

Transparency of cancer medicine prices and rebates

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OECI 2024 Oncology Days

Cancer Economics WG Session

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WHO Collaborating Centre
for Pharmaceutical Pricing
and Reimbursement Policies

Gesundheit Österreich
GmbH 

Declaration of interest / Disclaimer

No conflict of interest to declare.

Economist: working as senior researcher & policy expert in the Austrian National Public Health Institute (Gesundheit Österreich / GÖG) owned by the Austrian Ministry of Social Affairs, Health, Care and Consumer Protection

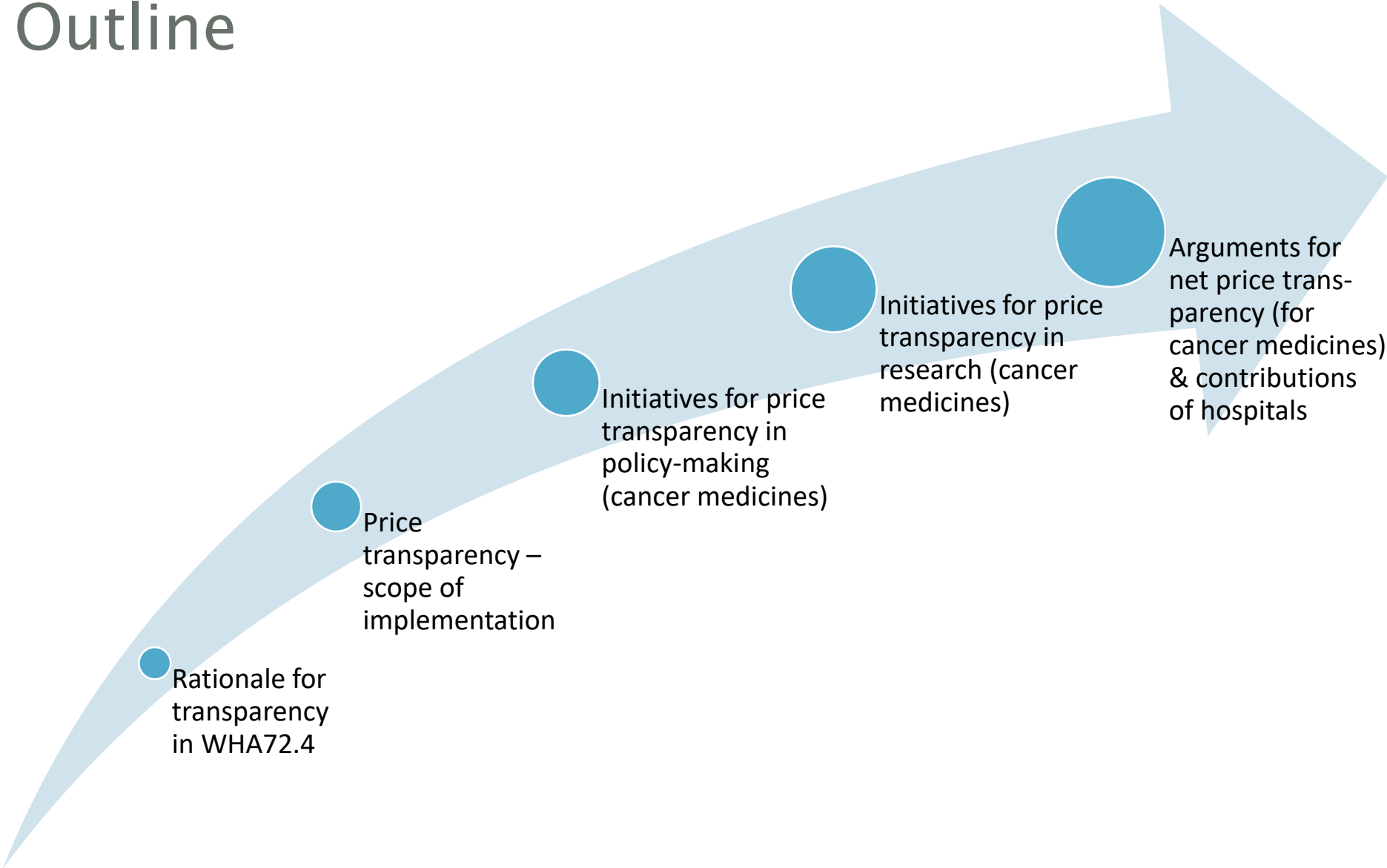
- Co-founder and coordinator of Pharmaceutical Pricing and Reimbursement Information (PPRI), a network of competent authorities for pricing and reimbursement in 50 countries
- Involved in the Beneluxa Initiative

Disclaimer:

The information and data provided in this presentation was collected and analyzed by the WHO Collaborating Centre for Pharmaceutical Pricing and Reimbursement Policies located at the Pharmacoeconomics Department of GÖG.

The data do not have any legally binding value. This is not a presentation of WHO. The presenter is responsible for the views expressed in this presentation, and they do not necessarily represent the decisions and policies of the WHO.

Outline



WHA72.8 resolution: Asks to MS

- Take appropriate measures to **publicly share information on the net prices of health products**;
- Take the necessary steps [...] to **support dissemination of** and enhanced availability of and access to aggregated **results data** and [...] **costs from human subject clinical trials** regardless of outcomes [...];
- Work collaboratively to **improve the reporting of information by suppliers** on registered health products, such as reports on sales revenues, prices, units sold, marketing costs, and subsidies and incentives;
- Facilitate improved public reporting of **patent status** information and **marketing approval** status of health products

Accountability of how taxpayers' money is spent

Reduce overpaying (list prices)
Stop sending wrong signals to others (EPR)
Strengthening the balance (equal level field)

Results: ethical and moral obligation, protect patients from treatment that is unlikely to cure, avoid redundancies in trials ("waste"), support evidence-based P+R
Costs: R&D costs as argument for high price – lack of proof, consideration of public funding

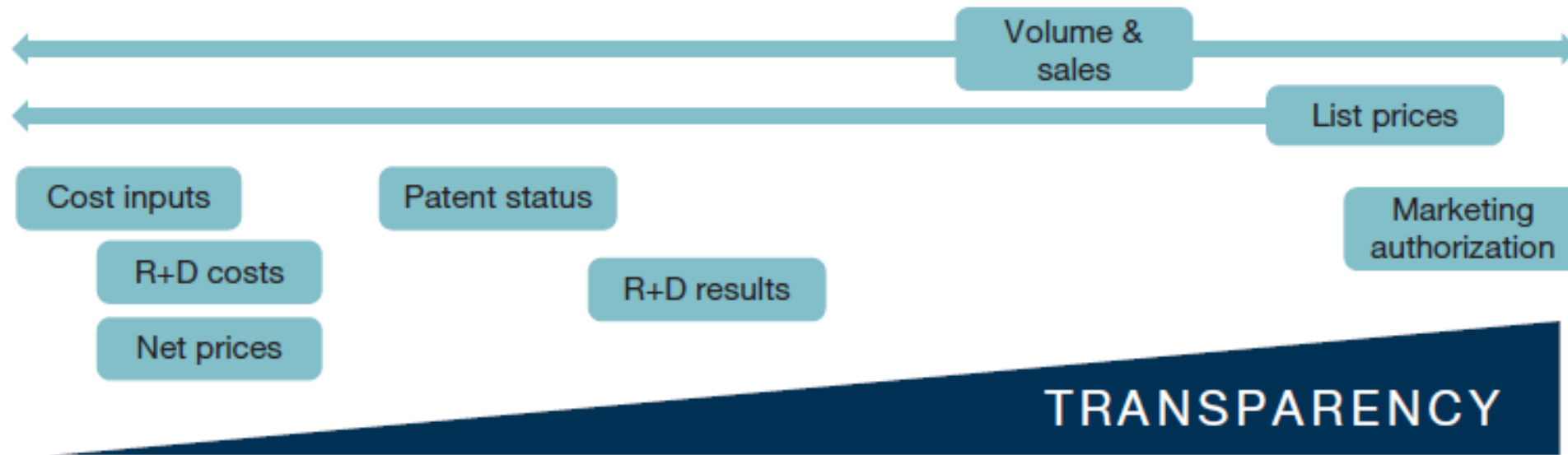
More evidence-based decision-making

Patent: preparedness for generics / biosimilars
MA/commercialisation: actual access/availability

