NICE INDUSTRY COUNCIL
MINUTES

Wednesday 5th 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 approach 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.