

Enabling evidence-informed formulary listing decisions for private payers through TELUS Health's enhanced drug review process.

Increasing drug costs are challenging for private drug plans as private payers strive to offer comprehensive coverage while ensuring plan sustainability. As a result, private payers are placing a greater emphasis on value-based decisions, as a way to manage costs. This is an important evolution for private payers in particular, as the public sector has been using health technology assessment (HTA) methods for many years to help make evidence-informed reimbursement decisions.

Furthermore, recognizing and treating the private market as different from the public market and ensuring that the budget impact analyses (BIAs) and cost-utility analyses (CUAs) are relevant to this market, is becoming paramount.

The TELUS Health enhanced drug review (EDR) process includes three key components and was created in collaboration with private payer clients to help inform listing decisions for new drugs based on evidence of value for money and affordability:

Clinical efficacy

Review of clinical evidence
 Supplemental literature review
 Reimbursement landscape (e.g., public coverage)
 Review of public payer HTA (CADTH/INESS) (if available)

Affordability

Assessment of the manufacturer's budget impact analysis model (BIA)

- Eligible population
- Drug costs
- Market share
- Duration of therapy

Validate model assumptions (e.g., relevant comparators, uptake, etc.)
 Leverage TELUS' book of business data

Cost effectiveness

Appraisal of economic model

- Cost utility analysis (CUA)

Determine if cost inputs are relevant to private payers who are concerned with keeping productive employees at work

- Remove all costs borne by the public payer (e.g., hospitalizations, physician visits, etc.)
- Cost of productivity gains or losses (if available)

When the review of the submission is complete, the following reports are produced: (i) custom summary recommendation reports, (ii) a clinical report, and (iii) an economic report. TELUS Health makes the listing decision for our managed formularies (i.e. TELUS Complete and the national formulary) based on this information package.

Private payers who subscribe to the TELUS Health EDR receive the clinical and economic reports as well as a unique recommendation report that takes into consideration the private payer's specific philosophy about reimbursement. This is an important point. TELUS Health makes decisions for the TELUS managed formularies but makes recommendations to private payers. The ultimate listing decision is made by the private payer for their own formularies.

There are typically two potential outcomes from these reviews: (1) list (which may include conditions for listing); and (2) exclusion from coverage. Reviews do not begin until a complete submission is received by TELUS Health. Listing decisions for the TELUS Health formularies are typically made in 6 to 9 months. Timelines for private payers should be confirmed with them directly.

Manufacturers have an opportunity to improve the private payers' understanding of the value of their products and facilitate reviews by improving the quality and relevance of the economic evidence they present to decision makers.

Manufacturer submissions to private payers should no longer be a copy of the submission to entities focused on public payers (i.e., CADTH and INESSS). As private payers get more sophisticated with drug formulary management, manufacturers have everything to gain from taking into consideration the private payer's perspective and specific context. Adapting submissions to make them more relevant to private payers does not require drastic changes or enormous resources, but it may pay off in improving private payers' understanding of the validity and relevance of the submitted evidence. This can only improve reimbursement prospects.

Private payer economic analyses will continue to evolve over the coming years, and it is important to continue to work with decision-makers to ensure that they have the information required to make evidence-informed listing decisions.

TELUS Health drug submission requirements.

Manufacturers submitting their product for listing consideration are required to supply a drug submission file. Submissions are required for new drugs coming to market as well as new indications approved for existing drugs. All complete submissions received by the TELUS Health pharmacy consulting team will be reviewed. A new drug submission should include the components listed below, and the requirements are described in more detail at: <https://plus.telushealth.co/page/pharma/edrp/>.

- i. Executive summary
- ii. Health Canada notice of compliance (if available)
- iii. Product monograph (English & French)
- iv. Product summary (MS Excel template)
- v. Fact sheet (MS Word template)
- vi. Pricing
- vii. Clinical summary
- viii. Pivotal trial publications and network meta-analyses, if any were conducted
- ix. Budget impact analysis
 - a. Written report
 - b. Modifiable MS Excel model
- x. Pharmacoeconomic analysis (cost utility analysis model)
 - a. Written report
 - b. Modifiable MS Excel model
- xi. References

A requirements document containing a more detailed list of components for various types of submissions and template files is available upon request through the drug.submissions@telus.com inbox or on TELUS Health's gateway file share site.

To gain access to the gateway site, please request a username through drug.submissions@telus.com. Instructions for use of the site will be sent via email along with the assigned username.

All of the above-noted components of a drug submission are required before a submission is determined to be complete. Only when a submission is deemed complete will it be reviewed and considered for listing. Once a complete submission is received, a confirmation email will be sent to the submitter.

TELUS Health will make a reimbursement decision for the TELUS Health managed formularies within 6 to 9 months. Our private payer clients who subscribe to the EDR service are responsible for their own timelines and review status should be confirmed directly with them for making listing decisions.



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