http://apps.who.int/gb/ebwha/pdf_files/WHA72/A72_ACONF2Rev1-en.pdf

Overview of implementation of WHA72.8

Fig. 8. Overview of mapping access to data in 48 countries



www.who.int/europe/publications/i/item/9789289058322

Vogler S. Access to information in markets for medicines in the WHO European Region. Oslo Medicines Initiative technical report. Copenhagen: WHO Regional Office for Europe; 2022. Licence: CC BY-NC-SA 3.0 IGO.

List prices

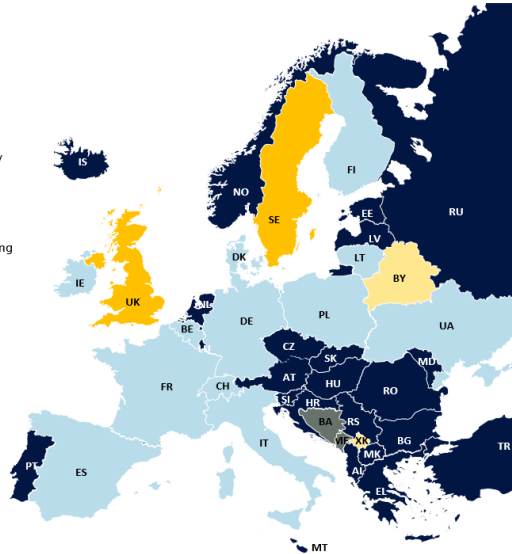
Net prices
(real / actual prices)

based on
value

prices in other countries (EPR)

ppri.goeg.at/sites/ppri.goeg.at/files/inline-files/PPRI%20Report2018_2nd_edition_final.pdf

- EPR as main pricing policy
- EPR as supportive pricing policy
- No EPR; use of other pricing policies
- No price regulation
- No Information available
- No PPRI member country



Other EPR-applying countries ...

Determine a (benchmark) price

TOO HIGH

Procurers
(authorities/
hospitals)

Negotiate a more affordable
price (confidential discount)

Publish the higher list price

Initiatives in policy-making for striving more net price transparency for (cancer) medicines

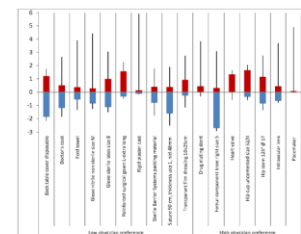
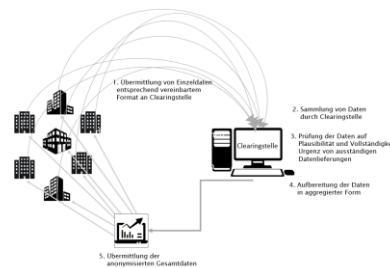
Flaging “fake prices”

AUT, Euripid

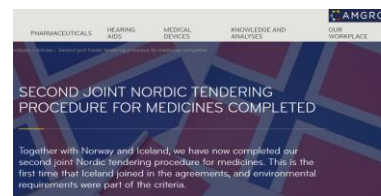


“Clearing house” mechanism

Beneluxa Collaboration
Initiative on Pharmaceutical Policy



<https://bmjopen.bmj.com/content/bmjopen/10/2/e035174.full.pdf>



THE VALLETTA DECLARATION

SECOND JOINT NORDIC TENDERING PROCEDURE FOR MEDICINES COMPLETED

Together with Norway and Iceland, we have now completed our second joint Nordic tendering procedure for medicines. This is the first time that Iceland joined in the agreements, and environmental requirements were part of the criteria.

Requesting net price / discount information, where feasible



Tabella D.4.1 Prezzo del Prodotto applicato in altri Stati UE e UK (in euro)

Stato	Indicazione rimborsata e data inizio rimb.	Altre valutazioni sulla rimborsabilità*	Confezione	Prezzo EXF al netto dell'IVA	Prezzo Unità posologica	Sconti negoziati SI/NO	MEA SI/NO**	Accordi di riservatezza SI/NO***	Entità degli Sconti negoziati (%)	n. confezioni vendute (periodo di riferimento <->)
ITALIA										
Austria										
Belgio										
Bulgaria										

LINEE GUIDA
PER LA COMPILAZIONE DEL DOSSIER
A SUPPORTO DELLA DOMANDA
DI RIMBORSABILITÀ E PREZZO
DI UN MEDICINALE
ai sensi del D.M. 2 agosto 2019

TRANSPARENCY

Initiatives in research on net price transparency for (cancer) medicines/1



ppri.goeg.at/sites/ppri.goeg.at/files/inline-files/PHIS_Hospital%20Pharma_Report_2.pdf

Collaboration with hospitals providing net prices

Research Article

Southern Med Review

Discounts and rebates granted to public payers for medicines in European countries

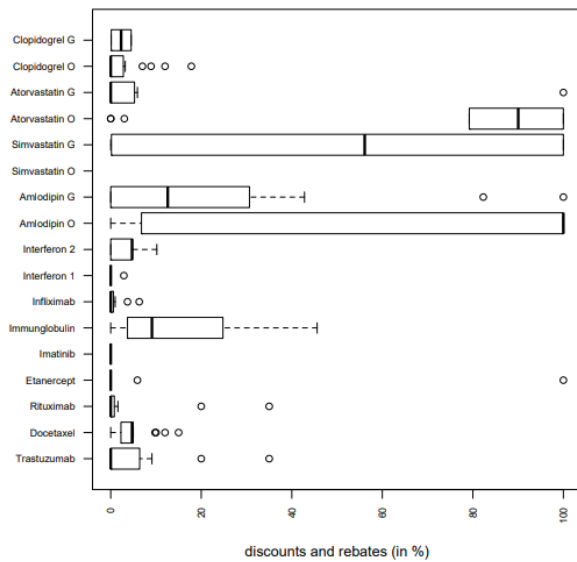
Sabine Vogler¹, Nina Zimmermann¹, Claudia Hahl¹, Jutta Piessnegger², Anna Bucsis²

https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3471187/

6 The Open Pharmacoeconomics & Health Economics Journal, 2013, Volume 5

Vogler et al.

ppri.goeg.at/sites/ppri.goeg.at/files/inline-files/Vogler_TOPARMEI_Discounts_Rebates_HospitalUse_2013_1.pdf



Payers' experiences with confidential pharmaceutical price discounts: A survey of public and statutory health systems in North America, Europe, and Australasia

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^b WHO Collaborating Centre for Pharmaceutical Pricing and Reimbursement Policies, Vienna, Austria
^c Drug Policy Research Group, Department of Population Medicine, Harvard Medical School and Harvard Pilgrim Health Care Institute, Boston, USA



https://www.sciencedirect.com/science/article/pii/S0168851017300301

Confirm wide-spread use of discounts, incl. high-priced medicines
 Show limited head-room for monopoly cancer medicines, no "best deal"

Initiatives in research on net price transparency for (cancer) medicines/2

may lead to
higher list prices

online.library.wiley.com/doi/abs/10.1002/hec.4112

Abstract

Managed entry agreements (MEAs) have been used for several years, with the aim of curbing the growth of pharmaceutical expenditure and enhancing patient access to innovation. Yet, much remains to be understood about their economic implications. This paper studies the impact of MEAs on list prices, that is, prices before the deduction of any discount. Using a theoretical model, we show that, under most price setting regimes, the introduction of an MEA leads to a higher list price. This is confirmed by our empirical analysis of a sample of 156 medicines in six countries, providing a conservative estimate of the increase in price due to the MEA of 5.9%. A relevant policy implication is that payers may overestimate the financial gains that can be achieved through this tool.

