

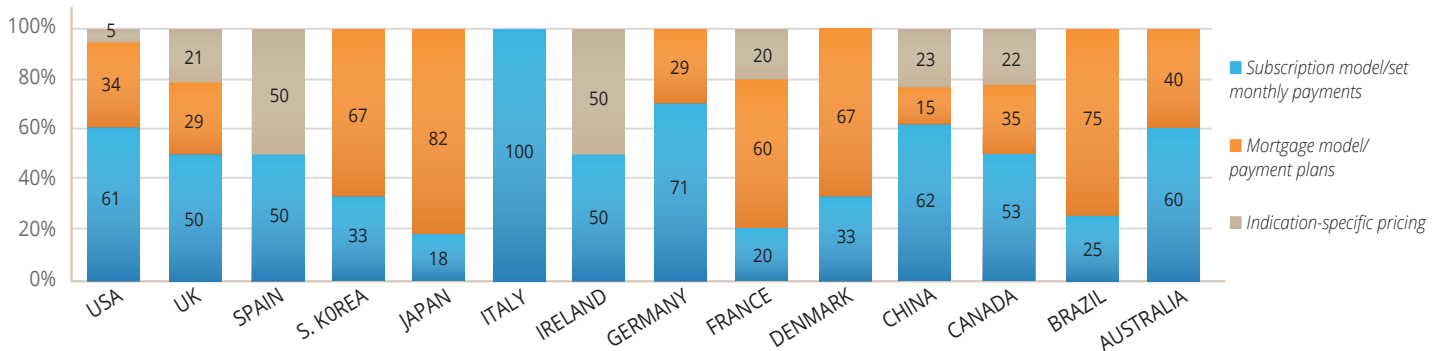
By the Numbers: Innovative Pricing Models

Section Editor: The ISPOR Student Network

Models to Make Drug Pricing More Sustainable¹⁻³

MODEL	DESCRIPTION	EXAMPLE
01 Volume-based pricing	Suitable when large quantities of drug are required	Flu shots
02 Indication-specific pricing	Suitable for drugs approved for more than one indication/disease type	Monoclonal antibodies approved for multiple indications
03 Subscription model	Suitable when unlimited access to drug is required over a set time period for a fixed payment	Curative therapies such as those for hepatitis C
04 Health outcomes-based contracts	Suitable for expensive drugs where reimbursement can be tied to clinical effectiveness	Gene therapies
05 Mortgage model	Suitable for drugs with limited competition	Orphan drugs for rare diseases

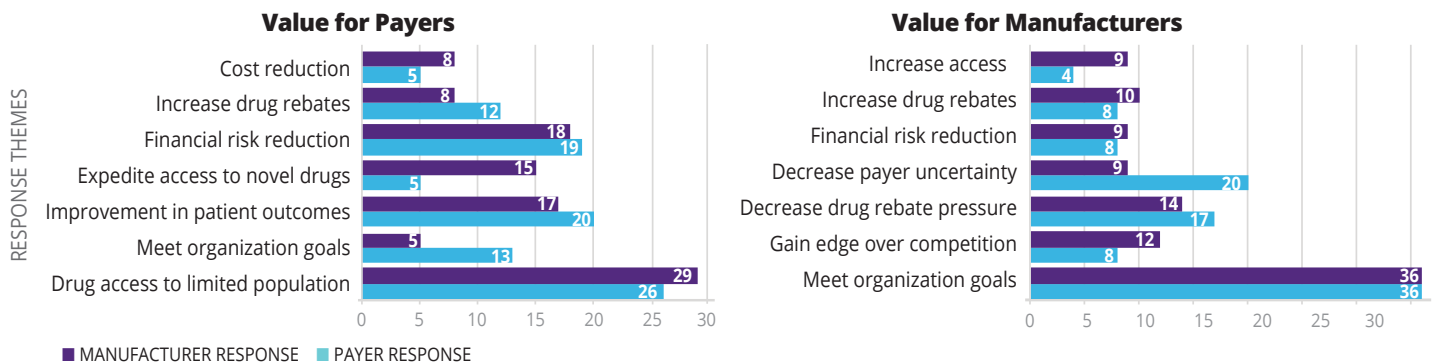
Financial Models Used by Pharma¹⁻³



*Numbers represent % of total executives interviewed for each country.

Responses from pharmaceutical executives (100 respondents) across the world regarding financial models used by their organization, besides value-based contracts (February 2019)¹

Value Drivers in Outcomes-Based Contracts⁴



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References available online.