



October 18, 2019

Institute for Clinical and Economic Review  
Two Liberty Square  
Ninth Floor  
Boston, MA 02109

**Re: ICER Proposed Changes to 2020 Value Assessment Framework**

Dear Dr. Pearson:

On behalf of the 25 to 30 million Americans with one of the over 7,000 known rare diseases, the National Organization for Rare Disorders (NORD) thanks the Institute for Clinical and Economic Review (ICER) for the opportunity to provide comments on its 2020 Value Assessment Framework Proposed Changes (Proposed Changes).<sup>1</sup>

NORD is a unique federation of voluntary health organizations dedicated to helping people with rare "orphan" diseases and assisting the organizations that serve them. NORD is committed to the identification, treatment, and cure of rare disorders through programs of education, advocacy, research, and patient services.

NORD is also committed to fostering a healthcare ecosystem that addresses the needs of rare disease patients. Such an ecosystem includes accessible, high-quality care as well as the development of, and affordable access to, safe and effective orphan therapies. ICER and other similar entities play a critical role in assisting these efforts through the promotion of sustainability and the valuation of care.

A healthcare system that supports rare disease patients must promote innovation, yet it must also be sustainable. Achieving sustainability starts with being able to evaluate care and determine the appropriate corresponding investment. By analyzing the value of care through rigorous, comprehensive empirical methods, health technology assessment (HTA) provides a vital mechanism for making such determinations and helping decisionmakers navigate and shape the healthcare space.

As one of the leading HTA entities in the United States, ICER holds considerable influence over the valuation of healthcare. Consequently, the results of ICER's evaluations and the way in which ICER completes its evaluations are of great importance.

Within this context, NORD appreciates the opportunity to provide comments on ICER's Proposed Changes. NORD applauds ICER for its ongoing efforts to incorporate stakeholder feedback and consistently improve its processes. NORD remains concerned about specific aspects of ICER's reviews, though, that could result in detrimental access challenges for the rare

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<sup>1</sup> 2020 Value Assessment Framework: Proposed Changes. (2019). *Institute for Clinical and Economic Review (ICER)*. Retrieved from <https://icer-review.org/material/2020-value-assessment-framework-proposed-changes/>

disease community in light of the aforementioned influence. The concerns NORD has with respect to the Proposed Changes are set forth below.

### **Use of Real-World Evidence**

NORD commends ICER on its stated commitment to incorporating real-world evidence into its future reports. Pre-market clinical trials submitted as part of the Food and Drug Administration’s (FDA) review process, particularly for orphan therapies, are insufficient to determine the true “value” of a product as they do not necessarily capture all of the factors that should be included in a value assessment. Clinical trials are designed to determine safety and efficacy, but those are not the only factors that compose value. The complete value of a product— to patients, their families, the healthcare system as a whole, etc.— consists of other factors, such as the ability to return to work or the reduction of caregiver burden. For example, as stated in the Proposed Changes, clinical trials may not appropriately capture the long-term benefits of a product or its durability.<sup>2</sup> Real-world evidence (RWE) is a crucial tool for the continued evaluation of products as it enables the review of data on the impact and performance of such products after they are on the market. NORD stands ready to assist ICER in its efforts to incorporate RWE in a robust manner and encourages ICER to move expeditiously in this effort to test new approaches.

### **Measures of Health Gain**

ICER has repeatedly stated that the quality-adjusted life-year (QALY) is the gold standard of HTA, while other forms of analysis, such as multicriteria decision analysis (MCDA), are largely experimental.<sup>3</sup> Moreover, ICER has posited that methods for implementing MCDA specifically are too inconsistent and complicated to be used in value assessment.<sup>4</sup>

MCDA has gained acceptance among economists, however, due to concerns over the limitations of QALY models and strict cost-effectiveness analysis (CEA).<sup>5</sup> Many countries, including the United States, have eschewed the QALY as a result of moral and empirical concerns.<sup>6</sup> QALY models, with their lack of sensitivity and limited measure of value, have the capacity to give certain classes of drugs an advantage over others. More specifically, by predominately focusing on the number of years added to a patient’s life, the QALY puts therapies that bring alternative benefits, such as decreased nausea or an ability to sleep through the night, at a disadvantage. Fundamentally, these dilemmas stem from the fact that the QALY model currently used by ICER is unable to adequately incorporate patients’ perspectives on value. MCDA, on the other hand, can incorporate several additional measures of value, including, most importantly, the patient perspective.

