

## Risk-sharing for NICE and the pharma industry

NICE has accepted a proposal by Janssen-Cilag for a risk-sharing refund scheme for Velcade (bortezomib) for use in patients with myeloma on the National Health Service. Such schemes are already in place for four treatments for multiple sclerosis introduced by the Department of Health in 2002 but with debate raging over recent cancer drug decisions made by NICE, news of its agreement has attracted much attention.

Velcade is a first-in-class proteasome inhibitor which has shown statistically significant improved survival in patients who received it compared with a traditional myeloma therapy (high-dose dexamethasone)\*. The APEX study<sup>1</sup> was halted a year early and patients crossed over from the control arm to the Velcade arm. Life expectancy for newly-diagnosed myeloma patients, which is incurable, is three to five years. In the APEX trial, 80% patients treated with bortezomib survived for 12 months compared to 66% of those on the conventional treatment.

The move is being seen as landmark because the drug was originally rejected by NICE six months ago on grounds of its high cost: at around £3,000 per cycle of treatment, the incremental cost effectiveness ratio ranged from £33-38,000 per QALY for treatment of first relapse to £77-107,000 per QALY for subsequent relapses. These values exceed the £30,000 per QALY threshold that NICE tends to use as a reference point. The refund scheme will be put into action for the NHS in those patients who do not show a “complete or partial response” after four cycles of treatment, response measured using serum-M protein. The manufacturer will reimburse the NHS with the full cost of treatment for those patients that have a less than 50% reduction in serum M-protein. Those showing a complete or partial response (reduction of 50% or more) will have their treatment continued and the NHS will pay the cost of that treatment, it being seen as “an effective use of NHS resources” in this circumstance.

The coalition of cancer charities that originally appealed against NICE’s rejection of Velcade see this move as a “significant development” as well as confirmation that the appeal process does work. Cancerbackup, Leukaemia CARE and Myeloma UK argued the decision to reject Velcade was based mainly on cost rather than efficacy. Janssen-Cilag and a joint appeal from the British Society for Haematology and the Royal College of Pathologists also complained about the ruling. NICE’s appeal panel stated NICE should fully explain the reasons for failing to recommend Velcade, particularly in the

light of the fact it can prolong the life of patients with an incurable disease. The International Myeloma Foundation (IMF) heavily criticised NICE last year for their preliminary guidance not to recommend Velcade, particularly as “the evidence suggests, both clinically and cost effectively, that Velcade is best used at first relapse”. With no other drug licensed in that area, the IMF stated simply “... we absolutely need this drug approved”. NICE responded to the appeal panel’s decision by reappraising evidence for the cost-effectiveness of Velcade under certain circumstances including “when the manufacturer pays for treatment in patients whose disease fails to respond”.

Velcade has been deemed particularly appropriate to such a scheme because of the rapid response rate shown by patients. The recommendation of the scheme is now open to public consultation for until 22<sup>nd</sup> June before a final decision in July. NICE expects to issue full guidance to the NHS in October 2007.

\*Median follow-up of 8.3 months, hazard ratio 0.57, 95% confidence interval 0.40 to 0.81; p=0.001.

#### References

1. Richardson PG, Sonneveld P, Schuster MW, et al for the Assessment of Proteasome Inhibition for Extending Remissions (APEX) Investigators. Bortezomib or high-dose dexamethasone for relapsed multiple myeloma. *N Engl J Med* 2005;352:2487-2498.