



PARTNERSHIP **FORUM**

No. 4 = 2019

What's Next for Specialty Medication
Benefit Design and Reimbursement

DECEMBER 10-11, 2019 | HILTON MARK CENTER | ALEXANDRIA, VA





Welcome



Matt Lowe

Vice President, Business Strategies
AMCP

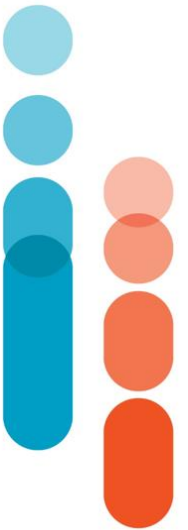
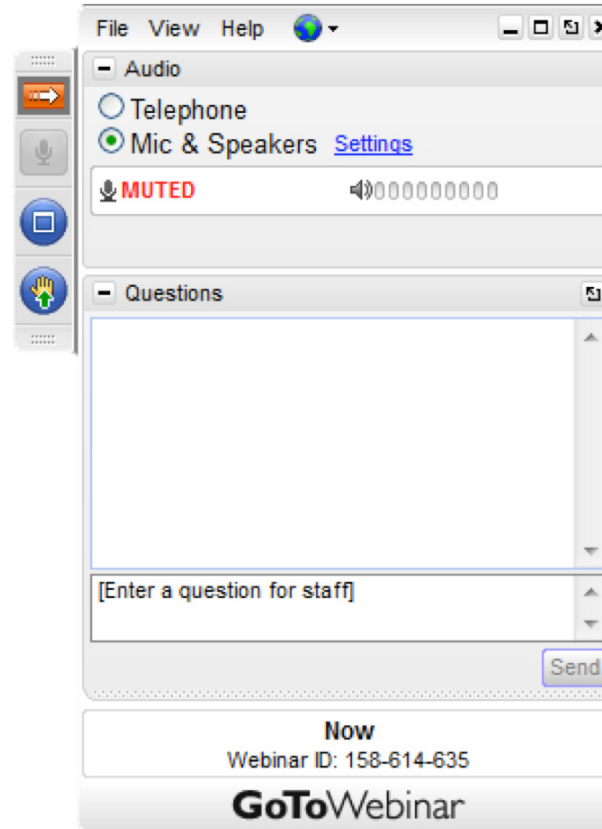
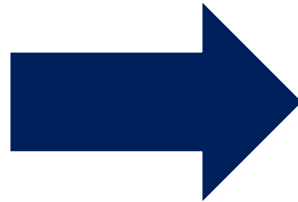


Disclaimer

Organizations may not re-use material presented at this AMCP webinar for commercial purposes without the written consent of the presenter, the person or organization holding copyright to the material (if applicable), and AMCP. Commercial purposes include but are not limited to symposia, educational programs, and other forms of presentation, whether developed or offered by for-profit or not-for-profit entities, and that involve funding from for-profit firms or a registration fee that is other than nominal. In addition, organizations may not widely redistribute or re-use this webinar material without the written consent of the presenter, the person or organization holding copyright to the material (if applicable), and AMCP. This includes large quantity redistribution of the material or storage of the material on electronic systems for other than personal use.



How to Ask Questions





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.

AMCP Partnership Forums are ...

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

2019 Forum Topics



1

Pharmacy and Therapeutics (P&T) Practices: What's Next?

It has been nearly 20 years since AMCP and other stakeholders adopted the Principles for a Sound Formulary System. Since that time, requirements for pharmacy and therapeutics committees (P&T) have been adopted by the Medicare Part D program, health insurance marketplace plans, commercial health plans, Medicaid programs, and other public payers. Changes and evolution in the health care system, including a focus on value-based care, suggest the need for updated recommendations from a broad stakeholder coalition. This Forum will provide a venue to consider P&T practices that reflect the current health care system and provide recommendations to allow for a transparent P&T process in today's health care system.

2

Optimizing Prior Authorization for Appropriate Medication Selection

We will examine how to improve decision making for prior authorization and step therapy based on current market dynamics and considerations to ensure patients receive the most appropriate medications. The forum will develop multi-stakeholder recommendations including: the impact of PA on patient outcomes, the return on investment for technology adoption, and ways to ensure good outcomes through policy and activities by the health care system.

