

Payer Willingness to Pay for Novel Value Attributes

The Impact of Higher WTP Thresholds on ICER's
Cost-Effectiveness Determinations

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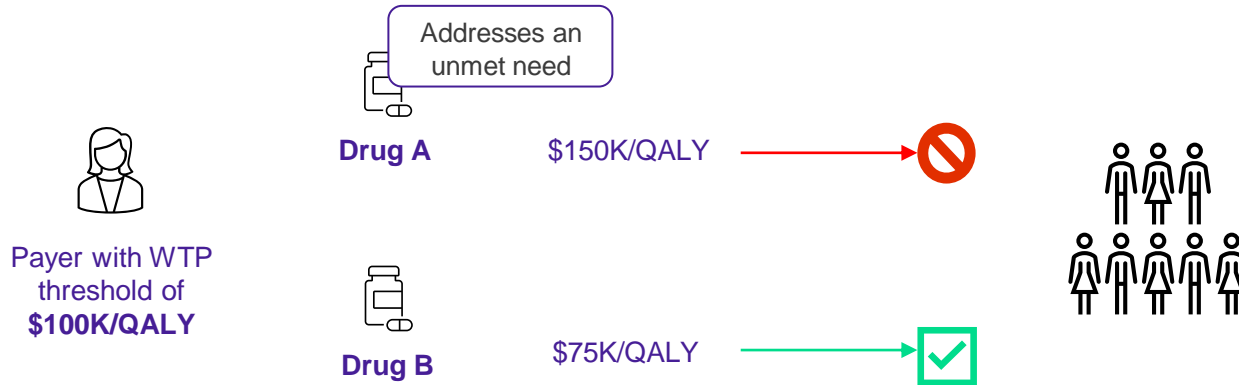
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Background | Implications of WTP thresholds

Willingness to pay (WTP) is a concept sometimes used to estimate “what a consumer of health care might be prepared to pay for the health benefit”¹

Payers sometimes use WTP thresholds for coverage and reimbursement decisions



Key: QALY – quality-adjusted life-year; WTP – willingness to pay.

1. Bertram 2016.

Background | Payer consideration of ICER reports

In the US, WTP thresholds are not often used or strictly applied, but organizations like ICER use cost-effectiveness thresholds when conducting health technology assessment

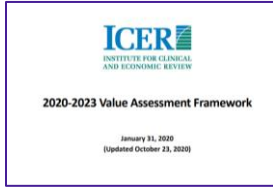
74% of payers identify ICER reports as impactful to their decision-making process¹

62% of payers utilize ICER reports in their coverage decisions¹

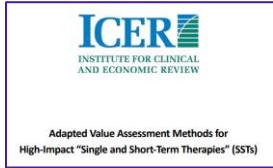
The cost-effectiveness thresholds that ICER assesses health technologies against could affect coverage decisions and patient access

Background | ICER's consideration of value

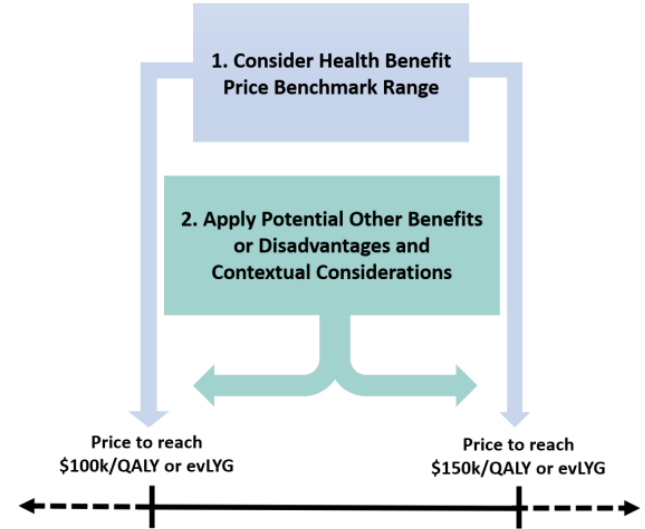
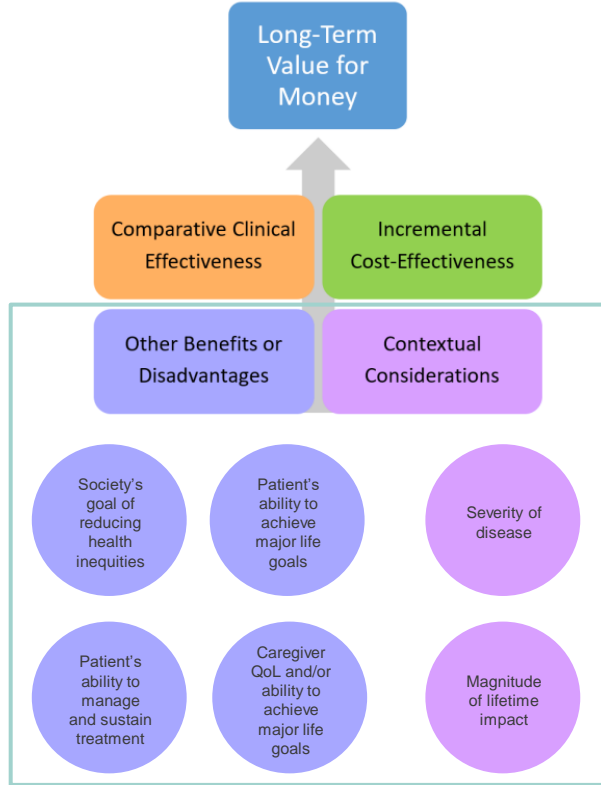
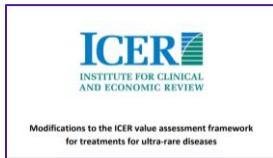
2020-2023 VAF



