

20 February 2008

NHS
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Dear [REDACTED]

Final Appraisal Determination: Ischaemic heart disease - coronary artery stents (review)

Thank you for your letter dated 15 February 2008. This letter is my assessment of the validity of your appeal points, as required by NICE's appeal process.

In your letter to NICE you sent out the following appeal points:

1. Ground for Appeal 1: The Institute has failed to act fairly and in accordance with its published procedures.
 - 1.1 The Institute has based its recommendation that the price difference between the DES and BMS must be no more than £300, on ICERs of less than £5,000/QALY. Its failure to base its recommendation on the ICER of £20,000/QALY specified in its own published procedures has unfairly prejudiced Cordis.
2. Grounds for Appeal 2: The Institute has prepared guidance which is perverse in the light of the evidence submitted.
 - 2.1. The Institute's recommendation that DESs should be used only when the price difference between the DES and BMS is no more than £300 is perverse in light of the evidence that DESs are cost-effective if the DES price premium is below £400-450 per stent.
 - 2.2. The Institute's reliance on a £131 mean absolute price of a BMS and procurement arrangements for DESs at a price difference of £300 has resulted in guidance that is perverse in the light of the evidence before

it. The economic model shows that DES cost effectiveness is largely insensitive to BMS price.

3. Grounds for Appeal 3: The Institute has exceeded its powers.

3.1. By recommending that the price difference between the DES and BMS is no more than £300 and by stating a reference BMS price of £131, the Institute is either seeking to fix or control the price of BMSs or DESs, or to establish NHS procurement policy. Both acts are in excess of the Institute's powers and remit.

My view is that all appeal points outlined above are valid and under the correct grounds, therefore, an appeal hearing will take place. The Institute will contact you to arrange this in due course.

Yours sincerely

Sir Micheal Rawlins

Chair