3

What's Next in Managing Risk for Specialty Medications

Current inefficiencies in the health care system create administrative burdens for patients, providers, and payers, and often result in additional unnecessary costs. As a result, the government and private sectors are examining new reimbursement and benefit designs to pay for medications, including re-examining the Medicare Part B and Medicaid programs. Before implementing major changes, however, stakeholders must carefully analyze the potential impact these reforms will have on patient care, access to medications, 340B, and the overall health care system. This forum will make recommendations and considerations for ways that benefit design and reimbursement may evolve without compromising patient access and care.

4

Digital Therapies: What are they and Where do they fit in Pharmacy and Medical Benefits?

Digital therapies with web and designed based applications are emerging as a means to treat conditions by engaging people to improve health and wellness. In some cases, these therapies are preventive to stop a disease or improve outcomes in certain chronic conditions including cancer, diabetes, and heart disease. Other areas for digital therapies have emerged for birth control and to manage opioid addiction. They typically focus on ways to modify a person's environment or behavior to increase patient engagement, improve adherence to medications and possibly reduce hospitalizations or prevent other expensive health interventions. But where do these fit in terms of a pharmacy or a medical benefit for insurance coverage? This partnership forum will consider these important emerging issues to provide recommendations to inform this growing area.



2020 Partnership Forums

1. Helping Patients Anticipate and Manage Drug Costs
2. Preparing for and Managing Rare Diseases
3. Biosimilars: Policy, Practice, and Post Marketing Surveillance to Support Treatment and Coverage Decisions

Sponsors



Faculty



Estay Greene, PharmD, MBA


Vice President, Pharmacy Services Blue Cross
Blue Shield of North Carolina



Carly Rodriguez, PharmD, FAMCP

Pharmacy Director, Clinical Innovation
Moda Health

Agenda

- 
- A decorative graphic on the left side of the slide features six vertical columns of overlapping circles and ovals in various colors: purple, yellow, green, blue, teal, and orange. The shapes are arranged in a way that creates a sense of depth and movement.
- Background
 - Forum findings and recommendations
 - Next steps and action items
 - Q&A

