-digit rates, which is a significant achievement. Over the past four years, we have successfully introduced the biosimilar concept in Brazil and Latin America, making Brazil an increasingly important and attractive country for continued investment.”



With \$11 billion in drug sales facing the end of exclusivity in Latin America over the next five years, the expansion of generics and biosimilars could significantly reduce costs while broadening patient access, especially in public sector programs like PDPs (Productive Development Partnerships).

## Moving from Products to Solutions

Medical technology providers are shifting from selling standalone devices to delivering integrated solutions. **Thiago Cabrino**, General Manager at Karl Storz, Brazil, describes this strategic transformation: “We are moving beyond providing specific solutions for individual procedures to delivering a comprehensive environment for our customers. This strategic shift emphasizes the importance of software as much as hardware, allowing us to adapt to emerging trends in the market.” By integrating hardware with advanced software and tailoring solutions to specific healthcare needs, companies can deliver greater value while managing costs more effectively.



## Early Diagnostics for Cost Efficiency

Early disease detection offers an opportunity to reduce long-term healthcare expenses. **Paulo Gropp**, Vice President Latam at QIAGEN emphasizes the significance of molecular biology solutions: “Changing the way patients are treated, especially in Brazil, is crucial as the current



approach becomes increasingly costly and unsustainable. Our molecular biology tests can identify diseases in their initial stages, making our role indispensable.” Early diagnostics enable targeted treatments, potentially avoiding more expensive interventions later and improving patient outcomes.

*“Investing more in diagnostics shifts the focus from being reactive to being proactive, from managing sickness to managing health. We urgently need a unified strategy that integrates both public and private efforts, and the industry must play a central role in shaping this approach. This collaboration will ensure that the entire population benefits from improved healthcare infrastructure and access to critical diagnostics.”*



**Carlos Martins**, President Roche Diagnostics, Brazil

### Innovative Pricing Models



Traditional pricing models are no longer sufficient to address the financial demands of advanced therapies. **Lorice Scalice**, President of Roche Pharma, Brazil, highlights the need for novel approaches:

*“A gene therapy shot, guaranteed for ten years, requires a new financing approach. This shift acknowledges the long-term impact of treatments rather than just the initial cost. We need to think differently and use AI and technology to improve healthcare.”*



For example, pay-for-performance and risk-sharing agreements, where payments are tied to treatment outcomes, can alleviate the financial burden on healthcare systems while ensuring access to innovative therapies. **Adib Jacob**, Region Head Latin America and General Manager

Brazil of Bayer Pharmaceuticals supports this idea: “Flexible financing options and demonstrating to stakeholders that innovative treatments are often more cost-effective than current options align with Bayer’s ‘Health for All’ mission.”

### Addressing Launch Complexity

Launching new treatments in Latin America is increasingly challenging due to factors like longer patient journeys, constrained budgets, and stringent evidence requirements. **Sydney Clark** explains: “Effective launch planning and execution remain critical. Roughly 40-50% of the consulting work we perform in Latin America is for launch planning and execution, clearly demonstrating the importance executives are giving to the topic.” Strategic planning and tailored approaches are essential to maximize the impact of new therapies while minimizing costs.



### Educating Stakeholders

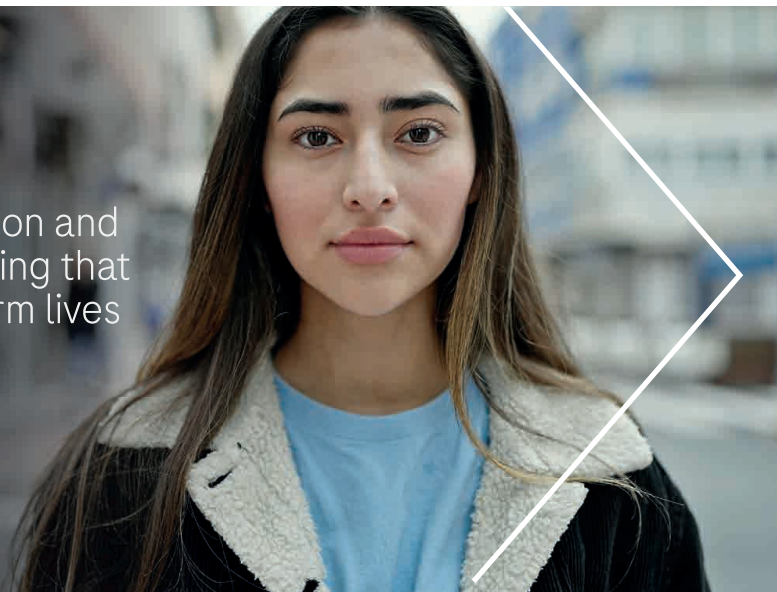
Sustainable healthcare requires informed decision-making across all levels, from policymakers to healthcare providers. **Rafael Cremonese**, Regional Director at MedSénior, underscores the importance of education: “High-cost drugs did not always correlate with substantial clinical benefits, emphasizing the need for more cost-effective healthcare practices. Educating all stakeholders about the economic implications of medical decisions is crucial.”



By fostering greater awareness and collaboration, Brazil can implement cost-effective strategies that prioritize patient needs while addressing systemic challenges.



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# Sergio Frangioni

Chief Executive Officer, Blanver, Brazil



**EF: Entering a new decade, what are the key priorities on Blanver's agenda for the year 2024?**

SF: We celebrate our 40th anniversary. Our journey began in the pharmaceutical sector, primarily working with PDPs for the government. However, we have been gradually shifting our focus toward innovation in the private sector, both nationally and internationally.

In the agile markets we understand the importance of diversification. We need to spread our efforts and not rely on a single source.

It is important to highlight our entry into the biotechnology field. We have set up a platform for manufacturing new APIs. This strategic move is intended to reduce costs for companies and individuals, ensuring they are not burdened by complex systems and high expenses. Failure to adapt to these changes could lead to challenging times for countries, especially in terms of their healthcare systems. This has become apparent in Europe, where copayments and price rejections are becoming more common, impacting the population.

Our core concentration lies in the field of oncology, where we strive to make significant contributions. Additionally, we have a strong presence in the realm of rare diseases, addressing the unique needs of this patient population.

Furthermore, we maintain collaborative efforts with governmental bodies, leveraging our expertise and the projects we have already successfully developed. These projects serve as pivotal components in our ongoing journey and mission.

**EF: What defines Blanver as a strategic partner in the region?**

SF:

“ The DNA of our company has always revolved around forming partnerships with major pharmaceutical companies. This approach has been integral to our mission and operations. ”

As an example, two years ago, we forged a significant partnership with Pierre Fabre, marking a significant milestone in our journey.

On an international level our partnership with Varifarma and Stendhal plays a vital role in providing a valuable alternative for the market. By bringing these companies to our market, we aim to create new opportunities and bridge gaps in the industry. This initiative opens doors for them to establish their presence here and expands the choices available to consumers and patients.

**EF: What are your thoughts on the future of Brazil's journey towards innovation, and what do you believe remains to be accomplished in this regard?**

SF: Manufacturing in Brazil is an exceptionally challenging endeavor. It seems that we are moving in the direction of recognizing the necessity for a change in our approach to manufacturing in the country. At present, the situation is such that, in

many cases, manufacturing within Brazil involves facing more stringent regulations and obstacles compared to importing products from other regions. This begs the question of why one would choose to manufacture in Brazil when the disadvantages often outweigh the advantages.

What deeply concerns me is the prevailing trend where the world, in general, has become heavily reliant on Asia, particularly China and India, for raw materials. It is noteworthy that some companies that initially focused on raw materials are now expanding into pharmaceutical manufacturing. This development underscores the significance of pharmaceutical production, as it is, in essence, a life-sustaining industry. While we may possess military strength and other resources, it is the supply of essential medications that will determine our survival.

Therefore, it is crucial for us to establish domestic production capabilities, reducing our reliance on importing technology and focusing on cultivating a broader range of manufacturing industries instead of solely grains and imported technology.

**EF: When it comes to building sustainable businesses in Brazil, what are the aspects to consider?**

SF: Courage is vital. Brazil's unique characteristics, such as taxation and sanitary regulations, make it a challenging environment for manufacturers. We face stringent regulatory standards, both in terms of the environment and labor taxes, which are notably higher compared to other countries. This disparity makes it difficult to make direct cost and pricing comparisons.

**EF: Where do you envision the company's international development, especially in light of the growing prominence of BRICS countries and your stated priority for international expansion?**

SF: Our primary focus is on technology. Up until 2017, we were selling our products in around 100 countries. First, it highlighted the importance of not relying on a single market. Second, it underscored the necessity of not depending solely on internal resources.

While we believe there are still numerous opportunities in Brazil, they differ from those in other markets, particularly what's often referred to as emerging markets.

In more established markets like the United States and Europe, you encounter significant competition, with numerous players vying for the same opportunities. In Europe, some families have operated businesses for over two centuries, which adds to the competitive landscape.

Brazil, on the other hand, is often seen as a land of vast opportunity. The main challenge we face here pertains to financial issues, taxes, and the overall cost structure. It's crucial to address these concerns, as they have reached a point where both the government and society are compelled to take action and implement changes.

**EF: Acknowledging Blanver's important contribution to Brazil's health ecosystem? How are you going to celebrate your 40th Anniversary?**

SF: Our marketing team is currently working on organizing two events. One of them is intended for the public, and the other is an internal event for our team. I firmly believe that companies are built by people, not just by assets. Therefore, it's crucial that we share both our successes and our challenges.

Although we have encountered setbacks along the way, it is important to recognize that these shared experiences have strengthened our unity as a company.

# Carlos Martins

President Roche Diagnostics, Brazil



**EF: How would you describe 2024, and how have your priorities evolved?**

CM: The pace of change has accelerated significantly, making it crucial to be quicker and more competitive—to seize opportunities and build partnerships before others do.

At an individual level and within organizations, more is demanded of us than ever. But being high-performing does not mean doing more—it is about doing less but smarter, making a bigger impact, recognizing achievements, and fostering a feedback culture.

Externally, the market in Brazil has also shifted dramatically. We are now seeing greater openness from the government to engage in tech transfers as a way to boost public healthcare. The private sector, too, is feeling the pressures—2023 was tough for healthcare insurance companies, with costs rising due to a backlog of postponed exams and surgeries from the pandemic. While these companies recover, the fundamental issues with the existing fee-for-service model remain unresolved. The public sector needs help to keep up with the needs of these patients, many of whom cannot afford private healthcare. Despite all these complexities, Brazil—and Latin America as a whole—remains incredibly resilient. Every problem brings new opportunities. That's the mindset we need to embrace.

**EF: How can we change this perspective to view healthcare more holistically, beyond just an expense?**

CM: The global average spending on in vitro diagnostics (IVD)—lab testing, which makes up the majority of tests—is about 2% of total healthcare expenditure. Yet, in Brazil, only 0.5% of healthcare spending is allocated to IVD. This is even though clinical lab results influence 70% of medical decisions, guiding treatments, surgeries, and even routine checkups. While treatments are vital for saving lives, diagnostics is the first step, setting the stage for better outcomes.

“ Investing more in diagnostics shifts the focus from reactive to proactive, from managing sickness to managing health. ”

In Brazil, we are fighting hard to raise awareness of this need. The shift from viewing healthcare as a cost to an investment requires a long-term perspective. It is about recognizing that while returns may not appear in the next five years, by year six, the benefits will become clear: better quality of life, more effective treatments, and healthier populations.

In Brazil, the private sector accounts for 25% of the population yet generates 75% of the total healthcare market value. We urgently need a unified strategy that integrates both public and private efforts, and the industry must play a central role in shaping this approach. This collaboration will ensure that the entire population benefits from improved healthcare infrastructure and access to critical diagnostics.

**EF: With the aging population, the rise of NCDs, and neurological disorders becoming more noticeable in Latin America, how is Roche preparing for this shift?**

CM: In October 2024, we unveiled Roche's new “One Roche” corporate strategy.

This approach highlights our unique end-to-end capabilities for patients, integrating leadership in both diagnostics and treatment. With a strong track record in innovation, we have consistently been the top healthcare R&D investor for the past decade, investing around 13.6 billion Swiss francs last year.

Our strategy aims to provide solutions that enable people to live not only longer but healthier lives. We are making significant investments in the cardiometabolic space and launching a Continuous Glucose Monitoring (CGM) solution for patients with diabetes. This new solution represents a major leap forward in glucose monitoring by integrating artificial intelligence through an app. The app can predict the likelihood of hypoglycemia occurring at night, providing patients with actionable insights.

On the oncological diagnostics front, we recently introduced digital pathology into the Brazilian market, which is a game changer. Our AI-based solution can now analyze a biopsy in just 30 seconds, thanks to a high-resolution scanner that we developed. This scanner compares new biopsy images with a vast database of previous results to provide accurate diagnoses. In Brazil's public sector, where millions of patients are waiting for oncologist appointments, the bottleneck often lies with anatomical pathology, not with the oncologists themselves. By investing strategically in digital pathology infrastructure and deploying this technology in key areas, we can make a significant impact.

Additionally, in neurology, particularly dementia and Alzheimer's, we have made notable strides. Roche is the only provider offering a fully automated biomarker for the prognosis of Alzheimer's.

We are also focusing on infectious and respiratory diseases. We are launching a new series of syndromic panels enabling doctors to assess multiple targets with just one test. This process, known as multiplexing, allows for a broader, more efficient diagnostic approach.

We have allocated a significant portion of our R&D budget to digital solutions. Some of these are internal projects, like digital twins, which help accelerate the R&D process, making it more efficient and cost-effective. However, the majority is invested in creating our digital ecosystem. This involves managing clinical labs, handling the complexity of laboratory processes, and integrating systems, robotics, and AI to analyze and validate results. We are moving from operational support to advanced clinical decision support, helping doctors make more informed decisions.

**EF: Reflecting on your three years in Brazil, what key moments or achievements stand out to you during this time?**

CM: One of the key achievements has been the successful partnerships we've established, as well as the internal transformation of the organization. We have achieved substantial growth this year, expanding by 16% in a market growing at 5%. This reflects the strength of our strategy and the partnerships we have built. A standout example is our collaboration with the Ministry of Health. This partnership led to equipping 83 public labs across Brazil with our molecular technology to support the HIV-positive population. We are now looking to add more testing capabilities, like CTNG, for women's health and potentially HPV. Roche is making a significant impact in the healthcare space in Brazil, both through innovation and our deep commitment to advancing patient care and access. This impact goes beyond just Roche Diagnostics; it extends to the larger contribution that Roche Group brings to the healthcare environment, making us a key player in driving progress and positive change.

# Mauro Loch

Vice President EM Latam Region, Coloplast



**EF: You have recently been appointed as VP of Emerging Markets in Latam. What is your mission in this new role?**

**ML:** My goal is to accelerate growth across the region and protect our market share in key countries like Brazil and Argentina. In the coming months, we will map out market potential in other countries and create a plan to seize these opportunities. Our agenda is firmly focused on growth. Currently, we have a presence in Argentina, Brazil, Colombia, and Costa Rica, where we also have a manufacturing site. The rest of the region is managed through distributors. We will assess where else we can establish our footprint to expand our business further.

**EF: Coloplast's commercial model is based on clinical, payer, and consumer preference, and product differentiation. What is your strategy for success in these four areas?**

**ML:** Regarding user preferences, we believe we have the best product on the market and aim to satisfy customers and users through exceptional nursing care. Our specialized nursing team provides strong, personalized support for users, particularly in managing their stomas and intimate needs. We have field care nurses and a dedicated call center, Central Ativa, staffed with IT nurses who actively reach out to users to check on their well-being and offer clinical support.

Our KPIs include tracking user retention with our products, reduction in urinary infections through hydrophilic catheter use, and monitoring adverse events related to ostomy care. Our goal is to enhance the quality of life for our users through our superior product portfolio and our comprehensive support.

For payers, our portfolio, particularly our hydrophilic catheters, is designed to prevent urinary infections, thereby helping to control costs by reducing hospital admissions, ICU stays, and antibiotics use. In ostomy care, providing high-quality equipment and services helps to prevent skin problems, further managing healthcare costs. Our products and services positively impact the budgets of healthcare providers and payers by promoting cost-effective health outcomes that reduce secondary health complications. For healthcare providers (HCPs), we offer continuous training to keep them updated on new technologies and care methods.

**EF: How is Coloplast collaborating with the public sector and government to improve the reimbursement landscape in Brazil?**

**ML:** In Brazil, the ostomy market is more advanced, and the public healthcare system provides coverage for users. However, the primary challenge is the low standard of care, specifically the amount of ostomy bags provided by the government. Ideally, users should receive around 30 bags per month, but they currently receive an average of 10 bags. This shortfall means users must clean and reuse their bags, which is far from ideal. To address this, we are collaborating with the Patient Association in Brazil and have established a market access structure within the company. Our team is actively working with the federal government to revise the current regulation to determine a minimum number of bags per user per month.

In the case of Continence Care business, particularly hydrophilic catheters, the challenge is to establish access to better technology. Currently in Brazil, 92% of users who need to perform intermittent catheterization receive catheters made with PVC from the government. These rigid catheters can injure the urinary tract and cause infections, posing significant health risks. Our hydrophilic catheters offer a cutting-edge solution that reduces infections and is more convenient for users. We

are now working with the Ministry of Health to develop the clinical protocol and therapeutic guidelines and finalizing budget discussions among federal, state, and municipal governments, aiming to ensure that users across Brazil have access to our best-in-class product.

**EF: How would you rate the level of awareness when it comes to these therapeutic areas?**

**ML:** The level of awareness is increasing, and we are heavily investing in sharing more information with users, HCPs, and public stakeholders. We are dedicating substantial funds to PR activities, focusing on the clinical situations of ostomy patients and continence care users. When people see someone in a wheelchair, their first thought is about mobility. However, for many wheelchair users, their top priority is having access to comfortable sanitary products and high-quality catheters and technology.

Regarding ostomy care, while colorectal cancer and oncology receive significant attention, the aftermath, such as living with a stoma, is rarely discussed. The public focus is usually on cancer treatment, not on the long-term consequences for patients. Our challenge is to educate the population in general that post-surgery life for stoma patients involves managing an ostomy bag for many years, sometimes for the rest of their lives.

Unlike other pharmaceutical or medical device companies, our company maintains a unique closeness to our users. This closeness is embedded in our portfolio, our mission, and everything we do. Our focus is always on what more we can do to support and enhance our users' lives.

**EF: Is there any new information that you can share regarding upcoming acquisitions or initiatives in new therapeutic areas?**

**ML:** The company is currently launching new products within our existing business lines. Also, Coloplast has a clear plan to leverage our last acquisition, Kerecis, an innovative company in the biologics wound care segment.

Our voice and respiratory care business is experiencing significant growth, with substantial potential not just in Brazil but worldwide. The issues we face in Brazil, such as access and standard of care, are consistent across Latin America. Therefore, we will continue to apply our current approach in Brazil to the rest of the region.

**EF: Do you have any final message for our readership?**

**ML:** Coloplast is poised to become a prominent company, not just in Brazil but throughout Latin America. While we already hold a significant portion of the market, our brand recognition in the healthcare segment is still developing, and constantly improving.

“ We are committed to enhancing our visibility and reputation, driven by our strong value proposition and the impactful initiatives we are implementing to elevate healthcare standards for our users. ”

# Antonio Nasser

President & CEO, GE Healthcare, Latin America



**EF: How strategically important is Latin America to GE HealthCare?**

**AN:** Latin America is a growing and emerging region. Unlike Japan, the U.S., or Europe, where the population is aging and stable, Latin America has a more youthful and growing population. This alone can drive double-digit growth over the next five years. As the economy improves, more people access healthcare services, creating new opportunities for GE HealthCare.

The second reason is that Latin America is a place where new ideas are tested. Culturally, people here are more open to trying different things, leading to innovative approaches to healthcare. This mindset makes it a unique source of fresh ideas and solutions. In fact, we are seeing Latin America exporting technologies and processes to more developed countries, showing that it is not just about importing from traditional markets.

**EF: How does your strategy vary across different countries within Latin America, and what does that strategy look like in Brazil?**

**AN:** To manage the diversity, we divided Latin America into five areas or clusters. Brazil and Mexico are independent clusters, as they are the biggest markets. Then we have Peru, Colombia, and Puerto Rico. Another cluster covers Chile and Argentina. Finally, there's INDI, which encompasses all other smaller markets, primarily indirect ones. Each cluster has its own strategy based on its unique needs. For example, Brazil's healthcare market is mostly private, while Mexico's is primarily public. This distinction shapes our staffing, resource allocation, and how we market and promote our products and solutions in each region.

**EF: Could you explain GE HealthCare's different business segments, and how they perform across Latin America?**

**AN:** We are in a strong position, leading the market in four key segments - Ultrasound, Primary Care Solutions (PCS), Pharmaceutical Diagnostics (PDx) and Imaging, our strongest segment, which includes MRI, MI, and CT. We have a comprehensive product line in this area and are well-positioned in Brazil, Mexico, and Colombia, with good prospects in Chile and Argentina. Even in indirect markets, where we are not directly present, we maintain a strong market share in Imaging. Each segment has its unique aspects, but we are well positioned across all of them, with a significant market share and prospects for growth throughout Latin America.

