

# Designing effective managed entry agreements: insight from Spain

**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 MEAs, and the practical challenges for implementation capable of satisfying a range of country requirements.**

Here we summarize the insights from the Spanish discussion.

Budget caps are still the most common approach. However, novel approaches to MEA are being considered and implemented at regional/hospital level, with Andalusia and Catalonia being the more advanced regions.

Two examples of such approaches at a hospital level have taken a holistic approach of portfolio contracting to facilitate market access for new entrants:

- Agreement with a manufacturer setting a fixed annual budget over a period of years: this ensured access to and use of new innovative treatments at a premium price, while the hospital benefitted from discounts of zero price stock across the manufacturer's whole portfolio. This enabled the hospital to achieve annual savings of approximately 25% for the duration of the agreement.
- Disease area portfolio agreement with a manufacturer with a fixed spend on two innovative agents: other products within an agreed group were provided at zero price and the contract was renewed annually for 4 years. This enabled the hospital to cap budget growth and allow access to innovative, premium-priced treatments, while benefitting patients in other disease areas.

The payer considered both approaches to be successful and replicable. For manufacturers, there is value in engaging with innovative regional payers for pragmatic agreements such as a simple financial-based approach, which does not require monitoring of outcomes or patient-level data. Manufacturers proposing such an agreement should consider the following:

- Robust financial planning and monitoring is required.
- The short-term focus makes it easy to adjust or stop to allow for changes in rapidly evolving markets.

- There is a potential opportunity for portfolio contracting to enable access to new market entrants, offsetting costs with discounts on other products in the portfolio. However, tendering takes precedence, so this would not include products that fall into a tendering process.
- The agreement is driven by one individual who has taken an innovative approach and is open to agreements with individual manufacturers which meet the goals of both parties.
- A significant amount of work is involved on the hospital side to monitor usage and budget – many regions and hospital would prefer a fixed price per product.

Follow the link below to view our full presentation, which provides a detailed examination of the opportunities and challenges for manufacturers in implementing MEAs.

Through a review of the learnings on MEAs in the EU5 and case studies of innovative approaches, the presentation provides you with insights for overcoming barriers to acceptance and successful implementation and key principles for manufacturers on what to consider when proposing MEAs.

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