

Access to Medicines & Value Based Healthcare

NHS UK Medicines PRMA

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Introduction



Omar Ali

Head of Payers Verpora

NHS Pharmacy payer & former advisor to NICE

10 years VBA experience as a Government Payer

Extensive payer network across the Globe

PhD & Visiting Lecturer in VBA

Head of Payers, Verpora

Introduction



NHS Funding Flows & DoH VPAS

3x Critical Payer Drivers

NICE HTA & Value Assessment

Value Innovation & Mismatch

CDF Conditional Reimbursement & RWE/PRO

VBA Medicines & MedTech & Gene Therapies

DoH VPAS

Voluntary scheme Pricing & Access

VPAS FACT SHEET

- Applies to branded medicines only
- Medicines are the highest budget cost to the NHS @ £12 billion* (NHS 1.3million staff)
- VPAs sets “cap” at 2% growth p.a. on branded medicines revenue
- Manufacturers’ pay back “rebate” to the government for any sales that exceed this

- Accelerated early engagement
- Adoption & uptake of innovative medicines
- Streamlining processes to enable patient access

- Maintains affordability of spend across the UK
- VPAS allows access to 60million lives
- VPAS has saved taxpayer over £2.5 billion per year

STATUTORY SCHEME

- Companies who “opt out of VPAS” come under statutory scheme
- Agree a list price prior to entry to UK market



Department
of Health



England

CONTROVERSY ?

- Deal was signed in 2019 negotiated by ABPI
- ABPI stated “pro-innovation deal” which included 2% cap on branded growth
- High pharma revenue have led to high pharma rebates
- Now pharma are complaining about these rebates and want a new deal

New VPAS for 2024 ?

- New negotiations will look to replace VPAS in 2024



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of Health



Payer Drivers

VBA Geopolitical Drivers

1

Cost-effectiveness

Affordability

Uncertainty

Global Economic Downturn



Germany significantly tightens Drug Pricing and Reimbursement Laws

Japan pharma lobbies say pricing scheme leading to renewed 'drug lag'

Reuters



JAPAN



PHARMA
US drug pricing reform in Inflation Reduction Act could harsh pharma's credit, Moody's says
By Fraiser Kansteiner · Aug 19, 2022 09:15am

Orphan drugs in Spain: delays in their financing

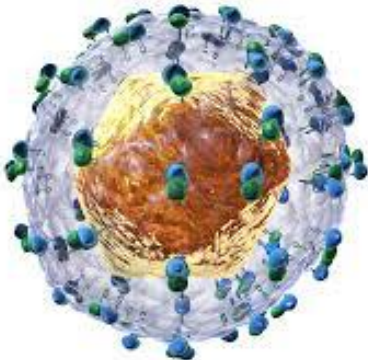


Pharma sector reels as UK Government doubles VPAS payback rate on NHS drugs

Proposed Cost-Containment Measures Will Present Major Headwinds To Drugmakers In France



Sovaldi & Hepatitis C : drove innovative contracting



Hepatitis C Virus (HCV)



