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Value Attribution for Combination Therapy

An HTA View

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 Disclosures

- Incoming senior leader at the Institute for Clinical and Economic Review, which has evaluated the value of several combination oncology regimens.
- The Center for the Evaluation of Value and Risk in Health receives financial support from drug and device manufacturers, governments, and academic institutions to develop and maintain a number of research datasets.


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 The Problem

- Rapid innovation in oncology
- Increased use of combinations of *patented* products

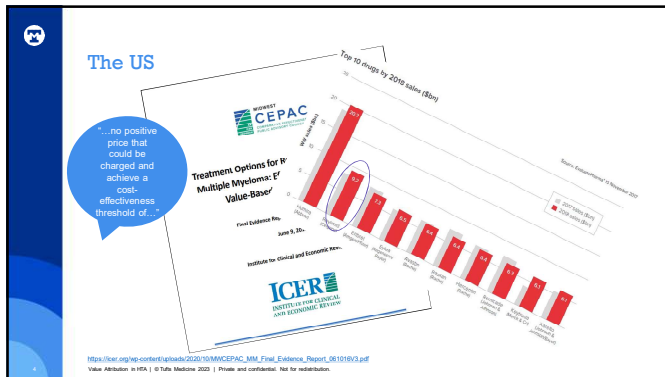


- Higher prices



- "Not cost-effective at zero price"
- But the problem is different in...

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And Europe

- Combined price misaligned with clinical benefit of combination
- Adding Rx to cost-effective "backbone" pushes over threshold
- Additional backbone costs take up all incremental space during prolonged survival
 - The "treat to progression" problem
- Value of combination not purely additive
- Market power imbalance between manufacturers
- Limited vehicles for indication-based pricing

<https://www.tandfonline.com/doi/pdf/10.1080/14737167.2021.1873644?needAccess=true>


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So What is HTA Doing About It?

- Traditional tools for economic evaluation do not have the flexibility
- Difficult to re-negotiate prices already agreed
- Value attribution frameworks still considered exploratory
- Improvement now will require multi-stakeholder collaboration

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So What Are Stakeholders Doing About It?

- Industry: discussing approaches to pricing and packaging combinations with components made by different companies
- HTA: discussing ways to pilot value attribution framework(s) and indication-based pricing
- Multi-stakeholder effort in Sweden*:
 - Mediated communication between companies, indication-based pricing, and price monitoring over time
 - Consider voluntary commitment or contractual obligations
 - Create new exception to anti-competition law
 - Full transparency in economic submissions to HTA
 - Weighting price based on monotherapy vs. combo use


*<https://www.tuftsmedicine.org/files/inline-images/modern-pharmaceutical-innovation-and-pricing>
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Summary


- Development of combination regimens increasing
- Pricing issues are not going away
- Solutions must be multi-stakeholder in nature
- Opportunity to develop a negotiation framework and pilot-test value attribution methods

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Thank You!

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