

CAR-Ts and indication-specific pricing in Europe



CAR-Ts and indication-specific pricing in Europe: highlights from a meeting of complex pricing experts with PRMA Consulting.

A recent meeting of complex pricing experts from across the EU5 countries focused on the variability among countries of payers' and policy-makers' attitudes to innovative pricing, and the practical challenges for implementation of complex pricing schemes capable of satisfying a range of country requirements.

Here are our highlights from the meeting:

- Countries across Europe have had mixed experiences with complex pricing schemes in the past and the challenges for successful implementation are recognized and understood.
- Well-designed schemes are required and the implementation burden must be commensurate with potential benefits.
- Payers will be keen to avoid striking complex pricing agreements early in the product life-cycle that could prevent them from capturing future benefits from increased competition.
- Outcome-based payment schemes based on response rates are not the preferred solution for payers. In most countries, survival is the outcome that is valued, and the link between response and survival is often inconsistent.
- The technical feasibility of implementing complex pricing schemes varies significantly by country, with different legal obstacles, attitudes of health systems to the costs and benefits of data collection, and capability of existing data infrastructure.
- In general, the principal of rewarding differential value through indication-specific pricing appears to be accepted. However, Spain and Italy are currently the only countries where indication-specific pricing has been implemented to any significant degree.
- In Spain, indication-specific pricing agreements are diverse and decentralized. They are most common at a local level, originating from manufacturer–provider negotiations on access.
- In other markets, the practicalities and potential costs of implementation are significant obstacles for adoption.
- Alternative mechanisms for rewarding value across different indications, such as volume-weighted pricing and price–volume agreements, are currently preferred in some markets.
- However, the limitations of these mechanisms are recognized and a shift towards patient-level schemes is feasible if the burdens of data collection, aggregation, auditing, and ensuring appropriate financial flows can be addressed.

Our expert advisory group meets regularly to discuss topics that we identify or that are raised by our clients. This means that, as a client, you have a valuable opportunity at regular intervals to engage with and elicit feedback from experts on specific issues you face in complex pricing.

If you would like to discuss how the PRMA Consulting expert group on complex pricing could benefit your strategy, I would be happy to have a confidential conversation with you or your colleagues.



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