Forum Goals

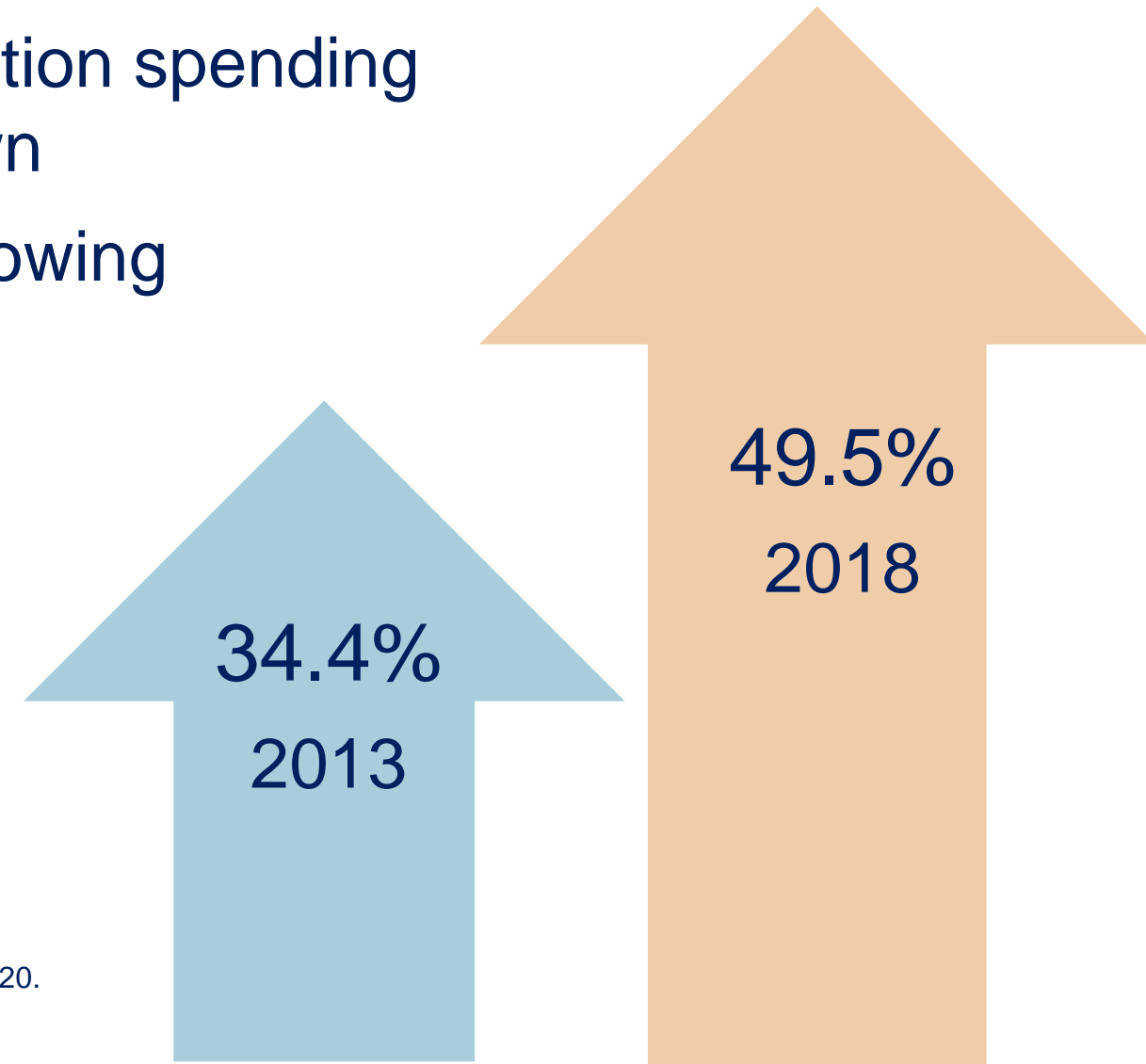
- Provide recommendations for ways to modernize payment of specialty medications covered by commercial benefits, Medicaid, and/or Medicare Part B
- Identify key aspects to consider when changing payment systems and develop recommendations for ways to effectuate the identified changes

Forum Focus

- Reduce costs for beneficiaries while maintaining or improving access to prescription drugs
- Support marketplace competition and incentives for biopharmaceutical innovation
- Minimize physicians' financial risk associated with managing drug inventories
- Remove adverse reimbursement incentives for prescribing higher priced drugs
- Consider the cost-effectiveness of treatments and services across the health care continuum
- Support quality measurement and program evaluation metrics

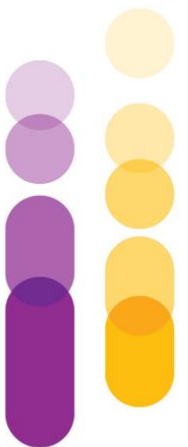
The Specialty Drug Coverage Landscape

- The percentage of overall prescription spending on specialty medications has grown
- Costs are expected to continue growing



Federal Efforts to Address Prescription Drug Prices

- 2018 CMS proposed rule
 - Focused on improving competition, increasing negotiation, lowering list prices, and reducing out-of-pocket costs
 - Encourage CMS to allow health plans more flexibility in managing Medicare Part B and Part D drugs.
- Prescription Drug Pricing Reduction Act of 2019 (H.R. 3/S. 2543)
 - Key issues addressed in Congressional proposals include rebates based on inflation, direct price negotiations, and Medicare Part D redesign



Strengths of Current Specialty Benefit and Reimbursement Systems

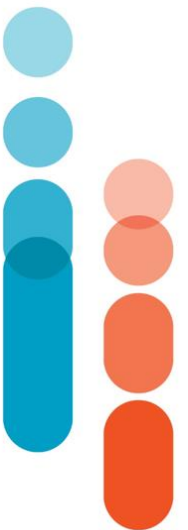
- Access to care
- Value-based contracts
- Accreditation standards
- Automated prior authorization
- Patient assistance programs and out-of-pocket maximums
- Shared savings models
- Competition
- Catastrophic coverage/reinsurance
- Pharmacy claims management
- Innovation
- Data integration
- Information sharing
- Role of pharmacists

