Peanut therapy makers face pricing pushback

April 10, 2019

An Icer report questioning the cost effectiveness of Aimmune and DBV's peanut allergy projects is yet another reason to be cautious about the companies' chances.

The peanut allergy therapy developers Aimmune and DBV Technologies have had far from a smooth ride on the markets of late, and things could be about to get rockier. An analysis by the influential US cost watchdog Icer has concluded that the groups’ respective projects, AR101 and Viaskin Peanut, are likely to be too expensive.

The companies have yet to release the actual prices of their projects, so the conclusions in the report could change. However, Icer’s findings add to growing doubts about the size of the opportunity for both candidates as they inch towards approval.

More than peanuts

Icer has set a placeholder price of $6,500 per year for DBV’s Viaskin Peanut. The calculation was more complicated for Aimmune’s AR101, which requires supervised dose escalation over the first six months of treatment. Icer assumed that AR101 would cost $8,695 for the first year and $4,200 per year thereafter.

In both cases, Icer largely came in higher than Stifel analysts, who have predicted that Viaskin Peanut will cost $5,000 per year, and AR101 $7,500 for the first year and $5,000 per year thereafter.

But even these estimates would have to come down to make the projects cost-effective, according to Icer. To meet a threshold of $100,000 per quality-adjusted life year (QALY), AR101 would need to cost around $3,500 per year, and Viaskin Peanut around $2,500.

The Stifel analysts noted that the $100,000 per QALY benchmark was most commonly used by payers, although it is not clear which cut-off would be the most appropriate. Notably, Aimmune's assumed price is not far off cost-effectiveness if a threshold of $150,000 per QALY is used.
Icer weighs cost-effectiveness of peanut projects

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<th>AR101 (Aimmune)</th>
<th>Viaskin Peanut (DBV)</th>
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<tbody>
<tr>
<td>1st year therapy cost*</td>
<td>$8,695</td>
<td>$6,500</td>
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<tr>
<td>Annual cost to achieve $100,000 per QALY</td>
<td>$3,564</td>
<td>$2,512</td>
</tr>
<tr>
<td>Annual cost to achieve $150,000 per QALY</td>
<td>$5,599</td>
<td>$3,764</td>
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<tr>
<td>2024e sales</td>
<td>$2.0bn</td>
<td>$622m</td>
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*Placeholder price estimated by Icer. Source: Icer report, April 9, 2019; EvaluatePharma.

Icer pointed out that quality-of-life data had not yet been published with either AR101 or Viaskin Peanut, so were not included in the analysis.

Such data could change cost-effectiveness calculations, as the biggest impact from the projects is likely to be on patients’ quality of life. Peanut allergy sufferers often go to great lengths to avoid coming into contact with peanut protein, so serious events are rare, but constant vigilance can cause anxiety and lead to patients and their parents limiting their activities.

**First to market**

AR101 is set to hit the market first, although later than Aimmune had hoped. After confusion about the project’s status with the FDA during the US government shutdown, the agency finally said it had accepted Aimmune’s application in March, putting AR101 on track for approval by January 2020. This disappointed investors who had hoped for a faster review.

Meanwhile, DBV decided to withdraw its filing with the FDA late last year, but since said it would resubmit Viaskin Peanut in the third quarter ([DBV perseveres with peanut project, February 14, 2019](#)). The company recently raised $81m, although there are doubts about whether this will fund it through to Viaskin Peanut’s approval.

With these other issues on investors’ minds, the Icer report did not make big waves: Aimmune’s stock crept up 1% today, while DBV fell 2%. Still, Icer’s conclusions provide another reason to be cautious about the uptake of peanut allergy therapies, if and when they eventually make it to market.