

New study using confidential drug prices demonstrates how disease severity impacts drug coverage decisions in Norway

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In a new study from the University of Bergen (UiB), confidential drug prices have been used to evaluate coverage decisions for new drugs in



Norway.

High costs of <u>new drugs</u> are a global challenge, and countries have different systems to negotiate prices and evaluate new drugs. In Norway, drug appraisals are guided by three priority setting principles: <u>health</u> <u>benefit</u>, <u>resource use</u> and disease severity.

"Confidential drug prices have traditionally been hindering research on drug approvals, and we are therefore thrilled that we have gained access to the confidential prices in our study," says Eirik Joakim Tranvåg who is first author of the new study.

In the UiB study, all drug decisions in the Norwegian specialized health care sector between 2014 and 2019 have been analyzed, using confidential drug price information.

The researchers find that the coverage decisions are in line with the politically decided priority setting criteria, where a higher cost per quality-adjusted life year is accepted for more severe diseases. This is also valid for new cancer drugs.

Compared to drugs for less severe diseases, drugs for more severe diseases are approved with a higher cost per quality adjusted life gain. They also find that rejected drugs often have a much higher cost per quality-adjusted life year than approved drugs.

"There are many opinions about the system for appraising new drugs in Norway, and we hope our study can give an important contribution to this debate. We believe our findings are of international relevance too, as costly drugs and scarce resources are a challenge for all health systems globally," says Tranvåg.

More information: Eirik Joakim Tranvåg et al, Appraising Drugs



Based on Cost-effectiveness and Severity of Disease in Norwegian Drug Coverage Decisions, *JAMA Network Open* (2022). DOI: 10.1001/jamanetworkopen.2022.19503

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