



Specialty Drug Management Getting better value for money.

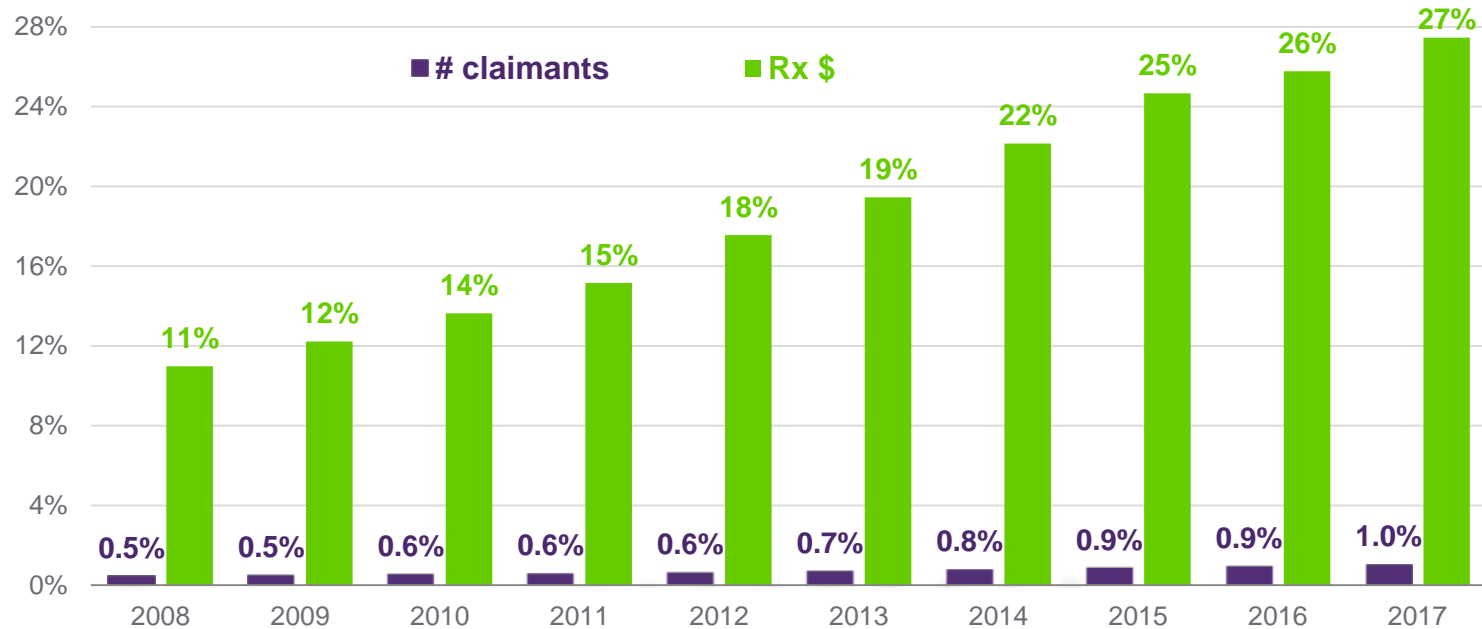
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September 25, 2018



