

Statement of intent on NICE's approach to ongoing evaluations ahead of proposed changes to NICE's standard cost-effectiveness thresholds

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Introduction

NICE uses cost-effectiveness thresholds in health economic evaluations to determine whether health technologies represent value for money for use in the NHS in England.

The Department of Health and Social Care (DHSC) has signalled its intent to increase the standard cost-effectiveness threshold that NICE uses in technology appraisals (TAs) from £20,000 to £30,000, to £25,000 to £35,000. In a health service funded by general taxation, it is right that the elected government makes decisions on overall spend levels.

NICE cannot implement this change until it receives a direction from the Secretary of State for Health and Social Care, and underpinning changes to the NICE regulations have been proposed by the DHSC to enable this. The DHSC has recently consulted on proposed changes to the NICE regulations to give the Secretary of State a power to direct NICE on the cost-effectiveness thresholds used in NICE evaluations.

Subject to parliamentary approval, DHSC processes and associated timelines, we anticipate that the DHSC will direct NICE to implement the increased threshold from April 2026. NICE will continue to engage closely with the DHSC, NICE users and wider stakeholders to anticipate and mitigate disruption should expected timelines change significantly.

From the point of such a direction, the relevant manuals will change the standard cost-effectiveness threshold from £20,000 to £30,000, to £25,000 to £35,000. Principle 7 of the [NICE principles](#) will also be updated. No other

changes to NICE's manuals will be made. NICE's committees will use the new standard cost-effectiveness threshold in any committee meetings that take place from the date that the manuals have been changed.

It is for the DHSC to decide which NICE programmes a threshold change will apply to. The DHSC has confirmed that the proposed changes will only apply to NICE's TA programme. The DHSC has indicated that the threshold used for highly specialised technologies will remain unchanged.

Rationale for implementation approach

NICE's standard approach for updates to its manuals is to only apply changes to new evaluations that are started after the manual has been updated. However, the increase to NICE's cost-effectiveness thresholds will be made following a direction by Department of Health and Social Care (DHSC) ministers and therefore is not a typical methods change.

Furthermore, because the threshold increase can impact the price of a technology being evaluated, some companies with technologies in ongoing evaluations which are due to publish final guidance before the manuals are anticipated to change in April 2026 might want to delay the evaluation until the new threshold can be applied.

NICE considers that following its usual approach will result in significant delays and terminations in ongoing evaluations of new medicines. This risks creating a substantial backlog in NICE's technology appraisal (TA) work programme, leading to delays in patient access to new medicines and NICE's ability to publish timely guidance.

Therefore, NICE considers that an alternative transitional approach to implementing the increase to its cost-effectiveness threshold is required. The approach outlined aims to give NICE users clarity to mitigate risk.

Implementation across NICE work programmes

Approach for TAs for medicines and HealthTech products

We anticipate that NICE will be directed to implement a new threshold by the Department of Health and Social Care (DHSC) from April 2026, subject to ongoing DHSC processes. For technology appraisals (TAs) that are currently in development but for which the first committee meeting will take place from April 2026, TA processes will continue as usual. Committees will be able to apply the new standard threshold in their decision making from the point of the DHSC directing NICE to do so. This is likely to be from April 2026. We will communicate with NICE stakeholders should timelines change, reflecting ongoing DHSC processes.

For TAs for which the final committee meeting has already taken place or will take place before NICE receives a direction (likely April 2026) but NICE has not yet issued final draft guidance, NICE will apply cost-effectiveness thresholds as follows:

1. Committee meetings will proceed as scheduled in the period prior to NICE receiving a direction, using the current standard cost-effectiveness threshold of £20,000 to £30,000 during this period.
2. If a technology is found to be cost effective using the current standard threshold of £20,000 to £30,000, NICE will proceed to release final draft guidance as usual.
3. If a technology is not found to be cost effective using the current standard threshold of £20,000 to £30,000 but the company indicates that applying the new threshold of £25,000 to £35,000 could result in a positive recommendation:
 - a. Release of final draft guidance will be paused until NICE can apply the new threshold, following a DHSC direction. This will likely be from April 2026.

- b. Once the new threshold is applied, NICE will automatically increase the maximum acceptable incremental cost-effectiveness ratio (ICER) that the committee has decided on under the current NICE thresholds by £5,000. This will not require further committee discussion.
 - c. Publication processes and commercial processes will then continue as usual.
- 4. If a technology is not found to be cost effective using the current thresholds of £20,000 to £30,000 and it would not be recommended even when the threshold would increase by £5,000, NICE will proceed to releasing negative final draft guidance as usual.

This approach applies to all technologies undergoing evaluation through NICE's TA programme. These are primarily medicines, however, we anticipate a small number of HealthTech topics to be evaluated through this programme.

Approach for HealthTech and guidelines programmes

It is for the DHSC to decide which NICE guidance programmes a threshold change will apply to. DHSC has confirmed only that the proposed changes will apply to NICE's TA programme.

NICE has proposed that the increase in threshold is applied across all NICE guidance as appropriate. We await a government decision on application to the HealthTech and guideline programmes. If a change to thresholds were to be agreed for HealthTech and guidelines, NICE would follow a similar, pragmatic implementation approach to the TA programme, taking into account appropriate adjustments to reflect the different characteristics of the programmes. This would support implementation across the programmes.

Decisions would apply to ongoing evaluations from the point of a manual change.

Next steps

The proposed approach is transitional.

After NICE receives a direction from the Department of Health and Social Care (DHSC) to change NICE's standard cost-effectiveness threshold, the relevant manuals and NICE principle 7 will be updated in an editorial change. NICE's committees will use the new standard threshold in any committee meetings that take place from the date that the manual has been changed.

If NICE does not receive a direction from the DHSC in a timely manner, the standard cost-effectiveness threshold will stay at its current level of £20,000 to £30,000 and the statement of intent will be retired. Any topics that were paused under this approach to wait for the new threshold will be restarted and guidance published using the current threshold. NICE will engage closely with the DHSC and our stakeholders throughout, to anticipate and mitigate potential disruption and delays in such a scenario.