KEYWORDS

managed entry agreements, pharmaceutical prices, risk-sharing agreements

Gamba S, Pertile P, Vogler S. The impact of managed entry agreements on pharmaceutical prices. *Health Econ.* 2020;29(51):47–62

No empirical evidence on
impact on access to
medicines



Webb E, Richardson E, Vogler S, Panteli D (2022): [W](#) [the implications of policies increasing transparency paid for pharmaceuticals](#). World Health Organization European Observatory on Health Systems and Policies

Initiatives in research on net price transparency for (cancer) medicines/3

Actual and list price of expensive cancer medicines

“Best deal”?

Country		Romania*	Hungary**	Poland***	Lithuania	Czech Republic	Latvia	Portugal	Spain (N=2)	Italy (N=2)	France (N=2)	Germany (N=2)	United Kingdom* ***	Belgium (N=2)	Netherlands (N=3)	Norway****
GDP/capita (€)		7,500	10,500	10,700	12,400	14,700	14,800	16,600	22,800	23,600	32,200	32,500	34,500	36,000	39,300	73,400
Herceptin® 1 vial/150 mg (€) ^a	Actual price	563.14	516.47	N/A	476.56	481.82	674.80	N/A	506.88	557.70	542.43	670.00	562.71	517.92	605.25	497.74
	List / official price	585.26	630.38	537.99	476.56	502.73	N/A	509.13	573.58	913.45	542.43	718.33	562.71	536.76	606.49	523.50
Trastuzumab	Actual price															
	List / official price															
Perjeta® 1 vial/420 mg (€) ^a	Actual price	2,677.24	2,594.37	N/A	N/A	2,590.91	2,762.00	N/A	2,590.18	2,850.81	2,891.10	2,440.00	3,308.01	2,754.72	3,000.00	N/A
	List / official price	2,677.24	N/A	2,419.94	N/A	2,649.10	N/A	2,761.64	2,910.58	4,113.44	2,891.10	2,580.83	3,308.01	2,840.66	3,000.00	2,474.58
Pertuzumab	Actual price															
	List / official price															
Mabthera® 1 vials /100 mg(€) ^a	Actual price	238.19	N/A	N/A	N/A	N/A	295.27	N/A	210.56	262.39	266.44	N/A	241.16	210.38	271.13	210.80
	List / official price	247.96	220.53	287.72	N/A	420.91	N/A	228.80	238.06	395.67	266.44	691.62	241.20	218.38	279.27	217.47
Rituximab	Actual price															
	List / official price															
Avastin®	Actual price	283.67	N/A	176.53	237.12	N/A	345.26	N/A	278.01	300.33	250.65	N/A	335.16	312.26	321.54	260.93
	List / official price															

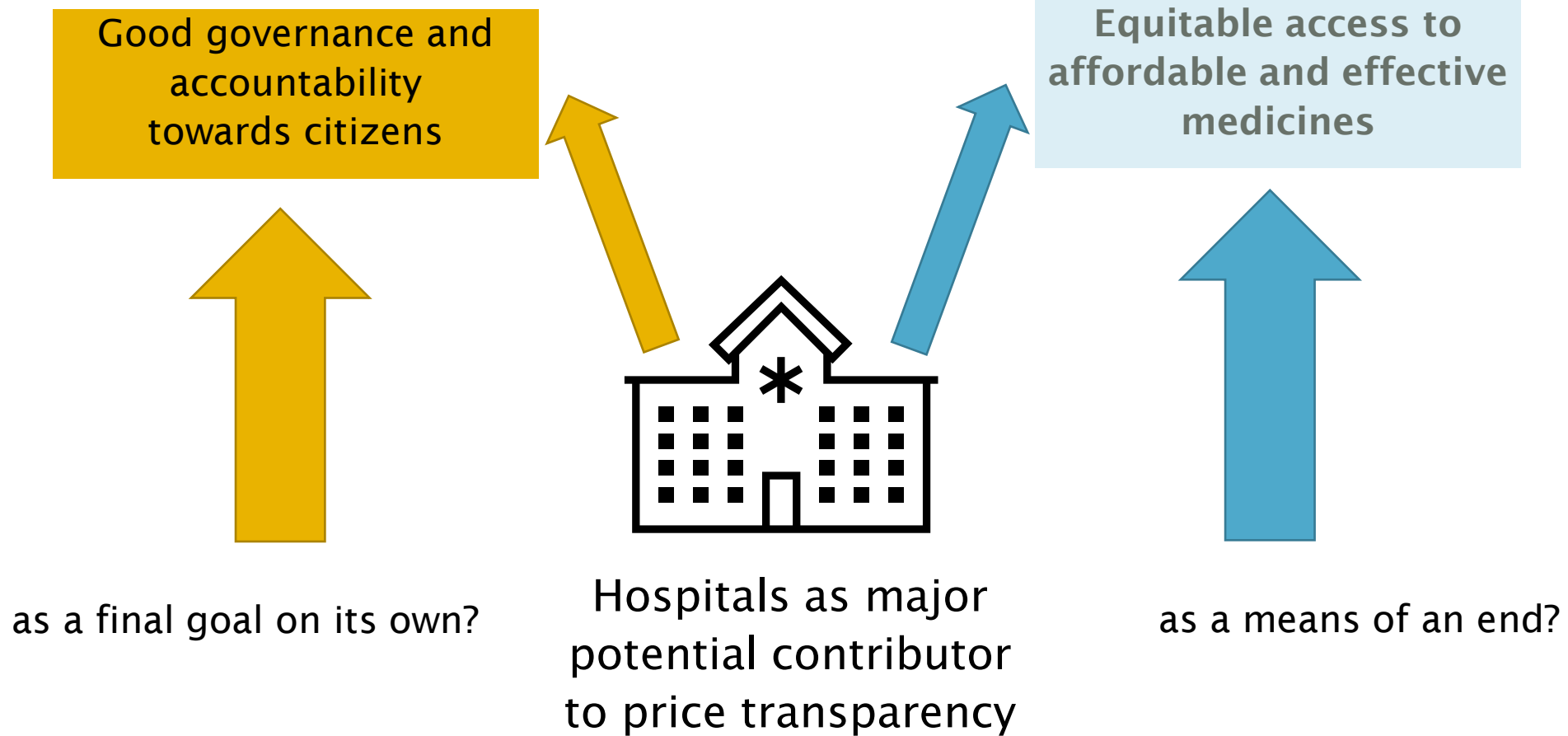
Collaborative OEI effort!