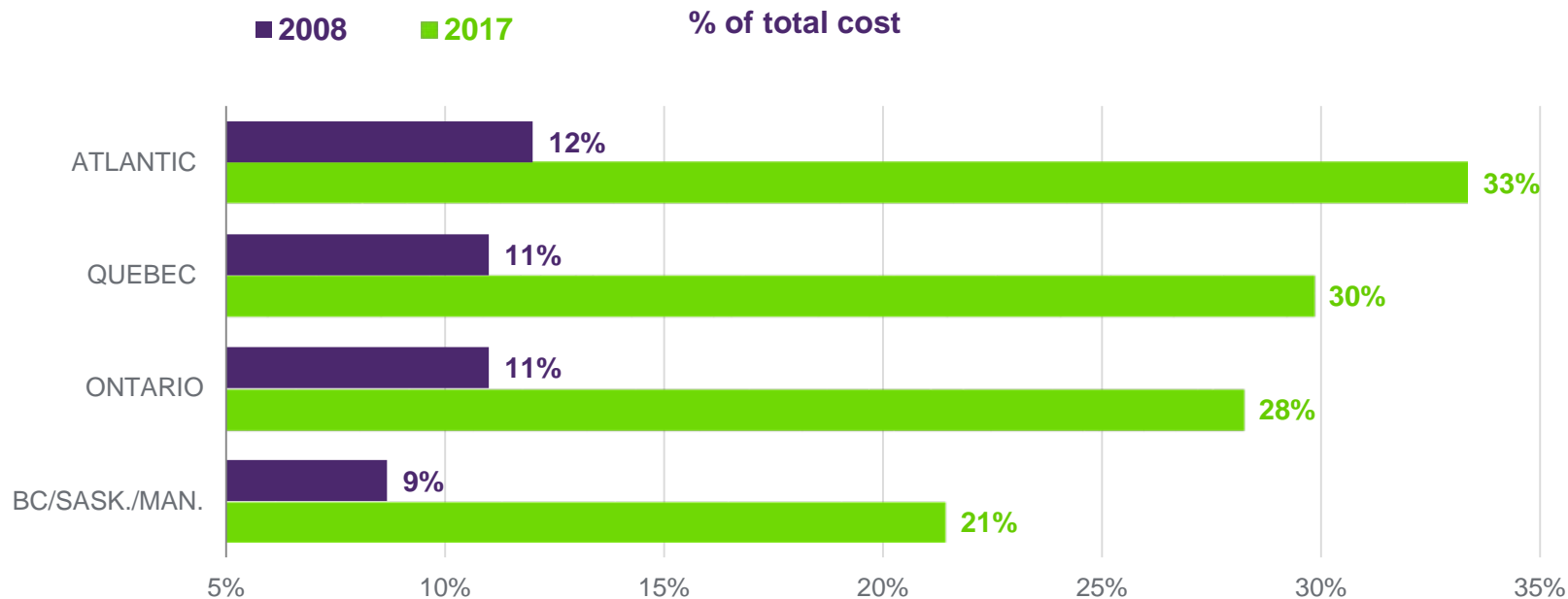
Specialty drugs*

Canada – less than 65



* Greater than \$10,000 per patient per year
TELUS Annual Conference. Retrospective data trends and national benchmarks 2017. April 2018

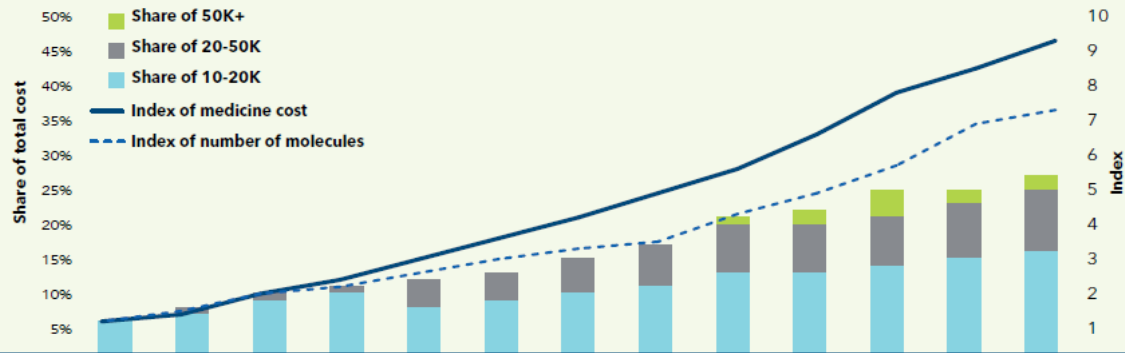
Specialty drugs Canada – less than 65



Increase in specialty drugs on private drug plans



FIGURE 13 Trends in the Number and Share of High-Cost Medicines, Private Drug Plans, 2005 to 2017



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Share of total cost	6%	7%	9%	10%	11%	13%	15%	17%	19%	22%	24%	25%	26%
Number of molecules	23	31	41	45	56	65	72	77	95	107	126	154	163

[NPDUIS Poster: Private Drug Plans in Canada: High-Cost Drugs and Beneficiaries, 2005 to 2017]

Source: IQVIA Private Pay Direct Drug Plan Database (calendar year data)

Cost drivers/challenges with managing specialty drugs



- Magnitude of new drug approvals & future pipeline
- Complicated administration – intravenous, subcutaneous, intra-muscular
- Limited distribution – cold chain, restricted pharmacy networks
- Dosing regimens – cyclic, fixed days, chronic, fixed duration
- Small patient populations
- Diagnostic requirements
- Specialized monitoring
- Side effect management / adherence
- High cost

