



Cancer52 Position Statement on Value Based Pricing (VBP): Update September 2013

Background

Cancer52 has been closely monitoring the development of Value Based Pricing (VBP) in the UK. VBP was proposed by Government in 2010 as a key way to deliver improved access to medicines. The idea was to link the price of a new medicine more closely to the value that it generates to patients, carers and society. VBP is due to be implemented in January 2014.

Cancer52 supports efforts to improve access to medicines. We have previously highlighted our concerns that VBP risks making access worse, and not better. It also risks leaving those with rare cancers behind.¹

VBP Now

The VBP policy has changed considerably since the proposals were set out in 2010. We now understand that VBP will include:

- A wider assessment of the value of new medicines including Burden of Illness (BoI) and Wider Societal Benefits (WSBs) (but without an explicit innovation element). WSB appears to be focused on changes in production (such as employment) and consumption (such as buying in childcare) than perhaps was anticipated at the outset.
- The wider assessment of the value of new medicines will be undertaken by the National Institute for Health and Care Excellence (NICE) in England. We don't know whether the Scottish Medicines Consortium (SMC) will adopt changes seen in England or not. We also don't know what role the All Wales Medicine Strategy Group (AWMSG) will take as that seems to depend on whether VBP will be applied to all new medicines or not.
- The results of the value assessment may lead to the Department of Health (DH) taking the view that some treatments are worth paying more, or less, for than others. We assume this might lead to some negotiation on price between the DH and companies

VBP remains a mystery

But we still don't know exactly how this will all work, nor how patients can be involved in value assessment.

¹ Cancer52, [Position Statement on VBP](#), November 2012



Impact of VBP is uncertain

The impact of VBP is incredibly uncertain; we don't know if it will improve access nor whether it will really capture the value of new medicines to patients. There are likely to be winners and losers; for some with a rare cancer with a new medicine which helps them to get almost completely better and live a long life VSBs could help them access those medicines. But we fear that this won't be the case.

Cancer52 is asking for:

- NICE to continue to **improve their approach to patient involvement**, including for new medicines that are subject to VBP.
- NICE to **ensure that the wider value assessment is not just an opportunity for health economists** to use ever more complex analysis that runs the risk of being abstracted from the realities faced by patients
- **Full and open approach to evaluations of VBP**. This should include how far VBP has changed research priorities, including the focus on research to treat those with rare and less common cancers. Cancer52 is willing to work with all stakeholders to build on the opportunities of reform and to improve access to medicines in the UK.

Contact

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