**EF: What is your perspective on the role AI can play in Latin America?**

**AN:** Latin America has a range of care standards. On one hand, there are top-notch hospitals and clinics with advanced technology, like those equipped with GE HealthCare's AIR Recon DL, an artificial intelligence algorithm for MRI scanners that improves image quality by reducing noise and artifacts, resulting in sharper images and faster scan times. This technology is particularly beneficial for MRI patients who often experience discomfort and anxiety due to the confined space and length of the procedure. However, while some hospitals in Latin America have access to the latest innovations, many others do not. The majority of the population still lacks access to these cutting-edge technologies, primarily due to differences in government funding and healthcare infrastructure. This difference creates a duality where some facilities offer high-quality care while others struggle to provide basic services. There

is a significant need to bridge the gap and ensure that advanced technologies reach more patients across the region. It is essential to work towards broader access to prevent these innovations from being confined to a privileged few, ensuring a more equitable distribution of healthcare advancements.

**EF: How would you define the concept of "access" in healthcare?**

**AN:** To me, access means providing the best healthcare possible to everyone in the community, ensuring that the entire population has the chance to receive quality care. Access is a significant challenge for developing countries like those in Latin America, where government budgets are often restricted. In Brazil, I discussed with government officials the need for a national healthcare plan that goes beyond individual governments or political parties. Healthcare should be a country priority, not tied to the ideologies of the current administration. It should be a consistent, country-wide strategy to ensure everyone has access to basic healthcare services, regardless of which party is in power.

**EF: What would be your dream collaboration project?**

**AN:** Regarding access to healthcare, I believe in collaborating with both payers and service providers to ensure a complete loop. At GE HealthCare, we offer technology and solutions, but to make healthcare more accessible, we need to figure out who will pay for it and how we can expand services to reach more people, rather than just a select group.

Additionally, I would like to work with local innovation hubs in Latin America. There are many talented individuals with fresh ideas and innovative technologies addressing our unique challenges. In Brazil, for example, there are several innovation centers filled with smart people, and the same is true in Colombia, Mexico, and Argentina. Connecting with these hubs could be a significant step forward for us.

**EF: Is there any final message or topic that we have not covered that you would like to share with our readers?**

**AN:** GE HealthCare has over 6,000 employees in Latin America, creating value for the region. Our Local Country Teams (LCTs) work closely with their respective countries, seeking to understand the local context and applying our technologies to address specific needs. We are heavily focused on education, a critical element.

It is also important to highlight GE HealthCare's commitment to innovation. We invest over \$1 billion in research and development (R&D) each year, with a dedicated R&D center in São Paulo. Last year, we published over 25 research papers, demonstrating our focus on advancing the industry.

“ GE HealthCare is fully committed to Latin America, ensuring that our customers have access to the latest technology as quickly as possible. ”

# Renato Fernandes

General Manager (CEO), Cardinal Health, Brazil



**EF: How have your goals and priorities evolved over the last year?**

RF: This year, our primary focus is investments that will enhance our core capabilities and expand our market reach, particularly in Brazil. Our key priority remains our commitment to being a truly customer-centric company. We aim to deeply understand and meet the needs of healthcare professionals (HCPs), delivering exceptional service and support.

This fiscal year is particularly exciting because new product launches are planned for the second half. As a market leader in some categories, we'll introduce products featuring the latest technology in intermittent pneumatic compression devices to prevent thrombosis. Notably, deep vein thrombosis (DVT) is the top preventable cause of hospital deaths, and these therapies are truly lifesaving. This year, we're focusing on improving commercial excellence and enhancing our supply chain capabilities. These initiatives will help Cardinal Health deliver comprehensive healthcare solutions that address the evolving needs in the Brazilian market and ultimately benefit our patients.

**EF: How do you describe Brazil's strategic significance?**

RF: Brazil's healthcare market has around 8,000 hospitals, with half in the private sector. When we consider our reach, Cardinal Health serves a fraction of these hospitals directly and through distribution channels. This means we have significant room to expand, especially within the private market, where we could more than double our current presence. The Brazilian hospital market is unique and evolving rapidly, with customers seeking high-quality, cost-effective medical supplies and advanced healthcare solutions to support their business needs. The overarching goal is to improve healthcare quality nationwide, particularly in the medical device sector, as we address the needs of an aging population and the rise in chronic diseases. Cardinal Health is well-positioned to meet these demands, with a comprehensive portfolio available in all Brazilian states. As we adapt to this changing market, quality and customer service remain our top priorities.

**EF: Could you elaborate on how you're shifting your proactive customer-centric approach and how you communicate with healthcare professionals to understand their needs?**

RF: Collaboration and partnership are essential to any company's success. Cardinal Health works closely with public and private entities to drive innovation and improve patient outcomes. We build and maintain strong relationships with various stakeholders, including physicians, suppliers, and manufacturers worldwide, to access the latest resources needed for our products. Our approach to open, transparent communication, mutual respect, and shared goals that guide our market operations sets us apart. In Brazil, the healthcare ecosystem is undergoing major changes, with insurers, payers, and hospitals focusing on cost-effectiveness. Large hospital chains like Rede D'Or are expanding rapidly, with plans to create an additional 5,384 beds by 2028. Their aggressive growth highlights the tremendous market potential.

We actively participate in major healthcare congresses and collaborate with industry leaders and professionals to highlight the value of our portfolio and its role in raising the standard of care in Brazil. Compression products, which I consider the crown jewel of Cardinal Health, are particularly impactful. Studies show that every

37 seconds, someone in the Western world dies from DVT, making it the leading preventable cause of death in hospitals. By sharing this message and working with HCPs and key opinion leaders (KOLs), we emphasize that investing in thrombosis prevention is not just a cost but a valuable investment that improves operations and saves lives. We remain committed to partnering with HCPs and KOLs to promote the benefits of our portfolio in the market.

**EF: How do you assess the adoption of new technology in Brazil?**

RF: The conversation varies significantly between private and public markets. Across the board, everyone is focused on being cost-effective. Mergers and acquisitions have been dominant in the past twelve months, with major groups buying up companies to gain efficiency, scale, and stronger bargaining power with suppliers.

Regarding digital transformation, this is central to Cardinal Health's strategy. Our CEO, Jason Hollar, highlighted the use of AI, machine learning, and IoT to enhance our supply chain management. Supply chain management is complex, and it is critical to ensure the right product is available exactly when the customer needs it. We use technology to predict demand more accurately, reduce waste in manufacturing, and achieve our ambitious ESG goals. Over the last two to three years, Cardinal Health has quickly adapted to meet the needs of healthcare professionals by embedding technology into our processes and becoming more efficient in response to market demands.

**EF: Do you have a final message or anything else you want to include?**

RF: Cardinal Health has been on an incredible growth journey in Brazil, and I'm fortunate to have been part of most of the company's history here. What truly sets Cardinal Health Brazil apart is our culture and the people. This is my first time encountering such a talented, committed, and growth-oriented team. Every member is dedicated to advancing our business and fulfilling our mission. We have a bright future with plans to launch exciting new technologies and products to set new industry standards and address key healthcare needs.

The most rewarding part of this journey has been the opportunity to develop the people driving this company forward. To sum it up, Cardinal Health Brazil's journey has been one of growth and transformation. We're proud to lead the shaping of the future of healthcare in Brazil within our product categories. As we advance, by listening to our customers, collaborating with partners, and investing in innovative solutions.

“ Cardinal Health is well-positioned to make a lasting impact on patients and healthcare professionals alike. We are building a healthier future for all with the progress and initiatives we're bringing to the market. ”

# Daniel Binette

Vice President and General Manager, Lilly, Brazil



**EF: When you were appointed, what mission did you set for yourself in this role?**

DB: The timing couldn't be better for me to join Brazil, whereby the end of this year, we expect to launch up to five new medicines and indications, with at least five more next year. Our pipeline is rich for Lilly as a corporation, specifically in Brazil.

I focus on delivering launch excellence, building a winning team, and onboarding new talent as we expand rapidly. We have a strong team but are also looking for people who can complement our skill set and fill gaps in strategic areas. I'm also committed to helping the team adopt new capabilities, leveraging my experience in other businesses to bring innovation to Brazil and accelerate our launches. This year alone we aim to make life better for 1.5 million people in Brazil and we are on track to achieve our goals this year thanks to all my colleagues.

**EF: Could you elaborate on how your portfolio is evolving in Brazil and some of the treatments and upcoming treatments you are most excited about?**

DB: We're well-established in oncology and have helped countless people. Additionally, we launched two new medicines this year, one of them in a new segment – onco-hematology and another in precision medicine. I'm also excited about expanding our portfolio in immunology, as well as pioneer our journey in Alzheimer's Disease in Brazil.

The company believes deeply in the potential to impact many lives in Brazil, so we're investing heavily in these new fields but also ongoing portfolio. We are expanding our presence in cardiometabolic health and bringing a truly life-changing treatment for diseases like diabetes and obesity, which both have significant unmet needs in Brazil.

**EF: What makes Brazil a special market?**

DB: The market has responded well to our organization's commitment. As we increased our investment and provided additional education, we've seen a strong and positive reaction, which speaks about the continuous quality our teams have produced, often partnering closely with different societies. We have an incredible workforce at Lilly Brazil. The impact of Brazil goes beyond the country boundaries where many of our Brazilian's talent is sought after not only contributing locally but also at a global level. The diverse talents here, combined with the complexities of our healthcare system, prepare our teams well to tackle challenges and maximize our investments.

**EF: Could you give us a sense of how you assess access in Brazil?**

DB: In Brazil you have out-of-pocket payments, private reimbursements, and a public market. This fragmentation brings its complexity and opportunities. In general, we need to accelerate how we reach patients across all these areas, and it will require all of us to come together and discuss. No matter where you sit in this ecosystem, we all share the goal of providing better care for our communities. I believe that open discussions lead to great results, and partnering with the government will be key to increasing the number of people we can help. There is no doubt that I would love to see accelerated reimbursements here in Brazil and to do this, we might need to consider innovative approaches.

“Lilly is committed to reaching an additional 30 million people globally by 2030 and is engaging with local partners and governments around the world to achieve this objective, bringing additional investments and know-how around the world.”

**EF: Beyond the portfolio, how are you interacting with different stakeholders and collaborating in Brazil to build a more prosperous healthcare system?**

DB: As an ambassador for Lilly, improving the landscape for clinical trials in Brazil is critical. Engaging with stakeholders who can help Brazil become even more competitive in this area is essential. We see a desire to accelerate the implementation of clinical trials, and this will be important for Brazil, which still needs to catch up with other countries regarding approval times and cycle times. At Lilly, we currently have over 43 studies underway involving more than 5,000 patients across more than 500 clinical centers in various therapeutic areas; I believe we could double that if timelines improve significantly. I'm confident my peers and I can increase our investment here should this happen, leading to significant positive outcomes and even stronger Brazilian representation in global clinical trials of all kinds.

**EF: When Lilly has the 80<sup>th</sup> year celebration in Brazil this year, what will you include in your speech?**

DB: Lilly is an organization that doesn't shy away from challenges but embraces them. We come together to deliver the best solutions. Celebrating 80 years of Lilly Brazil is also celebrating significant milestones and the remarkable journey where we've positively impacted countless lives.

We aim to become the fastest-growing pharma company in Brazil, which will further enhance our ability to improve patient outcomes. We've demonstrated success in early diagnostics, proper care, and rapid treatment in Brazil and globally, which gives me great confidence in our continued impact for many years. We'll continue this legacy for the next 80 years and beyond, just as Lilly has done for the past 148 years globally.

**EF: Do you have any final message for the industry or your international or Brazilian colleagues?**

DB: I've often heard comparisons where people say Brazil is well behind tier-one countries, but I believe Brazil has nothing to be rueful for. The intelligence and potential here are immense, and I want everyone to have ambitions that match their high capabilities. Brazil has great opportunities to lead, especially in areas like clinical trials and medical and commercial ones. Brazil stands strong compared to other countries. I hope we can live up to these ambitions.

# Adib Jacob



Region Head Latin America and General Manager Brazil, Bayer Pharmaceuticals

**EF: Why is now a pivotal moment to be at Bayer, and what's on your agenda?**

**AJ:** It's an incredibly exciting time for Bayer, which we're calling our "Magic September" due to the groundbreaking clinical data released for key products across multiple therapeutic areas—cardiology, metabolism, oncology, and ophthalmology. These advances are transformative for Bayer and public health.

Last year, we launched finerenone for Diabetic Kidney Disease (DKD), with ongoing studies showing promise in cardiovascular conditions. In oncology, our prostate cancer treatment has demonstrated a 46% reduction in disease progression and mortality for hormone-sensitive metastatic cases.

In women's health, we are investing in non-hormonal treatments for menopause symptoms. Meanwhile, in ophthalmology, our new formulation for Diabetic Macular Edema (DME) and Wet Age-Related Macular Degeneration (WAMD) is reducing treatment frequency and improving patient convenience.

Our pipeline is expanding with new molecules and cutting-edge cell therapies, such as promising developments for Parkinson's disease. Bayer is well-positioned for growth, innovation, and impact.

**EF: Bayer is undergoing a radical transformation where roles are now defined by outcomes. How will this impact Latin America?**

**AJ:** The goal is to become a leaner, less bureaucratic organization with fewer layers of approval. The mission is clear: deliver better outcomes for clients, patients, and internal teams. Our pharmaceutical division, in particular, is transitioning to this dynamic shared ownership model, which allows us to be more agile, externally focused, and faster in delivering patient care.

**EF: As gene and cell therapies become increasingly complex and costly, how can we ensure they are accessible to the patients who need them?**

**AJ:** As we look at the future of medicine, cell and gene therapies are now emerging as the next frontier. These therapies will not necessarily replace conventional pharmaceuticals but will likely be combined, particularly for diseases with a strong biological basis, like cancer.

It is crucial to ensure that these therapies are priced affordably in the countries where they are offered. Bayer works to set prices that align with the macroeconomic realities of each market.

Secondly, it is essential to educate authorities and stakeholders on the long-term cost benefits of therapy. You must compare the cost of a one-time, potentially curative therapy to the cumulative costs of decades of chronic treatment.

Finally, more innovative pricing models, such as pay-for-performance or risk-sharing agreements, are needed. These models, where payment is contingent on the therapy's effectiveness, could help ease the financial burden on healthcare systems. You also need flexible financing options, as expecting governments to pay in full upfront is unrealistic.

Our work in Latin America is centred around ensuring access, setting the right prices, and demonstrating to stakeholders that innovative treatments are often more cost-effective than current options. This aligns with Bayer's "Health for All" mission—developing great pharmaceutical products and making them accessible to patients and healthcare providers where it truly matters.

**EF: How do you cultivate a constant drive for innovation and a growth mindset wi-**

**thin your team, encouraging them to continuously strive to improve patients' lives?**

**AJ:** I constantly encourage my team to embody entrepreneurial qualities because working in Latin America means dealing with unpredictability—both good and bad. We need to be flexible, agile, and willing to adapt to the circumstances, whether adjusting prices or reallocating resources across products or countries. Opportunities in Latin America can emerge quickly, and we need to respond just as fast.

Another important aspect is being patient-driven. Understanding the market dynamics can allow us to approach headquarters and advocate for what we need. We are launching every key product in Latin America, focusing on optimizing the region's potential. Markets like Brazil, Mexico, Colombia, Argentina, and Chile are particularly important, even for cutting-edge therapies like cell therapy. We are committed to launching every key product.

A decade ago, Bayer's presence in Latin America was largely in the out-of-pocket segment, especially with products like oral contraceptives. However, Bayer has strategically shifted towards developing the institutional market and expanding its specialty care offerings. Today, the company is a leader in oncology, particularly in prostate cancer and ophthalmology, where it dominates treatments for retinal diseases. Bayer also has a strong presence in hemophilia, catering to the region's significant patient populations.

Its ability to operate successfully in both out-of-pocket and institutional markets makes Bayer unique. This dual approach allows for greater flexibility, ensuring the company is not overly reliant on one segment. However, this also presents a challenge because it means navigating different dynamics—on the one hand, addressing mass-market conditions like cardiovascular disease, which involves engaging with thousands of physicians, and on the other, managing the more focused, key-account work in oncology. As the company's pipeline continues to grow, these efforts align with Bayer's commitment to addressing some of the world's most pressing health issues, including heart disease, cancer, women's health, and ophthalmology, while staying adaptable to market needs.

**EF: In your view, what should be the primary focus in healthcare?**

**AJ:** First, I emphasize the importance of increasing healthcare investment as a percentage of GDP. In many countries, including developed ones, we see disproportionate spending on military and defense compared to healthcare. As people age, they want to live well, not just live longer, and the cost of healthcare will rise even more if we do not prioritize keeping people healthy.

I would also advocate for more collaboration between governments and the healthcare industry. There is sometimes a misconception that the pharmaceutical industry is only focused on profit, but the COVID-19 pandemic demonstrated its vital role in saving lives. So, my message would be about recognizing the critical importance of healthcare, respecting the value that the industry brings, and working together to achieve our common goal—ensuring people live healthier, longer lives. A healthier population drives productivity, contributes to economic growth, and ultimately leads to a better world.

“ We believe that science, innovation, and access need to walk together. This is key to the success of Bayer in pharmaceuticals. ”

# Marcelo Belapolsky

Country Head, Sandoz, Brazil



**EF: What balance do you draw from your first independent year in Brazil?**

**MB:** The spin-off was completed in October 2023, and since then, Sandoz has solidified its position as a global leader in generic and biosimilar products. This has allowed us to fully realize our potential and maintain an attractive and sustainable financial outlook. We are deeply committed to our shareholders and have provided them with our growth projections, including expectations of single-digit net sales growth over the next four to five years, and a plan to more than double our free cash flow by 2028. Additionally, we have gone public with an IPO in Switzerland, engaging key stakeholders worldwide. In Brazil, we see significant opportunities. After the spin-off, we aligned our local strategy with our global plan, focusing on both generics and biosimilars. We have a local plant dedicated to generics, and for biosimilars, we are targeting both the private sector and the public market through partnership development programs (PDPs) with the government.

**EF: Could you elaborate on the role of Sandoz Brazil plays within the LATAM?**

**MB:** Brazil is a key market for Sandoz, and it is our largest operation in Latin America. We have over 800 employees in Brazil, and our factory in Cambé is the only one in Latin America. In Brazil, we are working with a portfolio of around 100 molecules, including generics, mature brands, and biosimilar products, covering all major therapeutic areas. We aim to contribute more to public policies to improve healthcare access in the country and to expand our industrial capacity, particularly in biotechnology through PDPs. Additionally, access to medicines is very important to us. Recently, to respond to global market demands as a standalone company, Sandoz established a corporate affairs area led by Milena Bourroul to strengthen our relationship with the government.

In the retail sector, we are a leading player in Brazil, producing generic small molecule drugs. Running at full capacity, we produce 100 million boxes annually, all sold within Brazil at competitive prices and high quality. These cover around 60 different molecule generics, including treatments for high blood pressure, cholesterol, and antibiotics. On the biosimilar side, we are heavily invested in our pipeline, with plans to release 10 molecules over the next five years. Through PDPs and small molecule production, we are supporting the government's efforts. These biosimilars cover areas like hematology, oncology, gastroenterology, dermatology, and treatments for conditions like psoriasis. We are continuously expanding into new therapeutic areas, and this is crucial because biosimilars offer important medications at affordable prices, making them more accessible to the population. Last year alone, our medicines reached 500 million people globally. In Brazil, with a population of over 200 million, we are committed to prioritizing patient access every day.

**EF: How do you see Brazil as a potential innovation hub for Latin America?**

**MB:** We have had the chance to collaborate with different key organizations. In February 2020, Sandoz Brazil signed a partnership development program (PDP) with the government for Rituximab supply and technology transfer. Thanks to the success of this partnership, we have been able to provide treatment to around 12,000 patients in Brazil, while also advancing the promotion, development, and manufacturing of strategic products in the country. We also signed another important PDP with the Butantan Institute to produce adalimumab. This partnership is particularly significant because it marks the Butantan Institute's first involvement with a monoclonal antibody, and

it represents a historic milestone for us. This collaboration not only increases access to essential products but also strengthens Brazil's healthcare system by expanding the range of treatments available through public companies. Moreover, the government recently introduced a new concept for PDPs, which includes several changes. This innovative approach to patient access and local technology development will position Brazil strongly over the next decade.

**MB: EF: What are your main priorities for the next three years?**

**MB:** First, we are deeply committed to driving Sandoz's growth and increasing free cash flow. Second, we are focused on preparing the organization for new PDPs, which are essential for our continued expansion. Third, we must maximize the potential of our generics by ensuring our plant operates at full capacity. Fourth, and perhaps most importantly, we are committed to our people. We have a robust plan to develop our team in Brazil, including transitioning some leaders within the company. Diversity and inclusion are also key areas of focus. Over the next three years, I expect Sandoz in Brazil to continue growing and launching high-quality, affordable products for the population.

**EF: What makes Brazil unique, and why is an investment in Brazil more valuable than elsewhere?**

**MB:** Brazil, with a population of 215 million, currently ranks between 8th and 10th among the world's largest pharmaceutical markets. The expansion of the pharmaceutical industry in emerging countries like Brazil is especially notable as growth slows in developed markets. The public health system, SUS, plays a crucial role in providing healthcare to most Brazilians, despite access challenges. Our generics and biosimilars markets are growing at double-digit rates, which is a significant achievement.

“Over the past four years, we have successfully introduced the biosimilar concept in Brazil and Latin America, making Brazil an increasingly important and attractive country for continued investment, advancement, and new product launches—not just in the private market, but also in the public sector through opportunities like PDPs.”

