

Do the Current Performance-Based Schemes in Italy Really Work? 'Success Fee': A Novel Measure for Cost-Containment of Drug Expenditure

A. Navarria¹, V. Drago², L. Gozzo¹, L. Longo³, S. Mansueto³, G. Pignataro⁴, F. Drago¹

¹Dept. of Biomedical and Biotechnological Sciences, University of Catania, University of Catania, Catania, Italy

²Dept. of Pharmaceutical Sciences, University of Eastern Piedmont, Novara, Italy

³Regional Pharmacovigilance Centre of Catania – A.O.U.Policlinico – Vittorio Emanuele, Catania, Italy

⁴Dept. of Economics and Quantitative Methods, University of Catania, Catania, Italy

Objectives

Drug costs have risen rapidly in the last decade (Adamski J et al. 2010), driving third party payers to adopt performance-based agreements that provide either a discount before payment or an ex post reimbursement, based on treatments' effectiveness and/or safety issues (Carlson JJ et al. 2010). This paper analyses the strategies currently approved in Italy, and proposes a novel model called 'success fee', to improve payment-by-result schemes and to guarantee patient's rapid access to novel therapies.

Methods

A review of the existing risk-sharing schemes in Italy has been performed, and data provided by the Italian National report (2012) on drug use have been analysed in order to assess impact on drug expenditure deriving from application of 'traditional' performance-based strategies since their introduction in 2006 (Table 1).

Results

Such schemes have poorly contributed to the fulfilment of the purpose in Italy, producing a trifling refund, compared to relevant drugs costs for the National Health System (NHS): 121 million euros out of a total 3.696 millions paid (IMS health. Italy, 2013). Therefore, a novel risk-sharing agreement called 'success fee' has been adopted for a new high cost therapy approved for idiopathic pulmonary fibrosis, pirfenidone, and consists of an ex-post payment made by the NHS to the manufacturer for those patients that received a real benefit from treatment (Figure 1).

Conclusions

'Success fee' represents an effective strategy to promote value-based pricing, making available to patients a rapid access to innovative and expensive therapies, with an affordable impact on drug expenditure and, simultaneously, ensuring third party payers to share with the manufacturers the risk deriving from uncertain safety and effectiveness.

Adamski J et al. (2010). BMC health services research. 10: 153

Carlson JJ et al. (2010). Health policy. 2010; 96: 179-90

Drug use in Italy: National Report 2012

IMS health. Italy, 2013