pubmed.ncbi.nlm.nih.gov/26670093/

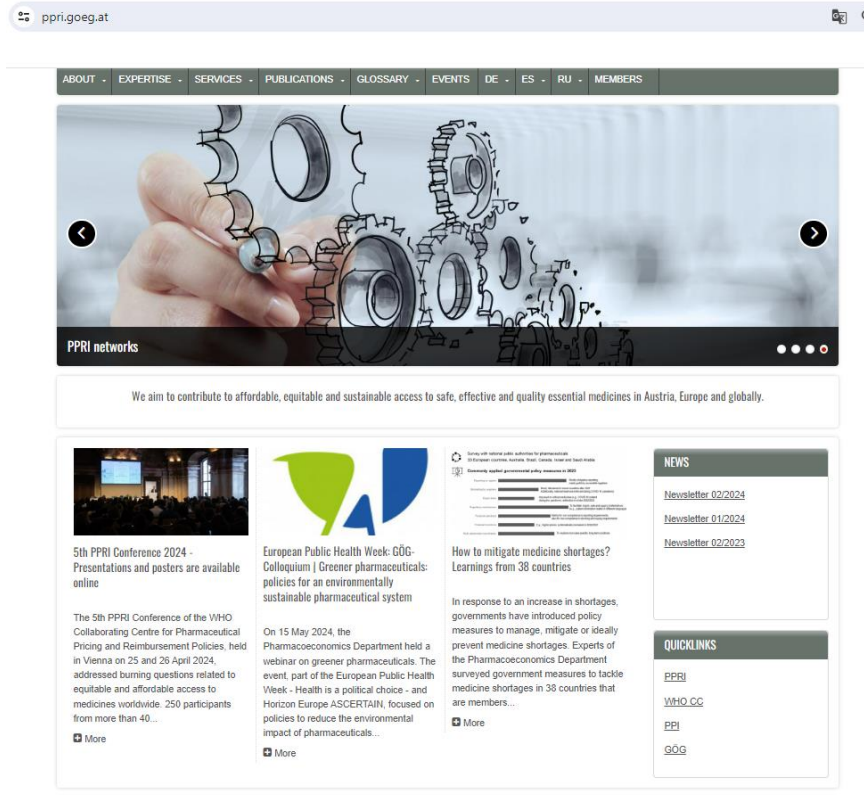
Excerpt from Annex – further price data available

van Harten WH, Wind A, de Paoli P, Saghatchian M, Oberst S. Actual costs of cancer drugs in 15 European countries. The Lancet Oncology. 2016;17(1):18–20

Why (net) price transparency?



Thank you for your attention



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TRANSPARENCY IN PRICE NEGOTIATIONS

dr. N. Franzen, the Netherlands Cancer Institute

NKI Team: J. Vancoppenolle, MSc
prof dr. V. Retèl, prof dr. W. van Harten

12th of June 2024



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Kom op
tegen
kanker

NORWEGIAN
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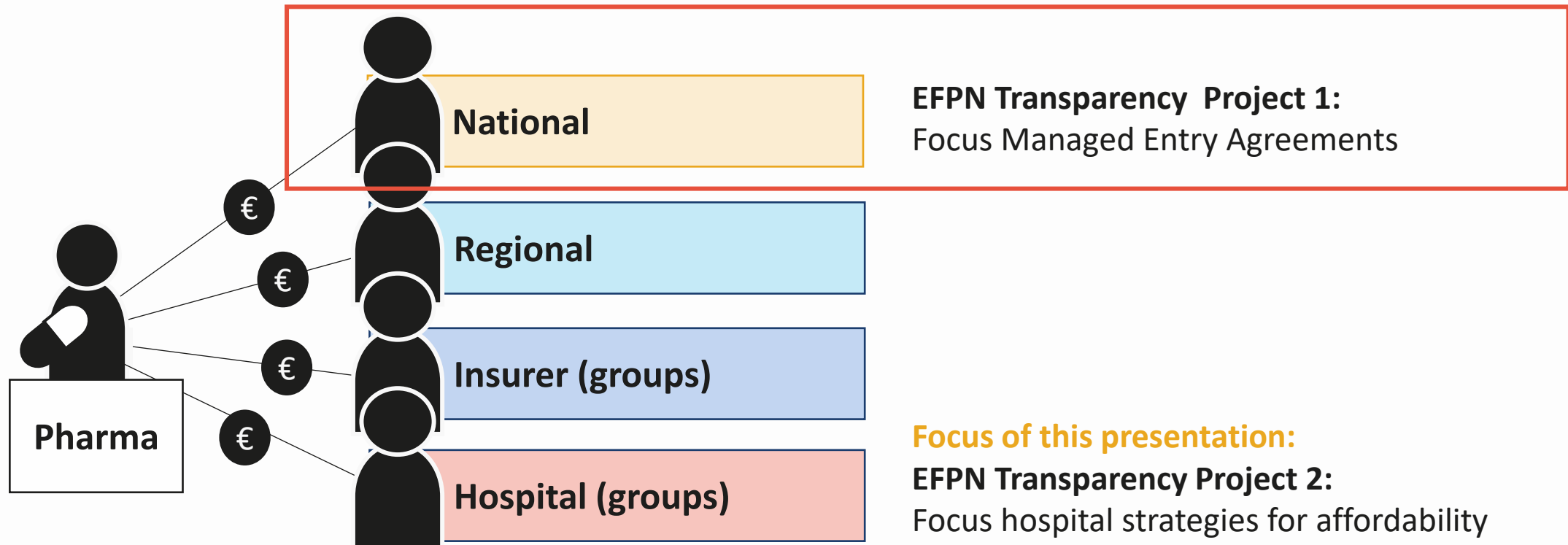
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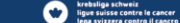
Dutch Cancer Society

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Price negotiations at national, regional, insurer, and hospital level



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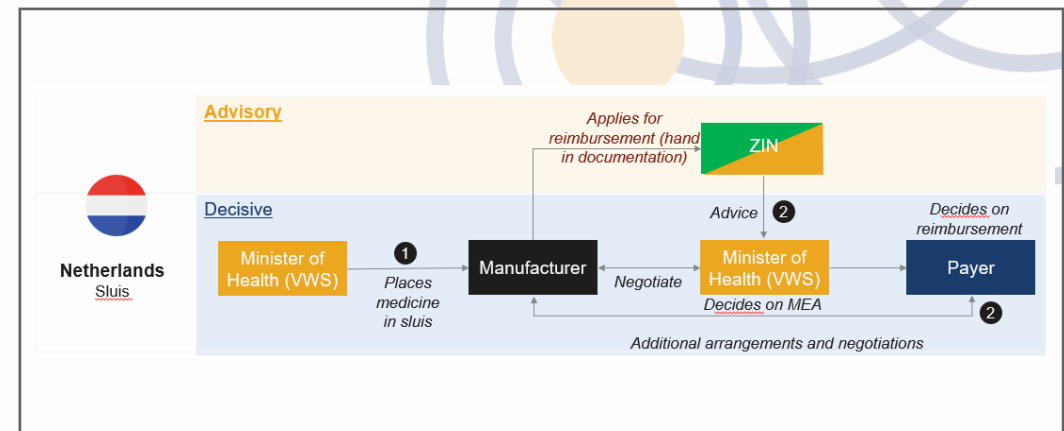


Public Data on Managed Entry Agreements in 15 European countries

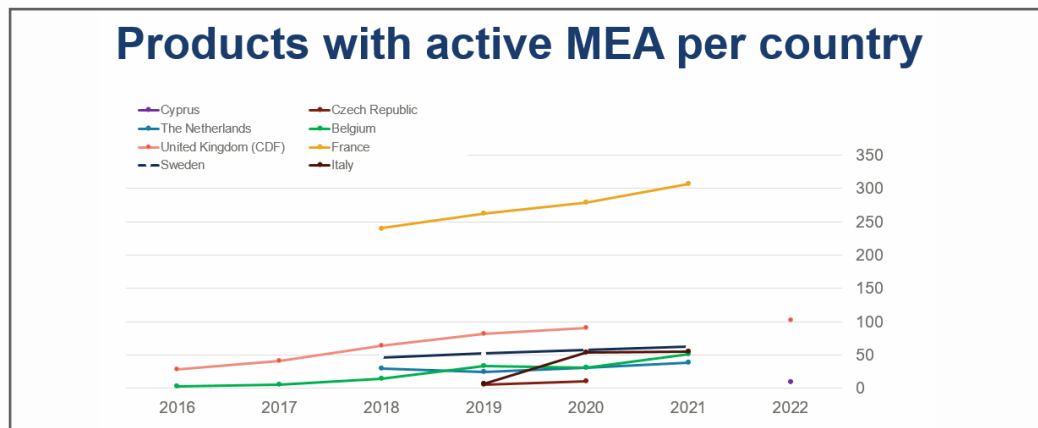
N Franzen, J Vancoppenolle, S Vogler, V Retel, W van Harten

Objective: To improve transparency regarding MEAs by investigating and comparing their non-confidential elements across selected European countries.

