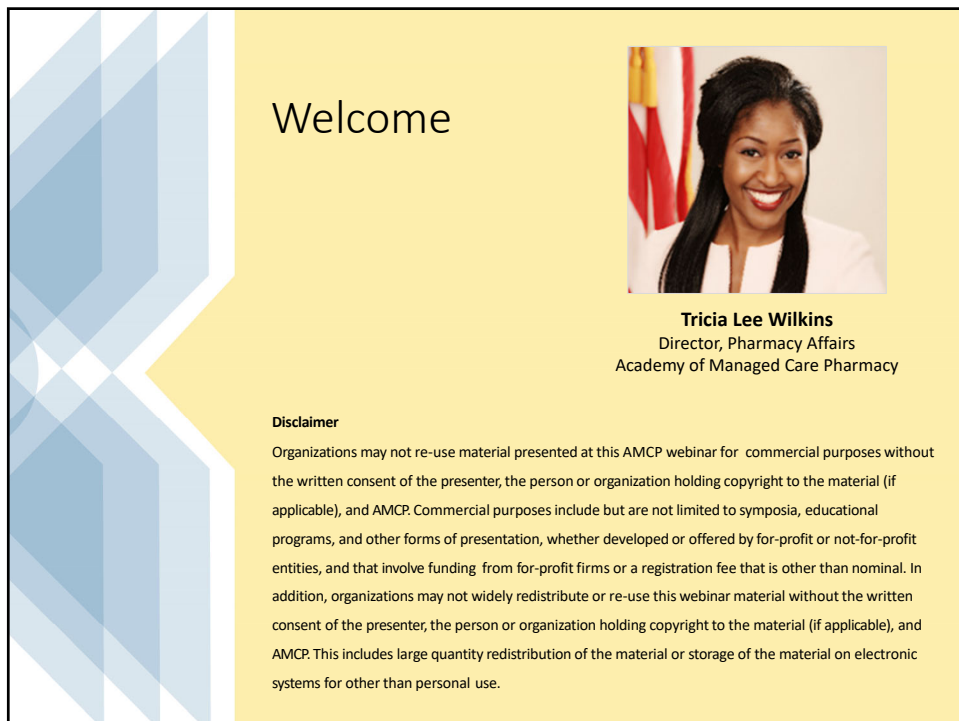


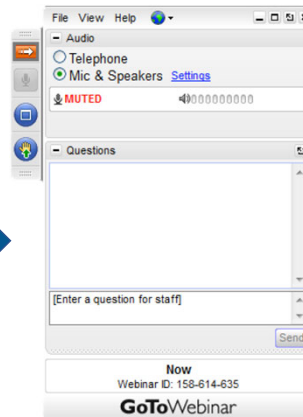


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How to Ask Questions



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AMCP Partnership Forums Collaboration for Optimization

The live, hands-on AMCP Partnership Forums bring key decision-makers in managed care, integrated care, the pharmaceutical industry, and others together to discuss and collaborate on tactics and strategies to drive efficiencies and outcomes in integrated care and managed care.

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Partnership Forums...

- Proactive, collaborative approach
- Provide a voice
- Gain consensus and remove barriers
- Stakeholders work together on common goals and interests
- Have high visibility
- Find common ground and actionable results



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2019 Partnership Forums

2019 Forum Topics:

- 1 Pharmacy and Therapeutics (P&T) Practices: What's Next?
- 2 Optimizing Prior Authorization for Appropriate Medication Selection.
- 3 Digital Therapeutics: What are they and Where do they Fit in Pharmacy and Medical Benefits?
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Our Faculty

Moderator



Rebecca Sugarman, MS
Assistant Director, Global Health
Economics and Outcomes
Research, Xcenda

Speaker



Myla Maloney
Vice President Strategic
Accounts, Premier, Inc.

Speaker



Richard Demers, RPh, MS, FASHP
Chief Administrative Officer,
Ambulatory Pharmacy Services
University of Pennsylvania
Health System



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Agenda



Value-Based Agreements for IDNs



Forum Findings and Recommendations



Q&A



Next Steps and Action Items

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IDNs and Value-Based Agreements

IDNs present special opportunities and challenges for value-based care and represent an important sector for the advancement of value-based models

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Implementing Value-Based Agreements in IDNs

Successful implementation of value-based agreements in IDNs requires a range of complex capabilities:

- Advanced data analytics
- Population health management solutions
- Comprehensive care management
- Successful patient engagement



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IDN Forum Goals

- Validate how value-based care is currently delivered in integrated delivery systems
- Understand the opportunities and barriers to implementing pharmaceutical value-based agreements
- Develop key recommendations and actions to enable the full potential of value-based agreements
- Gain a better understanding of opportunities for MCOs, ACOs and IDNs to collaborate to drive improvements in health care outcomes

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This slide has a dark blue header with the title "Value Based Agreements (VBAs)" in white. The main content area is white and contains a bulleted list. To the right of the list is a circular icon with a blue handshake. The bottom left corner features logos for "AMCP" and "PARTNERSHIP FOR", with the text "© 2019 AMCP Partnership Forum" below them. The number "14" is in the bottom right corner.