Weaknesses of Current Specialty Benefit and Reimbursement Systems

- Medical claims management
- Short-term benefit designs
- Lack of standardization
- Legacy pricing schemes
- Patient costs
- Direct and Indirect Remuneration (DIR) fees
- Sites of care and standards of care
- Barriers to value-based care
- Administrative burdens
- Data needs for orphan drug approvals and conditions
- Fragmentation of care
- Short-term benefit designs
- Legacy pricing schemes

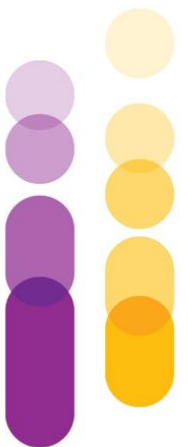
Access to Care Through Innovative Benefit Design

- Participants called for benefit designs that:
 - Focus on total cost of care and overall health improvements
 - Address social determinants of health and patient out-of-pocket costs



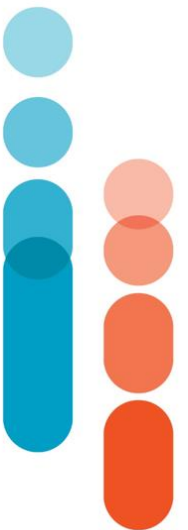
Utilization Management Strategies

- Integrated across benefits
- Replicated in medical benefits
- Cost-effective sites of care delivery
- Prior authorization programs
- Biosimilars



Support Competition

- Generics and biosimilars
- Regulatory requirements
- Simplify stocking
- Therapeutic interchangeability

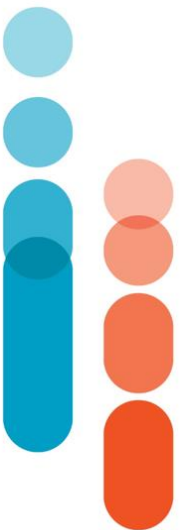


Recommendations for Improving Specialty Benefit Design and Reimbursement



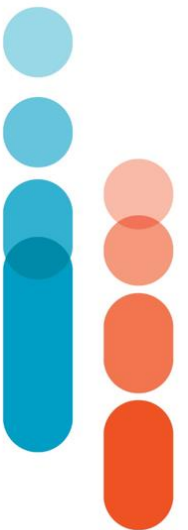
Pharmaceutical Contracting Possibilities

- Provide a significant proportion of rebate savings to patients
- Use savings to reduce premiums or to invest in other healthcare services
- Simplify rebate approaches
 - Ideas included a lower list price, or percentage discount up front
- Expand value-based contracts
 - Can be complex to implement and present operational challenges



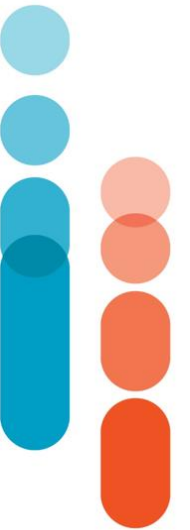
Insurance Design and Care Delivery

- Design for most appropriate site of care
- Design for most cost-effective for both patient and payer
- Restructure 12-month cycle benefit plans
- Expand use of value-based insurance design and alternative payment models
- Address patient needs to support comprehensive care (e.g., Centers of excellence)
- Leverage lessons learned allocating scarce lifesaving treatments (e.g., organ transplants)



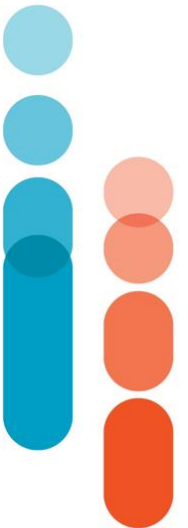
Reinsurance and Annuities

- Reinsurance
- Government-funded high-risk pool insurance programs
- Annuities



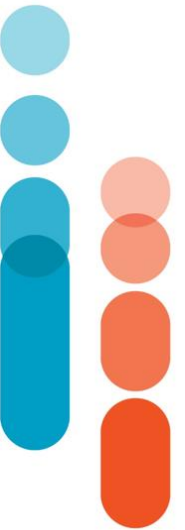
Technology Innovation

- Address barriers to data interoperability
- Real-time benefit tools
- Point of prescribing
- Utilization management strategies applied to the medical benefit with HIT advances