VBA Geopolitical Drivers

Cost-effectiveness

2

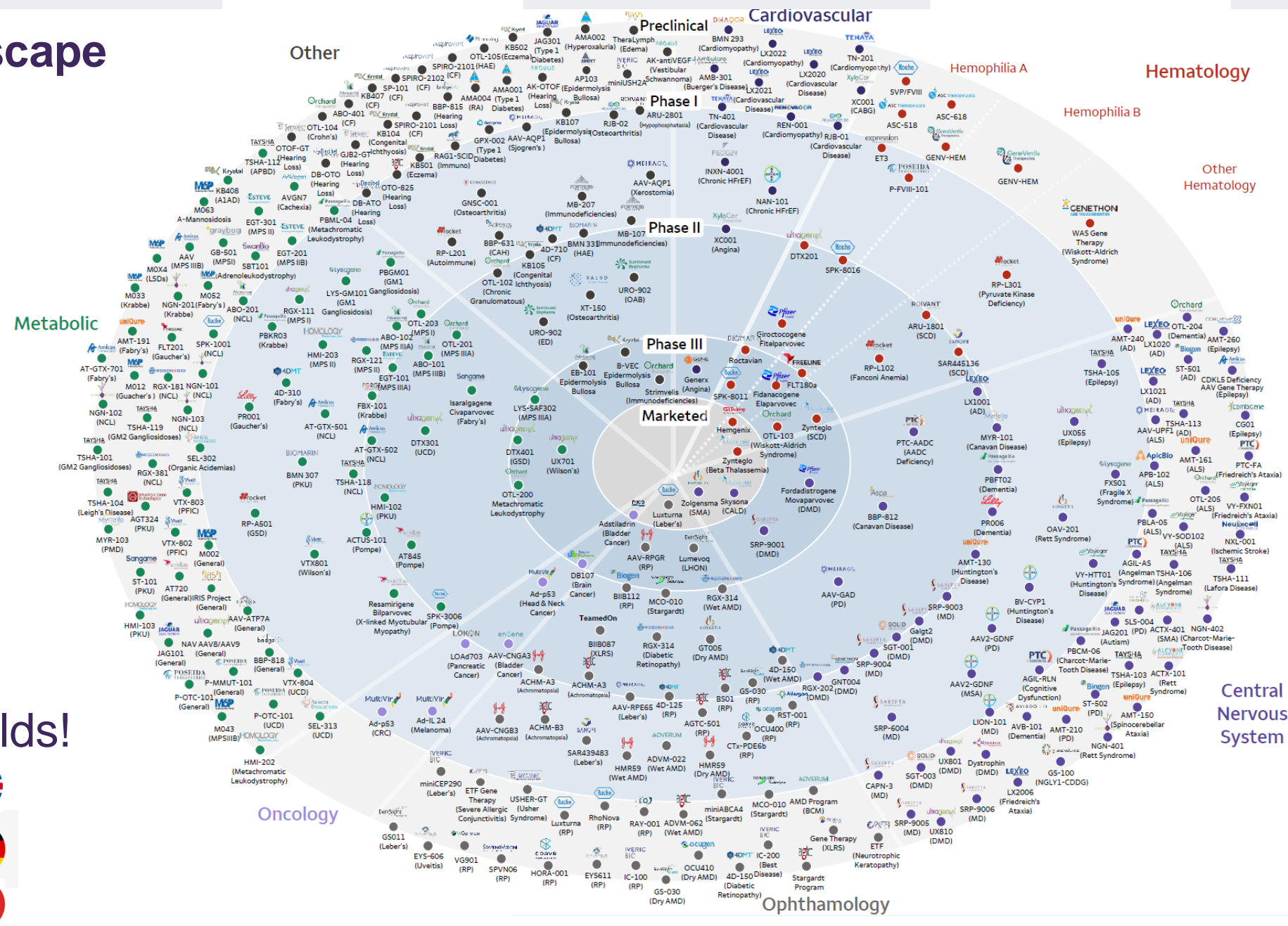
Affordability

Uncertainty

Gene Therapies Landscape (2023); Dynamic Field

Source: Wells Fargo 2023, Accessed Feb 2023

Hemgenix @ \$3.5million USD
 Skysona @ \$3million USD
 Zynteglo @ \$2.8million USD
 Zolgensma @ \$2.1million USD



Budget impact thresholds!

- UK £20million p.a. 
- DE €30million p.a. 
- IT €20million p.a. 

