SWL Commissioning Principles for PbR Excluded Drugs / Devices 2020-2021

Appendix 2: South West London (SWL) Agreement for Biosimilars- subject to in-year review

1. General principles

With the increasing number of biosimilar versions for biologic drugs, there is significant scope to reduce the cost per patient, which will help address the increasing number of patients requiring biologic agents. The SWL CCG expects that the provider:

- will use biosimilar versions for all new patients as appropriate (e.g. licensed indications only) requiring that particular treatment within 3 months of launch of the biosimilar or from when supply of the biosimilar is available, unless clinically inappropriate or where the biosimilar is not the best value product.
- in line with NICE guidance, starts treatment with the least expensive drug (taking into account administration costs, dose needed and product price per dose) unless an order of preference is stated by the NICE TA or has been agreed locally.
- ensures that patients are informed at the time of starting a treatment that they may be switched to an alternative version, if a more cost-effective version of the same or biosimilar drug is expected to become available in the near future.
- jointly with commissioners, explores opportunities to further increase quality and cost-effectiveness of using biologic/biosimilar drugs.
- implements any gainshare arrangements agreed with commissioners or nationally agreed alternatives.

It is anticipated that commissioners will only reimburse the cost of other biosimilars (which are yet to become available), 1 year following an agreed programme of changeover from the original to the biosimilar version, unless:

- a national strategy dictates otherwise or
- there are mitigating circumstances outside of the provider's control which have been agreed in advance with the host commissioner and where the CCG has approved the continued use of the original brand for individual patients through the agreed local or IFR process.

2. History of SWL Gainshare / QIPP

In 2015/16, 2016/17, 2017/19 and 2019/20 the SWL Medicines Optimisation group which included Chief Pharmacists (or their nominated deputies) from the former SWL CCGs and SWL Trusts proposed and implemented the following gainshare arrangements:

- Infliximab biosimilar (for 18 months until September 2016)
- Etanercept biosimilar 50mg (for 12 months until March 2017)
- Rituximab biosimilar (for 12 months until April 2018)
- Etanercept biosimilar 25mg (for 12 months until December 2018)
- Infliximab biosimilar to biosimilar (from 1 April 2019-31 March 2020)

These gainshares aimed to incentivise early uptake of biosimilar versions or switch to a more cost-effective biosimilar version and hence maximise savings for the local health economy while implementing recommendations from the Carter report [1]. The 2016/17 and 2017/19 gainshares were subject to meeting in-year and year-end targets to ensure early uptake. This model has proved very successful and resulted in early switching to biosimilars versions by SWL Trusts. Above gainshares will no longer apply from 1 April 2020 because the QIPP change programme was completed.

In 2020/21, the SWL CCG will only reimburse the cost of biosimilar versions of infliximab, etanercept and rituximab, regardless of the brand used, unless the CCG has approved continued use of the original brand for individual patients.

3. Infliximab Biosimilar Agreement for 2020/21

If the acquisition cost of Flixabi®, Zessly® or alternative infliximab biosimilar is less than the acquisition cost of Remsima® and where switching makes economic sense, Trusts may charge a gainshare during 202/21 but only if the Trust has not yet reached their one-year limit from the time that switching commenced as follows:

1. The arrangement delivers a share of the benefits gained from the switch from infliximab biosimilar Remsima® to the lower cost infliximab biosimilar, which recognises the work and additional resources required to implement and manage such a change while providing savings across the health economy.
2. For every invoice the Trust submits to a commissioner, the Trust will also charge a gainshare which is calculated as follows:
    - Gainshare charge = ("Contract price of Remsima®" – "Contract price for lower cost infliximab biosimilar") x Z %
    - Z will be 50%. So, this gainshare is a 50:50 arrangement.

    Note that gainshare is applied to drug cost only excluding other possible charges (e.g. compounding or delivery charges will not apply).
3. The arrangement will only be applicable for invoices submitted during 1 April 2019 and 31 March 2020, so long as the cost for the alternative infliximab biosimilar is less than the contract price for Remsima®.
4. The invoice shall state the price of the medicine, and the gainshare element as separate lines, e.g.:
    - Infliximab (Zessly): £ cost of biosimilar®
    - Infliximab (Zessly) - gainshare: £gainshare charge

4. Teriparatide Biosimilar Agreement for 2020/21

The SWL CCG will only commission teriparatide biosimilar (Terrosa® or Movymia® or alternative teriparatide preparation which is of similar or lower cost) for all new patients meeting NICE criteria and starting treatment from 1 April 2020. This applies to newly starting patients only. Patients who were already receiving the original branded teriparatide product (Forsteo®) prior to 1 April 2020 can continue this treatment to complete the treatment course. There is no gainshare agreement in place for teriparatide.

5. Adalimumab biosimilar agreement for 2020/21

The patent for the branded adalimumab product (Humira®) expired on 16 October 2018 and from 1 December 2018 the NHS England framework tender for adalimumab went live.

As stipulated in the 2020/21 NHS Standard contract, NHS providers should source adalimumab only from their allocated regional suppliers as per NHS England's procurement framework.

SWL providers would normally be expected to use biosimilar versions, unless clinically inappropriate or where the biosimilar is not the best value product.

In 2020/21, the SWL CCG will apply (and hence reimburse) the adalimumab reference price (for South London) as set by NHS England.

6. Subject to in-year review

The SWL Medicines Optimisation Group will continue to monitor national developments/directions and any changes in the biosimilar market and advise commissioners and providers as appropriate. Above agreements are therefore subject to in-year review and change.

Version	Approved by:	Date of approval:
1.0	SWL Medicines Optimisation Group SWL CCG Directors of Commissioning	21 March 2019 22 March 2019
2.0	SWL Medicines Optimisation Group	04 October 2019
3.0	SWL Medicines Optimisation Group	23 January 2020

Author: Brigitte van der Zanden, SWL Lead Commissioning Pharmacist,
Updated January 2020

Reference:

1. .https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/499229/Operational_productivity_A.pdf