There may be valid concerns regarding the implementation of MCDA, but that does not negate the need for the voice of the patient to be included in the quantitative assessment that is

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<sup>2</sup> 2020 Value Assessment Framework: Proposed Changes. (2019). *Institute for Clinical and Economic Review (ICER)*, 5. Retrieved from <https://icer-review.org/material/2020-value-assessment-framework-proposed-changes/>

<sup>3</sup> *Ibid.* Pgs. 11, 13

<sup>4</sup> *Ibid.* Pg. 33

<sup>5</sup> *See, e.g.,* Weighing Cost-Effectiveness Analysis and MCDA as Future Decision-Making Methodologies. (2019). *Journal of Clinical Pathways*. Retrieved from <https://www.journalofclinicalpathways.com/news/weighing-cost-effectiveness-analysis-and-mcda-future-decision-making-methodologies>

<sup>6</sup> ECHOUTCOME. Final Report Summary. 2013. Retrieved from <https://cordis.europa.eu/project/rcn/94071/reporting/en>

ultimately used to determine access to care. ICER’s current QALY model does not adequately capture the views of patients, particularly patients living with rare diseases. There are many challenges associated with incorporating additional dimensions of value, but the inclusion of these values, particularly the patient perspective, is paramount.

NORD appreciates ICER’s efforts to lift up the patient voice, such as in the most recent proposal to add a standalone chapter on the patient perspective. Relegating the experiences of patients to purely qualitative considerations, however, is simply not enough. The unfortunate reality is that, contrary to ICER’s desires, far too many payers and other key decision-makers are not “embed[ding] CEA in a broader decision-making structure,” but instead pointing to ICER’s CEA as justification for creating barriers to access.<sup>7</sup> Consequently, NORD urges ICER to revisit its deliberation on alternative measures and to strongly consider adopting methodology that allows for quantitative inclusion of patient input and recognizes disease heterogeneity. As a part of these efforts, NORD encourages ICER to continue to proactively engage stakeholders, including economists of varying viewpoints, to discuss additional paths forward.

### **Cost-Effectiveness Threshold Ranges**

ICER previously created a discrete and higher cost-effectiveness threshold range for orphan therapies in order “[t]o address the distinctive nature of decision-making for these treatments.”<sup>8</sup> As ICER acknowledges, there are complexities that are raised when employing different thresholds, including the ethical issues associated with prioritizing certain categories of patients over others. Such concerns cannot and should not be dismissed. However, NORD believes that the challenges of the rare disease community are unique enough to deserve a higher range, if there is to be CEA of these therapies at all.

The Proposed Changes would reverse this policy.<sup>9</sup> In justifying its decision to reverse this policy, ICER now claims that “there remain important equity concerns related to extending the threshold range higher for treatments just because they treat a small population.”<sup>10</sup> The citation associated with this statement refers to a study completed in the United Kingdom that looks at societal preferences pertaining to the allocation of healthcare resources. The study ultimately finds that there is not a preference for rare diseases, but the study also finds that there were preferences for “severity of disease, diseases for which no other available treatments exist (representing unmet needs) and medicines that reduce reliance on informal carers.”<sup>11</sup> These are all characteristics that are commonplace among rare diseases. Therefore, while the basis for societal preference may not be a result of prevalence, rare diseases represent a strong surrogate measure for the factors that are determined in this study to be driving societal preference. Societal preference is a key element in supporting willingness-to-pay and subsequent cost-effectiveness thresholds. Thus,

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<sup>7</sup> 2020 Value Assessment Framework: Proposed Changes. (2019). *Institute for Clinical and Economic Review (ICER)*, 16. Retrieved from <https://icer-review.org/material/2020-value-assessment-framework-proposed-changes/>

<sup>8</sup> Modifications to the ICER Value Assessment Framework for Treatments for Ultra-Rare Diseases: Final Version. (2017). *Institute for Clinical and Economic Review (ICER)*, 8.

<sup>9</sup> 2020 Value Assessment Framework: Proposed Changes. (2019). *Institute for Clinical and Economic Review (ICER)*, 15. Retrieved from <https://icer-review.org/material/2020-value-assessment-framework-proposed-changes/>

<sup>10</sup> Ibid.

<sup>11</sup> Linley, W. G., & Hughes, D. A. (2012). Societal Views on Nice, Cancer Drugs Fund and Value-Based Pricing Criteria For Prioritising Medicines: A Cross-Sectional Survey Of 4118 Adults In Great Britain. *Health Economics*, 22(8), 948–964. doi: 10.1002/hec.2872

this study actually seems to lend credence to the existence of a high cost-effectiveness threshold for orphan therapies.