Specialty drug management



Objectives

- Maintain access to effective and high-quality care
- Ensure money on specialty drugs is well spent/invested
- Improve patient outcomes
 - HIV: chronic condition
 - Hepatitis C: cure; pan-genotypic treatments
 - Cancer survivors: metastatic melanoma, CLL/AML (leukemia)
 - RA/Crohn's: chronic management and halting progression
 - Rare conditions: treatments now available

Specialty drug management strategies



Financial
management



Clinical
management



Pharmacy
management

Specialty drug management strategies



- Annual/lifetime maximums



Student union sets \$50,000 cap on prescription coverage

The union's health insurer cited concerns about expenses linked to new specialty medications

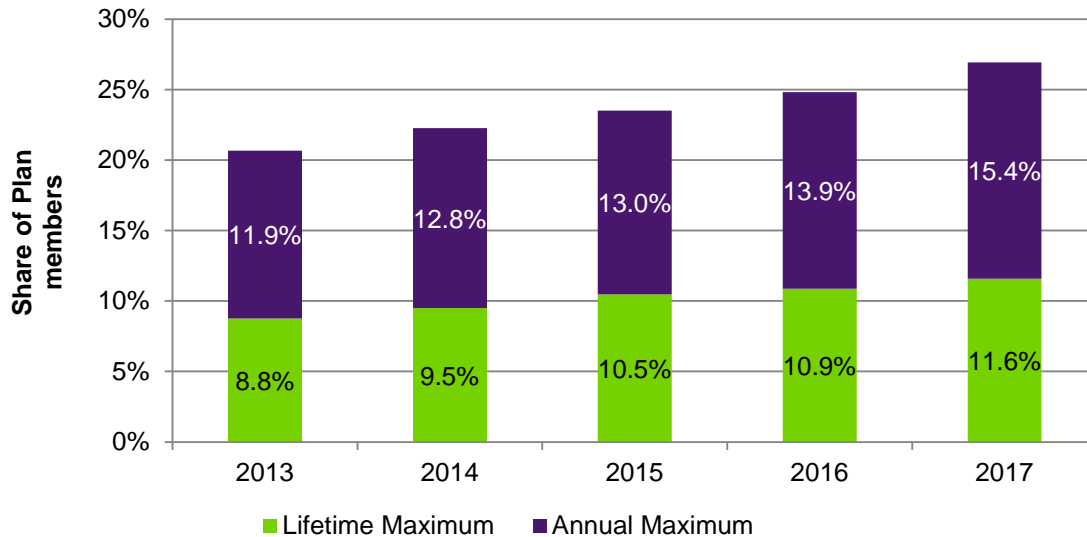


Financial management

Specialty drug management strategies



■ Annual/lifetime maximums



Financial
management

Source: TELUS Health INSIGHTS magazine. Fall 2018

Specialty drug management strategies



- Annual/lifetime maximums
- Drug markup caps
- Maximum allowable cost (MAC)



Financial
management

Specialty drug management strategies



■ Managed formulary

- Less than 20% of lives use a managed formulary¹
- Open Rx plan + prior authorization \neq managed formulary
- Solution: comparative and cost-effectiveness analysis (health economics) from private payer lens
- Objective: identify drugs that provide good value for money
- Implications: formulary exclusion, tiered drug placement, supports PLA negotiations



Clinical
management

¹Source: TELUS Health INSIGHTS magazine. Fall 2018

Specialty drug management strategies



■ Prior authorization/step therapy

- Need to think beyond simply indication-based PA criteria
- Incorporate use of lower cost agents in criteria (e.g. biosimilars)
- Confirmation of diagnostic markers and Bill S-201
- Considerations in Pharmacare provinces
- Evaluate which conditions/pathways can be automated
- Quantity limits – for fixed duration of use, cycle, or dosing



Clinical
management

Specialty drug management strategies



■ Biosimilars

- Offer approx. 20-50% savings over originator biologics
- Challenges: not deemed interchangeable with originator, biosimilar may not be approved for all indications, availability of other branded products, patient support programs



Clinical
management

Biosimilar brand name (chemical entity; reference brand)	% of new claimants	% of eligible costs
	1H 2018	1H 2018
Brenzys & Erelzi (etanercept; Enbrel)	25.9%	4.1%
Inflectra (infliximab; Remicade)	19.1%	11.2%
Grastofil (filgrastim; Neupogen)	45.2%	41.5%
Basaglar (insulin glargine; Lantus)	7.0%	5.0%

Specialty drug management strategies



■ Biosimilars

How to best encourage biosimilar use?

