

### **Conditional Access**

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#### **Outline of Talk**



A pragmatic framework for conditional access



**Emergent best practice in conditional contracts** 



Which value gaps can we address?





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# Theoretical model through Pharma lens



2. Uncertain benefit over SoC

3. Uncertain 4. Known Usage benefit SoC

4. Known high benefit vs SoC

No chance to address

Unresolvable

Innovative Pricing

High or significant

No need to address

Low unmet need

High Unmet need High Unmet need High unmet need

Macro Level Affordability Price

Trad Fixed price, Discount versus SoC

Conditional or Outcome based P&R

Non-outcome based

Premium Pricing

<sup>\*</sup> Un-resolvable uncertainties = those which pharma could not have realistically addressed in development due to ethics, lack of patients, no comparator etc.

# Pragmatic model through value lens

Value with imperfect HTA dossier 4. Clarity of 1. Unclear value 2. Curate's egg: 3. Evidence gaps evidence and/or proposition **Good in parts** "believable" strategic value Controlled Don't fund/ major **Partial access Full access** restrictions access **WITH WITH** AND OR **Price Discounts via Price/Volume Real CED** competition **CED** near WTP payers and investors Restricted Patients, Salvage value Full value Phased value value



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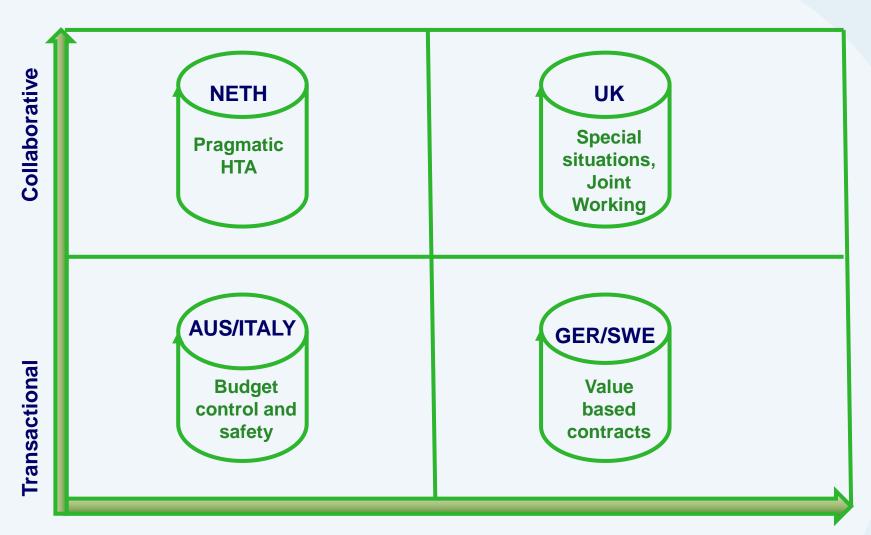
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## **Proportionality**



Simple, Standardised

**Complex, Tailored** 



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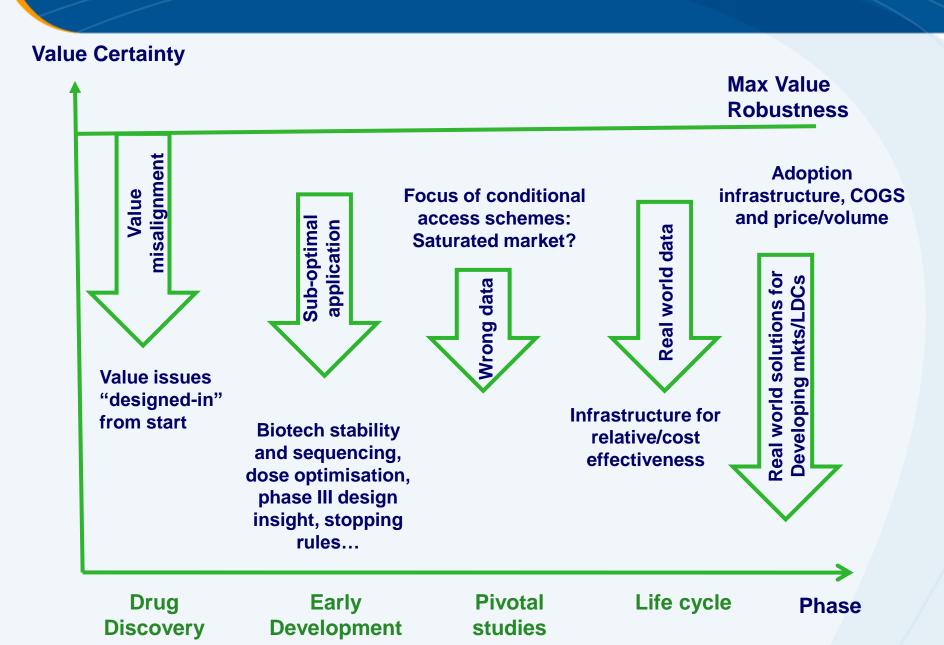
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### Value certainty: Right Focus?





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# Shifting the balance

| Area  | More of  | Less of   |
|---|--|---|
| Coverage with evidence to fill phase III gaps | Development of collaborative real world HTA infrastructure | Working against headroom for innovation agenda                          |
| Hidden rebates or price/volume deals          | Transparent reward and discount for sub-groups             | Complex systems to avoid reference pricing                              |
| Prevention of uncertainty                     | Shared value frameworks to guide drug discovery            | Environment that redresses speed to market incentives                   |
| Shifting the market focus                     | Performance based contracts for Governments in LDCs        | Pharma investment drop-<br>off when patents expire in<br>developed mkts |