**EF: Is there any other topic you think is important to share?**

**MB:** While I represent Sandoz in Brazil, I am also deeply involved in the ProGenéricos Association. Three years ago, I became the Vice President. We are working hard to ensure the sustainability of both generics and biosimilars. Just two months ago, we celebrated the 25th anniversary of the law that governs genetic products in Brazil. We marked this milestone in Brasília, alongside government officials, senators, and other participants.

# José Henrique Salvador

CEO, Mater Dei Hospital, Brazil



**EF: Transitioning into your new role as CEO, and how did your priorities change?**

**JS:** My current role involves looking towards the future—exploring opportunities to make Mater Dei more efficient and more digital. We aim to enhance our position in healthcare by integrating more technology, improving treatment options, and exploring new business branches. This includes expanding our role in education and digital businesses and fostering closer relationships with people to promote healthier lifestyles and prevention rather than just treating illnesses.

We are looking at ways to have a broader impact on healthcare by being more than just hospitals. My grandfather founded Mater Dei in 1980, and now we are transitioning to the third generation. We have the joy of having three generations working together, and I am quite proud of this.

**EF: What is Mater Dei doing to balance short and long-term goals and differentiate itself in a very active market of mergers and acquisitions?**

**JS:** We have a history of growing organically, particularly through Greenfield projects. However, in 2021, when we recognized this significant transition in the healthcare sector in Brazil, we began pursuing opportunities to acquire hospitals in various regions. Our goal was to become a national chain, with all hospitals operating under the Mater Dei name, and leverage the synergies of such a presence.

Our strategy includes expanding Mater Dei into regions where we lack significant consolidation, ensuring our units are top-notch in terms of efficiency and image. While national synergies provide better negotiation positions and contracts, the relationships with doctors and patients are inherently created locally. Therefore, we focus on regions that are not yet consolidated and work to establish Mater Dei as the leading healthcare provider in those areas.

Our strategy involves bringing the quality we have here in Mater Dei to other regions, especially those that do not have the same level of reimbursement as Rio, São Paulo, or Brasília.

“ Cost efficiency is ingrained in our DNA. This foundation makes us confident in our ability to expand effectively and efficiently to other regions outside São Paulo. ”

**EF: Are there any specific KPIs that you are using to track efficiency, and what areas are you focusing on the most?**

**JS:** One of our priorities is managing the number of staff in our hospitals to ensure the right care for our patients. Approximately 40% of a hospital's costs are related to personnel, including nurses and technical staff. If not managed properly, this can significantly impact our financial performance. It is important to note that the number of staff is not directly linked to the quality of care; instead, it is about having the right people in the right place.

We also focus on strategic relationships with suppliers. We aim to identify the right suppliers and leverage high volumes to negotiate better prices.

We are also heavily investing in automation and artificial intelligence to streamline

various processes within the hospitals. This includes using robots for routine tasks previously handled by staff, thereby increasing efficiency. In 2021, we acquired a majority stake in A3Data, a company that provides considerable value, not just by enhancing efficiency but also by developing innovative healthcare products to aid in capillarization.

**EF: Why do you think one dollar invested in Brazilian healthcare is more valuable than anywhere else?**

**JS:** We have a vast market with significant opportunities. Currently, only 25% of our population has access to private insurance. Investing in expanding access to insurance can boost productivity and positively change the country's outlook.

Secondly, Brazil's diverse population presents unique opportunities for medical research. Our population's diverse genetic makeup allows us to study how different drugs function across a variety of races, providing invaluable data that can lead to more effective treatments globally. This diversity makes Brazil an ideal environment for investment in medical research, offering a rich 'laboratory' for clinical trials and innovation.

Thirdly, Brazilian people are known for their creativity and entrepreneurial spirit, often thriving despite limited resources. Providing more resources to this inherently innovative population can lead to new, efficient ways of solving problems and advancing healthcare. However, it is crucial to address regulatory challenges that can impede progress. Streamlining regulatory processes will not only attract more investment but also accelerate the development and implementation of healthcare innovations.

**EF: What is Mater Dei's footprint for clinical research?**

**JS:** We are launching a new business unit dedicated to clinical research, which has been in development for the last 6 months. While we have always had a clinical research department, its role was primarily supportive. We have decided to transform this into a more focused business unit, targeting areas where Mater Dei has significant expertise. This transition marks a strategic shift towards making clinical research a core part of our business. Our aim is to leverage our strengths and create a robust platform for conducting high-quality clinical trials.

**EF: Five years from now, what do you hope will be your biggest accomplishment?**

**JS:** What will make me the proudest is extending the presence of Mater Dei hospitals. We are very excited about our expansion plans. Currently, we are preparing to open two new units. Over the next five years, I would love to see these new units and our ongoing projects flourishing and becoming as successful as our existing ones. Our goal is not just to have hospitals in different regions but to establish fully integrated Mater Dei hospitals in these areas, ensuring they embody our values and priorities. This integration is crucial for maintaining the high standards we are known for and passing the benefits this provides onto our patients. Another key objective is to ensure that our employees and new leaders are taking on critical roles within the hospital. Promoting talent internally is essential for our growth and sustainability. It is important the family executives and other key personnel are aligned with our vision and ready to lead.

# Rafael Cremonese

Regional Director, MedSênior, Brazil



**EF: What attracted you to MedSênior as a company, and what is your mission in this new role?**

**RF:** In my previous role as CEO at a very recognized private hospital, I was deeply concerned about the direction of the private health sector in Brazil. Since the pandemic, we have seen a significant increase in direct costs for materials and drugs, and prices have not returned to pre-pandemic levels. What worried me most was the massive financial losses faced by healthcare insurers.

The origins of waste in healthcare are multifactorial, with various actors contributing to the issue. However, a fundamental aspect of the discussion that is often overlooked is the involvement of doctors in the financing problem. Today, this crucial actor is trained to use the best available technical evidence to make the best decisions. The problem with this approach is that the evidence is often heavily biased by the sponsors of the studies, and doctors do not have a pharmacoeconomic evaluation of what they are proposing, usually leading to marginal benefits. Health plan beneficiaries need to be aware of this reality to understand that misuse ultimately results in higher premiums. A study in the Journal of the American Medical Association (JAMA) highlighted that high-cost drugs did not always correlate with substantial clinical benefits, emphasizing the need for more cost-effective healthcare practices. Educating all stakeholders about the economic implications of medical decisions is crucial to mitigate the long-term financial impact on the healthcare system.

In 2020, I made a contract with MedSênior in my previous role, and I began to understand that their approach was different. Patients under MedSênior's care had shorter hospital stays, fewer hospital-acquired conditions, and fewer expenses.

Our model is based on a holistic approach where every patient, exclusively aged 49 and older, is stratified according to their state of health and recommended a specific care path by geriatricians. In every city where MedSênior operates, they have built small units focused on primary care, where geriatricians consult with these patients. In those offices, the patients can participate in group activities with the main objective of promoting health. It is not just about preventing disease; it's about promoting health. The focus is on patients' muscular strength, sleep quality, and sociability. Mental health, a significant issue in this population, is also a key focus. This comprehensive approach ensures that emergency services in hospitals used by MedSênior patients are utilized more efficiently. MedSênior thoroughly studies the market to identify the next target area, considering the epidemiology of older adults and their income levels to ensure they can afford the plan.

Since MedSênior's plan is not vertically integrated, it relies on local providers for specialized and complex care, especially hospital admissions. Regional directors, including myself, are all doctors and are expected to engage with patients and healthcare providers, including clinics, diagnostic centers, doctors, and hospitals. The goal is to create pre-agreed, high-quality protocols to avoid the usual conflicts between providers and insurers, where disagreements often lead to non-payment for services rendered. MedSênior avoids this by maintaining close relationships with providers, ensuring that services are agreed upon in advance and are patient-centered, efficient, and fast. protocols to avoid the usual conflicts between providers and insurers, where disagreements often lead to non-payment for services rendered. MedSênior avoids this by maintaining close relationships with providers, ensuring that services are

agreed upon in advance and are patient-centered, efficient, and fast.

The approach so far has proven successful. MedSênior has grown from 30,000 to 180,000 lives covered in just 10 years. This growth is expected to continue rapidly, with ambitions to reach one million clients by 2030. MedSênior is poised to lead the future of medicine in Brazil, especially for the elderly, by integrating comprehensive, patient-centered care with efficient healthcare delivery systems.

**EF: There is a term used to describe how MedSênior innovates; what does "Age-tech" mean?**

**RF:** Agetech encompasses various initiatives aimed at improving the lives of older adults through technology. It is important to note that innovation doesn't always mean complex technology. It involves understanding and respecting the capacity of older people to engage with technology. The key is to find the best way to facilitate this engagement. For example, our concierges in MedSênior units are often in their 60s. When they explain how to use our mobile application to other seniors, they can communicate in a relatable language, fostering empathy and understanding. We also recognize a significant opportunity to improve health outcomes for our patients through data. When we combine different variables, the power of our algorithms allows us to predict future health trends. However, our work goes beyond just data analysis. We are also focusing on workflow integration and addressing the multitude of systems we currently use. Our main objective is to leverage AI for predictive analysis, utilizing our extensive data on our large patient population, both while they are hospitalized and at home.

**EF: Why is \$1 invested in Brazilian healthcare worth more than in other markets?**

**RF:** The Brazilian market is vast and continues to grow each year, and there is still much to be done in terms of efficiency, presenting significant opportunities for those in the market. The changing dynamics, especially the narrow margins we discussed, are part of an ongoing disruption in Brazil's private healthcare sector. This disruption sets the stage for a more efficient, profitable, patient-centered model.

“ A significant part of Brazil remains under-saturated. This half of Brazil represents a substantial potential for transformation and expansion within the private healthcare sector. ”

**EF: Do you have a final message for our readers?**

**RF:** As we navigate the rapidly evolving healthcare landscape, we must focus on innovation, efficiency, and patient-centered care. I encourage everyone in the healthcare industry to embrace the potential of technology and innovation. Doing so can create a more sustainable and efficient healthcare system that benefits all. Investing in the Brazilian healthcare market presents unique opportunities for growth and improvement. Together, we can drive meaningful change.

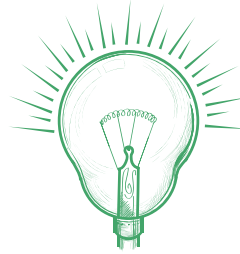


# Chapter 3

## Growth through Innovation

*“Healthcare is still perceived as an expense rather than an investment. Shifting this mindset will remove the greatest limiting factor for the success of innovations in Latin America.” Rolf Hoenger, Area Head, Roche Latam*

# Innovation Hub Brazil



Brazil is developing as a leader in healthcare innovation in Latin America, which is changing its image from being primarily a commodity economy to one that is full of innovative ideas and cutting-edge solutions. The nation is making progress in both domains of great importance, that is, addressing issues of patient care along with enhancing its global competitiveness by using its unique mix of people, infrastructure, and a culturally flexible approach. By addressing clinical challenges, advancing biotech capabilities, and fostering collaboration, the country is set to lead Latin America in reshaping the global healthcare landscape. With strong leadership, cultural adaptability, and a commitment to patient-centered solutions, Brazil is proving that investing in innovation pays dividends.



## A Dual Approach to Innovation

*"It's essential to categorize innovation into two distinct areas: clinical and commercial. On the clinical front, Latin America serves as a significant hub for clinical trials. Brazil, Mexico, and Argentina are the primary locations. Regarding the other side, commercial innovation. We're aligning our efforts with addressing business challenges and enhancing the customer experience. We've established dedicated innovation teams at the regional and country levels. Our initial focus is data management, aiming to leverage data to provide personalized customer experiences. By identifying pain points and leveraging innovative solutions, we're committed to driving meaningful change in our business."* **Allan Finkel**, Senior Vice President, Novo Nordisk, LATAM



## Transformative Solutions for Better Care

*"Our success comes from innovation, providing transformative solutions to people without options. We launched a treatment for diabetic or age-related macular edema last year, a treatment that requires less frequent injections, improving patient adherence. Another innovation is our solution for Neuromyelitis Optica, a neurodegenerative disease causing irreversible vision and mobility loss; a much-needed option, especially for underrepresented populations like Afro-descendants in Brazil. These innovations drive our growth and improve patients' quality of life, showcasing the most exciting aspect of our work, discovering new molecules and finding better ways to deliver care."* **Lorice Faria Scalise**, President of Roche Pharma, Brazil





### Homegrown Innovation: A Shift in Perception

“Brazil is not seen as an innovative country by the outside world. Most people believe that Brazil mostly sells commodities, but as time goes on and new businesses emerge with creative solutions, this perception is shifting. ANVISA, for instance, is working on an innovative viral therapy from a Brazilian startup which deals with Zika virus, which is Brazil’s first innovative biotech treatment and has been entirely created here in Brazil. Biotimize will develop and manufacture the phase zero, a Brazilian corporation will handle the clinical trials, and it will make use of Brazilian hospitals.” **Fernando Barbosa**, Co-Founder and CEO, Biotimize, Brazil



### Collaboration as Innovation Catalyst

“It’s crucial for us, as a sector, to collaborate and bring more innovation to Brazil, ensuring quicker patient access and making the most of the time, energy, and resources we invest. We must join forces to ensure these innovations reach people promptly and improve their lives.” **Andrea Sambati**, President, Boehringer Ingelheim, Brazil



“Latin America is a place where new ideas are tested. Culturally, people here are more open to trying different things, leading to innovative approaches to healthcare. This mindset makes it a unique source of fresh ideas and solutions. In fact, we are seeing Latin America exporting technologies and processes to more developed countries, showing that it is not just about importing from traditional markets.” **Antonio Nasser**, President & CEO, GE Healthcare, Latin America



Coloplast develops products and services to make the lives of people with intimate health needs easier. We work closely with users and professionals who use our products, creating technologies and solutions for a better life.

Let’s celebrate these 25 years of history in Brazil together!



Scan the QR code to watch our history!



Ostomy Care



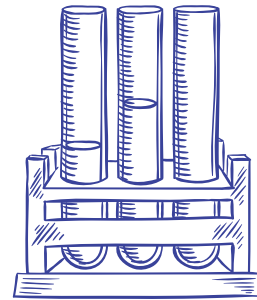
Continence Care



Wound Care

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# Clinical Trials: Opportunity for Access and Innovation



**“Research is crucial for development; no developed country thrives without an advanced clinical research sector.” Nelson Mussolini, President Sindusfarma, Brazil.**

Clinical trials are crucial for medical innovation and improving patient outcomes, and Brazil is making significant progress in establishing itself as a global hub for clinical research. With a diverse population, robust regulatory frameworks, and evolving healthcare infrastructure, the country is well-positioned to attract global clinical studies and deliver transformative treatments.

competitive is essential. While we currently have over 43 studies involving more than 5,000 patients across 500 clinical centers, we could double that if timelines improve significantly.”

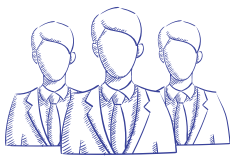


**Daniel Binette**, Vice President and General Manager of Lilly Brazil, highlights the opportunities in this space: “Improving the landscape for clinical trials in Brazil is critical. Engaging with stakeholders to make Brazil more

Brazil offers an excellent environment for conducting clinical trials. According to **Paulo Fernandes**, President of ABRACRO, the Brazilian Association of Clinical Research Organizations: “We benefit from robust regulations from ANVISA and ethical authorities, ensuring trials are conducted safely while enabling the country’s participation in clinical development. The new 6007/2023 law aims to enhance market



Brazil brings numerous advantages together for conducting clinical studies:



Large population



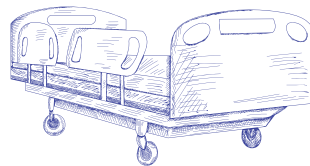
Ethnic diversity



Competitive costs



Quality and prominence in conducting trials

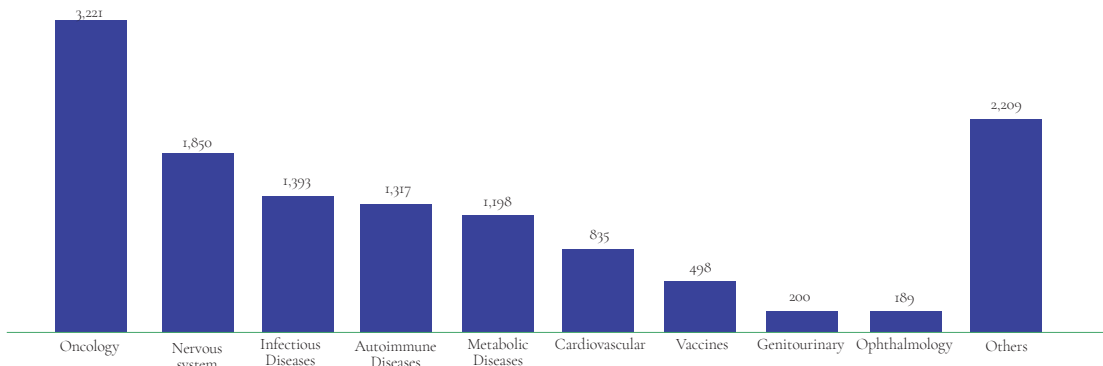


Advanced medical infrastructure



High standard regulation

### Clinical pharma studies per therapeutic class in Brazil - 2022



Source: Interfarma

predictability by streamlining the process, reducing bureaucracy, and improving competitiveness. It will make trials safer for participants and protect investors who take financial risks in developing new treatments.”



The advantages of conducting trials locally are manifold. **Rafael Suarez**, CEO and Head of LATAM of Ferring emphasizes the value of local research: *“Having local data when submitting a product to regulatory bodies like ANVISA is highly beneficial. Local scientists’ familiarity with products before launch*

*helps convince other doctors to adopt new technologies, as they can vouch for efficacy based on firsthand experience with Brazilian patients. Increasing Brazil’s research capacity would be a game changer.”*

Innovation is also driven by entrepreneurial perspectives, as **Paulo Fernandes** of ABRACRO envisions: “As the ecosystem matures, more individuals with entrepreneurial perspectives will emerge, seeking innovative approaches to clinical research. Engaging these individuals and supporting their development will prepare Brazil to become a leading force in clinical research within the next decade.”



**FERRING:  
COMMITTED  
TO BUILDING  
HEALTHY  
FAMILIES  
AROUND  
THE WORLD.**

Ferring Pharmaceuticals, a leader in fertility and maternal health, is running a campaign to raise awareness of the importance of prenatal care to reduce maternal mortality. Through press releases and social media activities, the initiative highlights the fact that medical monitoring during pregnancy can detect risks and, thus, adopt preventive measures.

Maternal mortality is a major public health issue in Brazil, with 107.5 deaths per 100,000 live births<sup>1</sup>. Postpartum hemorrhage (more than 500 ml in vaginal delivery and more than 1 liter in cesarean section) ranks among the leading causes<sup>2</sup>.

Risk factors for postpartum hemorrhage include multiple gestations, pre-eclampsia, episiotomy, vacuum or forceps delivery, and a history of postpartum hemorrhage, among other aspects<sup>2</sup>. Talk to your doctor and assess the need for preventive measures.

**AT FERRING, WE BELIEVE  
EVERYONE HAS THE RIGHT  
TO START A FAMILY!**

References:  
1) UNFPA. Maternal mortality ratio in Brazil increased by 94% during the pandemic. UN Population Fund alerts to a serious setback.  
2) “Risk factors for postpartum hemorrhage: can we explain the recent temporal increase?”



# Healthcare Solutions at a Glance

The Brazilian healthcare landscape is flourishing with innovative approaches across therapeutic areas, driving advancements in patient care and addressing unmet medical needs. This report gathered an overview of key developments shaping the country’s healthcare innovation narrative:



## Tackling NCD Prevalence: Diabetes, Obesity and Cardio-renal-metabolic diseases

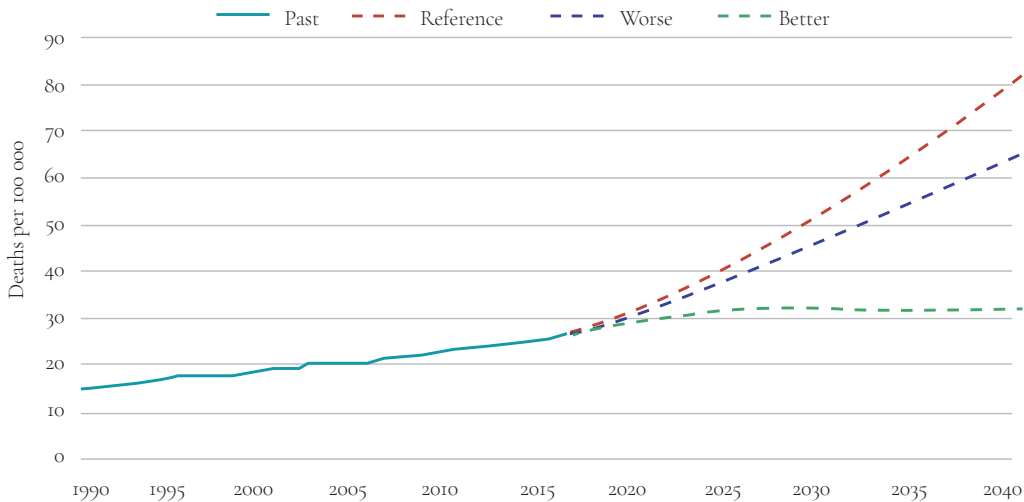
Brazil faces a significant health burden from diabetes, obesity, and cardio-renal-metabolic diseases. These conditions are increasingly prevalent, contributing to a rise in chronic illnesses and premature deaths. Diabetes, particularly type 2 diabetes, is a major concern due to its association with obesity, unhealthy diets, and sedentary lifestyles. It increases the risk of cardiovascular diseases, kidney disease, and other complications.

