

Media Release

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CMA Welcomes Cost Savings Analysis for Vitamin B₃

Complementary Medicines Australia (CMA) has welcomed a new health economics analysis, presented to members and senators in Parliament House this week, showing that vitamin B₃ (nicotinamide) can save \$2 in healthcare costs for every \$1 spent.

“This is perfect support of the well known adage that ‘an ounce of prevention is worth a pound of cure’, with the economic analysis finding that 600 000 Medicare items and 50 000 hospitalisations could also be avoided and the government could save more than \$320 million over the next ten years,” said Mr Aiden Essery, CMA’s Economic Policy Adviser.

The economic modelling was based on the ONTRAC study,¹ an Australian research paper, which was published in the *New England Journal of Medicine* and showed a 23% reduction in the risk of new skin cancers.

“The preference for prevention over cure really needs to be given greater weight in the Australian health system; both in terms of a smarter role for preventive health and in terms of health spend. This is not limited to, but certainly includes, the use of complementary medicines for primary and secondary prevention of illness, and encouraging and empowering all Australians to take better care of their health.”

“The ONTRAC study and this latest economic analysis reiterate what has been shown by a number of previous reports: the link between several of the more well-known complementary medicines with a reduced risk of a secondary disease event among high-risk groups and with major potential healthcare cost savings,” said Mr Essery.

A 2014 Frost & Sullivan report ‘*Targeted Use of Complementary Medicines: Potential Health Outcomes and Cost Savings in Australia*’ examined the use of six complementary medicines across four chronic disease conditions – cardiovascular disease (CVD), osteoporosis, age-related macular degeneration and depression – all of which contribute heavily to the national burden of illness in Australia. The report estimated that between 2015 and 2020 an average annual hospitalisation cost of \$922 million could be potentially saved, along with gains in productivity of \$900 million.

“Government recognition of the potential contribution of complementary medicines is vital, as is more research to further inform how complementary medicines can contribute to funding choices in the broader context of national health,” Mr Essery went on to say.

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¹ A Phase 3 Randomized Trial of Nicotinamide for Skin-Cancer Chemoprevention. *N Engl J Med* 2015; 373:1618-1626, 22 October, 2015, DOI: 10.1056/NEJMoa1506197

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