

The Government published its response to the Value-Based Pricing Consultation on the 18th July. We are largely satisfied with the position the Government has taken in this report, but as with the initial consultation we would still like further details of the future system.

You can read the initial consultation here:

www.dh.gov.uk/prod_consum_dh/groups/dh_digitalassets/@dh/@en/documents/digitalasset/dh_122793.pdf

You can read our response to this consultation here:

www.geneticalliance.org.uk/docs/policy/gauk-vbpconsultation-response.pdf

You can read the Government response to the consultation here:

www.dh.gov.uk/prod_consum_dh/groups/dh_digitalassets/documents/digitalasset/dh_128404.pdf

There is a brief discussion of the key issues in the Government's response below.

Should we be willing to pay more for medicines to fill unmet needs?

We were pleased to see Genetic Alliance UK's response quoted in the Government's response document in the section explaining the broad support for inclusion of unmet health need and disease severity in any measure of value. This issue was one of the central themes of our response, and it is pleasing to be in the majority of respondents on this viewpoint.

Should there be a separate system for certain groups of treatments, such as orphan medicines?

We were in the minority on this point, with our view that the aim should be to deliver as comprehensive system as possible. We are encouraged though by the Government's response that their "presumption would be towards designing the value-based pricing system in a way that minimises the need for parallel mechanisms."

They take the pragmatic view that if, "as [their] work progresses and [they] begin to implement value-based pricing, it becomes clear that some treatments, such as those for the very rarest conditions, would be better dealt with through separate arrangements [they] will explore alternative options."

How should we value innovation?

While the Government disagrees with our viewpoint in that they wish to reward innovation per se, rather than the products of innovation, they do recognise that no particular type of innovation (step-change vs. incremental) is more valuable than any other. We are also pleased to see that the Government states an objective to "use society's valuation of treatments and their impacts to inform the development of the VBP model", which we believe will favour valuable innovation over innovation for innovation's sake.

We will continue to follow this issue as it develops, and will keep you informed of any developments.