“Each Latin American country has a significant opportunity to address diabetes and obesity. The percentage of patients receiving full treatment for these conditions is relatively small. For diabetes, it’s less than 4 or 5%, and for obesity, it’s even lower due to the lack of understanding that it’s a disease. In Latin America, this presents a substantial development opportunity.”

Our region is experiencing double-digit growth and expects continued growth in the coming years. When investing, we aim for returns higher than single digits. This underscores the vast potential for positive impact and financial returns in addressing these health challenges in Latin America”, states **Allan Finkel** Senior Vice President, Novo Nordisk, LATAM.



**Andrea Sambati**, President, Boehringer Ingelheim, Brazil, presents a portfolio aligned to Brazil’s most demanding healthcare needs: “We are advancing in cardio-renal-metabolic diseases, expanding beyond diabetes, heart failure, and chronic kidney disease into areas like obesity and MASH (Metabolic dysfunction-associated steatohepatitis). Our phase II trials for obesity treatment, the first for MASH, have shown promising results, with a global launch expected in four to five years.”



Past trends (1990-2016) and future projections (2017-2040) of overall crude mortality due to diabetes mellitus. Projections are given for reference and better and worse case scenarios

Source: Biomedcentral

The MedTech Industry is also making a contribution to the high demand field: *“Our strategy is aimed at supporting healthier aging by providing solutions that enable people to live longer, healthier lives. We are making significant investments in cardio metabolic and currently launching a Continuous Glucose Monitoring (CGM) solution for patients with diabetes, especially those with concurrent cardiac conditions. This new solution represents a major leap forward in glucose monitoring by integrating*



*artificial intelligence through an app. The app can predict the likelihood of hypoglycemia occurring during the night, providing patients with actionable insights.”* **Carlos Martins**, President at Roche Diagnostics, Brazil.

### Vaccines and Awareness



Brazil boasts a robust public health system with a strong emphasis on vaccination. However, in recent years, the country has grappled with growing vaccine hesitancy, particularly surrounding COVID-19 vaccines. To address this challenge, Brazil must prioritize evidence-based communication, promote scientific



literacy, and strengthen public trust in health authorities. Nonetheless **Patrick Eckert**, CEO of GSK Brazil, highlights: *“In the vaccines sector, we have had a successful year, highlighted by the launch and consolidation of our vaccine for herpes zoster. We have made significant strides in raising awareness about the importance of adult vaccination, especially around shingles. Next year, our focus will be on capitalizing on this awareness by improving access, especially in the private market, while also exploring opportunities with the government to expand access to the public sector.*

Meanwhile, Dengue fever has become a major public health concern in Brazil, with outbreaks increasing in frequency and severity. The lack of a specific treatment for dengue makes prevention through vaccination crucial. *“Brazil is working on a dengue vaccine through a public institute, and governments should support such initiatives across Latin America,”* explains



**Nelson Mussolini**, President of Sindusfarma, Brazil. *“This disease is a critical issue in our region, causing many deaths. Companies developing vaccines do not necessarily need to prioritize profit, but its potential for development.”*

### Mental Health as Public Agenda



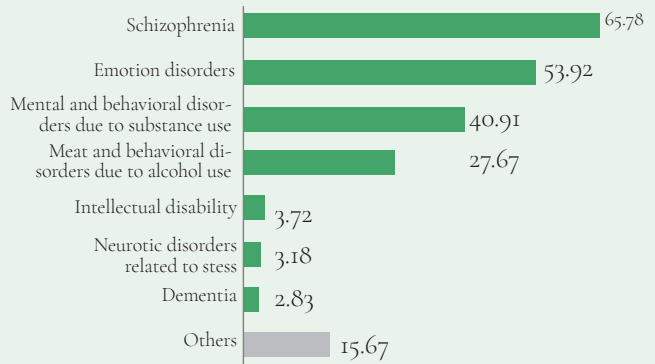
Brazil is among the Latin American countries most burdened by mental health disorders, with anxiety and depression leading the way in terms of disability-adjusted life years per 100,000 population. The COVID-19 pandemic has exacerbated these issues, causing a surge in anxiety and distress nationwide.

Specialized companies like Lundbeck are working to bring mental health into the spotlight with the Brazilian government. Managing Director **Josiel Florenzano**

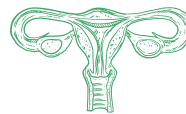


explains: *“Suicide rates in Brazil and developed countries are high, and the real numbers are often hidden because they don’t want to reveal the full scale of the problem. Pushing this issue with politicians and finding representatives who can advocate for us is crucial. Depression remains our primary focus, especially since the market for depression has been growing by double digits each year after the pandemic. There have been more diagnoses recently as people gain better access to doctors, and the prevalence of depression itself has increased. We plan to continue working with mature products while preparing the company to focus on innovative CNS and mental health solutions for the future.”*

### Number of hospital admissions due to mental health problems in Brazil in 2022, by cause (in 1,000s)



Source: Statista\_ <https://www.statista.com/statistics/1091909/brazil-hospital-admissions-mental-health-conditions-cause/>



### Women’s Health: Addressing a Neglected Burden

According to studies by McKinsey and the World Economic Forum, every \$1 invested in women’s health can generate about \$3 in economic growth. Due to a combination of historical, societal, and systemic factors, research and investment in women’s health has fallen short. While improving women’s health has positive economic outcomes, it is foremost an issue of health equity and inclusivity. Addressing the women’s health gap could improve the quality of life for women, as well as creating positive ripples in society, such as improving future generations’ health and boosting healthy aging.

*“Brazil offers significant opportunities for our company, especially in fertility and maternal health. To address Brazil’s high maternal mortality rate (over 100 deaths per 100,000 women, compared to the global average of*



At **Lundbeck**, our most important contribution is **easing the burden** of the millions of people living with **brain disorders**

70), we recently launched a product to reduce post-partum hemorrhage. By partnering with public and private healthcare institutions, we aim to contribute to the global goal of reducing maternal mortality by 2030, as outlined by the World Health Organization's Sustainable Development Goals. It is quite exciting to have a product that has an impact on reducing maternal mortality because women are the center of the family. If a mom is missing, it will leave a lasting impact not only on that family but on society as a whole." **Rafael Suarez**, CEO and Head of LATAM at Ferring.



### A Robotics Revolution



Advancements in robotics are revolutionizing orthopedics. Zimmer Biomet has rapidly expanded robotic systems, now covering knee, hip, and shoulder procedures. "We are at the forefront of integrating digital technologies, artificial intelligence, and big data," says **André Grativol**, General Manager of Zimmer Biomet Brazil. The "MyMobility" platform exemplifies this innovation by providing patients with information and capturing critical post-surgery recovery data."



### Genomics: Deciphering Brazil's DNA



The surge in genomics projects across Brazil and Latin America highlights the region's growing capabilities in precision medicine. Companies like QIAGEN is at the core of the healthcare process, playing a vital role in early disease detection, diagnostics, precision medicine, and personalized treatments. **Paulo Gropp**, Vice President Latam at QIAGEN explains, "Supporting these initiatives without a streamlined approach to data would be impossible. That is why we have established a dedicated team in Brazil and throughout Latin America focused on digital insights. They work closely with our genomics team to provide comprehensive solutions. Given the novelty of this technology, experts who understand the entire process are rare, making it crucial for us to offer a complete package—from input to output—ensuring that the information provided to decision-makers is high-quality, fast, and easy to interpret."



### Wound- and Ostomy Care: Addressing the Surgery Aftermath



"Our challenge is to educate the population in general that post-surgery life for stoma patients involves managing an ostomy bag for many years, sometimes for the rest of their lives. Unlike other pharmaceutical or medical device companies, our company maintains a unique closeness to our users. We are committed to enhancing our visibility and reputation,

driven by our strong value proposition and the impactful initiatives we are implementing to elevate healthcare standards for our users. The company is currently launching new products within our existing business lines and has a clear plan to leverage our last acquisition, Kerecis, an innovative company in the biologics wound care segment." **Mauro Loch**, Vice President EM Latam Region, Coloplast



### Regeneration in Dermatology



Regenerative medicine is reshaping dermatology. **Giovana Pacini**, Country Manager for Merz Aesthetics Brazil shares, "One of our products promotes collagen production in a healthy, non-inflammatory way, acting on cell matrices to regenerate their function." This approach, developed over eight years, is gaining traction and delivering impactful results for patients. Pacini adds: "In Latin America, we strive to innovate and set benchmarks for other regions. We don't just follow standard protocols; we explore new methods and combinations of treatments based on thorough scientific research."



### The Animal-Human Bond



Animal and human health are deeply intertwined, as the well-being of animals directly impacts food security, disease prevention, and mental health.

"Pets have moved from our backyards to our homes. The market for animal health has undoubtedly been pushed by this humanization of animals and the humanization of animal care," observes **Luis Xavier Rojas**, Senior Vice President at Zoetis, Brazil. "There are still under-served areas where we could improve. We are thrilled to report that we have introduced innovative parasiticides and new monoclonal antibodies, providing longer lasting and safer pain relief for cats and dogs. Moreover, having our own research and development center in Brazil, where animal production is highly competitive, ensures unmet needs for tropical diseases in protein production are addressed with locally developed solutions."



Similarly, **Andrea Sambati**, President of Boehringer Ingelheim Brazil, highlighted, "Vaccinating animals, especially for diseases like rabies, is paramount for both animal and human health. Our flagship product for parasites safeguards animals and prevents transmission to humans."



# Zoetis: caring for animals, connecting lives

Our global leadership is the result of a constant commitment to innovation and excellence. We develop advanced solutions that meet the needs of veterinarians, producers, and pet owners, ensuring that every animal receives the best possible care.

We believe that the human-animal bond enriches our lives and promotes a healthier and more harmonious environment. At Zoetis, our purpose is to nurture our world and humankind by advancing care for animals.



# Rolf Hoenger

Area Head, Roche Latam



**EF: How is Roche leveraging its existing assets in the LATAM region?**

**RH:** I view LATAM as a region of opportunities for growth and advancement. Roche's future in Latin America looks promising because of the significant impact we can make with our solutions. According to statistics from institutions like CAF (Development Bank of Latin America), the population aged 65 and above is expected to double in the next 30 years. Moreover, there is a noticeable shift towards non-communicable diseases such as cancer, diabetes, cardiovascular diseases, and certain neurological disorders across all countries. These are precisely the areas where our research is focused.

The challenge in many countries is that healthcare is still perceived as an expense rather than an investment. Shifting this mindset will remove the greatest limiting factor for the success of innovations in Latin America. Economic reports consistently demonstrate that increased investment in healthcare leads to improved productivity and higher GDP per capita. Therefore, there needs to be a dialogue with finance ministries to recognize healthcare as a strategic economic discussion.

Looking ahead, addressing the financing of health systems will require a focus on prioritization and a better allocation of resources towards prevention, early detection, and effective treatments. This approach is essential for ensuring the long-term viability and effectiveness of healthcare systems in LATAM. Latin America invests, on average, only about 3.7% in public health. WHO recommends that this figure has to be a minimum of 6%.

The COVID-19 pandemic has underscored the consequences of inadequate healthcare systems, where countries with weaker systems suffered the most. Similarly, the looming wave of non-communicable diseases demands a prepared and robust healthcare infrastructure to avoid premature deaths and maintain productivity.

Apart from the lack of health professionals, we need to determine how we will facilitate the whole digital health and telehealth conversation. Professionals will be found mainly in the cities and we will have to find solutions to address populations in remote areas.

Another important aspect to consider is how approximately 80% of healthcare budgets in Latin America are allocated to infrastructure and salaries. Real advancements lie in diagnostics, surgical procedures, and pharmaceuticals. However, these transformative elements represent only around 20% of healthcare budgets on average. Without addressing this imbalance, many innovative solutions may never reach patients who need them. Therefore, policy interventions are crucial to ensure that healthcare funding priorities align to deliver cutting-edge treatments and technologies to improve patient outcomes.

**EF: Why is \$1 invested in Latin America worth more than in other regions?**

**RH:** We have proven our ability to generate sustainable growth. About 50% of patients who should receive treatment are currently not accessing it. This long-standing issue, while unfortunate, presents ample opportunity in Latin America.

“Despite challenges, there are significant opportunities to enhance patients' lives while also ensuring economic viability for the company. LATAM is a promising landscape, we have solid health and social systems that we can build on to materialize this potential.”

**EF: How are you tailoring your portfolio in Latin America?**

**RH:** Real breakthrough innovations can lead to significant success. Having clear evidence of patient improvement not only benefits individuals but also society as a whole. Curing a breast cancer patient through targeted therapies in the HER2 field is a tangible example of the impact that transformative innovations can have. Essentially, it underscores the importance of early detection and effective treatment in improving patient outcomes and societal well-being. When patients are diagnosed and treated early, it can lead to significant cost savings compared to treating them at later disease stages. Curing diseases rather than just prolonging life can reduce the number of dependents and individuals who are unable to work, resulting in increased productivity in many adjacent sectors in society.

For example, severe haemophilia patients often face challenges with schooling because institutions may not be equipped to accommodate their needs, leading to missed education opportunities. This, in turn, affects the parents, especially the mother, who may need to stay at home to care for the child. By providing effective treatments that prevent bleeding episodes, we can alleviate these social and economic burdens. These are the productivity gains that are brought about by innovations. This makes discussions easier, and as innovative pharmaceutical companies, we have to make sure that we bring something to the table that has a societal benefit. This is what we call a “triple win.” It has to be good for the patient, the society, and the company.

**EF: Considering the transformative nature of health care, how is Roche preparing for the future?**

**RH:** We have significantly strengthened our ability to partner with health systems and develop optimal solutions collaboratively. In our R&D efforts, we have leveraged cutting-edge technology to accelerate and enhance our processes, focusing on disease areas that carry the greatest societal burden. Our primary goal is to target areas where we can make the most significant positive impact on society, such as cardiovascular health, neurological disorders, and obesity-related complications.

Our unique integration of diagnostics and pharmaceuticals enables us to optimize healthcare delivery through technology. By combining comprehensive laboratory tests with near-patient diagnostics, we ensure that each aspect of patient care is managed efficiently. This integrated approach, complemented by digital tools, enhances our ability to deliver superior solutions tailored to individual needs.

**EF: Is there any final message you would like to give to our global readership?**

**RH:** I always emphasize the importance of staying curious, non-stop learning, and being adaptable to new developments. Countless opportunities are waiting to be explored, and I am committed to continuing this journey of growth and exploration in the coming years. While focusing on the common goal of elevating the standard of healthcare in Latin America, we must always remember that we are figures working collaboratively to ensure that health is not considered an expense, but rather an investment with guaranteed returns for society.

# Lorice Faria Scalise

President, Roche Pharma, Brazil



**EF: What attracted you to Roche 25 years ago, and what has kept you there all these years?**

LS: I'm a pharmacist with a deep passion for healthcare. When I joined Roche, I was excited to influence the healthcare system. Roche's innovation is a major draw for me. Innovation at Roche means curiosity and always finding new ways to do things, not just developing new molecules. The second aspect that attracted me was Roche's sense of community. We focus on patients and the communities we serve. A statement that resonates with me is that good business leaves a positive legacy. It's about providing patients access and improving society.

**EF: From a general 2024 outlook, what is the state of business in Roche? What are your main priorities for this year?**

LS: Our business is growing rapidly, achieving double-digit growth, making this a very strong and exciting year for us. Our success comes from innovation, providing transformative solutions to people without options. We launched a treatment for diabetic or age-related macular edema last year and it is performing strongly this year. This treatment requires less frequent injections, improving patient adherence.

Another innovation is our solution for Neuromyelitis Optica, a neurodegenerative disease causing irreversible vision and mobility loss. This treatment reduces the frequency of devastating events and provides a much-needed option, especially for underrepresented populations like Afro-descendants in Brazil. Additionally, our new breast cancer treatment reduces administration time from 120 minutes intravenously to 20 minutes subcutaneously, allowing patients to receive shorter treatment and closer to home.

These innovations drive our growth and improve patients' quality of life, showcasing the most exciting aspect of our work, discovering new molecules and finding better ways to deliver care. When discussing treatments, we often focus on the tumor but forget the person behind it. A patient has fears, gets tired, may lack money, and might have children or other responsibilities. We need to consider that the patient is not just a patient but a person.

**EF: Can you outline what diversification treatments we can expect in Brazil in the coming years?**

LS: Roche is deeply committed to addressing diseases that burden society and those that currently lack treatments, such as orphan diseases. We expect approval this year for a treatment for Duchenne muscular dystrophy (DMD), a genetic condition in boys that leads to severe muscle deterioration due to a lack of protein production. Roche's first gene therapy involves a single dose to repair the gene. While the long-term effects are still being studied, initial results show boys remaining stronger for

longer, potentially transforming their quality of life. We are excited to bring this therapy to Brazil and are hopeful for its approval this year.

Another major upcoming launch is a new treatment indication for metastatic-stage lung cancer. This treatment has shown remarkable results, bringing us closer to curing specific types of lung cancer. Lung cancer remains a major burden, and while smoking is a cause, it's not the only one. Hearing patients' stories and knowing we can help them is an amazing feeling and a huge responsibility.

**EF: How would you rate the acceptance of innovative technologies in Brazil?**

LS: We are in a privileged position to fight for those without knowledge, access, or a voice. Our GDPs are growing, we produce more, and we have access to advanced technologies. The key issue is that we often try to solve today's problems with yesterday's solutions. We must embrace innovation, including artificial intelligence, to truly advance. By leveraging digital tools, we can achieve greater efficiency and treat more people. Fear of costs and resistance to change hinder us.

Traditional business models based on price and volume need to be updated. A gene therapy shot, guaranteed for ten years, requires a new financing approach. This shift acknowledges the long-term impact of treatments rather than just the initial cost. We need to think differently and use AI and technology to improve healthcare. For instance, having a digital health card accessible worldwide via a QR code could save costs and improve emergency care. The healthcare system isn't broken; it's lacking efficiency and innovation.

**EF: If we invest in the right areas today and things go well, what prediction do you see to make these investments more valuable in the future? What needs to be changed? What do you think will change?**

LS: We are moving towards being patient and human-centric in our decisions. The availability of information empowers each of us. When we're sick, we can research and learn about our condition.

“ The digital revolution is irreversible. We are on the brink of a digital transformation. Information and data will become increasingly accessible, empowering people to make informed choices about their health. ”

# Allan Finkel

Senior Vice President, Novo Nordisk, LATAM



**EF: What is at the top of your agenda for this year?**

**AF:** We are committed to expanding our knowledge and ensuring that diabetes and obesity are fully understood. Most people, including those in the medical community, do not recognize obesity as a disease. Our goal is to promote the understanding that obesity, like hypertension, asthma, cardiovascular disease, and diabetes, is a serious condition.

**EF: What are some key principles for the WeLatam movement, and how are you implementing them in your operations?**

**AF:** In 2021, when I took this position, we worked with our employees across Latam to find ways to make our work more cohesive, integrated, and enjoyable. The feedback was clear: employees wanted the regional office to be a partner, not just a control center, and to facilitate better information exchange between the regional office and affiliates.

Last year, we launched our vision for 2025, aiming to reimagine health together. This involves better use of data and improved communication. We launched the WeLatam movement with five key pillars to upgrade our work culture. The “we” spirit is central to this, encouraging creativity and innovation. We encourage bold experimentation while prioritizing tasks that add real value.

The core of the WeLatam movement is co-creation. We want affiliates to feel confident in raising issues and collaborating on solutions without fear.

“ Cultural change is inevitable in times of significant transformation, and transforming culture begins with making people feel welcome and ensuring open communication. ”

**EF: Why is \$1 invested in Latam worth more than anywhere else? What is your pitch to attract more resources or investments?**

**AF:** Each Latin American country has a significant opportunity to address diabetes and obesity. The percentage of patients receiving full treatment for these conditions is relatively small. For diabetes, it's less than 4 or 5%, and for obesity, it's even lower due to the lack of understanding that it's a disease. In Latin America, this presents a substantial development opportunity. Our region is experiencing double-digit growth and expects continued growth in the coming years. When investing, we aim for returns higher than single digits. This underscores the vast potential for positive impact and financial returns in addressing these health challenges in Latin America.

**EF: How will we see Novo Nordisk's portfolio shift in the future to ensure continued performance in new therapeutic areas?**

**AF:** Novo Nordisk has a rich history dating back 101 years, founded with the mission to transform the lives of diabetes patients. Over the past 15 years, we've expanded our focus to include rare diseases and, more recently, obesity. However, we're staying within our core mission. We're now venturing into cardiovascular health, which aligns closely with our work in diabetes and obesity. This expansion presents a significant opportunity as there are still many patients who remain untreated for these conditions. By broadening our portfolio, we aim to make a greater impact on the health and well-being of even more patients in the future.

**EF: Could you comment on the different markets within Latam and how they contribute to the overall picture of Novo Nordisk?**

**AF:** It's remarkable to note that all countries are experiencing high double-digit growth, indicating a consistent upward trajectory. While Brazil has been a key driver of growth in previous years, we've strategically decided to expand our investment into other countries. Countries like Mexico, Colombia, Chile, Argentina, Panama, Costa Rica, and the Dominican Republic benefit from increased investment, and we see promising returns. This reinforces our commitment to further investing in these regions as we witness growth and opportunity.