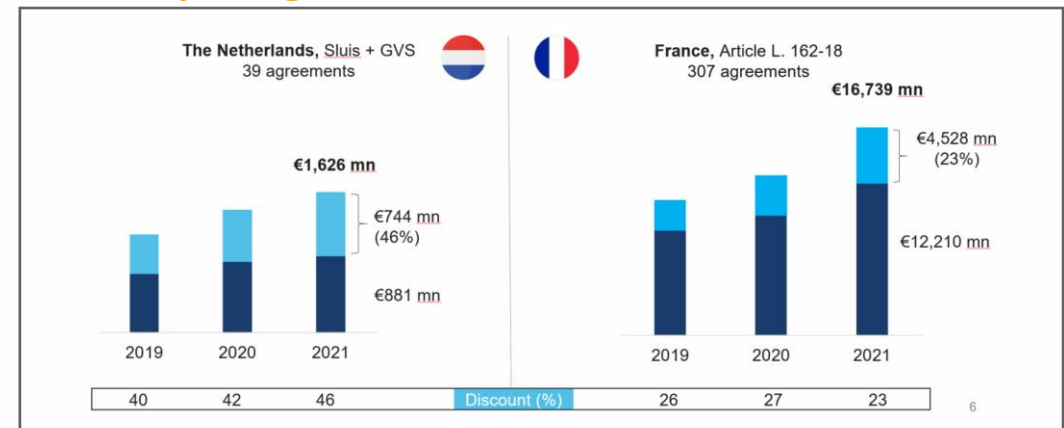
1. Flowcharts



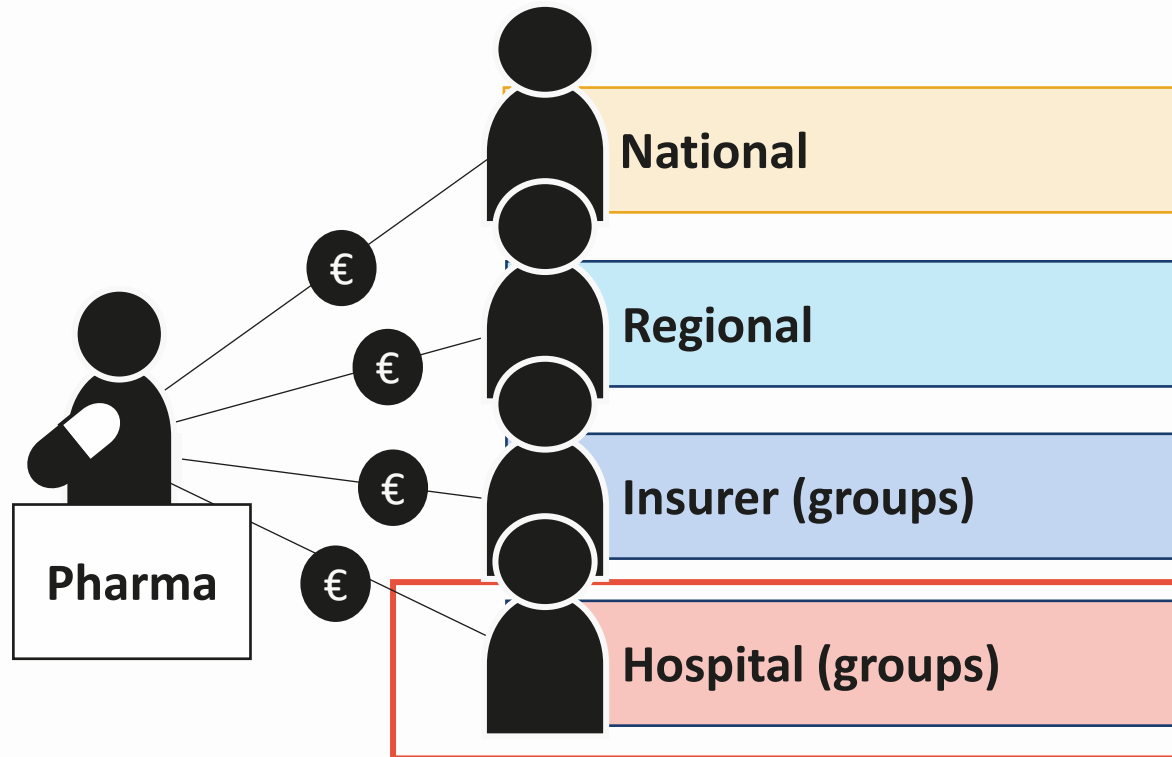
2. Number of MEAs



3. Comparing Financial information



Price negotiations at national, regional, insurer, and hospital level



EFPN Transparency Project 1:
Focus Managed Entry Agreements

EFPN Transparency Project 2:
Focus hospital strategies for affordability



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Price Transparency of Innovative Cancer Drugs: A Crucial Step towards Informed Price negotiations

J Vancoppenolle, N Franzen, (...) V Retel, W van Harten

Rational:

- In many countries, hospitals play an important role in access & budgets.
- OEI study indicated large price differences (58%) with limited access

Objective:

- Collect average actual prices of cancer medicines per European country.
- Identify price/expenditure reduction strategies of hospitals.



THE LANCET
Oncology

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COMMENT | VOLUME 17, ISSUE 1, P18-20, JANUARY 2016

Purchase Subsc

Actual costs of cancer drugs in 15 European countries

Wim H van Harten • Anke Wind • Paolo de Paoli • Mahasti Saghatchian • Simon Oberst