Value Based Agreements (VBAs)

- Collaborations that aim to improve the quality of care while controlling costs
- Incentivize the use of cost-effective treatments
- Shift the risk and control of some health care decisions from payers to providers
- Participants can include 2 or more parties, including:
 - Payers, pharmaceutical manufacturers, providers in IDNs, others

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Challenges to Implementing VBAs in IDNs

- Defining and determining value to various stakeholders
- Require effective data integration from multiple sources to facilitate data analytics
- Legal and regulatory requirements



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Perspectives on Select Types of Value-Based Agreements

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Risk Sharing Contracts

PROS

- Outcomes should be more identifiable within a system that has integrated data
- Could have positive or negative financial outcomes

CONS

- Complexities associated with distinguishing between medical and pharmacy benefits
- Need a certain population size
- Limits selection for providers
- Legal barriers
- Challenges capturing data and ensuring interoperability



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Coverage with Evidence Generation Contracts

PROS

- Generation of practice-specific evidence
- Allows for incorporation of patient-reported outcomes
- Population is more clearly defined
- Opportunity for more personalized outcomes
- Opening up access
- Could be beneficial for self-insured employers
- Allow you to learn as you go

CONS

- Higher risk
- Opportunity costs
- Could be limited by FDA indications



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Shared Accountability Contracts

PROS

- Need to have the right partners involved (payers or manufacturers)
- Drives focus on the entire population
- Shared risk
- Patients supported throughout the continuum of patients
- Proactive patient targeting

CONS

- Increased complexity and resources
- Need for data sharing
- Potential legal barriers depending upon VBA design



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Stakeholder Perspectives on VBA Designs and Provider Workflow

- Structural changes in daily activities of health care providers may be needed to optimize value-based care
- Incentives can encourage redesign of provider workflows to support best practices
 - However, workflow redesign can require substantial labor and resources
 - Staff augmentation and coaching may be needed
 - Financial support for changes may be needed



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Considerations for Developing and Advancing VBAs

- Substantial variability among VBA strategies
- Regardless of strategy, start small and grow the program
 - As programs develop, contracts can become more sophisticated
 - Consider Centers of Excellence within IDNs for more sophisticated or specialized contracts
- Arrangements should support the delivery of cost-effective care



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Strategies to Support Successful Collaborations—Issues to Consider

- Data-sharing issues
- Legal and compliance issues
- Managing risk
- Informing and reporting



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Data Management Needs for Contracts

Timely and actionable data may be used for:

- Identifying populations to include in contract and baseline measures and defining metrics for the contract
- Analyzing parameters of contract over time
- Delivering actionable information for providers and patients for point-of-care decision making
 - E.g., sharing costs of various treatment options



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Defining Metrics for Value-Based Agreements

- Variability of metrics complicates outcome measurement and incentive alignment
 - Differences among programs (e.g., HEDIS, star ratings)
 - Even widely-used metrics (e.g., A1c) may have different definitions of desired value for different populations
- Metrics must be accurately and efficiently captured, recorded, and analyzed
- Metrics for VBA should be carefully developed through a collaborative process



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Current IDN Data Resources for Effective Data Management

- IDNs may have improved data integration compared with other care delivery systems
 - Can be challenges integrating data across systems (e.g., pharmacy and medical) and ensuring completeness of data
- Many IDNs have data warehouses or “lakes”
- Sophisticated data analytics can be a powerful tool for identifying patients and appropriate metrics
- Trust needed for data sharing between entities may already exist

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Strategies Addressing Data Sharing

- **Identifying Needed Data**
- **Provisions for Data Sharing**
- **Role of Value-Based Partners to Support Costs**



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Strategies for Informing and Reporting

- **Emerging Best Practices**
- **Partners and Roles**
- **Restrictions**



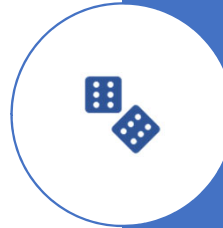
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Strategies to Manage Risk and Uncertainty

- **Variation in Clinical Outcomes**
- **Variation in Network Provider Performance**
- **Variation in Population of Interest**
- **Other Risks**