**EF: How do you view the Latin American clinical trials landscape, and where are most of your innovative resources invested?**

**AF:** It's essential to categorize innovation into two distinct areas: clinical and commercial. Firstly, on the clinical front, Latin America serves as a significant hub for clinical trials. Brazil, Mexico, and Argentina are the primary locations. Regarding the other side of innovation, with the introduction of the WeLatam movement, we're shifting our focus towards commercial innovation. We're aligning our efforts with addressing business challenges and enhancing the customer experience. Innovation doesn't always require a fancy app; sometimes, it's about reimagining existing processes to serve our customers better. We've established dedicated innovation teams at the regional and country levels. Our initial focus is data management, aiming to leverage data to provide personalized customer experiences. By identifying pain points and leveraging innovative solutions, we're committed to driving meaningful change in our business's clinical and commercial aspects.

**EF: Is there a 10th-anniversary message you would like to share with your team, colleagues, or patients?**

**AF:** I like to employ a unique metric to help conceptualize our impact: The number of patients served, divided by our number of employees. In Latin America, that number is approximately 4000. This number underscores the immense responsibility that each of us carries every day. Each of these patients, and their families, rely on us as individuals. I envision a future where this number can double or even triple, allowing us to expand our impact while remaining true to Novo Nordisk's core values. Our success isn't just measured in market share or sales figures; it's about the lives we touch and the difference we make.

**EF: Do you have any final message or anything you want to add?**

**AF:** It's important to highlight our commitment to sustainability, a value deeply ingrained in our Danish roots. Denmark aims to achieve zero carbon emissions by 2030 or 2035, and we're dedicated to following suit as a company. In Latin America, we're making significant investments in sustainability initiatives. Our Circular for Zero program focuses on reducing carbon emissions by minimizing unnecessary trips. Additionally, we're partnering with UNICEF across multiple countries to enhance education on diabetes and obesity, promoting better health outcomes. We're proud to expand these efforts to include the city of Campinas in Brazil as part of our Cities for Better Health initiative. These sustainability programs underscore our commitment to creating a healthier, more sustainable future for all.

Many companies talk about prioritizing their employees, but we truly live by this principle daily. We believe in creating an environment where everyone feels valued and included, regardless of gender, religion, or background. It's crucial to me that individuals feel comfortable expressing their vulnerabilities. Whether admitting uncertainty or sharing personal struggles, we encourage open and honest communication.

# Rafael Suarez

Head of Latam & CEO of Brazil, Ferring Pharmaceuticals



**EF: What is the strategic importance of Latin America to Ferring?**

**RS:** Latin America is part of the ELAC region (Europe, Latin America, and Canada) and is a significant emerging market. Due to its proximity to the US and collaboration with the FDA, it is often easier to register and submit products in Latin American countries than in Europe. Given the market size of Brazil and Mexico, we plan to launch some pipeline products in these markets as part of the first wave after the US. Overall, Latin America has a population of around 660 million, compared to the European Union's 450 million, making it a vital growth market. There are issues of access, however, and we need to address them both in the public and private sectors.

**EF: What are your priorities in Brazil?**

**RS:** Innovation in Brazil is a hot topic. A new law for Clinical Research in Humans (PL 6007/23) aims to simplify and reduce the ethical and regulatory approval time. It recently passed in Congress and is awaiting presidential approval, aiming to significantly boost Brazil's R&D capabilities. At present, only 1.9% of global R&D is conducted in Brazil. With the new law, the goal is to increase this to 4% over the next few years. Brazil's large and diverse population of 220 million people provides a rich environment for conducting R&D and clinical trials, which can facilitate product registration internationally. Innovation remains a top priority for us, and we have several clinical projects, four or five in total, progressing well. Hopefully, the first one will be in the Brazilian market in the next two years.

Regarding our pipeline, we have two products that will soon be introduced to the Brazilian market. These include a product in gastroenterology and another in gene therapy.

**EF: As a company known for reproductive health, what was the strategy behind enhancing your offerings in gastroenterology and gene therapy?**

**RS:** Although reproductive medicine and maternal health dominate our global sales, gastroenterology, and uro-oncology, have also been integral to our business for many years. Our strategy is to balance and innovate within these critical areas, ensuring we leverage new technologies and treatment methods. Locally in Latin America and Brazil, our goal is to continue growing and expanding these key areas in line with our global objectives. In gastroenterology, we have historically focused on IBD, but we are now exploring new innovations and treatments. We are going to be launching a microbiome-based product for Clostridium difficile infection. The microbiome is a platform that could potentially be used for other disease areas in which Ferring operates as well.

**EF: What role does local clinical research play in Ferring?**

**RS:** We have local clinical research that involves projects initiated within our research lab in Brazil. These projects are specifically designed for the Brazilian market with the potential for expansion. We have several ongoing projects, including a partnership with Celleria in gastroenterology, as well as projects in maternal health.

Conducting clinical trials locally has several advantages. For example, having local data when submitting a product to regulatory bodies like ANVISA is highly beneficial. Additionally, local scientists working with the product before its launch can

facilitate smoother integration into the market. Their familiarity with the product makes it easier to convince other doctors to adopt new technologies, as local experts can vouch for their efficacy based on firsthand experience with Brazilian patients. Increasing research capacity in Brazil would be a game changer, bringing resources, know-how, and investment to the country.

**EF: What role do you think Latin America and Brazil could play in the future global production chain?**

**RS:** While we currently do not have a manufacturing plant in Brazil, establishing one within the next ten years is a possibility. Additionally, we have an important R&D center in Brazil, which plays a crucial role in our operations. My expectation is to expand the size and capabilities of this research lab over the next few years, further strengthening our commitment to innovation and local development.

**EF: Why is investing \$1 in Brazil a safer investment compared to other countries or other regions?**

**RS:**

“Brazil is a continental country with significant opportunities across various regions. The market is ripe for innovation, with many new advancements yet to arrive.”

Given its size and the government's support, there is substantial potential for good returns on investment. The recent government initiative to promote research sends a clear message that they are committed to fostering innovation. We are currently engaging in promising discussions with ANVISA to introduce new therapeutic areas, such as gene therapy and microbiome treatments, to the market.

**EF: Do you have a final message for our readers?**

**RS:** Brazil presents numerous opportunities for our company, particularly in the fields of fertility and maternal health. Recently, we introduced a product for post-partum hemorrhage aimed at reducing maternal mortality rates in Brazil. This initiative holds significant potential to positively impact Brazilian society. Globally, the maternal mortality rate averages around 70 deaths per 100,000 women. However, in Brazil, this number exceeds 100. With our newly launched product and working in collaboration with private and public healthcare institutions, we aim to bridge this gap and contribute to reducing maternal mortality rates in Brazil, aligning our efforts with the World Health Organization (WHO), which in the context of the Sustainable Development Goals (SDG), countries have united behind the target to accelerate the decline of maternal mortality by 2030. It is quite exciting to have a product that has an impact on reducing maternal mortality because women are the center of the family. If a mom is missing, it will leave a lasting impact not only on that family but on society as a whole.

# Josiel Florenzano

Managing Director, Lundbeck, Brazil



**EF: What is at the top of your agenda for 2024-2025?**

JF: On the business side, our main priority is delivering the numbers to stakeholders. Globally, we raised our targets for the second semester because we had one of the best first semesters ever. The company underwent an important restructuring, as we reshaped the Latin American market. My colleague Sara is responsible for Mexico, Chile and Argentina, overseeing all of Latin America except Brazil. Given the market size, I'm fully focused on Brazil.

Beyond business, my focus today is understanding how best to manage people in this post-pandemic environment. Many things have changed, especially with the rise of home office. Being a mental health company, we need to pay closer attention to how we treat employees. Many companies say people are our greatest asset, but few act on it. That's a focus for my management team now: understanding how to get the best from our people without harming them. As competition increases, we work harder and strive to find a better balance between our professional and personal lives.

Our biggest challenge as managers is understanding the limits and finding the right path forward. We're preparing a new generation of managers and executives to face a new reality. It's not the corporate world we used to know; it's now a blend of entrepreneurship and remote work where motivations change.

**EF: If you had to identify the qualities you are trying to instil in this new generation of managers in Brazil, what would they be?**

JF: The first quality a manager must have is liking people more than the process. In the past, we were trained to separate personal and professional life. That's no longer realistic. If someone has a sick child, they can't be as productive, and it's important to acknowledge that. As managers, we must understand the person as a human being. This became even more crucial after the pandemic, with many working from home. However, having a home office policy isn't enough if managers keep pushing employees without understanding their limits. It's about how we manage deliverables, not just where we work.

**EF: With a new global CEO and Lundbeck Latam reshaping, what is the mission you were given in this transformation?**

JF:

“ Our new approach focuses on more innovative and future-oriented products, targeting niche markets that require specialized skills, both in terms of products and professionals. ”

Developing new products in the CNS field is more complex and time-consuming, but our new CEO is guiding us to be more focused, so we've grouped several markets in one region.

In Brazil, access to innovative and rare disease treatments has opened up over the last ten years, making it a promising market for such projects. My future goal is to reshape our approach gradually. Compared to Europe or North America, where generic competition causes a sharp sales decline, we still have profitable major projects in Brazil. We plan to continue working with mature products while preparing the company to focus on innovative CNS and mental health solutions for the future. Alongside our global agenda, we are also working to bring mental health into the spotlight with the Brazilian government. Despite the large population affected by mental illness, it's not a top priority for the health sector. We are pushing for change with the support of the Danish embassy in Brazil. The new Danish Queen, a global ambassador for mental health, is helping us connect with the Brazilian government to prioritize mental health, which will also help us expand the market.

**EF: What does Brazil need to be at the forefront of dealing with mental health?**

JF: We need to engage more politicians and bring this issue to the Congress agenda. We need more representatives who can politically influence and prioritize these discussions. Mental health conditions have more complex and subjective diagnoses, and the government often doesn't see them as important as diseases like cancer or heart disease. Yet, many people are dying from mental illness. Suicide rates in Brazil and developed countries are high, and the real numbers are often hidden because they don't want to reveal the full scale of the problem. Pushing this issue with politicians and finding representatives who can advocate for us is crucial.

**EF: In your Brazil portfolio, which areas have the highest demand?**

JF: Depression remains our primary focus, especially since the market for depression has been growing by double digits each year after the pandemic. There have been more diagnoses recently as people gain better access to doctors, and the prevalence of depression itself has increased. Many people faced job losses, lost loved ones, or dealt with the stress of staying home for extended periods during the pandemic. Additionally, some who had COVID developed depression as a side effect. In Brazil, unlike other countries, you can see a psychiatrist directly without needing a referral from a general practitioner. This has caused a patient rise and boosted our business, with sales growing almost 20% annually since the pandemic.

Telehealth has made remote consultations easier. Some psychiatrists are now seeing patients exclusively through virtual channels, which has also contributed to increased access. As part of this shift, we are enhancing our omnichannel approach to better engage with our clients. We're developing multiple ways to complement in-person visits with virtual ones. Omni-channel communication is now one of our top priorities as we work to make visits more personalized for each physician.

**EF: Is there any final message you would like to share?**

JF: My personal goal is for our company to be recognized by employees for practising what we promote. We want to support patients outside with the best treatments and ensure our employees feel fully supported and engaged. I would love for our employees to see that we truly live the values we promote.

# Luis Xavier Rojas

Senior Vice President and General Manager, Zoetis, Brazil



**EF: How have you seen the animal health market evolve over the last 20 years?**

LR: The amount of sales generated by companion animals as opposed to livestock is one of the most important factors when considering the significant evolution of the animal health sector. The companion animal market in Brazil has grown from \$5 million to approximately \$140 million. The growing significance of the pet population stems from both population growth and economic improvement, as well as the increased care provided by households.

Pets have moved from our backyards to our homes. The market for animal health has undoubtedly been pushed by this humanization of animals and the humanization of animal care. Our new products have been crucial in helping us stay relevant in the market. I am extremely proud of Zoetis's work in introducing products in key markets, particularly in atopic dermatitis.

We are thrilled to report that we have also introduced innovative parasiticides and own the most popular parasiticide product in the world right now.

In addition, we have introduced additional monoclonal antibodies, a clear innovation in the pain market. We now offer a far longer-acting, safer pain relief option for cats and dogs.

Over the last 20 years, animal health companies have experienced a lot of acquisitions and mergers, which have resulted in synergies and commercial expansion for specific businesses as well as driving the industry as a whole. It has been dynamic, and a lot more will happen over the next decades. This sector still has unmet needs, which motivates us to keep working and innovating.

**EF: How significant is Brazil to Zoetis' global strategy?**

LR: The companion animals market is expanding faster than any other business in Brazil. Brazil ranks number three in the world for the number of pets but ranks seventh in terms of animal health expenditures. Brazil has an opportunity to get up to number 3 in expenditures, yet the population's pet healthcare awareness and the population's purchasing power are currently the limiting factors. Our ongoing consumer education efforts will continue to fuel the demand for veterinary visits, propelling the market as a whole.

Brazil's livestock sector remains well-positioned when considering the global competitive dynamics for animal protein production. Brazil is known for producing quality beef, and it just achieved foot and mouth disease (FMD)-free status without the need for vaccinations. The new FMD-free designation without vaccination gives Brazilian producers access to a lot of markets, including those in South Korea, Japan, and even Mexico.

Protein production occasionally receives negative press due to its contribution to the carbon footprint. With improved animal health and technology, especially in smaller farms, Brazil will be even better positioned to provide affordable animal protein to the world's growing population. We acknowledge the significance of sustainability and strive to promote it by providing healthier and more productive animals.

“Brazil has the capacity and means to maintain and improve its current level of sustainable protein production, and this incentivizes us to keep providing those farmers the solutions they need to be competitive and keep the world supplied with food.”

**EF: How would you rank the willingness to adopt innovative practices among veterinary specialists and doctors?**

LR: As a very large country with significant income inequality, veterinary care in Brazil can be as modern and efficient as any other place in the world while still maintaining older practices in different regions. This disparity is one of the reasons that we, as animal health providers, must keep up our collaboration with the veterinary community, help them advance their skills, and continue to supply all of these companion animals with medication.

**EF: Are you optimistic about the future of Animal Health in Brazil?**

LR: The fact that there are still a lot of unmet needs excites me. Unmet needs exist for both companion animals and livestock. There are still under-served areas where we could improve. These include anything that can help with compliance, ease of application, ease of use, and anything that can minimize livestock handling. New diseases have also surfaced recently; for instance, the African swine fever still lacks a conclusive treatment.

Having our own research and development center in Brazil, where animal production is highly competitive, is one of the things about Zoetis that I am most proud of. We are making sure that all unmet needs for tropical disease in protein production are taken care of, that local solutions to diseases are being developed, and that significant financial resources are being invested in trying to develop and launch these products locally. We are quite pleased that we have introduced products in the previous few years that were locally developed in Brazil.

**EF: How do you attract the top talent in the field?**

LR: We at Zoetis have a global vision. It is essential to possess that kind of thinking, motivation, and vision to make sure we can keep inspiring colleagues and producing positive results. As a multinational corporation, we operate in over 100 markets. We have figured out how to maintain earnings, growth, and profitability while taking care of animal health. We have a strategy and a vision that works, and we are producing results. This continues to inspire the 14,000 colleagues we work with every day.

# Andrea Sambati

President, Boehringer Ingelheim, Brazil



**EF: What does your appointment to VP of the Interfarma board mean to you as a Brazilian, a woman, and someone who has devoted 25 years to the pharmaceutical industry?**

**AS:** It's crucial for us, as a sector, to collaborate and bring more innovation to Brazil, ensuring quicker patient access and making the most of the time, energy, and resources we invest. We must join forces to ensure these innovations reach people promptly and improve their lives. As a Brazilian, it's my mission to contribute to this goal. Having females as president and vice president of Interfarma marks a significant step towards diversity in our sector. During my two-year tenure as vice-president, my priority will be fostering collaboration and accelerating innovation delivery to Brazil's patients. That's what matters most to us as an industry.

**EF: What is Boehringer doing to convey the importance and benefits of innovation to the Brazilian population, government, and associations?**

**AS:** Making the biggest impact requires shortening delivery time for innovative medicines, especially for the 70% of Brazilians relying solely on the public health care system, SUS. We've shown how these innovations can transform lives and contribute to a sustainable healthcare system by reducing hospital stays. For example, administering stroke medication promptly greatly improves patient outcomes and lessens the burden of stroke, a leading cause of death and disability in Brazil. When patients receive timely treatment, they recover faster and can return to society, preventing additional burden on the economy. Demonstrating how our medications improve outcomes and support the healthcare system is vital. We've collaborated closely with the government to streamline the navigation of the healthcare system. Diagnosis and access to care can be challenging, making timely treatment crucial for patients to benefit fully. For instance, in our ANGELS program, we've partnered with hospitals and cities across Brazil. Two cities, Ribeirão Preto and Sapucaia do Sul, have been certified as "Angel Cities," the first in the world. We train hospital staff and ambulance crews to recognize symptoms, refer patients to appropriate hospitals, and provide prompt treatment.

We're also collaborating with local authorities to train students in public schools to recognize stroke symptoms. In Brazil, grandparents often care for children while parents work, so teaching young people to spot stroke signs and call for help can save lives and prevent disability. This collaboration benefits everyone in the city, reducing emergency room stays and allowing patients to return to society sooner. It also eases the burden on families, as fewer people need to stop working to care for stroke survivors.

While some partnerships take time, like our technology transfer to Fiocruz for Parkinson's medication, we're committed to accelerating the process. We aim to bring innovations to patients as quickly as possible, ensuring our investments and efforts truly benefit those in need.

**EF: Could you explain the interconnection between animal and human health and the benefits that humans will experience from a proactive approach to animal health?**

**AS:** Boehringer is one of the largest animal health companies worldwide, and Brazil a key market. We focus on preventing diseases in livestock animals and pets. Regarding the economy, Brazil's agriculture sector, including animal farming, is vital for global protein production. Our products aid farmers by reducing disease, improving productivity, and enhancing meat quality. Prevention measures also decrease antibiotic use, boosting meat quality and farm profitability. Thus, given its importance in agriculture, animal health contributes significantly to Brazil's economy.

Brazil ranks among the world's top meat producers and exporters of livestock animals, contributing significantly to our economy. However, Boehringer also focuses heavily on pets. During the COVID-19 pandemic, we witnessed a surge in pet ownership, highlighting the bond between humans and animals. As a lifelong dog lover, I understand the importance of pets in our lives; they provide companionship, reduce stress, and improve mental health. We prioritize preventive measures for pets, such as vaccinations for diseases like rabies, which, after having been eradicated is making a resurgence in Brazil. The importance of vaccinating all animals to eliminate the disease is paramount for both animal and human health. The best example of our commitment to animal health is our flagship product for external and internal parasites, consumed around the world and produced mainly in Brazil. We are safeguarding the animal's health and preventing transmission to humans. Our mission to improve lives, both animal and human, has been underscored by products like these.

**EF: What will be the impact advanced technologies like AI or machine learning will have on Boehringer?**

**AS:** We've partnered with AI and tech companies to accelerate innovation, focusing on faster clinical trials and treatment-supporting technologies. For example, we're developing an app for schizophrenia patients, particularly those with cognitive impairment, demonstrating technology's dual role in both early development and treatment.

We're also advancing in cardio-renal-metabolic diseases, expanding beyond diabetes, heart failure, and chronic kidney disease into areas like obesity and MASH (Metabolic dysfunction-associated steatohepatitis). Our phase II trials for obesity treatment, the first for MASH, have shown promising results, with a global launch expected in four to five years.

**“ With plans to launch 25 new products by 2030, including groundbreaking therapies in unmet needs, we're entering a period of heightened innovation. Managing numerous partnerships with biotech and tech firms will be challenging, but we're excited about the potential ahead. ”**

**EF: What would you like to say to your colleagues and co-workers at your upcoming anniversary celebrating 25 years in the industry and 15 years at Boehringer?**

**AS:** I believe in the power of our culture, especially at Boehringer, where I've spent 15 years. Across four different countries – Germany, Sweden, Canada, and Brazil – I've witnessed a strong, consistent culture rooted in respect, collaboration, and connection to our purpose. The reason for this strong connection between our people is the passion that they feel; they feel like part of the mission. Being recognized as a Top Employer for the eighth consecutive year in Brazil speaks volumes about our commitment to employee development.

# Paulo Gropp

Vice President, Latin America, QIAGEN



**EF:** How will the Brazilian market contribute to QIAGEN's objectives and milestones for the 2028 growth strategy?

**PG:** QIAGEN is at the core of the healthcare process, playing a vital role in early disease detection, diagnostics, precision medicine, and personalized treatments. Changing the way patients are treated, especially in Brazil and other countries, is crucial as the current approach becomes increasingly costly and unsustainable. Thanks to our molecular biology products and solutions, which enable earlier diagnoses, QIAGEN is a key player in transforming healthcare. While imaging technologies can detect conditions, they often miss diseases in their early stages. Our molecular biology tests, however, can identify these initial stages, making our role so indispensable.

The COVID-19 pandemic highlighted the importance of molecular biology in healthcare, particularly through the widespread use of PCR tests. This situation allowed us to demonstrate the value of our portfolio to the market, the public, and patients alike.

With our portfolio in sample technologies, DNA and RNA test preparation, PCR detection, and the emerging field of genomics, we are advancing toward earlier detection and more effective treatments. Moreover, our digital insights can process vast amounts of information from NGS and genomics, providing doctors and specialists with the tools they need to make the best decisions. Our strategy is strong in bringing us closer to patients and giving valuable insights to them and their doctors, enabling more effective treatment for everyone, everywhere.