Collection price data



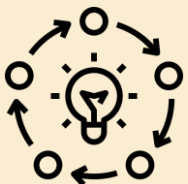
Stimulate participation



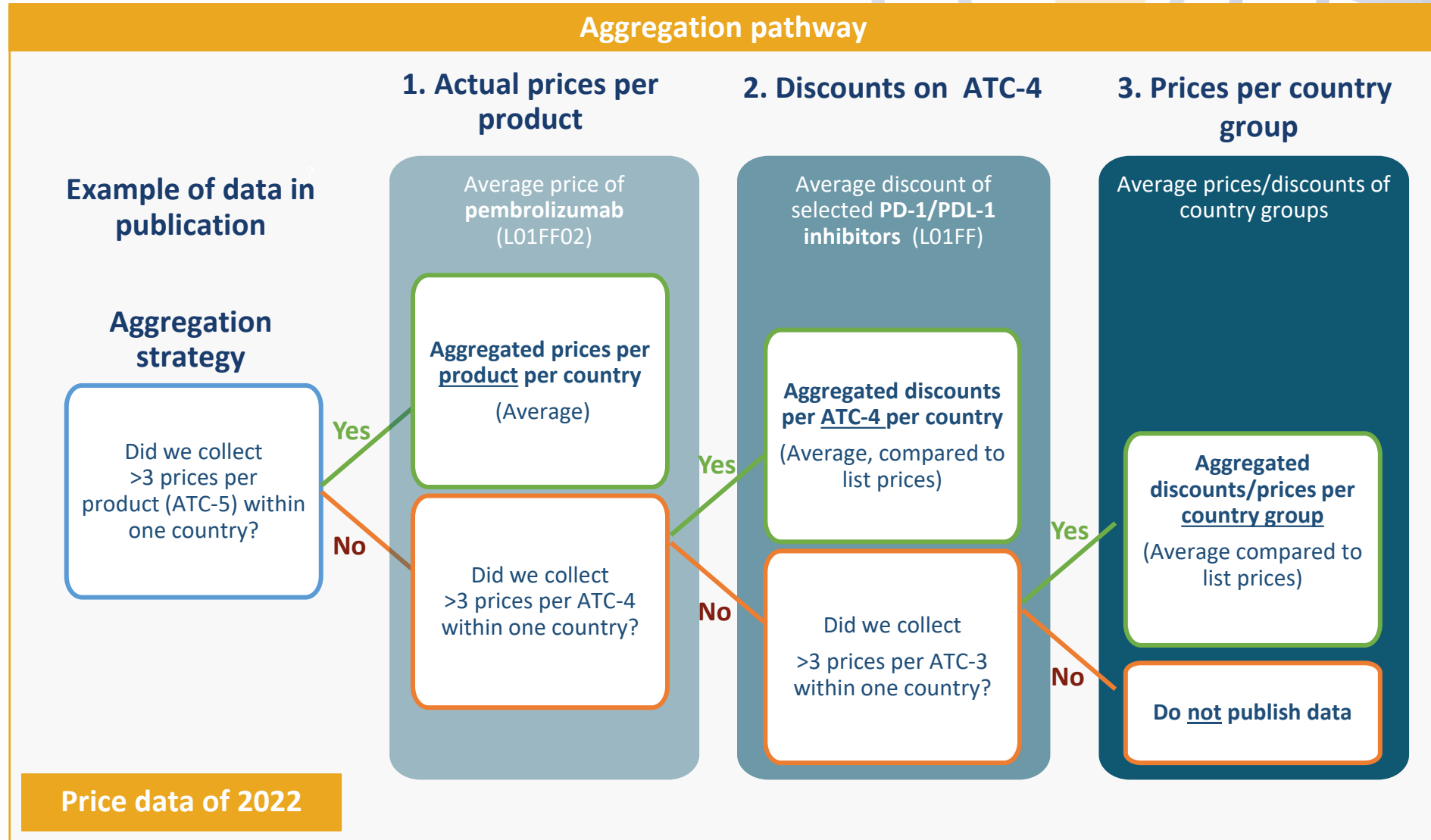
Legal counseling



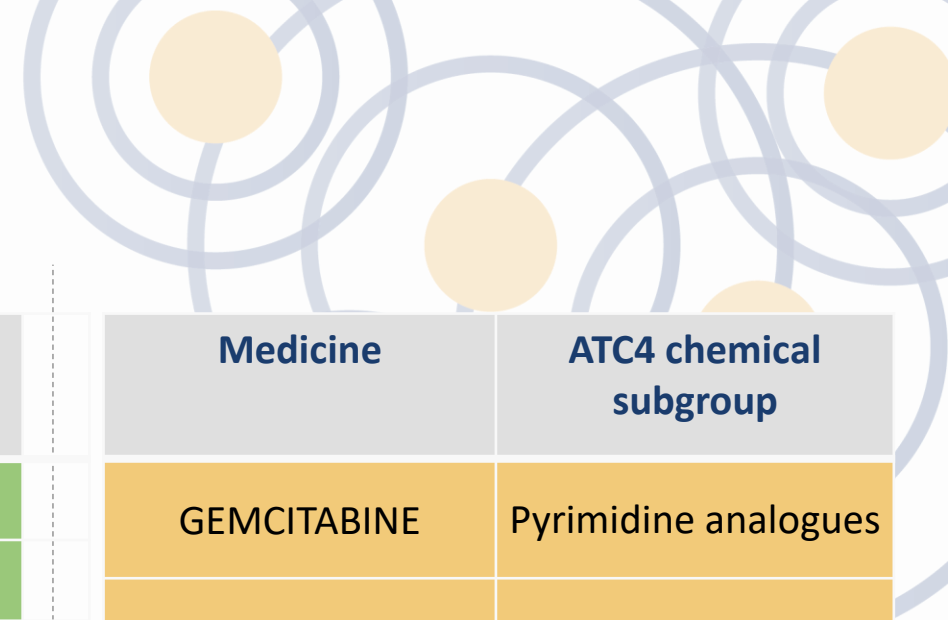
Anonymity & Aggregation



Adaptive Methodology



Selection of medicines



Medicine	ATC4 chemical subgroup
IBRUTINIB	BTK-inhibitors
ACALABRUTINIB	BTK-inhibitors
DARATUMUMAB	CD38 -inhibitors
ISATUXIMAB	CD38 -inhibitors
NIVOLUMAB	PD-1/ PDL-1 - inhibitors
PEMBROLIZUMAB	PD-1/ PDL-1 - inhibitors

Medicine	ATC4 chemical subgroup
PALBOCICLIB	CDK-inhibitors
RIBOCICLIB	CDK-inhibitors
ABEMACICLIB	CDK-inhibitors
ENZALUTAMIDE	Anti-androgens
POMALIDOMIDE	Other immuno suppressants

Medicine	ATC4 chemical subgroup
GEMCITABINE	Pyrimidine analogues
CAPECITABINE	Pyrimidine analogues
ABIRATERONE	Other hormone antagonists & related agents
LENALIDOMIDE	Other immuno suppressants

Selection of medicines

Medicine	Patent expiration
IBRUTINIB	2026
ACALABRUTINIB	2032
DARATUMUMAB	2031
ISATUXIMAB	2030
NIVOLUMAB	2026
PEMBROLIZUMAB	2028

Monopoly

- Patented
- No/little treatment alternatives

Medicine	Patent expiration
PALBOCICLIB	2028
RIBOCICLIB	2029
ABEMACICLIB	2029
ENZALUTAMIDE	2024
POMALIDOMIDE	2024

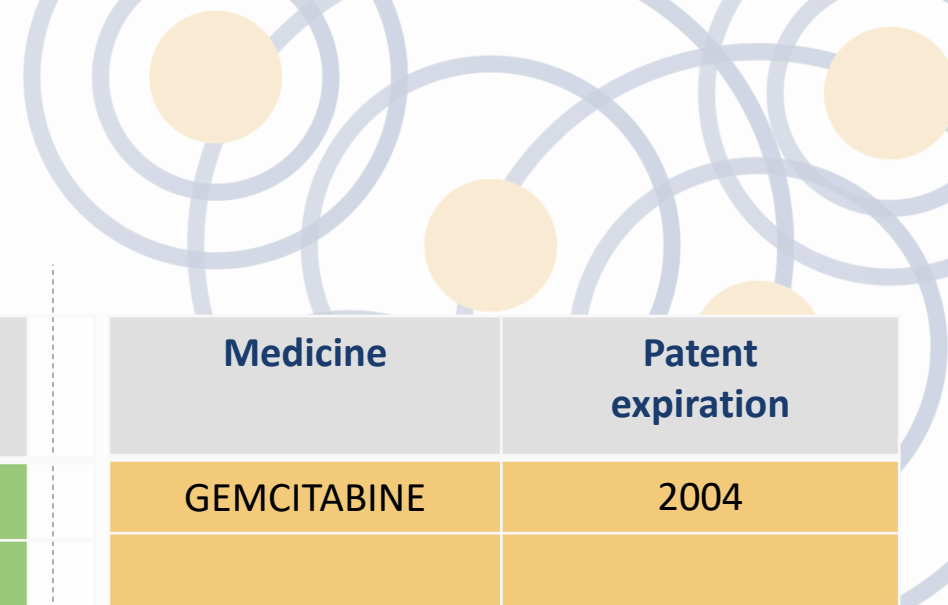
Oligopoly

- Nearly/newly off-patent
- Some treatment alternatives

Medicine	Patent expiration
GEMCITABINE	2004
CAPECITABINE	2013
ABIRATERONE	2022
LENALIDOMIDE	2017

