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Research Highlights Evolving Approaches to Biosimilars in the United States

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Survey Reveals Shift in Thinking About US Biosimilars
Because specialty drug spending continues to rise, and because biosimilars represent an opportunity to reduce costs, a group of researchers sought to better understand health plan management of specialty pharmacy drugs, including biosimilars.

In 2017, the team sent a survey[1] to health plan executives that asked about plan information, specialty pharmaceuticals, and biosimilar coverage. They then compared their results to those from a similar 2016 survey.

In total, 77 respondents completed the survey; 57% were prescribers and 43% were senior officers. The respondents worked for health plans, pharmacy benefit managers, integrated delivery networks, preferred provider organizations or individual practice associations, and the government.

The researchers found that specialty pharmacy products continue to transition from fixed co-pays to percent co-pays, and more plans now cover physician-administered products under the medical benefit (44.1%, up from 15.2% in 2016).

Fewer respondents expected biosimilars to be used across all of the reference product's indications in the 2017 survey (53.1%) than in the 2016 survey (59.5%), and 44.9% expect to restrict approved indications (up from 31% in 2016). One-fourth of plans expect that a biosimilar will be the only product available for some indications.

The respondents indicated that biosimilar education will be provided via the following:

- Different co-pays for reference and biosimilar products (63.8%)
- Prescriber mailings (72.3%)
- Patient mailings (59.6%)
- Prescriber calls (40.4%)
- Patient calls (23.4%)

Among the respondents, 45.1% expected less than a 10% savings from biosimilars in 2018, 47.1% expected a 10% to 20% savings by 2020, and 58% expected greater than a 20% saving by 2025.

Least Cost Alternative Program Provides a Roadmap for Biosimilar Use
Researchers from Magellan Rx Management and Magellan Health sought to analyze the impact of a least cost alternative cost-of-care program for ophthalmic injections administered under the medical benefit for the commercial and Medicare Advantage members of a regional health plan.[2]

The program implemented a new fee schedule for the use of 3 reimbursed intravitreal anti–vascular endothelial growth factor, or anti-VEGF, injectable drugs: aflibercept (Eylea), ranibizumab (Lucentis), and off-label bevacizumab (Avastin).

The new fee schedule increased reimbursement for bevacizumab from market rate to a margin comparable to the other 2 products. The program was launched in July 2015, and medical claims for the next 1 year were compared to a baseline period from the prior year to measure the shift in market share and savings.

At the end of the measurement period:

- Bevacizumab's market share increased from 37% to 46%
- Aflibercept's market share increased from 29% 33%
- Ranibizumab's market share decreased from 33% to 21%

Annualized savings were $2.9 million for commercial plans, and $885 thousand for Medicare Advantage plans. The cost per claim decreased from $1867 to $1509 for commercial plans, and from $2018 to $1591 for Medicare advantage plans.

The researchers say that implementing such programs can produce significant cost savings, and that this strategy will become especially important as cost-saving biosimilars for these products reach the US market.

Experience With Incorporating Biosimilars Shows Urgency of Adoption

Authors from the Sharp Rees-Stealy Medical Group in San Diego, California, described their experience of working closely with physicians to educate them about biosimilars before incorporating these drugs in practice to reduce costs.[3]

Physicians commonly reported to the authors that they had concerns about comparative response to biosimilars, safety, patient preferences, and limited data on antibody cross-reactivity between a reference and a biosimilar product.

Because of these concerns, "it is tough to pursue an aggressive strategy such as enforcing substitutions to biosimilars," say the authors, but the group estimates that it could save approximately $1 million annually through the use of biosimilar infliximab alone, and explains that incorporating biosimilars promptly is "crucial" for cost savings.

Instead of mandatory switching, the medical group is adopting a collaborative strategy that requires physicians to use an applicable biosimilar in treatment-naïve patients, and that requires consideration of a biosimilar during renewal of every prior authorization for a given therapy, though these protocols will not apply to patients with uncontrolled disease or known immunogenicity. Physicians will retain the right to deny substitution when therapeutically appropriate, and safety and efficacy data will be collected on an ongoing basis.

References

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