

# National Institute for Health and Clinical Excellence

## Cancer Drug Fund Consultation

### Response to Consultation

This document is the response from NICE to the Government's proposals for a Cancer Drugs Fund, set out in a consultation document published on 27 October 2010. Our response is limited to the consultation questions that make direct reference to work that NICE does to appraise cancer drugs or which have a bearing on it.

**Question 5: Is there anything further that could be done to ensure that the Fund operates in a way that encourages drug companies to put forward improved value propositions to the NHS?**

Response:

Although we agree that companies should put their very best offer forward to the NHS, in circumstances where NICE has already undertaken an appraisal, is it wise to present the Fund as an opportunity for manufacturers to improve on what they have offered through the NICE process? Would it not be better to signal to companies that we expect them to put their best offer to NICE and not to imply that the Fund might be an opportunity to improve their terms in what they might regard as less testing circumstances? Clearly, where a drug has not been appraised by NICE, it makes sense to encourage companies to make their best offer through the Fund arrangement.

**Question 12: Is there a role for NICE, in the context of the Fund, in signalling the technologies that are potentially of significant clinical value (albeit they were unable to recommend them as cost effective)?**

Response:

The appraisals which NICE undertakes of cancer drugs involve a thorough exploration of their clinical effectiveness. The extent and nature of the incremental therapeutic benefit of a new drug is set out (in our standard Technology Appraisal Guidance) in Section 3 (The Technology) which provides a detailed description of the indication(s) for which the drug is licensed and in Section 4 (Consideration of the Evidence), which rehearses the clinical studies relevant to the appraisal and the way in which the Independent Appraisal Committee has used it to underpin their recommendations. Importantly, both Section 4 and the 'Summary Table of the Appraisal Committee's Key Conclusions' highlight important aspects of the evidence base and commentary from expert groups that have influenced their decision. Regional groups responsible for the administration of the Cancer Drugs Fund will be able to form a good understanding of the clinical effectiveness of new cancer drugs from this narrative. In addition, from May 2012, we will facilitate access to the clinical effectiveness evidence underpinning NICE technology appraisals through a new presentation of medicines information on NHS Evidence.

**Question 13: Do you agree that it would be appropriate for the regionally based panels to decide not to fund drugs where a manufacturer has refused to cooperate with the NICE appraisal process?**

Response

Yes, we agree with this proposal. Regional groups responsible for the Cancer Drugs Fund will need access to the full evidence base in order to make the decisions. Without the information which in this circumstance companies have not found it possible to provide to NICE, regional groups will be materially constrained in their ability to make properly informed decisions.

**Question 14: What more could be done to deter pharmaceutical companies from charging higher prices for new drugs in expectation these will be met by the Cancer Drug Fund?**

Response

The pricing strategies of companies operating in the life sciences industries are guided by what they consider the market will bear. It will not be possible to establish whether a company has priced a product at a rate that they consider likely to result in a negative or optimised NICE appraisal, on the basis that they will more likely achieve their sales through the Cancer Drugs Fund. However, given the opportunity that the Fund represents for the companies, it would be reasonable for the Department of Health to seek the support of the Association of the British Pharmaceutical Industry and other industry groups, in encouraging companies to operate within the spirit in which the fund has been established.

**National Institute for Health and Clinical Excellence  
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