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Strategies to Manage Legal and Compliance Issues

- **Sharing Data Externally**
- **Use of Data for the Value-Based Agreement**
- **Well-informed Legal Advice**
- **Stakeholder Knowledge**
- **Addressing Current Legal/Regulatory Barriers**



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Considerations for Aligning Incentives

- Organizational goals of the parties to the VBA
 - Strategic necessities and perceptions of value
 - E.g., impact of alternative payment models
- Timeframes for achieving metrics
- Patient populations and impact of social determinants of health
- Need for patient engagement to achieve goals
- Impact of patients who switch plans

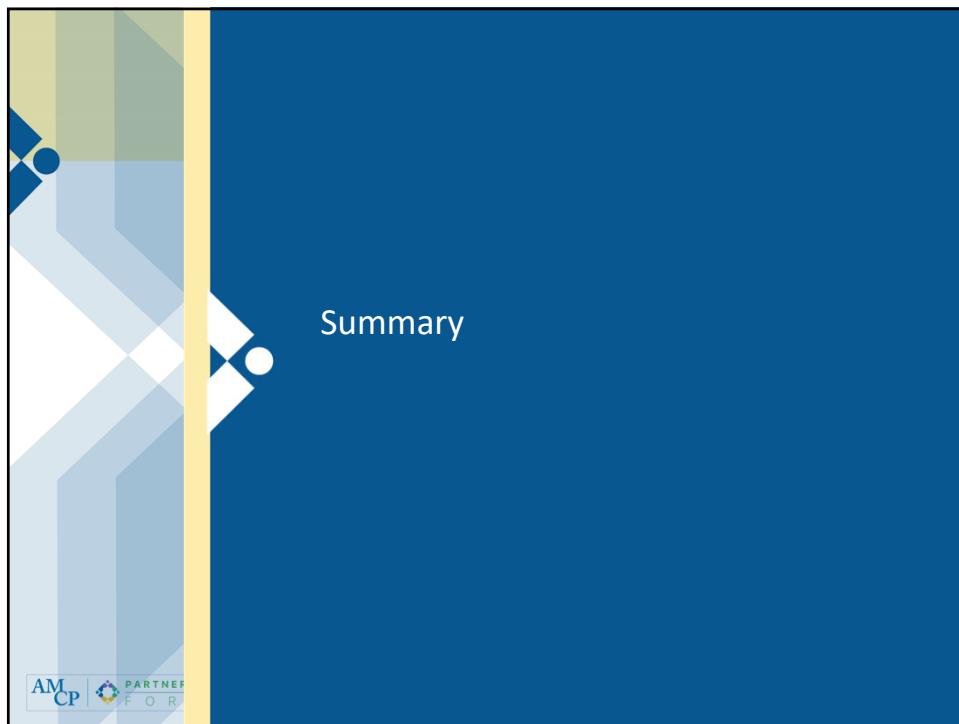


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Potential Elements for a Standardized Value-Based Toolkit

- | | | |
|--|--|---|
| <ul style="list-style-type: none"> • Definitions related to value • Standardized measures • Health information technology support • Functional timeline for developing contracts • Checklist of sections to include in a contract | | <ul style="list-style-type: none"> • Self-assessment tool/readiness scorecard • Tool for assessing partners • Value-based deal exchange • Educational resources • Case studies |
|--|--|---|


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Supporting the Development of Value-Based Agreements

- **Creation of a standardized toolkit**
- **Educational activities for stakeholders**
- **Advocacy to address legislative and regulatory issues**
- **Need for transparency and trust building**



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Summary

- IDNs offer unique opportunities and challenges for advancing VBAs
- Parties to a VBA must carefully assess their goals for a contract and identify partners whose goals align
- Metrics for a contract must be carefully defined
- Effective development and implementation of VBAs is dependent on data access and analytics
- Start with simple contracts and leverage knowledge gained to develop more sophisticated contracts

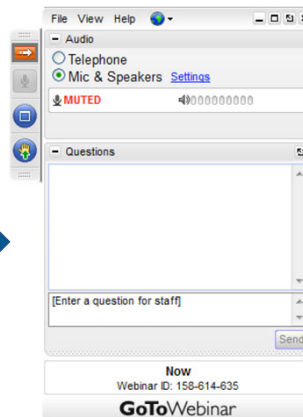
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Reminder: How to Ask Questions During the Webinar



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Next Steps



AMCP Partnership Forum: Integrated Delivery
Networks' Role in Pharmaceutical Value-Based
Agreements

JMCP Issue Vol. 25, No. 5 May 2019

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