**EF:** What strategies are you implementing to effectively integrate digital insights and AI-enabled applications in LATAM, and what role will this integration play?

**PG:** QIAGEN Digital Insights (QDI) has become one of our key pillars for 2024 to 2028. As global leaders in this segment, we continue to grow. We have made strategic M&A moves to accelerate how we process and utilize data, especially as genomics becomes increasingly central to healthcare.

In Brazil and across Latin America, we are witnessing a surge in genomics projects in both the private and public sectors. Supporting these initiatives without a streamlined approach to data would be impossible. That is why we have established a dedicated team in Brazil and throughout Latin America focused on digital insights. They work closely with our genomics team to provide comprehensive solutions. Given the novelty of this technology, experts who understand the entire process are rare, making it crucial for us to offer a complete package—from input to output—ensuring that the information provided to decision-makers is high-quality, fast, and easy to interpret.

For Brazil, we can take the Genommas Brasil project as an example, which aims to screen 10,000 people across Brazil's highly diverse population. This diversity provides valuable data for developing targeted treatments, marking the first step toward selling this information to pharmaceutical companies to create drugs tailored to specific populations. This aligns with the future of personalized medicine, where treatments are precisely matched to patients, moving beyond the trial-and-error approach of generic treatments. We fully support these projects from start to finish, overcoming challenges and delivering consolidated data for developing new drugs, vaccines, and ideas. This is where we stand today, driving initiatives from sample to insight.

**EF:** As healthcare expands into more personalized medicine, do you have any campaigns on medical education in this realm?

**PG:** We focus on life sciences and external research, maintaining close relationships with universities and research centers. Our team collaborates with these institutions on initiatives like 'QIA days,' discussing new technologies and exploring how they can advance scientific progress.

We also work directly in the diagnostic field, maintaining strong relationships with major Brazilian market players and increasingly engaging with hospitals. As our portfolio shifts from labs to hospitals, we've made significant progress in syndromic testing. These tests provide rapid results, enabling early detection and informed treatment decisions. We're demonstrating the value of syndromic tests to healthcare peers beyond health plans. By preventing unnecessary hospital stays, these tests can significantly reduce costs. We're collaborating with new partners in this area, which is proving to be a positive development.

**EF:** As a representative of the future of diagnostics, what message would you like to convey to healthcare investors?

**PG:** Early diagnostics can significantly reduce healthcare costs by preventing prolonged hospital stays and multiple treatments. This enables patients to return to work and their normal lives sooner and healthier.

“ QIAGEN's solutions are crucial in driving medical decisions for better treatment and supporting the development of new drugs, especially in oncology and complex diseases. We focus on enabling informed decisions for healthier outcomes, ensuring patients thrive in their communities rather than being confined to hospitals. ”

**EF:** Do you have any final message for our readers?

**PG:** Celebrating our 40th anniversary, we are incredibly proud of our achievements. Over the past four years, we have been honored with the Great Place to Work award and recently recognized as one of Brazil's top five best companies to work for in healthcare. This achievement is a testament to our team's dedication and passion.

While not a young company, we have maintained a youthful spirit. The pandemic allowed us to build a strong financial position, which we will reinvest in the company. We expect exciting mergers and acquisitions soon, strengthening our position and expanding our impact in molecular biology.

# Giovana Pacini

Country Manager, Merz Aesthetics, Brazil



**EF: What space does Brazil occupy in the dermo-cosmetics market, and what trends are you detecting in Brazil? What is Brazil's importance to the entire Merz Aesthetics ecosystem?**

GP: Brazil plays a crucial role for Merz Aesthetics globally. We consistently rank third in net revenue, a position we've maintained for the past four to five years. Given that our sales are in Brazilian Real, achieving this rank is even more impressive when converted to euros, especially compared to the US and South Korea, the top two markets. This success is driven by Brazilian healthcare professionals, customers, and patients who prioritize skin care, beauty, and overall well-being. Our treatments improve appearance and boost self-confidence, preparing individuals to face daily challenges professionally and personally. Self-care is not just about appearance, but also encompasses mental and emotional health. In Brazil, healthcare professionals approach aesthetic treatments differently than their American, European, and Asian counterparts. This mindset shift is why the aesthetic market will continue to grow here.

**“ In Latin America, we strive to innovate and set benchmarks for other regions. We don't just follow standard protocols; we explore new methods and combinations of treatments based on thorough scientific research. ”**

As a family-owned company in its fifth generation, Merz prioritizes long-term sustainability over short-term profits. We're not focused on immediate returns or shareholder payouts but aim for the company's enduring success. Celebrating our 120th anniversary next year, we emphasize the lasting sustainability of Merz Aesthetics worldwide.

**EF: Are there any products in the pipeline or changes to the products you're excited about?**

GP: Though our portfolio is concentrated, it includes some of the most important treatments in aesthetic procedures. Three of these products are injectables, and one is a device, each targeting different skin layers and indications. This allows healthcare professionals to comprehensively treat patients, helping them feel, look, and live better, which aligns with our mission to improve quality of life.

One of our products has a regenerative approach that promotes collagen production in a healthy, non-inflammatory way. It acts on cell matrices to regenerate their function - significantly benefiting patients.

Our focus on regeneration started eight years ago, and has gained more attention across various fields, emphasizing its importance. We're excited about this direction and its positive impact on dermatology and patient outcomes. Additionally, two new product launches this year will improve our treatments and offer a better experience for healthcare professionals and patients. Although I can't share details yet, we are excited about these new developments.

**EF: What are the key pillars of a sustainable and safe business operation in Brazil?**

GP: Sustainability goes beyond philosophy; it's about community and impact. Sales and profit are a given, but genuine success comes from grasping market dynamics, having passionate people in suitable positions, and pursuing goals beyond mere profit. When we genuinely strive to do something bigger, success follows.

**EF: What role can technology play in amplifying access to your treatments, and what metrics are you using to track technological advancement?**

GP: AI and other technologies are essential now and will become even more so in the future. However, to predict the future, we should focus on what will happen in the next two to three years. In our company, we invest 15% of our revenue directly into scientific research.

We constantly invest in new technologies to create cost-effective, high performing, swiftly produced products. Beyond product sales, we aim to support healthcare professionals (HCPs) in maximizing the use of our products to fuel confidence. While skilled in the scientific aspects, they may need more expertise in creating a great patient experience or effectively marketing their services. Therefore, we also focus on using AI and innovation to enhance these areas.

While AI and technology will greatly improve our processes, we must continue to invest in human relationships. AI can never replace the value of genuine human interaction. In the future, the distinguishing factor between companies won't just be technology. What will set us apart is our relationships, service, and interactions. For example, aesthetic procedures are about more than just the physical results; they impact people's feelings about themselves. This involves understanding emotions and the deeper reasons behind their choices. At Merz, we must never lose sight of this human aspect.

**EF: In two years, when you celebrate your tenth anniversary at the company, what would you like to have achieved?**

GP: It's clear that my purpose now is to shift the perception of aesthetic treatments. Many still see them as superficial or unnecessary. I want to change this mindset with the support of Merz and our employees. When I eventually leave Merz and the aesthetics industry, I want it to be seen completely differently than it is today. My leadership style involves celebrating achievements while continuously seeking improvement. I constantly seek improvement and challenge my team to do the same. Achieving something meaningful requires time, effort, sacrifice, and focus. It's like going to the gym—I may not always enjoy it, but I know it's necessary for my long-term health.

# André Grativol

General Manager, Zimmer Biomet, Brazil



**EF: What attracted you to work at Zimmer Biomet?**

**AG:** Zimmer Biomet has a strong culture of execution and is dedicated to making significant advancements in orthopedics. Our strength and capacity for growth in this field show rapid progress in robotics. We are among the fastest in the world to expand robotic systems. Initially, we focused on knee procedures, then expanded to hip surgeries, and this year, we are launching robotic solutions for shoulder surgeries.

We are at the forefront of integrating digital technologies, artificial intelligence, and big data into our offerings. Our “MyMobility” platform exemplifies this by providing patients with access to information and capturing crucial post-surgery recovery data. We can monitor the number of steps a patient takes daily and whether they follow their recovery exercises. This data is gathered through a smartwatch or smartphone, enabling direct interaction with us and provide better support. Our goal is not just to be the largest company in orthopedics but to be the trendsetter and innovative globally.

**EF: Can you describe the Brazilian orthopedics sector and the challenges in this field?**

**AG:** The orthopedic market is vast, and we face challenges, both locally and globally. During the pandemic people started exercising more, leading to an increase in sports-related medical issues. Additionally, the global population is aging. This trend increases the demand for procedures like arthroplasty, not only due to aging but also because of lifestyle changes. Many people with limited exercise experience weight gain, which heavily impacts joints, especially knees and hips.

Economically, Brazil presents challenges. Political instability and lack of standardized policies hinder investment. Many companies reduce healthcare plans, leading to a higher reliance on public healthcare. We address these challenges by forming partnerships with payers, hospitals, and surgeons to improve efficiency and achieve better outcomes.

In the public healthcare system, focusing on high-quality implants reduces long-term costs for the government. A high-quality implant lasts 20-30 years, reducing the need for multiple surgeries. With the expected increase in life expectancy in Brazil, we anticipate more procedures in the coming years. It is crucial to develop public policies to address demand. Our goal is to reduce the number of surgeries a patient needs, ensuring they engage in daily activities without difficulty.

**EF: What is the strategic importance of Brazil to Zimmer Biomet, and what are your expectations in terms of opportunities and growth?**

**AG:** We believe robotics is the future, and we aim to maintain and expand our leadership in this field in Brazil and across Latin America. What sets us apart is our combination of superior robotic solutions and high-quality implants. We increase our market capillarity by collaborating with the right customers suited to our segment. Additionally, we have a robust pipeline of introducing 5 to 10 new products to Brazil annually. This involves significant regulatory work and market access strategies to ensure success. Recently, we launched the Persona Revision system, a comprehensive revision procedure involving a complex set of instruments and implant boxes. One major challenge in orthopedics is managing the logistics of such complex procedures.

**EF: How are you educating physicians in the best use of your products?**

**AG:** A cornerstone of our strategy is our robust medical education program. When introducing new technologies, we start with a select group of customers and surgeons to build confidence and demonstrate results. Following this initial phase, we expand training to key regions. Medical education supports market access and ensures that

physicians are well-equipped to use new technologies effectively.

We also focus on continuous education to reinforce best practices and share successful outcomes. Surgeons share outcomes with peers, fostering an environment of learning and improvement.

“ Zimmer Biomet leads the orthopedic market through innovation in robotics and medical education, ensuring the best outcomes for patients and healthcare providers alike. ”

**EF: What would you like to achieve in Brazil during your tenure as GM?**

**AG:** My challenge involves structuring and improving our processes and systems as we embark on a strategic review and digital transformation to increase efficiency and reduce costs. We are developing tools to manage logistics efficiently, with Brazil as the first non-North American country to receive our Surgical Management System (SMS).

This proprietary system, developed by Zimmer Biomet in the United States, manages instruments, equipment, and implants, enhancing efficiency in scheduling surgeries and controlling surgical sets. This improvement benefits surgeons and patients by providing clear schedules and available times for surgeries. My aim is to establish a robust structure to drive digital transformation and differentiate our services in the Brazilian market.

**EF: What advice would you like to give to other executives?**

**AG:** From my experience of over 20 years in this industry, I have learned that flexibility is key, especially in Brazil and Latin America, where conditions change constantly. You need to be adaptable to navigate government regulations and policies effectively. Maintaining a continuous pace of learning remains critical. Our market is complex and specialized, requiring a deep understanding of stakeholders.

Communication with your team extends beyond frequent and effective dialogues, including senior leadership and employees. Retaining talent and keeping your workforce content ensures organizational success. Talent is where the real value lies. It is not just about benefits; you need to be intentional and inspiring, setting challenging targets for your team.

**EF: Do you have a final message for our readers?**

**AG:** As a leader in the MedTech market, we prioritize adherence to compliance rules. We are committed to upholding these standards, even if it means stepping away from markets. This commitment extends beyond orthopedics to the entire implants market. Non-compliance often stems from financial motivations rather than a focus on patient outcomes, which is concerning. Using inappropriate materials or excessive quantities due to financial incentives undermines patient care and contradicts Zimmer Biomet’s values. Our focus is to maintain compliance and encourage other companies to do the same. By collectively adhering to these standards, we ensure the quality of services and products defines success in surgery.

# Thiago Cabrino

General Manager, KARL STORZ, Brazil



**EF: How would you describe the strategic importance of Brazil to KARL STORZ as a global company?**

**TC:** Brazil is a strategic market within Latin America, it holds significant importance—not only due to the size of the market but also because of the structure of the healthcare system. The Brazilian market is very compelling for investment. It serves as a key strategic foothold in the region, often accounting for around 40% - 45% of the total market share in Latin America, depending on the industry and company.

**EF: What were the biggest obstacles in shifting to a direct presence?**

**TC:** KARL STORZ has a 30-year-long history in Brazil. However, despite the strong product and brand presence, the organizational structure was not particularly robust. Our primary challenge was to manage the transition from a master dealer model to a direct operation. This involved building the organization from the ground up—establishing departments, defining processes, and creating a new business model to cover the country, which meant forging the right partnerships to support our growth.

**EF: What initiatives are you undertaking to help build more resilient healthcare systems?**

**TC:** For many years, KARL STORZ in Brazil was known primarily for its video towers, imaging systems, and a portion of the urology and laparoscopy portfolio. However, KARL STORZ has a vast portfolio that spans many specialties. One of our key goals from the beginning was to fully leverage this portfolio in the market, expanding and reintroducing many of our technologies. We began engaging with a wider range of stakeholders and communicating the full scope of our solutions.

This approach allowed us to change the game significantly, demonstrating that KARL STORZ offers much more than what had been perceived for years. As we built this positive momentum, the next step was to ensure proper market access, as each specialty has different competitors. Our focus became creating a segmented approach to align our portfolio with the specific needs and current market conditions. In Brazil, initially, we focused on the core specialties that align with our global priorities. Then, we moved towards markets where we had a historical database and could identify significant potential or a strong alignment with our portfolio. This meant respecting our existing strengths in areas like imaging, laparoscopy, and urology while also expanding into new specialties such as ENT, anesthesia, and gynecology.

We began combining solutions across these specialties to create synergies and broaden our offerings. Within urology, KARL STORZ has solutions like instruments, consumables, and advanced technologies like lasers. These are particularly important in the market, as they face limited strong competition in that segment. By identifying gaps in the market and focusing on strategic specialties, we were able to expand our portfolio and presence effectively.

**EF: How would you rate the adoption of data and technology within Brazil's healthcare market?**

**TC:** Accessing accurate and comprehensive data has historically been a significant challenge in Brazil, particularly in the healthcare sector. While the public segment has more robust statistical data, the private sector presents greater difficulties in gathering reliable information. To overcome this, we often need to source inputs and insights from various companies that provide relevant data and then integrate these using our internal intelligence processes. This, combined with our long-standing expertise in the market, helps us make informed decisions.

The Brazilian healthcare environment is very interested in new trends and solutions.

However, it still needs to be aligned with the resources required and available for implementation, bringing positive impacts to the health of the Brazilian population.

**EF: What steps can we take to align stakeholders in viewing health as an investment rather than an expense?**

**TC:** This perspective often aligns with the economic climate. When introducing new technologies, it is crucial to demonstrate their cost-saving potential and the quality improvements they bring. Cash flow remains a significant concern for companies and customers, making presenting solutions tailored to each institution's specific needs essential.

Some are prepared to invest in high-tech solutions, while others prioritize more immediate, tangible benefits. Therefore, segmenting our portfolio to offer the right solutions to customers is key. It is difficult to provide a straightforward answer to the challenge of shifting this mindset, as it truly is a million-dollar question that requires sensitivity to the economic conditions and unique circumstances of each stakeholder.

**EF: As you look ahead to the pipeline and future developments, what aspects are you most excited about in that area?**

**TC:** KARL STORZ is at a pivotal moment with a promising future. Recent acquisitions and our upcoming projects will elevate the company to a new level, positioning us alongside major players in the medical device arena. What excites me is our product offerings and the robust systems and ecosystems we are building. We are moving beyond providing specific solutions for individual procedures to delivering a comprehensive environment for our customers. This strategic shift emphasizes the importance of software as much as hardware, allowing us to adapt to emerging trends in the market.

**EF: What is your final message for our readers?**

**TC:** Brazil is entering a new chapter for the company, where we are focused on delivering advanced technological solutions while adapting to the specific dynamics of the Brazilian healthcare environment. This balance between innovation and local market needs is crucial as we implement strategies that address current economic factors and meet the expectations of our stakeholders. By integrating cutting-edge technologies, we are set to revolutionize minimally invasive surgery, offering solutions that improve precision, patient safety, and surgical outcomes. Our comprehensive digital platforms will support an integrated patient journey across multiple surgical specialties, from preoperative assessments to postoperative care.

In this transformative process, we recognize that while technology is a key driver, the talent of our professionals is equally vital to our success. Their skills and dedication are essential to the efficient execution of our initiatives and the delivery of high-quality care. As we continue introducing new tools, processes, and projects, we remain committed to fostering individual and collective contributions within the organization.

“ The combination of cutting-edge innovations and human expertise will ultimately allow KARL STORZ to stay at the forefront of the healthcare industry in Brazil and beyond. ”

# Fernando Barbosa

Co-Founder and CEO, Biotimize, Brazil



**EF: Could you share the story behind your start-up idea? How has your vision and approach evolved?**

FB: My business partners (Guilherme Augusto Del Padre and Talison Chaves Lucas) and I launched Biotimize in 2016 already having a client and identifying a need in the market. Since all the co-founders are biotechnological engineers by trade, we started as a biotech consulting firm. Early on, the focus was on producing recombinant proteins from mammalian cells, working with single-use bioreactors. We then took part in various start-up programs and boot camps, which led to several changes to Biotimize. For us it was crucial to try and work in the biopharmaceutical sector because it was the more challenging, needed, and expensive industry, and one in which we could carve out a niche. We decided to take action and assist people by advancing technology.

We heavily expanded Biotimize after 2021. Nowadays we employ 15 people, with the goal of increasing to 150 people within ten years. We currently operate a 300-square-meter wet lab in Piracicaba, and we are the only service provider in Brazil with a GLP certification for third-party servicing.

Brazil and South America face numerous challenges, including a shortage of equipment, a lack of certified structures for research, and a lack of funding. Brazilian universities, start-ups, and even large pharmaceutical corporations share the same obstacles since they are accustomed to transferring data and do not have the structures to develop their own. A public university or a start-up would have to pay a lot of money to test their findings outside of the country, and this is the gap we are filling with Biotimize.

The biotech industry in the Northern Hemisphere operates completely differently from those of the Southern Hemisphere, with large differences in value. For instance, if Pfizer were to purchase a start-up in America for \$1 billion, that would be significantly more than the annual revenue generated by a large pharmaceutical company here in Brazil. We are working to change that in Brazil and throughout the Southern Hemisphere. In 2022, we made a press release announcing that we were accepting investment to build the first biological CDMO (Contract Development and Manufacturing Organization) in Brazil, and our investors share our dream of enacting this change in the South.

We work to democratize access to science in a way that will positively influence society. One of our main investors, the Sthorm Group, has made investments in several biopharmaceutical firms that are devoted to the discovery of new molecules. They have already invested in businesses conducting clinical trials, but lacked a manufacturing team, which is where Biotimize comes in. We bridge the gap by leveraging investments in biotech to support pharmaceutical and drug development companies, as well as manufacturing and clinical trial companies. By working together, we were able to develop drugs and vaccinations against tropical diseases that do not exist in Northern countries. Climate change is making the planet hotter, so even though tropical illnesses such as dengue aren't prevalent in the US currently, they might be in the future.

**EF: In what ways do you envision yourself evolving in the future? Are you considering expanding internationally?**

FB: We want the expansion to accelerate in tandem with our capacity. We are working hard to improve our position in South America, so we are negotiating with suppliers and providing lower prices to companies than those in the North Hemisphere. This aims to mitigate risks, which we try to do across our entire business. We now have five projects with big biopharmaceutical companies here in Brazil, and these projects would not have moved forward if we were not here.

**EF: How do you think the rest of the world has reacted to Brazil's innovations?**

FB: Brazil is not seen as an innovative country by the outside world. Most people believe Brazil mostly sells commodities, but this perception is shifting as time goes on and new businesses emerge with creative solutions. ANVISA, for instance, is working on an innovative viral therapy from a Brazilian start-up that deals with the Zika virus. It is Brazil's first innovative biotech treatment, which was created entirely here in Brazil. Biotimize will develop and manufacture phase zero, a Brazilian corporation will handle the clinical trials, and it will use Brazilian hospitals.

ANVISA created a phase zero program for palliative patients with no other options, and it is being very well received. ANVISA is analyzing innovative drugs and has structures in place to create these products. The way that people view Brazil is changing due to all these developments.

**EF: How do you convince possible investors to fund your business and believe in Brazil?**

FB: Brazil is a good place to invest. Because of its large population, this country can conduct clinical studies that leverage the size and diversity of the population.

“Our mission is to “democratize drug development and access.” It is universally acknowledged that Brazil is the country of the future. Every day, we at Biotimize concentrate on our mission and try to demonstrate to our staff that we are having an impact.”

**EF: Do you have any final message?**

FB: You have to be very resilient to advance in Brazil because most businesses here are accustomed to things that are simple and less expensive. But things are shifting; we are becoming a country that exists in the present more than just the future. In the biotech industry, new businesses and start-ups are beginning to emerge. ANVISA has launched an innovative initiative designed to assist start-ups. I see the progression in the ecosystem. As the musician 'Charlie Brown Jr' once said, “For those who have a strong thought, the impossible is just a question of opinion.”