Adapted VAF for single and short-term therapies



Adapted VAF for treatments for ultra-rare diseases



Key: evLYG – equal value of life-years gained; ICER – Institute for Clinical and Economic Review; QALY – quality-adjusted life-year; QoL – quality of life; VAF – value assessment framework.

Objective and Methods | Payer WTP

Objective 1

To investigate whether payers have higher WTP thresholds for interventions with novel value attributes in the following domains:

Groundbreaking durable or curative treatment

Treatment for high-severity disease

Treatment with positive impact on health inequities

Methods

- Double-blinded, web-based survey of US payers (N=48) in Cencora's Managed Care Network was fielded in July 2023

Organization

56%

Health plans

25%

PBMs

19%

IDNs

Primary role of advisors

58%

Pharmacy directors

35%

Medical directors

6%

Other

Objective and Methods | Implications for ICER reports

Objective 2

- For interventions with novel value attributes reviewed by ICER, understand how many additional treatments would have been deemed cost-effective at higher cost-effectiveness thresholds

Methods

- ICER Final Evidence Reports that assessed pharmaceuticals published from March 2021 to November 2023 and including an AC meeting were reviewed
- Surrogate measures were used to determine whether an intervention had a novel value attribute

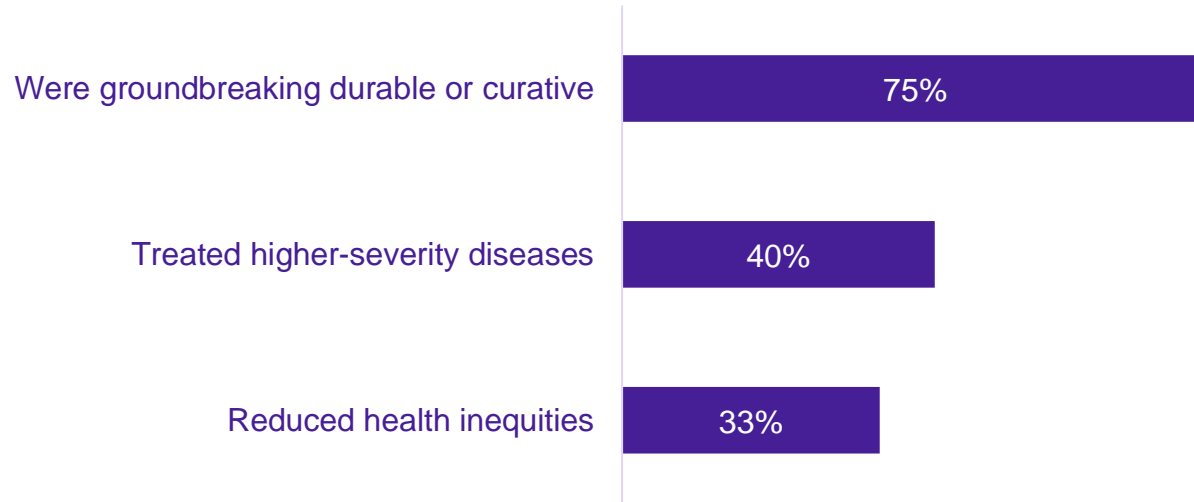
Novel value attribute	Surrogate measure
Groundbreaking durable or curative treatment	ICER used an adapted VAF, the single and short-term therapies framework, to assess the intervention
Treatment for higher-severity disease	Weighted average AC vote was \geq “High Priority” on Likert scale assessing “Acuity of need for treatment based on short-term risk of death or progression to permanent disability”
Treatment with positive impact on health inequities	Weighted average AC vote was \geq “Minor Positive Effect” on Likert scale assessing “Society’s goal of reducing health inequities”

- For interventions with novel value attributes, cost-effectiveness ratios were collected and considered alongside a range of cost-effectiveness thresholds

Results | Payer WTP for novel value attributes

Objective 1: Survey

The proportion of payers (N=48) who **strongly agreed** or **agreed** that they would pay more per unit of health gained for interventions that...



