

# **NICE INDUSTRY COUNCIL**

## **MINUTES**

**Wednesday 5<sup>th</sup> April 2017 10.00am to 12.00pm**

### **ATTENDEES**

Professor David Haslam, Chairman, NICE  
Mr Tim Irish, Non-Executive Director, NICE  
Sir Andrew Dillon, Chief Executive, NICE  
Professor Carole Longson, Executive Director, NICE

John Kearney, President ABPI and General Manager, Amgen  
Richard Erwin, Chair ABPI Value & Access Workstream & General Manager, Roche  
Mike Thompson, Chief Executive, ABPI  
Richard Torbett, Executive Director, Commercial, ABPI  
Paul Catchpole, Value & Access Director, ABPI

### **Item 1: Introductory remarks**

The minutes of the last meeting were agreed as an appropriate record. All matters arising were covered on the agenda as substantive items.

### **Item 2: Charging for appraisals**

NICE reported that DH/Treasury are deciding on the precise arrangements for charging for appraisals. Material changes may be tested with the relevant Trade Associations if their views were not already known. The first charges would be levied from April 2018.

ABPI reported that industry did not support charging and that NICE should not plan on receiving guaranteed income from companies in 2018/19. Further discussion was needed.

### **Item 3: NICE consultation on addressing affordability**

ABPI thanked NICE for coming to the ABPI Board and for the frank discussions which as ever were highly valued. Industry did get the affordability challenge and indeed had taken on commercial risk via the PPRS in order to help address it. ABPI

had been dismayed that the emerging affordability mechanism was seemingly at odds with the industrial strategy. The signal being sent to global boardrooms is that first in class innovative medicines risked being delayed by up to three years before optimum levels of uptake could be achieved. The UK could not be considered open for business in this regard and, as 3% of the world market, it should not be disincentivised further at this crucial time.

It was agreed that the opportunities from the industrial strategy and the next PPRS negotiation provide vehicles for further dialogue and AAR could be used as a further stepping stone. Progressing innovative access agreements for AAR will require the engagement of the new NHS England strategic commercial medicines unit. A key requirement was to ensure that value assessment discussions were integrated fully into any discussions about commercial agreements.

#### **Item 4: AZ proposals on market access architecture**

NICE shared that companies periodically come to the table with new ideas and in this context Astra Zeneca had approached NICE before Christmas to share ideas about a new market access architecture. These had been discussed in the context of the life sciences industrial strategy. NICE had suggested that the OLS should bring stakeholders together to discuss further in order to see whether a broad consensus could be achieved for the life sciences strategy. NICE asked about ABPI's views of the proposals and ABPI indicated that AZ had shared their proposals a few months ago and thinking had evolved. There had been high level conversations at the ABPI Board and there was support at the principles level.

There was industry support for an evolved structured decision making framework. NICE made clear that cost effectiveness assessments would need to remain as part of the process. Further thought would be needed on how to align on the proposals and how to test them, but everything needed to be brought back together in the next PPRS agreement.

The PPRS negotiation might provide the opportunity to revisit the relevance of 'opportunity cost' in the system, if a more effective mechanism could be found to control NHS expenditure on medicines.