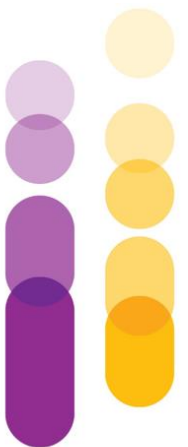
Digital Therapies

- Remote patient monitoring
- Expanded use of mobile health (mHealth) products and digital therapeutics
- Data that is accessible and actionable



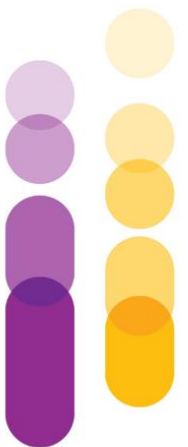
Data Supported Continuity

- Longitudinal databases
 - Allow advanced assessments of patient needs
 - Support care coordination and continuity of care
 - Reduce administrative burdens
 - Use of real-world evidence
 - Systems that facilitate payments over time for certain high-cost products
- Data interoperability, data ownership, and patient privacy issues need to be addressed



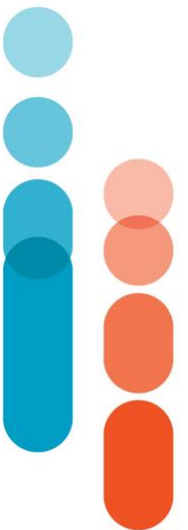
Data Integration

- Optimize the potential role of value-based agreements
- Streamline prior authorization requirements
- Implement models that address sites of administration and care to align incentives for the best practices at the lowest cost



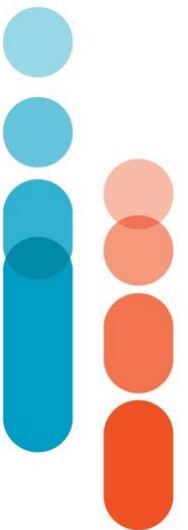
Early Information Sharing

- Pre-approval information exchange (PIE) can help payers prepare to quickly integrate new therapies into their formularies when they are approved
- Participants indicated that stakeholders are not fully optimizing the value of these communication channels
- Greater communication among manufacturers and payers prior to product approvals is needed
- Pre-approval dossiers could facilitate and streamline communication



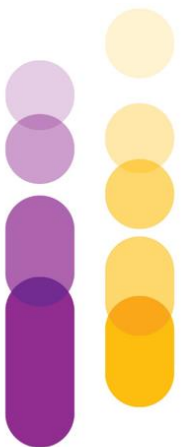
Legislative and Regulatory Strategies

- Modernization of the Anti-Kickback Statute and Medicaid Best Price requirements to support wider use of value-based agreements
- Prescription drug reimbursement model changes could address challenges regarding DIR fees, including rebates, ASP+6, and site of care provisions
- Strategies to control costs by supporting increased competition, such as increased access to biosimilars



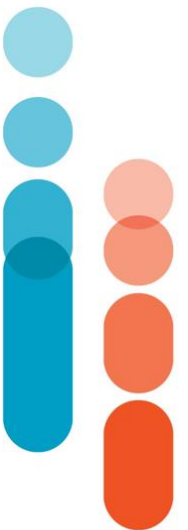
Legislative and Regulatory Strategies

- Create policies that would help manage costs associated with prescription products but caution against stifling innovation and advocated for market-based solutions
- Implement strategies that support greater transparency and ability to compare actual prices for effective solutions
- Allow FDA to evaluate cost-effectiveness of new treatments
- Implement some changes concurrently
 - For example, the elimination of ASP+6 will need to be paired with a model that compensates providers for delivering the medication-related service