Key: WTP – willingness to pay.

Results | Interventions with novel value attributes

Objective 2: Assessment of ICER reports



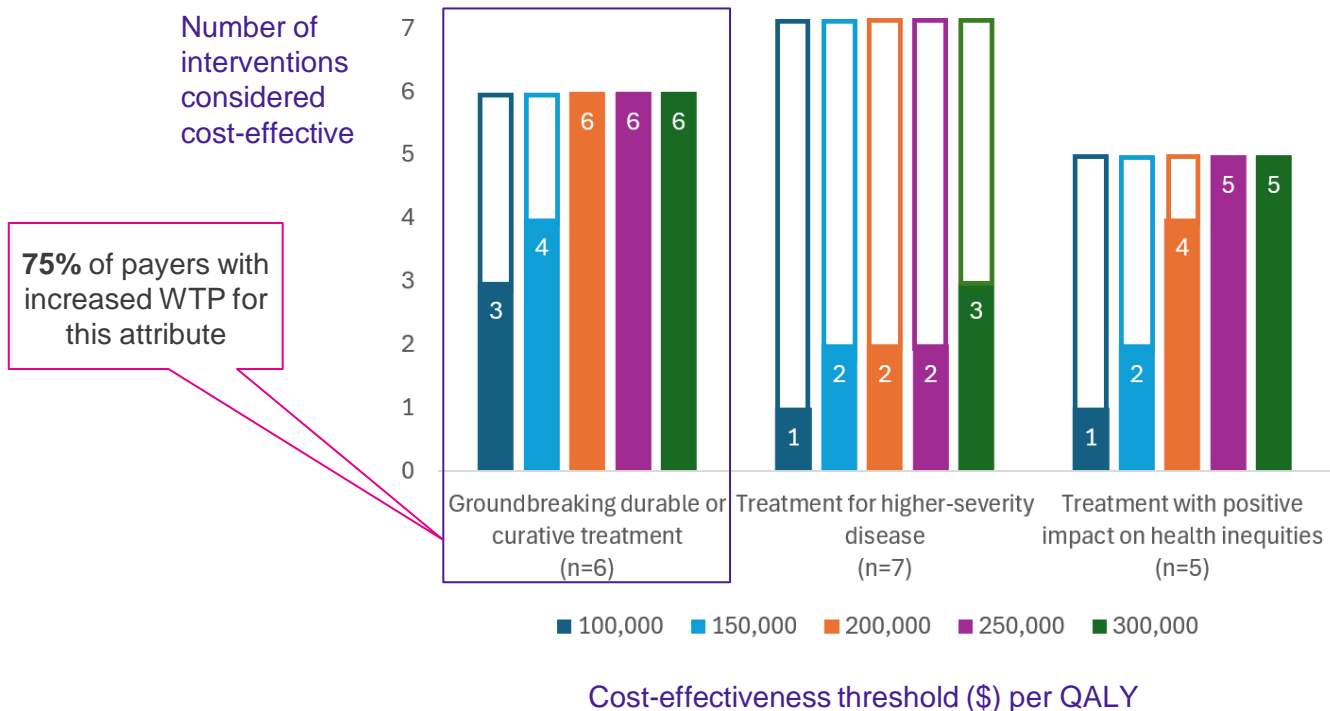
22 Final Evidence Reports reviewed, including **54 interventions**

Groundbreaking durable or curative treatments	Treatments for higher-severity diseases	Treatments with positive impacts on health inequities
n=6	n=7	n=5
Beti-cel for beta thalassemia	AMX0035 for ALS	Voclosporin for lupus nephritis
Hemgenix for hemophilia A and B	Oral edaravone for ALS	Belimumab for lupus nephritis
Roctavian for hemophilia A and B	Belantamab mafodotin for multiple myeloma	Semaglutide for obesity management
Exa-cel for sickle cell disease	Ide-cel for multiple myeloma	Exa-cel for sickle cell disease
Lovo-cel for sickle cell disease	Cilta-cel for multiple myeloma	Lovo-cel for sickle cell disease
Arsa-cel for metachromatic leukodystrophy	Arsa-cel for metachromatic leukodystrophy	
	Aducanumab for Alzheimer's disease	

Key: ALS – amyotrophic lateral sclerosis; ICER – Institute for Clinical and Economic Review.

Results | Impact of higher cost-effectiveness thresholds

Objective 2: Assessment of ICER reports



Key: ICER – Institute for Clinical and Economic Review; QALY – quality-adjusted life-year; WTP – willingness to pay.

Conclusions

- Some payers are willing to pay more for interventions with novel value attributes, especially for groundbreaking durable or curative therapies
- At marginally higher cost-effectiveness thresholds, **more interventions with novel value attributes would be considered cost-effective by ICER**
- If ICER considered more interventions cost-effective, there could be implications to formulary decision-making, including broader coverage, broader access, and different signals to innovators about the relative value of novel value attributes

Thank you