ICER: Payer Perspectives on the Use and Usage of ICER Reports
February 28, 2019

Presented By

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Webinar Objective

- To provide insights on the US payer and decision maker perspective regarding the use, usage and quality of ICER reports for use in the P&T review process
  - Based on current responses (2018-19) from syndicated survey responses from the FormularyDecisions.com® community
- Provide payer perspective using ICER, citing overall strengths and challenges
- Discussion of the use of ICER reports and implications for payers and manufacturers
Central platform connecting health care decision makers to the evidence, resources, and their peer community, so they can work more effectively and collaboratively.

**Data collected on:**
- 1900+ US PAYERs/HCDMs
- 900+ organizations
- 86% of covered lives (MCO)
- Includes all top PBMs
- 150,000 + evidence links
- 2300 + products

**Active evidence review and assessment to make informed formulary and reimbursement decisions.**

A closed payer only environment.

**Overview**

**Purpose:**
To better understand the payer perspective on the use, usage and quality of ICER reports for use in the P&T review process.

**Data Results:**
- 614 syndicated survey responses reviewed
- 6 month timeframe: *Aug 13, 2018 – Feb 14, 2019*
Usefulness of Value Frameworks

% Payer Feedback For Value Frameworks (n=550)

<table>
<thead>
<tr>
<th>Framework</th>
<th>Feedback</th>
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<tbody>
<tr>
<td>AHA</td>
<td>21%</td>
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<tr>
<td>ASCO</td>
<td>1%</td>
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<tr>
<td>NCCN</td>
<td>7%</td>
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<td>ICER</td>
<td>5%</td>
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<tr>
<td>DrugAbacus</td>
<td>5%</td>
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<tr>
<td>Avalere</td>
<td>63%</td>
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Use and Usefulness of ICER Reports

61.9% Used or will use ICER reports in their P&T review

Ratings on ICER Sections Based on Usefulness n = 22

Usage and Quality of ICER Reports

Usage of ICER Reports n = 363

Secondary source of evidence 60.0%
Assists in determining product affordability 40.8%
Support development of tier placement 35.9%
Inform/validate my own research and analysis 35.0%
Primary source of evidence 27.4%
Support pricing/listing negotiations 18.4%
Support risk based contracting 9.0%
Other 1.2%

Quality and Level of Satisfaction on ICER Report / Model n = 117

Average Rating

Report Satisfaction 4.5
Report Quality 4.5
Model Quality 4.3
Model Satisfaction 4.3

Recommendation of ICER n = 117

86.3% Yes
13.7% Not Sure
Primary reason ICER reports are not used are availability in time for P&T review. Other reasons are not able to extrapolate to payer population and time constraints.
Summary

- Payers and other health care decision makers (HCDMs) are using ICER reports and finding them useful for formulary decision making.
  - Payers/HCDMs are rating ICER reports as high quality.
  - Payers/HCDMs are accessing ICER reports through the FormularyDecisions.com platform®.
- Payers/HCDMs are using ICER primarily as a secondary source of evidence, but there is now a shift in using them for determining product affordability and to support tier placement development.
- A continued deterrent to ICER report use is availability of reports in time for P&T review.

Premera Uses ICER Reports

John Watkins, PharmD, MPH, BCPS
Formulary Manager
Premera Blue Cross

Special thanks to:
Emily Tsiao, PharmD, PGY1 Managed Care Pharmacy Resident, Premera Blue Cross
Premera Blue Cross

- 2 million members
- 1 million pharmacy lives
- Home States: Washington, Alaska
- Commercial, insurance exchange, and Medicare
- Evidence-based P&T process established in 2001
- Formulary review includes pharmacoeconomic analysis
- Member-centric approach

Challenges at Premera

- Fewer staff
- Reduced administrative budget
- Increased workload
- Asked to incorporate patient voice into formulary process
- Maintain value-based formulary
Alignment of Mission and Value Framework

**Premera**
- **Mission:** Improve our members lives by making healthcare work better
- **Value framework:** Considers clinical benefit, cost-effectiveness, contextual factors, and budget impact

**ICER**
- **Mission:** Conduct evidence-based reviews that help the health care system know what works
- **Value framework:** Considers comparative clinical effectiveness, incremental cost-effectiveness, contextual considerations, other benefits or disadvantages, and budget impact

ICER Report Sections of Value to Premera

- Executive Summary
- Introduction
- Summary of Coverage Policies and Clinical Guidelines
- Comparative Clinical Effectiveness
- Long-Term Cost-Effectiveness
- Other Benefits and Contextual Considerations
- Potential Budget Impact
Using ICER Reports: Challenges

Timing

P&T Committee Member and Internal Stakeholder Education: How to effectively analyze and interpret ICER reports

P&T Committee Feedback

“Information from ICER on complex disease states has been helpful” -Premera P&T Committee Member
Summary: Why Premera Uses ICER Reports

- Provides information Premera is unable to obtain using internal resources
- Provides information that helps Premera debate the value of a therapeutic agent with internal and external stakeholders
- Estimated savings to Premera per quarterly P&T committee meeting: $10,000 - $35,000
Value-Based Contracts

A value-based contract is a written contractual agreement in which the payment terms for medication(s) or other health care technologies is tied to agreed-upon clinical circumstances, patient outcomes, or measures.*

*AMCP Value Based Partnership Forum June 2017
Key Drivers for Health Plans

- Proof of Efficacy with Outcomes Performance
- Limit Products to a Specific Population
- Reduce Financial Risk
- Insurance for Poor Real World Experience
- Increase Rebates/Savings
- Reduce Overall Costs
Key Drivers for Manufacturers

- Improved Product Access
- Market Share Growth
- Reduce Resistance to New to Market Agents
  - Develop Concepts Pre-launch
  - Include Outcomes in Clinical Trial Design
- Restrictive Plan Designs/Formularies
- Gain a Competitive Advantage

ICER Role

- Formulary review
  - Determine Fair Value of Product
  - Includes Contracted Rates
  - Compares Competing Products
- ICER Informs Assessment of Initial Launch Price of a Product
- Potential Plan Benefit with Impact on Manufacturer List Price
  - Examples
    - Tymlos®
    - Entresto®
    - Aimovig™
Short/Long Term Goals

- Get Value in Return for Pharmaceutical Dollar Spend
- Use Results to Make Formulary Decisions/Changes
- Assess True Benefit of Treatments
- Multiple Outcomes Contracts for Competing Therapies
- Include ICER or Other Value Framework
Thank you for participating!

For further information on the AMCP eDossier System contact esampsel@dymaxium.com