

ICER update to pricing models of remdesivir for COVID-19

The US Institute for Clinical and Economic Review (ICER) has provided an update to previous pricing models for remdesivir [Gilead Sciences] and other potential future treatments for COVID-19.*

In the ICER-COVID Cost Recovery Model, the updated cost-recovery benchmark price for the manufacturer is now \$1010–\$1600 per 10-day regimen, with forecasted 2020 clinical development expenses included. In public statements, Gilead has said that it plans to spend \$11 billion in clinical development on remdesivir in 2020. It is assumed that approximately one million courses of remdesivir will be available for the treatment of COVID-19 within the first year, and that the \$1 billion cost should be recovered, resulting in cost-recovery pricing of \$1000 per course.

In the ICER-COVID Cost-Effectiveness Model, the benchmark price for remdesivir in cost-effectiveness analyses has been increased to \$4580–\$5080 per course based on new data from the Adaptive COVID-19 Treatment Trial (ACTT-1). However, under a new scenario analysis which assumes that patients also receive dexamethasone as the standard of care, the benchmark price range for remdesivir is lower (\$2520–\$2800) due to the contribution of dexamethasone in reducing the mortality risk.

ICER is continuing "to calculate pricing levels to meet various cost-effectiveness thresholds while highlighting the policy relevance of pricing in a pandemic at \$50,000 per quality-adjusted life year (QALY) and per Equal Value of a Life Year Gained (evLYG)".

* see PharmacoEconomics & Outcomes News 853 p1; 803473078

Institute for Clinical and Economic Review. ICER Provides First Update to Pricing Models for Remdesivir as a Treatment for COVID-19. Internet Document : 24 Jun 2020.

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