

Assessing pricing policies for medicines which treat more than one condition

Written by [Beth Woods](#)

Research Team: Beth Woods, [Carlos Rojas Roque](#), [Claire Rothery](#), [Mark Sculpher](#),
[Karl Claxton](#)



The NHS pays prices for new medicines that reflect the benefits they provide to patients. An important question is whether the NHS should pay different prices for a medicine when it is used to treat different health conditions (multi-indication drugs) or pay a single price regardless of how it is used, even if the potential health gains vary between conditions.

The key issue is that under a uniform pricing system, manufacturers of medicines may choose not to launch a product for conditions where health gains are smaller because this may require price reductions to meet cost-effectiveness thresholds for NHS funding. Access for patients may, therefore, be constrained and in the longer-term there may also be less incentive for manufacturers to pursue innovation in conditions where health gains are smaller.

Our research compared different approaches to pricing medicines that can be used for more than one condition. We developed a model to estimate the long-term effects of these approaches on patients' access to medicines, health outcomes, NHS spending on medicines, and incentives for pharmaceutical innovation. We applied the model to two multi-indication drugs as case studies.

We found that charging different prices for the same medicine in different conditions could increase access to treatment within the NHS. However, it would also substantially increase NHS spending on medicines. These additional costs would outweigh the health gains from improved access, resulting in worse population health overall. Charging different prices could improve overall health only if it were combined with lower prices for the benefits medicines provide, helping to keep NHS costs sustainable. Our research suggests that healthcare decision-makers should consider these factors when developing pricing policies for multi-indication drugs.

[Read the full paper, funding sources and disclaimers in Value in Health.](#)

July 2026