Board meeting

13 December 2023

Routine arrangements for antimicrobials following a public consultation

Purpose of paper

For information and assurance.

Board action required

The Board is asked to acknowledge the positive consultation feedback for the proposed routine arrangements for evaluating and paying for antimicrobials.

Brief summary

The public consultation on NHS England and NICE's co-developed proposals for an Antimicrobial Subscription Model closed on 2 October 2023. The proposals are being updated to incorporate consultation feedback, with an aim to share the revised proposals with companies in the new year and launch the scheme in spring 2024.

Board sponsor

Nick Crabb, Interim Director, Science, Evidence and Analytics

Helen Knight, Director, Medicines Evaluation

Introduction

At its seminar on 16 December 2022, the Board discussed proposals for a routine approach to evaluating and paying for antimicrobials, co-developed by NICE and NHS England based on the learnings from our [joint pilot project](https://www.nice.org.uk/about/what-we-do/life-sciences/nice-advice-service/models-for-the-evaluation-and-purchase-of-antimicrobials). NHS England hosted a [public consultation](https://www.engage.england.nhs.uk/survey/the-antimicrobial-products-subscription-model/) on the proposals between 10 July and 2 October 2023. Under the new Antimicrobial Subscription Model model, NHS England will offer each company a contract with a fixed annual fee that is delinked from the volume of the antimicrobial that is prescribed to patients, for products that meet the eligibility criteria and offer value for money to the NHS. The value of the contract will be determined by a NICE-convened panel.

Background

The pilot project provided the world's first health economic quantification of the full value of 2 important antimicrobial products, by capturing the population health benefits that extend beyond the benefits for people receiving the drug. Despite several sources of uncertainty, the pilot showed that products targeting difficult-to-treat drug-resistant pathogens, designated as a global priority by the World Health Organisation (WHO), can have sufficient value to the NHS to justify subscription-style contracts. In light of this important conclusion and other [lessons learnt from the joint pilot](https://www.nice.org.uk/Media/Default/About/what-we-do/Life-sciences/models-for-the-evaluation-and-purchase-of-antimicrobials/AMR-lessons-learnt.docx), NICE and NHS England developed a more pragmatic approach to determine the value of the contract payments for eligible products. An expert evaluation panel, convened and managed by NICE, will assess each product against pre-specified award criteria using a points-based scoring system. The award criteria are divided into 3 categoires: relative effectiveness and unmet clinical need; pharmacological benefit; and health system benefit. The more points a product achieves against the award criteria, the higher the contract value band into which it will be placed (see Table 1). For England, the value bands range from £5m per year to £20m per year per product.

Table 1: Value bands to determine contract values, linked to the award criteria scoring system (as proposed in the consultation)

|  |  |  |  |
| --- | --- | --- | --- |
| Band 1  | Band 2 | Band 3 | Band 4 |
| Breakthrough antimicrobial | Critical new antimicrobial | Priority new antimicrobial | Important new antimicrobial |
| £20mn/year | £15mn/year | £10mn/year | £5mn/year |
| Achieves ≥80% of max score against award criteria | Achieves between 70% and 79% of max score against award criteria | Achieves between 60% and 69% of max score against award criteria | Achieves between 50% and 59% of max score against award criteria |

The values in table 1 represent England's payments only. Scotland, Wales and Northern Ireland would pay proportionate amounts. NHS England, the Department of Health and Social Care and NICE are engaging with the devolved governments to formalise their involvement in the subscription model.

NICE's role will be resourced by the Medicines Evaluation programme within the Centre for Health Technology Evaluation, using the same pool of technical and operational staff for antimicrobial and non-antimicrobial work to maximise efficiencies and flexibility to recruit and allocate topics. The costs will be recovered by NHS England.

Consultation response

We received comments from 49 organisations and individuals; mostly from the pharmaceutical industry, but also from academia and clinicians. NICE and NHS England are working together on the thematic analysis, which will be published early in 2024.

There is a high degree of support for the proposals, and stakeholders recognised the need for a different evaluation and payment approach for antimicrobials. The subscription model has been celebrated by stakeholders in the UK and internationally as the first pull incentive for antimicrobials that will be implemented anywhere in the world. A [report published by the Office of Health Economics](https://www.ohe.org/publications/novel-uk-antimicrobial-subscription-model-investor-perspective/) after the consultation suggests that investors are confident that, if similar policies are implemented by other countries, there will be a sufficient monetary incentive globally to stimulate antimicrobial research and development.

The consultation raised some questions for NHS England regarding the procurement framework and contract management. We also received detailed comments on the award criteria, which we are incorporating where appropriate, based on input from clinical experts from the NHS England Antimicrobial Resistance Programme and the UK Government’s Advisory Committee on Antimicrobial Prescribing, Resistance and Healthcare Associated Infection (APRHAI). Amendments to the process and award criteria must be reviewed and approved by NHS England, as the lead contracting authority for the procurement process.

Timelines

NHS England will share the updated proposals, including the award criteria, with companies in the new year as part of ‘pre-market engagement’; a standard step in all public procurement exercises. Companies will have the opportunity to comment again at this stage. The new scheme will launch around spring 2024, when NHS England issues the first ‘invitation-to-tender’.

We have appointed the chair of the new Antimicrobial Evaluation Panel, a clinical pharmacologist and intensive care consultant. The rest of the panel will be recruited over the coming months.

Board action required

The Board is asked to acknowledge the positive consultation feedback for the proposed routine arrangements for evaluating and paying for antimicrobials.

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