

IMPACT ON BLUEBIRD'S WITHDRAWAL FROM THE GERMAN MARKET ON FUNDING FOR GENE THERAPIES

BACKGROUND

In February 2021, biotech company Bluebird announced they would withdraw their gene therapy Zynteglo for Beta Thalassemia from the German market, after failing to agree on an acceptable price for both parties.

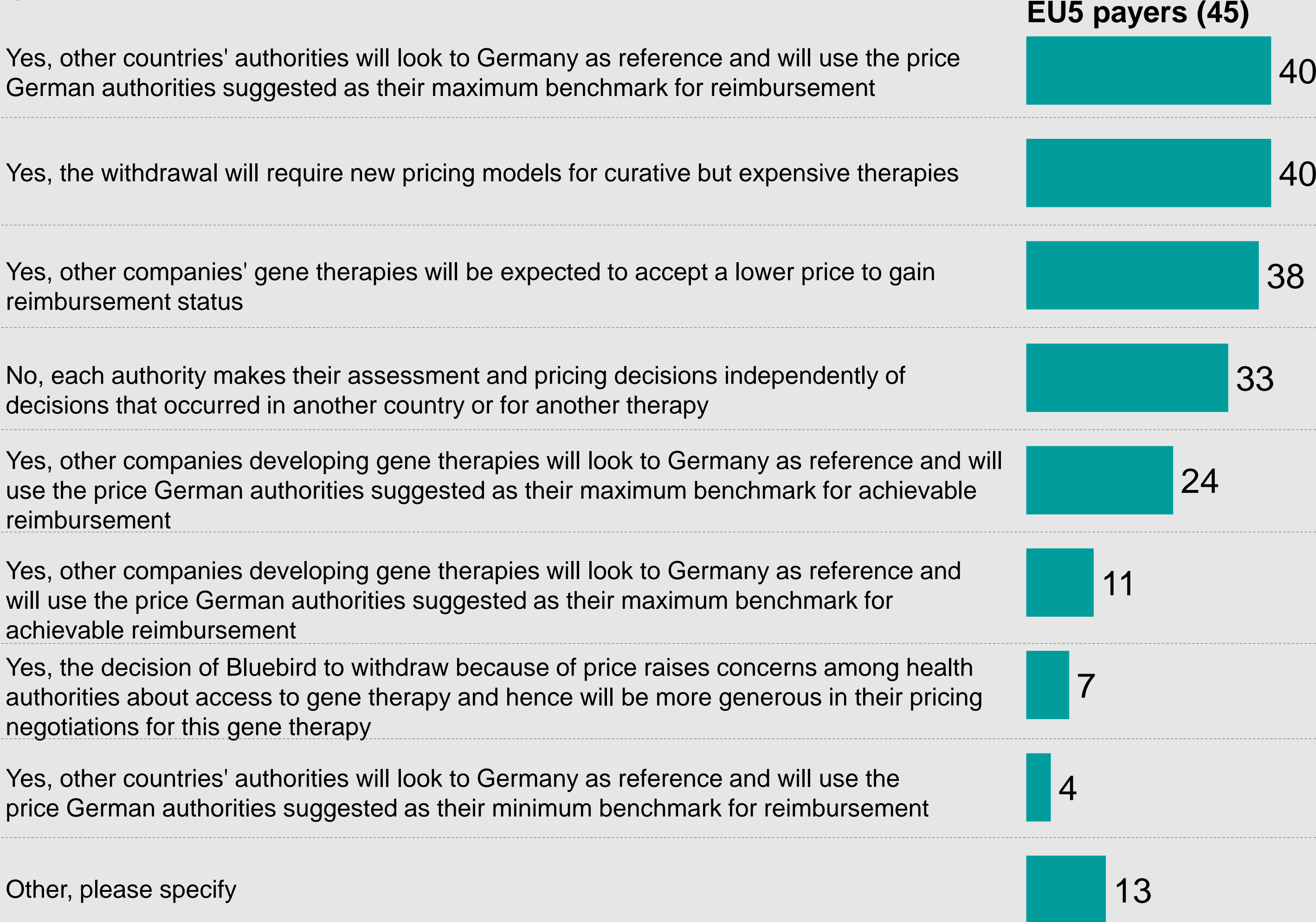
OBJECTIVES

Ipsos carried out a payer survey, with the aim to explore the impact of Bluebird's withdrawal from Germany on future pricing and access for gene therapies.