# Chapter 4

## Technology shaping Healthcare

### Digitalization Transformation Impacting the Health Industry

*“We invested, rightly, in science, data and digital technology, believing that digital technology is the future of health care.” Dr Tedros Adhanom Ghebreyesus, at the G20 Leaders’ Summit - 18 November 2024*

# Advancing Brazil's Health Industry Through Data and Technology



Brazil's health industry is undergoing a profound transformation, with both public and private sectors harnessing the power of data and technology to improve care delivery and patient outcomes. The Ministry of Health has taken a significant step by establishing a new Secretariat of Information and Digital Health to lead this charge. Ana Estela Haddad, Secretary of the new department, emphasizes: "The main goal of the Secretariat is to promote the digital transformation of the Unified Health System, expanding citizens' access to health actions and services and ensuring continuity of health care. High-quality data allows good health decisions to be made by policymakers, healthcare professionals, and citizens themselves."

A cornerstone of this transformation is the National Health Data Network (RNDS), a key initiative to facilitate seamless information exchange across healthcare providers and systems. **Luís Fernando Vieira Joaquim**, Deloitte's Life Sciences & Health Care Lead Partner, notes: "RNDS aims to improve the quality of care through better data sharing and integration. However, other challenges like medical loss ratio management and equitable systems for life sciences and healthcare companies remain."

The private sector is also making significant strides. Organizations like ANAHP are driving data-based improvement initiatives, as **Evelyn Tiburzio**, Technical Director, explains: "Data measurement is an essential part of the evolution of healthcare. That is why the ANAHP system of hospital indicators has been made available for free use by public hospitals, promoting qualified benchmarking and tools for quality improvement."

Private companies are leveraging data not only for operational efficiency but also to predict health trends and personalize patient care. **Rafael Cremonese**, Regional Director at MedSênior, highlights their approach: "Our algorithms allow us to predict future health trends by combining different variables. Beyond analysis, we focus on workflow integration to address the multitude of systems in use, leveraging AI for predictive analysis to improve outcomes for patients both hospitalized and at home."

Telehealth is another key area revolutionizing Brazil's healthcare landscape. **Josiel Florenzano**, Managing Director of Lundbeck Brazil, describes the impact: "Telehealth has made remote consultations easier. Psychiatrists are now seeing patients exclusively through virtual channels, increasing access. Our omnichannel approach complements in-person visits with virtual ones, making communication more personalized."

Finally, integration of intelligent systems is paving the way for digital democratization in healthcare. **Bruno Porto**, Partner and Brazil Health Industries Leader at PwC, asserts: "Transforming inefficiencies through intelligent systems is essential for achieving digitalization and democratization in healthcare. Internal support and innovative technologies are key to evolving the healthcare sector for future demands."

Together, these advancements illustrate how Brazil is fostering a connected, data-driven healthcare ecosystem that balances innovation with accessibility to meet the needs of its growing population.

"Of the 13.6 billion Swiss francs allocated for R&D, a significant portion is focused on digital solutions, primarily developing our digital ecosystem. This includes managing clinical labs, integrating systems, robotics, and AI for result analysis. We're shifting from operational support to advanced clinical decision support. For instance, in oncological diagnostics, we recently launched a game-changing AI-based digital pathology solution in Brazil that analyzes biopsies in just 30 seconds using a high-resolution scanner we developed." **Carlos Martins**, President Roche Diagnostics, Brazil

# Artificial Intelligence – Transforming Brazil’s Healthcare Ecosystem



Artificial intelligence (AI) is revolutionizing Brazil’s healthcare industry, integrating cutting-edge technology into diagnostics, patient care, and operational efficiency. As the sector grapples with increasing demand, labor shortages, and the need for innovative solutions, AI emerges as a pivotal tool for improving outcomes and enhancing the healthcare ecosystem.



**Fernando Silveira**, CEO of ABIMED, emphasizes the critical role of AI in Brazil’s health industry: “AI is deeply embedded in various aspects of healthcare, from hospital management to medical diagnostics and beyond. Therefore, it is essential for legislation to provide a broad framework while empowering regulatory agencies like AN-VISA to oversee specific aspects such as registering and approving medical device software.” This balanced regulatory environment fosters innovation while ensuring safety and trust in AI-driven healthcare advancements.



While **Renato Fernandes**, General Manager of Cardinal Health Brazil highlights the benefits of the new tools for supply chain optimization: “Supply chain management is complex, and it is critical to ensure the right product is available exactly when the customer needs it. We use technology to predict demand more accurately, reduce waste in manufacturing, and achieve our ambitious ESG goals”, companies like



Pixeon are making digital advances their leading charge by offering practical AI solutions tailored to Brazil’s healthcare market. **Felipe Clemente**, CEO of Pixeon, explains their approach: “Our artificial intelligence, Lumia, acts as a middleman, integrating different AI tools and helping doctors prioritize cases. By presenting information in a consistent way, we ensure that high-priority cases are reviewed first,

aligning advanced technology with the practical needs of healthcare professionals.” Such solutions not only enhance patient care but also significantly improve efficiency within hospitals and clinics.

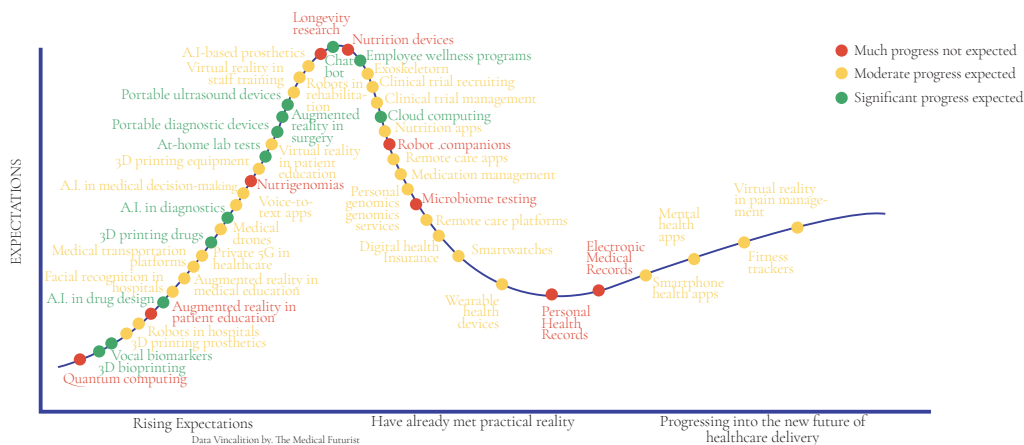
AI’s potential to bridge gaps in operational and clinical efficiency is further underscored in Philips’ Future Health Index 2023, as noted by **Patricia Frossard**, Brazil Country Manager & Head of Legal / Compliance Latam, Philips Brazil: “Healthcare leaders in Brazil indicated Artificial Intelligence as a tool to drive improvements in operational efficiency, integration of diagnoses, and care itself. Digital technologies like telemedicine were the most common solutions to address labor shortages.” However, she also highlights a critical challenge: “Physicians need more convincing as they see technology as something they must adapt to. Involving them in developing algorithms is key to gaining their trust.”



Despite its transformative potential, AI cannot replace the human connection at the heart of healthcare. **Giovana Pacini**, Country Manager at Merz Aesthetics, reminds us: “While AI and technology will greatly improve our processes, we must continue to invest in human relationships. AI can never replace the value of genuine human interaction. For example, aesthetic procedures impact people’s feelings about themselves, which involves understanding emotions and the deeper reasons behind their choices.”



## Hype Cycle Of The Top 50 Emerging Digital Health



# Patricia Frossard

Country Manager, Brazil, Head of Legal / Compliance, Latam, Philips



**PF: What word would you use to describe 2024, and what are your priorities for this year?**

PF: I would use the word “productivity”. 2024 has been a challenging year for the healthcare sector. The market is still dealing with issues that originated from COVID. Everyone is seeking productivity, making the market quite competitive. The healthcare sector needs to change, though we know this will take time. We’re seeing a lot of consolidation in the market. Everyone now understands that sustainability is not achievable alone in this market; we need to combine efforts, both in the private and public sectors.

**EF: How would you describe Philips’s role in the transforming ecosystem?**

PF:

“ Philips is a company that focuses on innovation to positively impact people’s lives while providing systems and equipment to help our clients increase productivity, ensuring a better experience for healthcare professionals. ”

To do this, we must understand the market and prepare our products accordingly. We must offer software solutions that enable hospital interoperability and that alleviate the clinical team’s pressure. Health leaders are still on alert with the increase in waiting times and delays caused by the shortage of the workforce in the treatment of patients. Therefore, extracting valuable insights from vast amounts of data could potentially revolutionize healthcare systems; with consolidation, large groups are integrating many hospitals and clinics. To increase productivity, they need systems to manage these facilities effectively. If our products can help them connect and extract consolidated, organized data, they can better understand their issues and create policies to improve productivity and enable more efficient use of resources, transforming complex information into easily understandable data.

If we want to reach the entire population, we need to consider those in remote areas. Selling the most advanced systems in big cities like São Paulo is not enough; we are developing products that can reach remote areas as well and address the lack of access to healthcare in these parts of the country. For example, our mobile ultrasound can assist mothers and pregnant women in these remote regions. We need portable products that can help, not just high-tech solutions for big cities.

**EF: How would you rate the acceptance of new technologies and solutions, and what work needs to be done to speed up their adoption?**

PF: In Philips’ Future Health Index 2023, healthcare leaders in Brazil indicated Artificial Intelligence as a tool to drive improvements in operational efficiency, integration of diagnoses, and care itself. Furthermore, digital technologies, such as connected solutions outside the hospital or telemedicine (67%), were the most common option to address labor shortages. In general, CTOs and C-level executives want technology because they understand it will bring productivity and gains. However, physicians

need more convincing as they see technology as something they must adapt to. When developing a new algorithm to speed up exams, physicians should be involved in its development in order to gain their trust and endorsement.

In Brazil, there is now a regulation for software designed to be used in medical devices, and as an example, our EMR (electronic medical records) system, Tasy, is registered before ANVISA as a medical device, which provides clients and hospitals with confidence in our solutions. We also comply with privacy legislation, ensuring our solutions offer the highest level of security possible. With 133 years in the market and celebrating our 100<sup>th</sup> anniversary this year in Brazil, clients trust that we offer the best quality and security.

**EF: What Philips portfolio items are in the most demand?**

PF: Our technology-focused portfolio includes diagnostic and prevention devices, which are designed to offer the best experience for healthcare professionals and users, as well as patients. It includes magnetic resonance, computed tomography scanners, ultrasound, and hemodynamic. In addition, we have market leading patient monitoring solutions.

We also focus on IT systems, such as Tasy EMR and PACS, a cloud-enabled enterprise imaging platform. This year’s new addition to our Enterprise Informatics portfolio is the Capsule device, which enables interoperability, monitoring and clinical surveillance of devices. There is a great demand for sustainable solutions, after all, we also need to take care of our planet. Here, I highlight our pioneering BlueSeal technology, present in our MR equipment, which uses only 7 liters of helium - which consequently reduces its weight by up to 900kg.

Our telehealth and teleultrasound solutions allow doctors to send images directly to hospitals in large cities, allowing specialists located anywhere in Brazil or another country to view the generated images in real time for guidance for an accurate diagnostic, significantly speeding up access to specialized care. In the future, we foresee remote surgeries where a local physician can collaborate with a specialist from a major city like São Paulo. Brazil’s vast geography poses a unique challenge, yet our resilience and high-performing solutions help us overcome the distance.

**EF: What is Brazil’s importance to Philips at a global level?**

PF: Brazil dedicates around 9,7% of its GDP to public healthcare, which is substantial. The key to capitalize on this opportunity is to invest more efficiently, and this is where technology plays a vital role. In addition to our corporate office, we have two units in Brazil, one of which is in Blumenau, focusing on software development and the birthplace of Tasy EMR. This is the only EMR in Philips’ global portfolio, highlighting the importance of Brazil for us. All research, development, and maintenance of this software takes place in Brazil, demonstrating the country’s intelligence and expertise.

**EF: At the upcoming 100<sup>th</sup> anniversary of Philips’ presence in Brazil, what message would you like to give?**

PF: Philips is a company that carries innovation and the aspiration for transformation in its DNA, reinventing itself and making a positive impact on people’s lives. We have a strong brand and sustainably run operations, and we’re committed to remaining competitive and relevant for another century or more. Our message is clear: we are sustainable, innovative, and adaptable to change.

# Felipe Clemente

CEO, Pixon, Brazil



**EF: What value do Pixon's software solutions add to hospitals? What sets you apart from your competitors?**

**FC:** One of our biggest competitive advantages is that we are large enough to have the resources to invest in and support big operations in Brazil, yet we are also small and local enough to stay very close to our customers and understand their reality.

Availability is not just about cost or price; it is about making technology easy for customers to adopt and use. Today, over 2,000 specialized solutions globally can identify issues in images. Each image requires a different tool, and most of these tools record their findings directly on the image, making it difficult to retrieve this data later. This creates a chaotic situation for the doctor. Advanced technology loses value because the process is inefficient.

“Our solution at Pixon is to act as a middleman with our artificial intelligence, Lumia, which integrates these AI tools. Our orchestrator helps doctors by organizing and presenting the information in a consistent way.”

The system prioritizes images that show potential issues, allowing doctors to review high-priority cases first. Our deep understanding of the market and the operations within hospitals and clinics allows us to package these technologies to provide the best value for our customers. This focus on aligning advanced technology with the practical needs of healthcare professionals ensures we are truly enhancing patient care and system efficiency.

**EF: What do you think Pixon will look like in five to ten years?**

**FC:** My primary objective is to bring more efficiency to our customers, reducing costs while maintaining quality. We aim to achieve this in the private and the public sector. As a Brazilian company, we want to give back to the market.

We are pursuing three main strategies: firstly, integrating Artificial Intelligence. Many reports generated during patient attendance could be handled by AI, saving time for doctors to interact with patients while AI manages the bureaucracy. Additionally, AI can analyze patient information within the organization and present meaningful data to doctors when needed, improving patient care.

Secondly, the main value in the future will be managing data across the organization and the market to reduce patient care costs. We recently launched a new Business Intelligence tool that identifies areas where money is being lost and provides recommendations to prevent it.

Thirdly, we aim to improve communication between different systems to enhance the healthcare system as a whole. Today, many systems, like EPR or Hospital Information Systems, do not communicate with each other, leading to inefficiencies. We are developing APIs to facilitate these connections and encourage data sharing among our customers. This interoperability will streamline processes and reduce the time spent transferring information manually. By focusing on these areas, we strive

to leverage technology to improve efficiency, reduce costs, and ultimately provide better care to patients.

**EF: Do you find that hospital CTOs are receptive to this technology?**

**FC:** There is always resistance to change. Fortunately, we are currently in a favorable moment to instigate change because moments of crisis, such as the escalating costs of healthcare outpacing inflation, often serve as catalysts for adopting new technologies.

This opportune moment in the economy and the pressing issue of rising healthcare costs underscores the need to prioritize essential changes. However, it is worth noting that many healthcare managers still lack adequate management and economic skills, especially those who ascended from clinical backgrounds like nursing or medicine. Despite their knowledge of medicine, goodwill, and dedication to patient care, they may not possess the necessary tools to optimize operational efficiency. As a result, it is imperative for organizations to invest in training and equip their leadership with the requisite skills for informed decision-making.

**EF: How do you make Pixon an attractive place for employees?**

**FC:** One of our core principles at Pixon is a commitment to diversity. Regardless of religion, race, or background, we prioritize merit and talent, ensuring everyone has an equal opportunity to contribute and be heard within our organization. Diversity and inclusion are not just marketing campaigns for us; they are fundamental beliefs that shape our company culture.

Another aspect of our culture is our open communication policy. We encourage good and bad news, understanding that challenges are growth opportunities. Rather than blaming individuals for setbacks, we address the underlying issues and adapt accordingly. We believe that early awareness of problems allows us to take corrective action before they escalate, fostering a culture of transparency and accountability.

In terms of career progression, we prioritize internal promotion whenever possible. We have established clear paths for advancement, outlining the skills and knowledge required for each role. Rather than seeking external candidates, we prefer to invest in our existing talent pool, providing opportunities for growth and development from within.

**EF: Why is one dollar invested in Brazilian healthcare more valuable than anywhere else?**

**FC:** The primary reason lies in the significant untapped potential of each dollar when invested wisely. If you allocate it towards addressing the current problem of escalating costs by introducing a solution that can connect stakeholders and align their interests to provide a more cost-effective outcome for patients, that dollar could yield far greater returns than anywhere else.

In Brazil, healthcare consistently ranks among the top 3 priorities for families' investments, reflecting a significant portion of their financial allocation. There exists a sizable population capable of affording more cost-efficient solutions despite not being covered by healthcare plans. This segment represents a substantial market opportunity since 75% of Brazilian families do not have a healthcare plan.

We must address this need, as providing solutions aligned with the preferences and financial capabilities of the populace is essential. Companies that can bridge this gap and offer accessible healthcare plans linked to comprehensive solutions stand to grow rapidly and significantly impact society.

# Chapter 5

## Strides Towards a Sustainable Future

### Steps to Long-Term Efficiency

*"Brazil—and Latin America as a whole—remains incredibly resilient. Every problem brings new opportunities. That's the mindset we need to embrace."  
Carlos Martins, President, Roche Diagnostics, Brazil*

# Strengthening Healthcare Through Public-Private Collaboration



Brazil's healthcare system, while extensive, remains fragmented, with stark contrasts between the universal Sistema Único de Saúde (SUS) and private healthcare providers. To bridge these gaps and ensure equitable access, public-private collaboration has emerged as a cornerstone for strengthening Brazil's healthcare ecosystem. This partnership has proven critical in addressing infrastructure challenges, accelerating innovation, and expanding access to advanced medical solutions.

## Addressing Complexity Through Integration

The integration of public and private healthcare is pivotal, as highlighted by **Evelyn Tiburzio**, Technical Director of ANAHP: "75% of the population in Brazil is served solely and exclusively by public health and heavily relies on support from the private sector. About 70% of complex surgeries within the public system are conducted in private hospitals, highlighting a significant level of integration. The health minister is increasingly recognizing the benefits of this partnership."



Despite progress, deeper collaboration is needed to realize Brazil's ambitious healthcare goals. **Reginaldo Arcuri**, President of Grupo FarmaBrasil underscores the urgency: "Unless this changes, the ambitious industrial policy proposal which aims to increase production to 70% of the SUS consumption will be impossible. Collaboration with the private sector is an absolute necessity because public laboratories cannot meet the current demand, let alone what they are predicting for the future."

"We maintain collaborative efforts with governmental bodies, leveraging our expertise and the projects we have already successfully developed. Our core concentration lies in the field of oncology,



where we strive to make significant contributions. Additionally, we have a strong presence in the realm of rare diseases, addressing the unique needs of this patient population." **Sergio Frangioni**, Director, Blanver, Brazil

## Catalyzing Innovation Through Partnership



Private companies are crucial drivers of innovation in Brazil's healthcare ecosystem, especially in addressing unmet medical needs. **Mauro Loch**, Vice President EM

Latam Region, Coloplast, provides a powerful example: "Currently in Brazil, 92% of users who need to perform intermittent catheterization receive catheters made with PVC from the government. These rigid catheters can injure the urinary tract and cause infections. Our hydrophilic catheters offer a cutting-edge solution that reduces infections and is more convenient for users. We are now working with the Ministry of Health to ensure that users across Brazil have access to our best-in-class product."

Public-private partnerships are also essential in fostering clinical research and technology transfer. **Nelson Mussolini**, President of Sindusfarma highlights the strategic role of private investment:



"Private companies can absorb financial risks, unlike the public sector, where uncertain research outcomes can lead to increased taxes and poor returns. Ultimately, the private sector must lead in high-risk research areas, allowing the government to focus on broader public health investments, like sanitation."

## Building Strategic Dialogue

Effective public-private collaboration requires open communication and long-term planning. **Patrick Eckert**, CEO of GSK Brazil emphasizes the need for proactive dialogue:



"The industry could play a role in better showcasing what is in the pipeline and what new developments mean for public health systems and private payers. By working together, we can anticipate and prepare for upcoming innovations. This holistic view would help us build a healthcare system that balances the introduction of new advancements with the stability and sustainability of existing resources."



Similarly, **Daniel Binette**, Vice President and General Manager of Lilly Brazil, stresses the importance of aligning diverse stakeholders: “This fragmentation brings its complexity and opportunities. No matter where you sit in this ecosystem, we all share the goal of providing better care for our communities. Open discussions and partnering with the government will be key to increasing the number of people we can help.”

Brazil already has several successful models of public-private collaboration, including Productive Development Partnerships (PDPs). These initiatives enable the transfer of technology from private to public laboratories, enhancing Brazil’s capacity to manufacture critical medicines locally.

In June 2024, Brazil’s Ministry of Health introduced new rules for two programs: Productive Development Partnerships (PDPs) and the Local Development and Innovation Program (PDIL). These programs are part of a strategy to strengthen the Universal Health System (SUS) by increasing local production and encouraging innovation. The new framework focuses on stricter oversight, expanding partnerships, and working with private companies to address key health challenges, helping Brazil become more self-reliant in healthcare solutions.