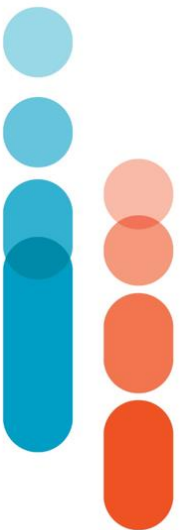
Patient-Centric Considerations

- Design benefit that address a wide range of patient needs
 - Address psychosocial issues and social determinants of health
 - Deliver supportive services to optimize patient outcomes
 - Incentivize patients to adhere to recommended treatments and lower out-of-pocket costs
- Engage pharmacists and mid-level practitioners
- Integrate benefit designs that are accountable for total cost of care



Looking to the Future

- Simplify benefit designs and make them easier to understand
- Ensure benefits remain patient-centric
- Develop common longitudinal databases for patients to maintain medication records over time
- Reimagine and broaden existing reinsurance programs
- Develop common definitions for success and failures of treatments
- Create best practices, case studies, and educational programs
- Leverage lessons learned from insurance models for other expensive and lifesaving treatments



Next Steps



PARTNERSHIP FORUM
 No. 4 — 2019

EXECUTIVE SUMMARY

What's Next for Specialty Medication Benefit Design and Reimbursement

Managing the increasing number of high-cost specialty medications available in the United States poses many challenges for allowing payers to remain good stewards of limited resources while also supporting patient access to valuable innovation.

To examine current opportunities and challenges related to specialty pharmacy benefits and explore potential strategies for improving benefit and reimbursement designs, AMCP convened a multidisciplinary stakeholder forum Dec. 10-11, 2019, in Alexandria, Va.

AMCP Partnership Forums are designed to address current market challenges and opportunities by bringing together key decision makers in managed care, integrated care, the pharmaceutical industry, and others to discuss and collaborate on tactics and strategies to drive efficiencies and outcomes.

THE GOALS OF THE FORUM WERE TO DEVELOP RECOMMENDATIONS TO:

- Reduce costs for beneficiaries while maintaining or improving access to prescription drugs
- Support marketplace competition and incentives for biopharmaceutical innovation
- Minimize physicians' burden and the financial risk associated with managing drug inventories
- Remove adverse reimbursement incentives for prescribing higher priced drugs
- Consider the cost-effectiveness of treatments and services across the health care continuum
- Support mechanisms to support quality measurement or program evaluation metrics

CONTACT INFO

675 N Washington Street | Suite 220
 Alexandria, VA 22314

703 684 2600 | www.amcp.org | @amcporg

continued on next page

**JOURNAL OF
MANAGED
CARE & SPECIALTY
PHARMACY**

Volume 38 • Number 1 • September 2019

CLINICAL MANAGEMENT

Evaluation of the Impact of Comprehensive Medication Management Services on Readmissions and Emergency Department Visits
 Sarah M. Weisberg, PharmD, BCPS, Michael T. Swenson, PharmD, Colleen M. Brown, BS, and Charles E. Grunert, MD, MPH

Development of a Patient-Specific Medication Management Plan for Patients with Type 2 Diabetes Treated with Insulin, Metformin, or Both
 Ian M. Brinson, PhD, Todd C. Shipe, PhD, Mary Jane Hoffmann, PharmD, BCPS, CDE, and James Smith, MD, PhD

Impact of a PE Box Clinic to Improve Systolic Blood Pressure in Veterans with Uncontrolled Hypertension Taking 1 or More Antihypertensive Medications
 Angela E. Palmer, PharmD, CDE, BCACP, Steven Shaw Taylor, PharmD, CDE, Abigail R. Taylor, PharmD, BCACP, and Andrew M. Ault, PhD

Impact of a Clinical Pharmacy Program on Changes in Hemoglobin A1c, Diabetes-Related Hospitalizations, and Diabetes-Related Emergency Department Visits for Patients with Diabetes in an Underserved Population
 Rocky Cheng, PharmD, BCACP, Kevin Russell, PhD, Doreen Lopez, PharmD, CDE, BCPS, BCACP, Jason Isakson, PharmD, BCPS, and Josh Green, PharmD, CDE, BCACP

BENEFIT MANAGEMENT

Cost of Plan Reduction to Treat Adult Patients with Neuromuscular Disease in the United States
 Ruffin S. Ross, PhD, Robert Williams, MS, PhD, Christopher Smith, PharmD, Jeffrey A. Grant, PharmD, Jesse C. Stegmann, PharmD, Brian White, PharmD, MS, Robert Apple Snow, MS, PharmD, and William C. Bond, PharmD, BCACP