Competition

- Generics
- Multi-source





on our results



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Krebsliga Schweiz
liga suisse contre le cancer
liga svizzera contro il cancro



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**Fori og Sidos
legene Kåber**



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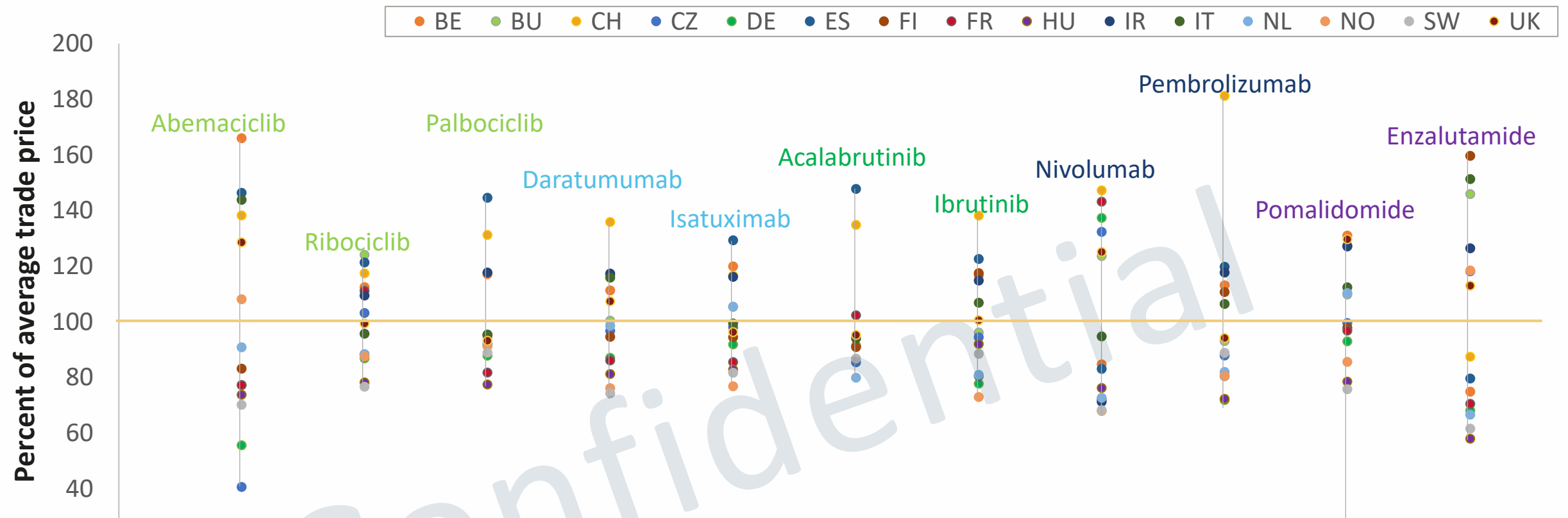
nou
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Differences in public prices

Relative 2022 Average Trade prices, Percent



Range (€)	3321	2598	3590	1811	2893	2083	821	2157	3525	8380	3065
Range (%)	125	102	79	67	68	47	53	65	109	106	62

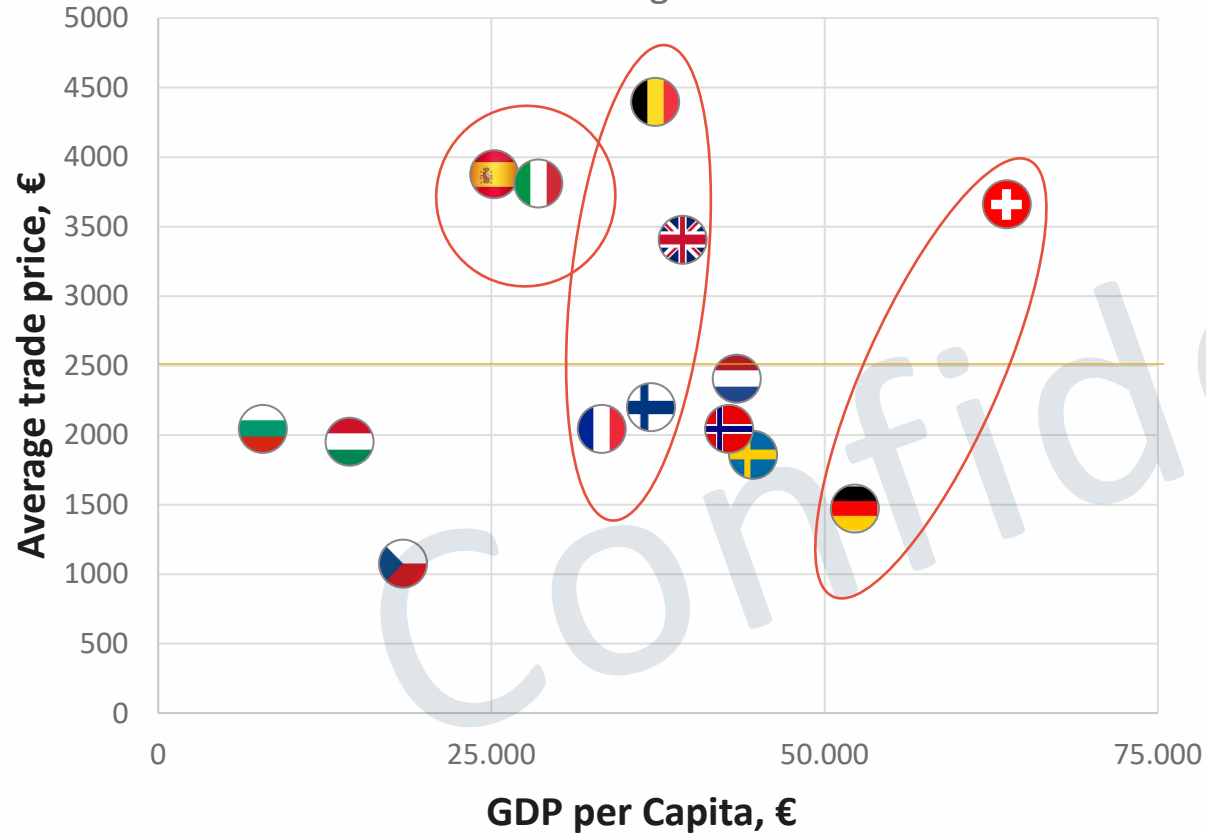
Average trade price = sales revenue/units package sold, exl VAT & margin of pharmacies and wholesalers