ICER further states in its justification that the current economic landscape no longer supports the argument that higher prices are necessary for orphan therapies in order to sustain innovation. While this may be the case for some manufacturers, on the whole, the brief explanation provided in the report indicating that all one needs is “\$100,000 per treatment course, multiplied by a mere 10,000 patients” is misleading in its oversimplification.<sup>12</sup> Namely, this thought exercise is insufficient evidence to support the notion that certain pricing is no longer required to sustain innovation in the rare disease space. Small patient populations and complex science makes rare disease drug development a difficult and risky venture. Nothing has changed so significantly in the past several years as to make continued investment an easy lift.

NORD disagrees with ICER’s reversal of the essential recognition of the complexities involved in evaluating therapies for rare diseases. NORD strongly encourages ICER to reinstate the expanded threshold and apply it to all rare diseases, not just those that affect fewer than 10,000 individuals, in any future reviews.

## **Report Development**

ICER’s reports are often issued almost simultaneously with FDA’s approval of the therapy. This can make ICER’s initial evaluation somewhat limited because information about the drug is just beginning to take shape as it enters the market. More is discovered about the value of a drug as additional patients are treated with the therapy for long enough to determine the full range of impact. As the long-term impacts become clearer and additional research is completed, possibly even resulting in additional indications, the value of a drug continues to evolve. For these reasons, NORD supports ICER’s proposal to update its report after one year. Depending on the drug, NORD also urges ICER to consider, on a case-by-case basis, whether additional updates in years beyond the first year are necessary. In many cases, important information about new drugs is learned well after the first year.

Additionally, NORD supports ICER’s proposal to increase the word limit for written summaries of public comments from 250 to 750 words. This additional flexibility would help patients better encapsulate the entirety of their thinking and their comments.

Finally, as stated previously, NORD believes that the patient perspective chapter would be a highly beneficial addition to the report. It is particularly helpful that the chapter would precede the majority of the report in an attempt to help frame the broader context. NORD remains concerned, however, that this would not be sufficient to address the access issues that can emerge as a result of payers focusing solely on the quantitative analysis contained within the report that does not contain patient input.

## **Stakeholder Engagement**

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<sup>12</sup> 2020 Value Assessment Framework: Proposed Changes. (2019). *Institute for Clinical and Economic Review (ICER)*,15. Retrieved from <https://icer-review.org/material/2020-value-assessment-framework-proposed-changes/>

HTA is a complex field that can overwhelm the patient community, many of whom are not economists. NORD supports ICER's proposal to create accessible seminars and update patient engagement materials. This is a step in the right direction, and NORD hopes that that ICER will continue to seek out ways to better connect with the patient community. Throughout ICER's process, outreach to patients should be frequent and proactive. The burden cannot be solely on patient organizations to make the connection, determine what might be most helpful, and gather and interpret data. The arduous, time-consuming, and overly expedited process in which patient organizations are expected to participate in ICER assessments continues to be a concern.

In order for the patient perspective to be considered quantitatively, those data need to exist. All stakeholders, including ICER, must work to facilitate the collection and adoption of such data, and that begins by building stronger relationships with the patient community. To that end, NORD stands ready to assist ICER in ensuring patient voices are well represented.

### **Ultra-Rare Framework**

Of the over 7,000 rare diseases, there are over 90 percent that still do not have an FDA-approved therapy. Many of these diseases are severe, impact children, and create unique challenges that stem from the general lack of knowledge about them. Rare disease patients frequently struggle to obtain a diagnosis, find appropriate specialists, and benefit from therapies actually intended to treat their disease.

ICER has recognized, in part, this unique nature of rare diseases through the creation of an ultra-rare framework that coexists with the broader value assessment framework. Though not explicitly addressed in the Proposed Changes, NORD greatly appreciates ICER's efforts to accommodate the unique situation of rare diseases in its assessments. As is stated in previous comments, however, NORD requests that ICER consider using its ultra-rare framework not just for diseases with a prevalence of fewer than 10,000 individuals, but for all rare diseases as defined in current statute (any disease affecting less than 200,000 individuals in the United States).<sup>13</sup>

NORD looks forward to working with ICER in its efforts to foster an innovative and sustainable healthcare system. For questions regarding NORD or the above comments, please contact me at [rsher@rarediseases.org](mailto:rsher@rarediseases.org) or 202-588-5700.

Sincerely,



Rachel Sher  
Vice President of Policy and Regulatory Affairs

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<sup>13</sup> 21 USC § 360bb