Cost of Adult Vaccination in Medical Settings and Pharmacies: An International Study
 Robert E. Singlet, PhD, and Douglas Cheng, PhD

ONLINE EXCLUSIVE

Report of the 2019 AMCP Partnership Forum on Effective Solutions to Medication Reconciliation and Improving Transition of Care Development and Validation of a Risk Score to Identify Patients at High Risk for Discharge-Related Adverse Drug Events
 Ronald L. Whitehead, MD, Richard Swanson, MD, MPH, Stephen E. Gruchow, PhD, MPH, Kelly Rappier Johnson, BS, MS, CDE, Laura Mendillo, MPH, MS, and Abhishek Deshpande, PharmD, MS, MPH, MS

A Comparison of Costs of Medicare Part D Prescription Dispensed at Retail and Mail-Order Pharmacies
 Kenneth E. Grunert, PhD

The Evaluation of Clinical and Cost Outcomes Associated with Earlier Initiation of Insulin in Patients with Type 2 Diabetes Mellitus
 Henry J. Simonsen, MD, Samuel F. Murphy, MD, James C. Galis, BS, Barbara D. Ford, and Bradley H. Curtis, DSc, MPH, PhD

AMCP | Academy of Managed Care Pharmacy

PARTNERSHIP FORUM
 No. 4 — 2019

What's Next for Specialty Medication Benefit Design and Reimbursement

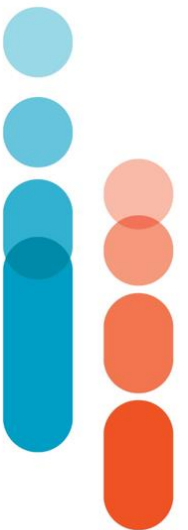
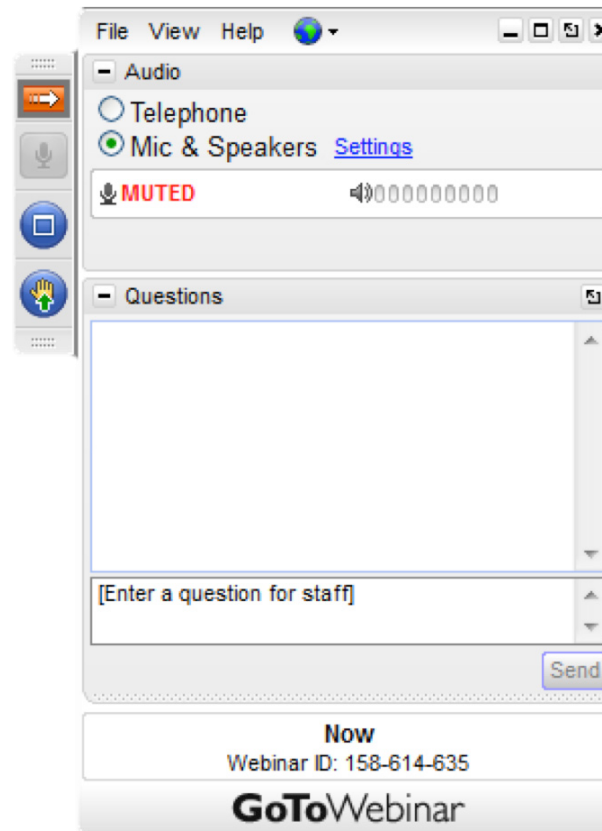
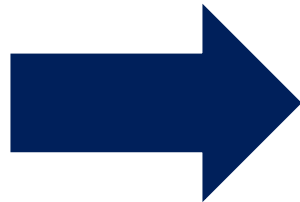
DEC. 10-11, 2019 | HILTON MARK CENTER | ALEXANDRIA, VA

NEXUS2020

Making the Way for Innovation

- OCTOBER 20-23
- MGM GRAND
- LAS VEGAS

How to Ask Questions



Sponsors





For a list of
upcoming webinars,
visit
www.amcp.org/calendar



Mission

To improve patient health by ensuring access to high-quality, cost-effective medications and other therapies.