VBA Geopolitical Drivers

Cost-effectiveness

Affordability

3

Uncertainty

Uncertainty is Increasing

Lack of Head-to-head studies

Immature data sets

Inappropriate comparators

Lack of HRQoL

Wrong patient population

Heterogeneity & durability

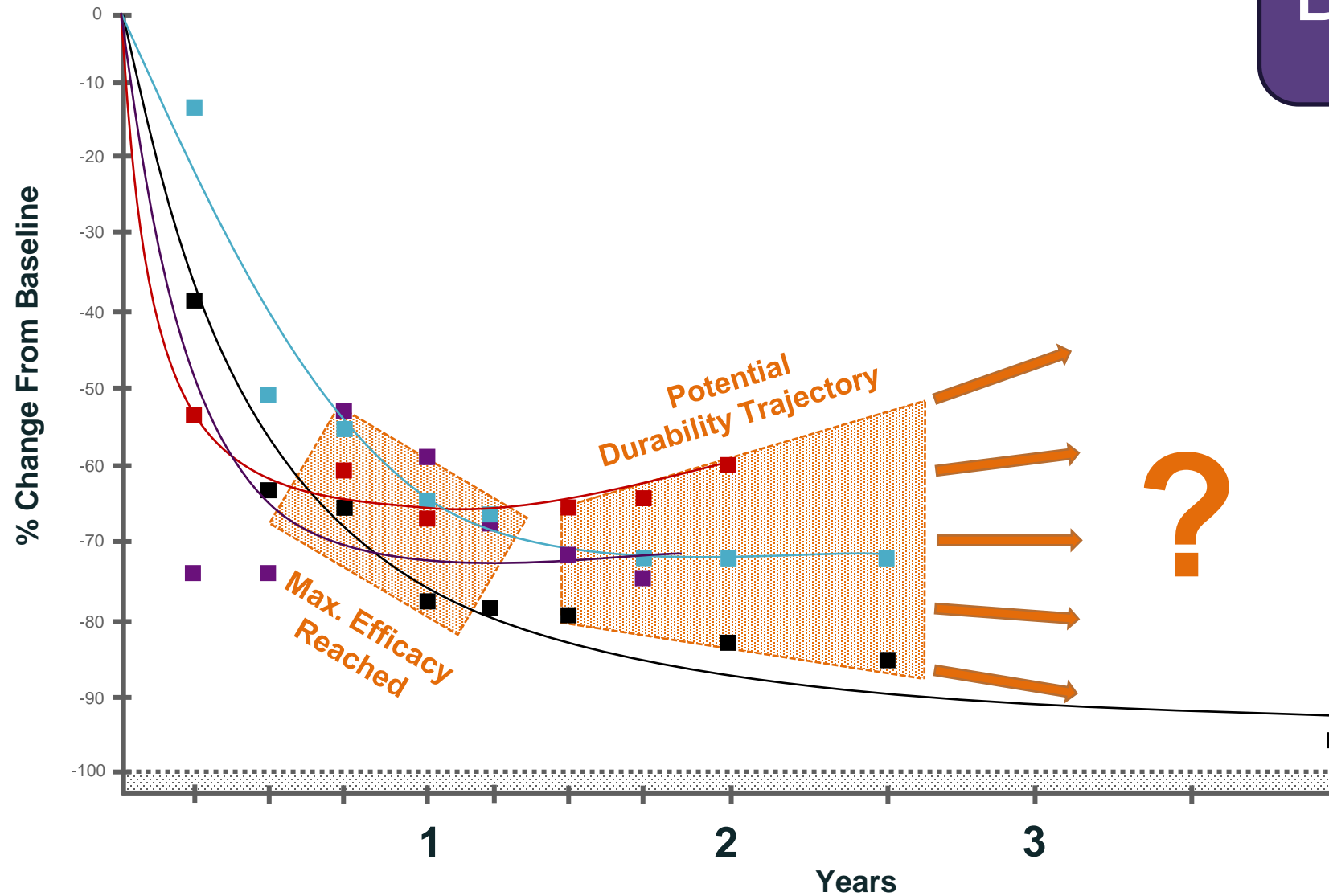
Accelerated access scheme means patients will get new treatments faster



*EAMS
PRIME*

Uncertainties in Gene Therapy Valuation

Durability ?



Value & Innovation Mismatch

Are we Agreed on Innovation ?



Price referencencing & anchoring



Cubicle
€30



Luxury Penthouse Suite
€750

Price expectations & interrogation

easyJet

Budget

€300

Local EU Flight

AIR FRANCE


First Class

€10,000

Paris / New York



VBA & IC Cases

Velcade for MM

Access Challenge:

- New innovative biologic for 1st line MM

Construct used:

- Performance based on outcomes

Mechanics:

- Velcade guarantee remission after 4 cycles

Outcomes:

- Money back guarantee (free stock) on remission
- Negotiated less discount & 1st line access coverage



National Institute for
Health and Clinical Excellence



NETFLIX Antimicrobials

**Subscription contract
£10m per year for 10 years access
Regardless of quantity used**

Access Challenge:

- New antimicrobials commercial model 'broken'

Construct used:

- Subscription model for "access" to IP/molecules

Mechanics:

- Pfizer & Shionogi agreed a multi year subscription deal
- Capped at £10m per annum for 10 years

Outcomes:

- Access & reimbursement for 2x antimicrobials
- Normally reserved for last line resistance cases