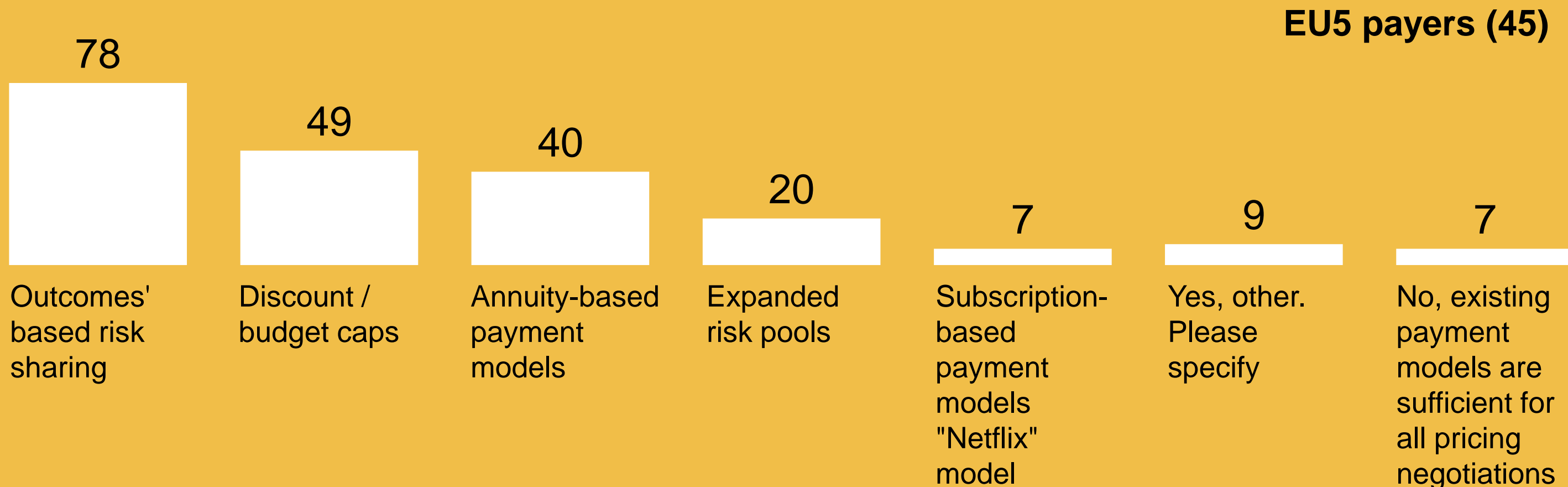
METHOD

Ipsos fielded an online survey with 45 payers from the Ipsos payer panel across France (n=5), Germany (n=10), Italy (n=10), Spain (n=10) and the UK (n=10), to identify how Bluebird's decision may impact other European markets, future gene therapies and explore alternative payment models for gene therapies.

Do you think Bluebird's decision will have an impact on the pricing of gene therapies in other European markets?



Do you believe there should be other payment models for curative but very expensive therapies, such as gene therapy?



RESULT

The survey indicated that:

- Overall, 89% payers responded that other countries' authorities will look to Germany as reference and will use the price Germany suggested as their maximum benchmark for reimbursement.
- 89% payers agreed that BlueBird's decision highlighted the need for new pricing models for gene therapies. The most popular alternative payment models include outcomes-based risk sharing, discount/ budget caps and annuity-based. On the contrary 16% (7 respondents) felt that existing payment models are sufficient.
- 84% of respondents think it is also likely that companies with gene therapies will be expected to accept a lower price to gain reimbursement.
- Although payers believe that countries will look to Germany, 73% say that ultimately pricing decisions are made based on their individual assessment of the evidence/submission.

DISCUSSION

For reimbursement of gene therapies no single model fits all. Payers' wish for combined payment models, often incorporating outcomes based risk sharing and annuity payments, reflects the uncertainty around lasting benefits and side effects of gene therapies. These need to be weighed up with existing (if any) treatment options. Other considerations are the number of potential patients and the unmet need for these – life limiting rare conditions without viable treatment options are more likely to secure funding of gene therapies than chronic illnesses with sufficient, albeit maybe less convenient therapy options. Additionally, since this research, BlueBird has taken the decision the withdraw from Europe, highlighting the need for an approach that can be 'tolerated' by all parties.

CONCLUSION

The decision by Bluebird is likely to have consequences in the assessment of gene therapies and other high priced therapies in other European markets and for other manufacturers. Payers feel that a single payment model is not sustainable for expensive but curative gene therapies, and as such alternative payment models need to be explored, to ensure equality of access to gene therapy for patients across markets.

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