Differences in public prices

2022 Average Trade prices, €

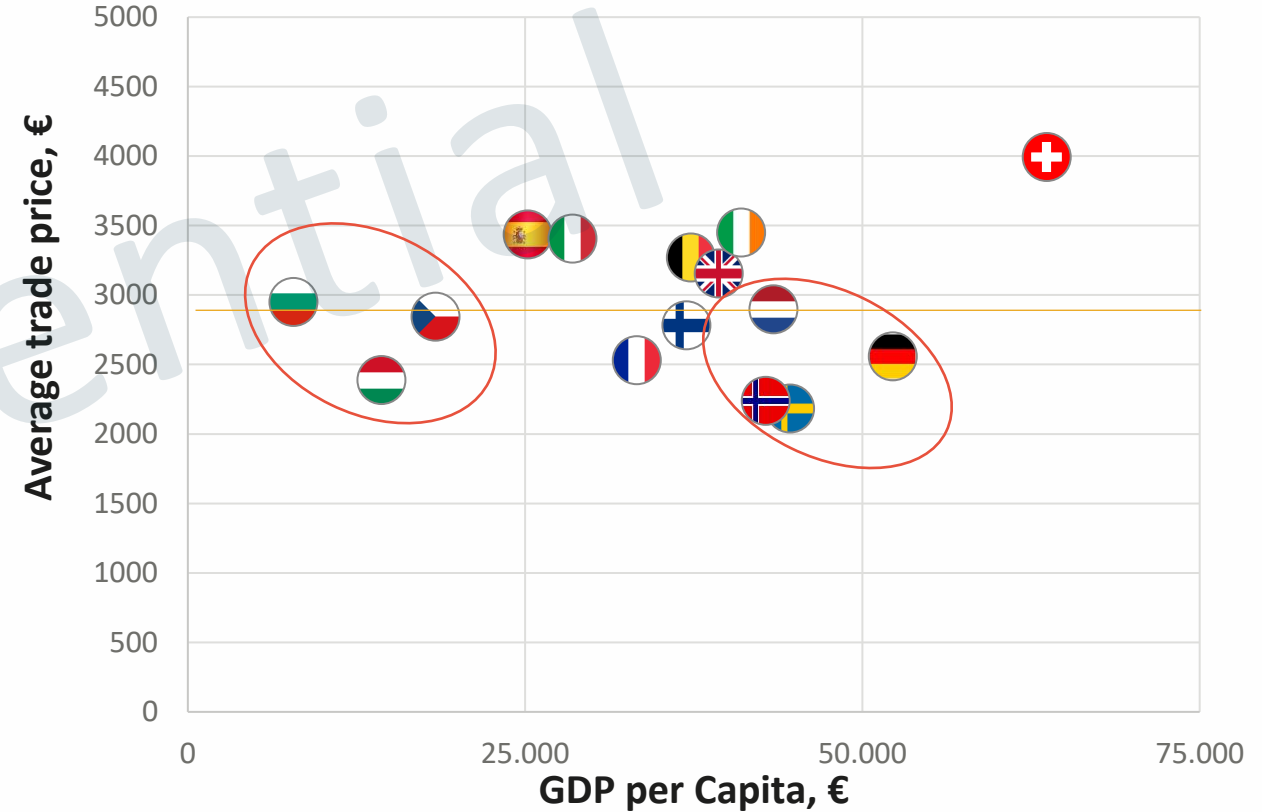
Abemaciclib

FC tab 150mg x 56



Enzalutamide

FC tab 40mg x112



But what about real prices?

Analyzing confidential (real) prices

Inclusion Status

	Included Hospitals: goal 3 per country				
The Netherlands	●	●	●	●	●
Germany	●	●	●	●	
France	●	●	●		
Italy	●	●	●		
Hungary	●	●	●		
Portugal	●	●	●		
Denmark	●	●	●		
Belgium	●	●	●		
Switzerland	●	●	●		

N= 14
4 hospitals with (strong) interest

Confidential discounts, averages

N = 12 hospitals, 5 countries

Average discount

28%



Patented vs Non-Patented

13%

63%

Monopoly

Oligopoly

Competition

11%

16%

63%

PD-1/PDL-1 - inhibitor	BTK-inhibitors	CD38-inhibitor	CDK-inhibitors	Anti-androgens	Other immune suppressant	Pyrimidine analogues
11%	14%	16%	17%	31%	65%	49%



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Koninkrijk
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Come and join us!

Introduction & explanation

- 45 minutes
- Identification of the right contact within hospital
- Questions & remarks
- Additional requirements/permissions

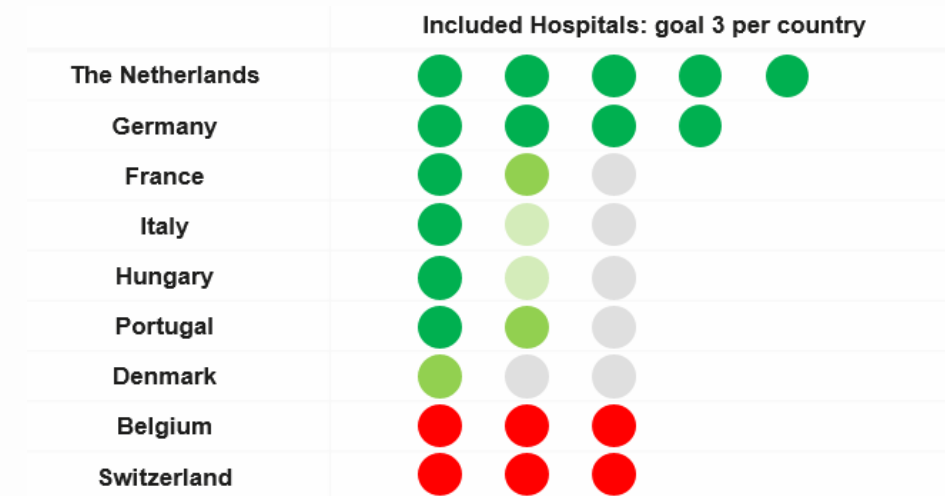
Preparation

- 90-120 minutes
- Interview questions are shared
- Participating hospital prepares the questions

Data collection

- 60 minutes
- Data orally submitted
- Interview not recorded
- Data is saved anonymously

- **Co-authorship possible**
- my email: n.franzen@nki.nl
- **Inclusion ends Jul 31 2024**



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tegen kanker

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TRANSPARENCY IN PRICE NEGOTIATIONS

dr. N. Franzen, the Netherlands Cancer Institute

NKI Team: J. Vancoppenolle, MSc
prof dr. V. Retèl, prof dr. W. van Harten

THANK YOU!



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Lets discuss!



<https://www.mentimeter.com/>

Code: **5461 1315**

1. High prices of anticancer medicines are a challenge for our hospital.
2. Our hospital successfully negotiates with pharmaceutical companies to purchase cancer medicines at more affordable prices.
3. More information of prices of other hospitals and countries (e.g. price transparency) will help our hospital/country to better negotiate prices.



Legal steps taken

- (1) The research protocol has been approved by the advocacy division of the Antoni van Leeuwenhoek hospital. To ensure compliance with legal aspects, **external legal counsel Van Doorne** has performed a competition law analysis based on the original EFPN research proposal and again to this price study.
- (2) The research division will only publish **price** information that is at the time of publication **at least one year old**.
- (3) Price information submitted to the EFPN will be **anonymized and aggregated before any publication** or broadcasting so that it **cannot be traced back to one single institute, hospital, organisation** or patient or a limited number of those. Price information will only be published on a product level if more than 3/5 data points have been collected per country. If not, the EFPN will publish price information per ATC 4 level, ATC 5 level or group countries per region. If not sufficient data points are collected, data will not be published.
- (4) The research division of **EFPN** will act as the primary and **only recipient** of Confidential Information within EFPN.
- (5) The research division will process price information by secured e-mailing. The research division will store information in a **secure and confidential filing location**, with sole access for selected members of the EFPN research unit.
- (6) Data will be transferred through an **anonymous link**.



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liga svizzera contro il cancro

Kon ig 5000
tegen kanker

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