Iressa for NSCLC

Gefitinib 1st line treatment

EGFR-TK mutation +ve

Manufacturer provides “single admission price” @ £12,200 per patient regardless of duration therapy

No invoices for 1st 3 months (discontinuations are free)



NSCLC – Non-Small Cell Lung Cancer; EGFR-TK – Epidermal Growth Factor Receptor Tyrosine Kinase



CAR-T Therapy @ €375,000



Full payment up front; Rebate based on OS



52% up front & 48% remission based 2yr



Enrolment + 2 payments over time OS based



Conditional reimbursement & RWE @ 3-5yr

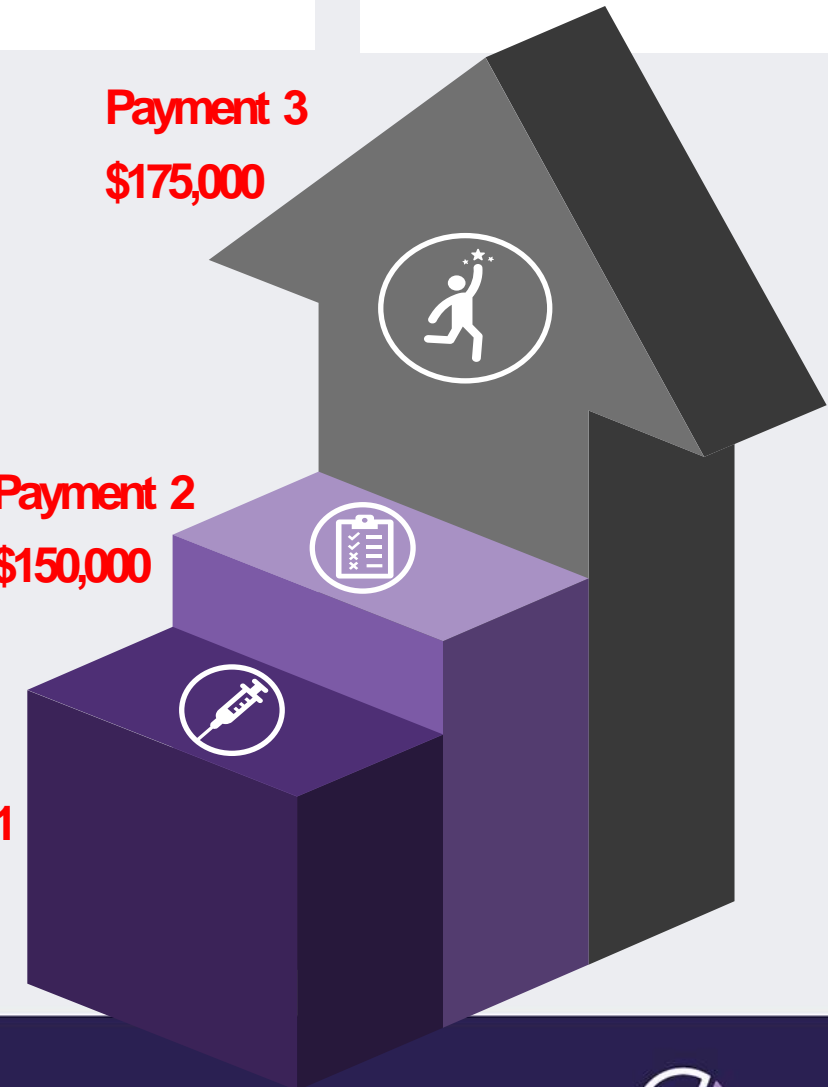


Registry coverage with evidence

Payment 3
\$175,000

Payment 2
\$150,000

Payment 1
\$150,000





Making Outcome-Based Payment a Reality

Assessment of Endpoints in Oncology

Core Outcome	Data Completion Burden	Data Capture Burden	Inconvenience Elapsed Time	Existing NHS Data Linkability	Scalability Ease
All-cause mortality	Low	Low	High	High	High
Time to next treatment	Low	Medium	Medium	High	High
Time to treatment failure	Low	Medium	Low	High	High
Progression-free survival	Medium	High	High	n/a	n/a
EQ-5D-5L	High	Medium	Medium	High	High

Original Source: Making Outcome-Based Payment a Reality in the NHS: Phase 2 – Practical Considerations, Cancer Research UK

What are you solving for ?





Verpora
General Capabilities 2023

Thank You