

Market Dynamics to Consider for Gene Therapy Success

Alex Grosvenor | PRECISIONadvisors



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“As the gene therapy market continues to unfold, there are some critical dynamics manufacturers will need to consider in order to succeed.”

– Alex Grosvenor

Key Considerations

Assessment Methodologies



Limited evidence is nothing new to HTA agencies and, while this may be amplified with gene therapies, they will continue to apply the same evaluation fundamentals, rewarding products that show promise of transformational benefits in severe diseases with high unmet needs.

Innovative Payment Models



European payers are increasingly recognising the need for innovative pricing schemes for gene therapies, but it is important to consider the needs of the customer and whether a) they would be willing to engage in such an agreement, and b) the feasibility of implementing the proposal.

First-to-market Advantage



Having a head-start can be more pronounced with gene therapies, but be prepared for payers to leverage the time pressure and budget impact with capturing the prevalent pool of patients. Develop pre-emptive price-volume agreements that avoid a diluted price over the product lifecycle.

Warehousing



Later entrants may still succeed if they offer greater value than the first-to-market product, with physicians and patients potentially waiting for the better treatment. These companies may still need to accept lower prices, but with the right messaging can still secure favourable uptake.

Indication-based Pricing



As specialised – often personalised – treatments, gene therapies may be candidates for indication-based pricing – but even if payers may accept differential prices or rebating on the product level, they could still seek broader discounts or rebates on the portfolio level

Local Competition



With specialist centers across Europe now pursuing their own ‘home-grown’ gene therapy technologies, avoid clinical development and pricing strategies that risk alienating the physician community, who you need on side to champion the product in reimbursement negotiations.

Alex is a Senior Vice President and Head of the UK office at PRECISIONadvisors, a specialist pricing & market access consultancy

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