

Health Economics Summer School

Roundtable Discussion

Value-Based Pricing: A NICE Approach?

Heidelberg, Studio of Villa Bosch, September 27, 2007, 08:00 p.m.



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In February 2007, the UK Office for Fair Trading (OFT) recommended a “value based” approach to pricing of pharmaceuticals. In principle, this could take two different forms for in-patent products:

1. *Ex post* value based pricing – freedom of pricing at launch followed up with five-yearly reviews of cost effectiveness.
2. *Ex ante* value based pricing – up front cost effectiveness review and price setting, followed by five-yearly reviews. Under this model, where there is insufficient data at launch, a risk sharing approach may be taken.

OFT argue that reform is needed to incentivise industry to develop the products that are valued most by patients.

The roundtable discussion is expected to inform the audience of international differences in the approaches used for pricing and reimbursement and how well each approach serves national interest.

¹Inited (as at March 30, 2007).

Please note that situations might arise in the future that require change and revision of the program.