- Formulary placement
- Prior authorization/step protocols
- Maximum allowable cost (MAC)
- Specialty pharmacies
- Physician & plan member education



Clinical
management

New vs existing patients & switching



Tiered Biologics Reimbursement Policy Flowsheet

New Patients (Biologic-Naïve):



Existing Patients:



Manitoba Tiered Biologics Reimbursement Policy. Aug 15, 2018.
<https://www.gov.mb.ca/health/mdbif/docs/bulletins/bulletin100.pdf>



A rheumatologist's decision to prescribe a biologic agent (biosimilar or innovator molecule) must be informed by the clinical need and must adhere to the principles of a sound therapeutic alliance. The Ontario Rheumatology Association (ORA) is aware that automatic (non-medical) switching from innovator to biosimilar molecule may achieve cost-savings to the health care system.

ORA Position on Non-Medical Switching:

The ORA recognizes that **non-medical switching*** from innovator to biosimilar biologic medications with approved indications for patients with rheumatic disease **is safe** and has the potential to save health care system resources. The ORA's support for non-medical switching is based on the following principles:

[Curr Rheumatol Rep](#) 2017; 19(6): 37.
Published online 2017 Jun 16. doi: [10.1007/s11926-017-0658-4](https://doi.org/10.1007/s11926-017-0658-4)

PMCID: PMC5486595
PMID: 28623625

Switching Between Reference Biologics and Biosimilars for the Treatment of Rheumatology, Gastroenterology, and Dermatology Inflammatory Conditions: Considerations for the Clinician

[Robert Moots](#),^{1,2} [Valderilio Azevedo](#),³ [Javier L. Coindreau](#),⁴ [Thomas Dörner](#),⁵ [Ehab Mahgoub](#),⁴ [Eduardo Mysler](#),⁶ [Morton Scheinberg](#),⁷ and [Lisa Marshall](#)⁴

Specialty drug management strategies



■ Provincial Integration

- Disease-based provincial programs
- Coordination of drug coverage in Pharmacare provinces



Clinical
management

Specialty drug management strategies



- Specialty Pharmacies
- Patient Support Programs



Pharmacy
management

Specialty pharmacy advantages



Clinical

- Access to specially-trained healthcare providers
- Care management
- Clinical outcome measures
- Patient adherence programs
- Mobile patient engagement platforms

Operational

- Supply chain management
- Care coordination
- Reimbursement assistance
- Patient support programs
- Site of care optimization

Patients using specialty pharmacies with integrated refill reminders and comprehensive care management programs/nurse coach calls achieved higher adherence rates and lower abandonment compared with patients who do not use specialty pharmacies¹⁻³

1. Stokes M et al. Impact of pharmacy channel on adherence to oral oncolytics. BMC Health Serv Res 2017; 17:414.

2. Visaria, J., Henderson, R., Glave Frazee, S. (2013, Dec 5). Specialty Pharmacy Improves Adherence to Imatinib. American Journal of Pharmacy Benefits.

3. Marhsall et al. Impact of the Adalimumab Patient Support Program's Care Coach Calls on Persistence and Adherence in Canada:An Observational Retrospective Cohort Study. Clin Ther. 2018;40:415–429

Future specialty drug management



- Electronic Prior Authorization (ePA)
- Drug Pipeline Forecaster
- Pharmacogenomics
- Alternative Payment Options
- Link to gains in productivity; reductions in STD and LTD

Specialty drug management toolbox



Financial management

- Maximums
- Markup caps
- MAC
- Stop loss/high amount pooling



Clinical management

- Managed formulary
- Prior auth/step therapy
- Biosimilars
- Provincial integration



Pharmacy management

- Specialty pharmacies
- Patient support programs

Summary



- Proper specialty drug management requires a multi-targeted approach
- Balance between providing access to high-quality and effective products while ensuring costs are properly managed
- Goal is to improve health outcomes with promise of enhancing productivity, reducing absenteeism, and fewer disability claims
- And don't forget to manage the other 70% of spend...



Thank you

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