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Driving change to defeat serious chronic diseases



# Looking Forward: A Unified Vision



To overcome fragmentation and ensure sustainability, public-private collaboration must evolve into a strategic partnership. By working together, the public and private sectors can achieve more, addressing systemic inefficiencies, accelerating innovation, and meeting the growing healthcare demands of Brazil's population.



Healthcare is a collective responsibility, requiring all stakeholders to step out of passive roles and actively engage in shaping its future. **Antonio Cardone**, Director & Managing Partner, ARC Healthcare and Life Sciences Consulting, Brazil & Latin America, captures this urgency: “All of us, without exception, are crucial stakeholders in the healthcare discussion and agenda. We must understand that there is no longer space or room to behave as witnesses or spectators. We need to act proactively. This involves engaging in public health policies, constructively analyzing current models, identifying areas for improvement, observing global trends, and influencing our leaders to take appropriate action.”

Such proactive involvement not only strengthens the system but also drives accountability and innovation, ensuring that every stakeholder—from industry leaders to policymakers—contributes to building a resilient healthcare ecosystem.



As **Giovana Pacini**, Country Manager for Merz Aesthetics Brazil notes, the foundation of sustainability lies in understanding market dynamics and pursuing goals beyond financial gain: “Sustainability goes beyond philosophy; it’s about community and impact. Sales and profit are a given, but genuine success comes from grasping market dynamics, having passionate people in suitable positions, and pursuing goals beyond mere profit.”



Meanwhile, education and communication also play pivotal roles in fostering sustainability. **Vera Valente**, Executive Director of FenaSaúde, highlights the importance of demystifying the system and educating key stakeholders: “People often have negative perceptions because their expectations of the system are not met. Improving communication to convey the realities and limitations of the system is essential. Education also plays a critical role, especially for healthcare profes-

sionals and the judiciary, to help them make more informed decisions that support system sustainability.”

Looking into Brazil's future, where the Sistema Único de Saúde (SUS) serves as one of the world's most extensive public health systems, its scale and purchasing power are unparalleled. “The national health industry is not only a matter of political choice; it is a strategic imperative,” as **Márcio Elias Rosa**, Executive Secretary of MDIC underscores.



Nonetheless, we hope to see a closer integration with all private stakeholders to ensure long-term sustainability for Brazil. **João Simões**, Vice President of EY Parthenon Brazil, outlines the growing trend: “We will see a lot more partnerships between pharma companies, payers, and providers, not just for providing products but also comprehensive services. Providers are partnering with health insurance companies to reduce variability, create protocols, integrate patient journeys, and avoid unnecessary spending.”



By prioritizing investments in innovation and prevention, Brazil can shift from a reactive to a proactive healthcare model, improving population health while controlling long-term costs.

Representing one of the oldest pharma companies in Brazil **Adib Jacob**, Region Head Latin America and General Manager Brazil of Bayer Pharmaceuticals advocates for greater healthcare investment: “In many countries, including developed ones, we see disproportionate spending on military and defense compared to healthcare. As people age, they want to live well, not just live longer. Science, innovation, and access need to walk together.”



A unified vision, driven by shared responsibility, innovation, and sustainability, will ensure that Brazil's healthcare system not only meets today's needs but also evolves to serve future generations.

# Antonio Cardone

Director & Managing Partner, ARC Healthcare and Life Sciences Consulting, Brazil & Latin America



**EF: What inspired you to create ARC?**

**AC:** After so many years in this industry, I recognized that working for a company, there are numerous guidelines and corporate strategies, often set by headquarters in Europe and the United States, which I realized were limiting my room for improvement within my current role. This realization led me to explore the consulting area.

Since the beginning, I aimed to establish a company that adds substantial value and focused on setting up the strategic pillars of the company: strategic planning, marketing due diligence, advisory board support, fractional management, and interim management.

This experience, started in 2016, and taught me in a very challenging way that the market is extremely sovereign. No matter what you offer, it does not matter unless you are genuinely addressing the needs or evident requirements of the stakeholders. You have to carefully understand the client, discern their true needs, and translate those into a concrete project. Once we began working, it was fascinating to see how we were able to identify and address the needs of healthcare companies.

Over time, new stakeholders emerged besides Pharma or MedTech companies, such as private tech firms, government entities, and service companies. At the end of the day, although they have substantial funds, they sometimes struggle with implementing institutional plans effectively. This is where our expertise comes in.

We have had clients, including private equity funds, seeking our assistance with company evaluations, due diligence for acquisitions, and other strategic services. Currently, we are thriving, actively engaging with various sectors within the ecosystem. We are involved in government discussions and are part of the regulatory environment agenda, contributing to shaping the future of healthcare in our region.

**EF: What is something that a lot of executives are inquiring about this year, and what is something that you think they should be looking at more closely?**

**AC:** Firstly, clients often express a lot of interest in AI technology and how deeply it will affect them or their companies. There is a lot of talk about this, but what they are not always looking for is a long-term strategic plan. Having sat in a GM position, I understand that many executives focus primarily on the financial situation for the current year. However, they rarely have someone on their team providing a broader perspective and long-term vision. This is something clients do not typically ask for spontaneously, but when we bring it up, they clearly see how we can add considerable value.

Even in large organizations, they may not have a complete understanding of global trends and developments within their own company. Strategic planning should involve identifying and conceptualizing what the future will look like in five or ten years.

In the healthcare sector, Brazil represents a significant portion of the LATAM market, around 47% of the total. However, quoting a former health minister, in Brazil, even the past is hard to predict. The constantly changing environment poses challenges for general managers reporting to headquarters in Europe or elsewhere. Today, the regulatory environment might indicate that registering a product takes two to three years. However, a change in the regulatory agency could suddenly alter that timeframe to anywhere between three to six months.

There are also many challenges presented by people's perceptions. Therefore, managers must not only focus on company performance, and their company's reputation to others, but also on how they and their affiliates are viewed by their own head-

quarters. Amidst this, they often lack the time for an external perspective on what they could do differently. Sometimes, it is not about investing more money and effort, but rather about reallocating resources and adopting different perspectives.

**EF: Do you have any milestones that you want to share or any more details about your business that you want to include?**

**AC:**

“ At ARC, we recognize the importance of staying ahead of changes in the healthcare ecosystem. This includes monitoring government movements, analysing changes in the regulatory framework, and incorporating new technologies like AI. ”

We understand that to tackle the challenges of the health system effectively and efficiently, we need to think beyond traditional boundaries between healthcare and life science industry companies. Our goal is to be more prepared by working proactively, not just reacting to changes. The most effective strategy is one that is tailored to their unique context and needs.

**EF: Why is \$1 invested in Brazilian healthcare worth more than in other countries?**

**AC:** Brazil stands out as one of the most well-organized countries. The local sanitary agency, ANVISA is very well prepared and structured. As an example, ANVISA, is currently dealing with significant initiatives like the Orbis project. Orbis involves mutual recognition of product registrations. This means that if the FDA approves a product for the American market, it is automatically approved by ANVISA in Brazil, and vice versa. This demonstrates how effectively ANVISA is working with high standards and established patterns from a regulatory point of view.

Brazil is well-organized in terms of infrastructure, supported by strong institutions and presents relative financial stability in its government, and even more so in its banking sector.

Currently, Brazil offers a fertile environment for investment. The demand for healthcare innovations is high. Given these dynamics, if I had extra funds, I would invest in Brazil. There are risks, but the opportunities here outweigh those in more developed or stagnated markets.

**EF: Do you have any final message for your industry colleagues?**

**AC:** All of us, without exception, are crucial stakeholders in the healthcare discussion and agenda. We must understand that there is no longer space or room to behave as witnesses or spectators. We need to act proactively. This involves engaging in public health policies, constructively analyzing current models, identifying areas for improvement, observing global trends, and influencing our leaders to take appropriate action. We have an implicit obligation to be responsible actors in this crucial

# João Simões

Vice President, EY Parthenon, Brazil



**EF: How would you describe the Brazilian healthcare ecosystem in a few words?**

**JS:** For Brazil, the key concepts that come to mind are access, experience, and navigation. Compared to many other markets, particularly in Europe and the US, Brazil's private healthcare sector offers much more direct access to healthcare services. In Brazil, you can go straight to a specialist, physician, or emergency room without extra charges. This almost unrestricted access is crucial for its benefits as well as challenges. Alongside access, there is a strong focus on innovating the patient experience. The population expects high-quality engagement and ease of navigation through the healthcare system. This includes access to hospitals with top-notch physical infrastructure, well-known physicians, and the latest technology. The challenge lies in providing this high level of access and world-class clinical and non-clinical experiences while maintaining economic sustainability.

**EF: What is the strategic importance of Brazil to EY Parthenon?**

**JS:** Brazil is a very mature health and life sciences market in the region. The complexity of the environment requires highly specialized consultants to support clients. The conversations are challenging and have become even more difficult now. Brazil has a large market with a population of 220 million and a private health market of 50 million. The complexity is increasing from regulatory, payer, provider, and pharma standpoints, and this increasing complexity demands the support of consultants who can bring global experience and able to focus on practical local solutions.

**EF: What services are your clients demanding the most, and what measurable impact are you making on healthcare in Brazil?**

**JS:** We help pharma clients demonstrate the value of their products and services to physicians, patients, institutions, and payers—a growing need as decision-makers require evidence of value in choosing therapies. Rising healthcare costs, aging populations, and new innovations make healthcare increasingly expensive, pushing institutions to use therapies and devices that deliver the greatest patient benefit.

“ We guide pharma companies in navigating these critical conversations with all stakeholders, including payers, who must prioritize products that bring measurable value to the healthcare system. ”

COVID-19 accelerated changes in stakeholder engagement, as in-person interactions declined, driving the industry toward digital tools and expanding engagement with provider institutions and payers. This shift emphasizes the need to redefine stakeholder experiences and field roles.

We also support pricing strategy for innovative products. Effective pricing should consider all stakeholders' concerns, reflecting not only the product's direct value but also additional services such as patient education, physician training, and diagnostic support. This comprehensive approach ensures that pricing aligns with the product's full value.

**EF: Are there any services you believe are under-demanded that pharma companies should focus on more for a long-term strategy?**

**JS:** Top priorities include demonstrating the value of products and services—a complex challenge requiring a strategic approach. This involves refining pricing strategies and understanding the evolving landscape of buyers and providers, especially as specialized hospitals in areas like oncology and cardiology increase. Pharma companies must engage with these institutions and participate in protocol development to add value. Rare diseases are also gaining importance. Although each affects a small group, together, they impact millions. Treatments are often costly, requiring thoughtful pricing and value discussions with payers. With an aging population, rising costs of therapeutics, and increasing demands for full access, payers are facing annual health cost growth rates of 12–20%, depending on the segment, straining companies' ability to provide health benefits. Strategies are needed to manage these costs while ensuring access to innovation—a challenging task over the next 5–10 years. As a major contributor to innovation costs, the pharma industry must focus on maximizing value effectively.

**EF: What do you think the healthcare sector will look like in 10 years?**

**JS:** We will see a lot more partnerships between pharma companies, payers, and providers, not just for providing products but also comprehensive services. This collective approach is a good way to maximize value. While it is still in its early stages, the trend is growing and becoming more relevant. We are seeing providers partner with health insurance companies to reduce variability, create protocols, integrate patient journeys, and avoid unnecessary spending. In return, insurers give providers direct access to their patient volume.

Some health insurers are even building hospitals with major hospital operators. Larger providers will maintain their growth through their bargaining power, while smaller ones will increasingly develop these partnerships and create integrated care pathways.

**EF: When celebrating your 10 years anniversary, what achievements would you be most proud of?**

**JS:** The key achievement I will be proud of is how we have supported the entire health system on crucial issues like sustainability, economic viability, commercial attractiveness, and growth. It is rare to have the capability to debate these questions at such a high level. Usually, such discussions are reserved for government or regulatory agencies, but we have been able to provoke our clients to think long-term and evolve, considering both short-term commercial success and long-term social impact.

# Luís Fernando Vieira Joaquim

Life Sciences & Health Care Lead Partner, Deloitte, Brazil



**EF: Could you provide an overview of your role at Deloitte? And what are your key priorities for 2024?**

LJ: Within the six big industries of Deloitte, I lead Life Sciences and Health Care in Brazil. Regarding 2024 trends and challenges, healthcare faces hard times post-COVID and dealing with financial issues. Our new customer is the digital patient; we are working on open health in Brazil and how to achieve system interoperability because of the degree of fragmentation within the health system.

When discussing open health, we are talking about the National Health Data Network (RNDS), a major initiative to facilitate the exchange of health information across different healthcare providers and systems in Brazil. It aims to improve the quality of care through better data sharing and integration. Other big challenges include medical loss ratio management and how to provide for life science and healthcare companies within a more equitable system.

Deloitte helps life science companies in pharmaceuticals and biotech, as well as healthcare space payers and providers. If we ask Brazilians what they desire, they will say a house, food, and a health plan. Our objective is to help Brazilians with their healthcare wishes. More than 70% of the private sector in Brazil is paid for by companies, and this is typically the company's second biggest expense. That is why we focus on GenAI, which is essential for a company to gain efficiency in merging and acquisition processes, which reflects a big movement now of payers buying hospitals.

**EF: What is the current state of Brazilian healthcare?**

LJ: There are big gaps in Brazilian healthcare and differences between regions. Life expectancy in Brazil is almost 77 years, but that statistic differs according to the city, region, or neighborhood. We are a young country, but by 2050, we will have an older population. Additionally, by 2035, 41% of adults will be obese. We have gained life expectancy, but this longevity is not without medical issues.

When we talk about hospital beds, the average number of beds for every thousand people worldwide is 2.9; in Brazil, we have 2.1. Therefore, some of Brazil's largest medical groups are investing in more hospitals to close the gap.

We also have issues with our physician average per inhabitant; within Brazil, depending on the state, there are big differences in the number of physicians and what can be treated. We are working on a 5G project, bringing technology to reduce the gaps in some cities and regions and improve access to healthcare. Healthcare infrastructure and hospitals are excellent investment segments that can bring in 12%-25% EBITDA.

The 5G project started with the Hospital das Clínicas, a big hospital associated with the University of São Paulo. The main core of the project is to use 5G technology to do ultrasounds in remote villages with indigenous populations. The people living in remote villages need help accessing the nearest health center; it is expensive and complicated. We worked on establishing an economically feasible model to market and expand to different regions with different capabilities. Brazil is a large country, and these projects are critical to providing equity in health and access to treatments in remote areas.

Cost pressure is a major issue facing hospitals and payers. During the pandemic, we saw an increase in numbers, and at the end of 2022, many Brazilians had problems paying. The challenge has persisted over the last two years. Comparing numbers pre-and post-pandemic, in 2019, the average was 83%; it decreased by 7.0 points, then a 7.7% increase to 85%, followed by a rise to 87%, to 89%, and a decrease to 87%, which is the present number.

It is challenging, as payers face difficulties balancing this consumption increase. Hospitals are full, and payers pressure hospitals to reduce costs or extend payment times.

**EF: You mentioned an aging population, an increase in obesity, and a decrease in payer claims. Do you have any more predictions for the next five years?**

LJ: Autism is a problem now and will increase a lot in the future. Since 2000, it has increased by 317%; payers here in Brazil are declaring that autism claims are higher than oncology. In the future, autism will further pressure the payers and the health system in Brazil, both in the private and public sectors.

Another trend is the big consolidation of market players in merging or acquisition processes and joint venture movements. Big groups, like Bradesco, Rede D'Or, Fleury, and Oncoclínicas, are making alliances to create new companies to help in some aspect or gain a new revenue line, which could be a big issue in the future.

**EF: Do you have any success stories on how Deloitte helped multinationals or local companies in mergers or acquisitions?**

LJ: Deloitte has a large, specialized team assisting its clients in M&A strategy, financial, anticorruption, technology, operations, commercial, and integration, among many other services. Among our clients are Unimed, Rede D'Or, Brazil's biggest hospital group; DASA, Grupo Hapvida Notre Dame Intermedica. Deloitte has helped these companies with their strategy, due diligence, and post-merger integration.

**EF: To what extent do you work in the regulatory landscape?**

LJ:

“As an independent consultant, Deloitte's ability to help regulators is the most valuable position that we can have.”

We work with two big regulators in the Brazilian market: ANVISA, the agency for fiscal regulation, hospitals, and several other activities, and ANS, which regulates private health plans in Brazil. They are the two big agents behind the Health Ministry.

**EF: Deloitte is celebrating 100 years in Brazil. What does this legacy mean to you?**

LJ: I like to say that I have “green blood.” I love my work at Deloitte; I aim to help the company help our clients; that is my life's purpose. Health is all I care about. I think about improving the public and private Brazilian healthcare system and how my team and I can collaborate to positively impact and transform it.

# Bruno Porto

Partner and Brazil Health Industries Leader, PwC, Brazil



**EF: What is your day-to-day role at PwC, and what are your main priorities?**

BP: I have spent nearly 24 years with PwC. For the past 3.5 years, PwC Brazil has created dedicated industry-level teams focusing on five key sectors, including healthcare. My work has always been broad. I led the Brazilian business desk in New York and have experience in M&A, advisory, and general consulting. This diverse experience is why I'm in my current role.

Healthcare today needs fresh perspectives and new ideas to improve efficiency. For the last three and a half years as the health industries leader, I have focused on providing fresh perspectives and challenging views which drive meaningful change. We've been questioning assumptions and delivering strong strategy and management consulting to innovate healthcare. My role involves acting as the quarterback of our teams, managing relationships, and translating sector needs into solutions.

At PwC we gain the trust and confidence of our clients via a methodology that emphasizes confidence and privacy. This helps us connect with various players and understand their interests and challenges. While expertise is essential, making unexpected and non-obvious connections is often where solutions arise. It's about challenging the status quo to find the best answers. There is a lot of low-hanging fruit, "quick wins", we can achieve with today's technology that won't affect physicians' decision-making but are vital for financial sustainability in the sector.

**EF: What is Brazil's strategic importance to PwC?**

BP: Brazil holds significant strategic relevance. Foreign players have always been eager to do business here. With a population of over 200 million and room to grow in GDP per capita, there exists immense potential in the country. Pharma companies are keen to tap into our vast market, which includes an aging population. Thanks to our diverse population, there is also considerable opportunity to expand clinical trials here. Some foreign pharma companies are already present, either importing to sell or manufacturing locally. The key is to make the right connections and fully realize Brazil's potential in this area.

**EF: How would you describe the Brazilian healthcare system?**

BP: The word I would choose to describe it is fragmented. Both private and public sectors lack interaction. This lack of data synergy within the private-public and private sectors stems from distrust, as each entity sees data as its own asset. There needs to be a clearer understanding of who the customer is. Providers often see the HMO or health plan payer as their customer, not the individual patient. This individual patient has no transparency regarding the costs paid by their employer and the payer, leading to further confusion and inefficiency. There is fragmentation even within the private sector. The four main stakeholders; providers, HMOs, corporations, and employees aren't working well together. Vertical integration is being explored to reduce friction and improve the system. However, achieving the ideal system which is full integration, defragmentation, transparency, customer empowerment, and a clear understanding of the customer, the patient, and their data is challenging.

Currently, there's no way to measure performance or compare hospitals effectively, and there's no review system like in retail. This lack of transparency and customer empowerment slows down productivity and democratization. Brazil is a mix of NHS-like public healthcare with less productivity and access and a private system like the US, with increasing costs and conflicts between providers and payers.

**EF: What differentiates PwC from the competition?**

BP: What sets us apart is our strong strategy area. We help companies thrive from strategy to execution. Strategy is our starting point, followed by management consulting services to drive transformation and implement strategic pillars. This includes technology integration, workforce development, tax considerations, and risk analysis, all the way to execution, which we excel at.

In the technology sector, we are well-known for our cybersecurity expertise. We've assisted with numerous ransomware attacks in the Brazilian healthcare sector, providing emergency support and ongoing security monitoring. The sector lacks maturity in fraud prevention, so we've been working to catch up, using technology and our risk assessment expertise to create effective structures.

In strategy, we've assisted companies with cost reductions, workforce management, and business model reinvention. We help HMOs explore low-cost products, depending on regulatory allowances, and find alternative revenue sources.

We've been guiding hospitals on expanding their offerings, such as entering education to retain professionals and remain competitive in talent acquisition. There's intense competition for top physicians. Hospitals should focus on becoming more attractive to professionals and exploring new revenue opportunities in healthcare education and innovation investments to address this.

**EF: If you had to recommend one area that you think your clients need to pay more attention to, what would it be? What area needs the most assistance?**

BP: We see great potential in automating processes. We've been developing and running pilots, especially in hospital administration and finance. These areas are time-consuming and, if manual, require up to 400 people. Automating the back office can make it more efficient, making it a low-hanging fruit. Another area of opportunity is surgical center efficiency. Surgery is the most valuable service for 50% of a hospital's revenue. We have worked on improving surgical center efficiency through smart scheduling to avoid bottlenecks and ensure surgeries are spread throughout the day. These two areas represent substantial opportunities for improvement in healthcare delivery.

Our approach focuses on creating and implementing intelligent systems to address these inefficiencies, and some companies are already making strides in this area. This transformation is essential for achieving digitalization and democratization in healthcare. By fostering internal support and leveraging intelligent systems, we can help the healthcare sector evolve to meet future demands effectively.

“ The future of consulting in healthcare lies in this intelligent orchestration of solutions. We aim to act as an alliance leader, integrating various expertise into a cohesive offering that addresses the healthcare sector's multifaceted challenges. ”

This approach ensures that the value is maximized for all stakeholders, ultimately driving the sector's evolution and improvement.

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Thank you.



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