Health Technology Assessment and Value Frameworks to Inform Coverage Reimbursement

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Moderator Welcome

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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.
Partnership Forums

• Provide a voice for stakeholders

• Find common ground and gain consensus

• Identify actionable results

• Amplify to raise visibility
Partnership Forum Goals

• Outline considerations for how value should be rewarded in a system of constrained resources
• Explore the evolution of value frameworks to guide coverage and reimbursement decisions, and
• Identify education and managed care tools to aid the application of value assessment findings.
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How to ask a question

Type your question in the “Questions” area, then click “Send”
Our Faculty

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SVP Pharmacy Operations
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Vimal Reddy, PharmD
VP, Payer Strategy, Market Access
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Kimberly Westrich, MA
Director, Value and Access Strategy
Xcenda
Agenda

• Key Background

• Forum findings and recommendations

• Q&A

• What’s next?
Key Forum Take Aways

- Definitions of value vary by stakeholder perspective.
- High-value products should be rewarded.
- Value assessments are just one part of payer coverage and reimbursement decisions.
- New inputs to value assessment frameworks need time for uptake.
- Stakeholder education is a key opportunity.
What is value assessment?

**WHAT?**
An approach to measure the “value” (often in terms of clinical benefit and cost) of healthcare interventions and provide those results to stakeholders in a clear, actionable, and user-friendly format.

**WHY?**
To aid stakeholder decision making and optimize treatment outcomes and value for money in policy and practice.

**WHO?**
In the US, there are several private-sector initiatives undertaken by nonprofit organizations, including leading medical organizations and professional societies.
Rewarding value

Definitions of value vary by stakeholder

- Consider medication type, intended treatment population, and disease severity
- Value and coverage decisions should be based on core set of inputs like clinical outcomes, patient-reported outcomes, safety, and high-quality real-world data
  - Greater data and clinical trial diversity for subpopulation consideration
- Value assessment methods need to be transparent and reproducible
Rewarding value

High-value products should be rewarded

- Incentives of better access and lower patient out-of-pocket costs
- Drive innovation but unintentionally may alter products developed based on reward
- Tradeoffs due to constrained resources
- Value changes over time, and value assessments should be updated
Methodology

Online survey
• Quantitative survey, including open-ended questions, was fielded from June 30, 2022, to July 19, 2022

Format
• Double blinded, 30-minute survey
• Topics covered included value assessment frameworks and tools

Participants
• A total of 51 advisors from health plans, IDNs, and PBMs

Note: Some of the percentages in this report may not add up exactly due to rounding.
Key: IDN – integrated delivery network; PBM – pharmacy benefit manager.
### Value Assessment Frameworks in the US

<table>
<thead>
<tr>
<th>ICER Value Assessment Framework</th>
<th>NCCN Evidence Blocks</th>
<th>ASCO Value Framework</th>
<th>Drug Pricing Lab Drug Abacus</th>
<th>IVI Open-Source Value Models</th>
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</table>

Multiple team members are reviewing value assessments

Responsibility for reviewing value assessments

N=51

q1: Who in your organization is responsible for reviewing value assessment frameworks/tools?

Key: P&T – pharmacy and therapeutics.
Value assessments are more useful for informing formulary decisions than pricing negotiations, but they are used for both.

<table>
<thead>
<tr>
<th>Formulary decisions</th>
<th>Pricing negotiations</th>
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</tbody>
</table>

Extremely/very useful | Somewhat useful | Not at all/not very useful

10% | 35% | 57%
14% | 29% | 49%
25% | 35% | 29%
35% | 53% | 39%
55% | 55% | 6%

N=51

q2: How useful are the following value assessment frameworks/tools for informing formulary decisions within your organization?
q3: How useful are the following value assessment frameworks/tools for informing pricing negotiations within your organization?

Methodology and transparency are among the most important factors when selecting a value assessment tool.

Alternate perspectives and identification of health disparities are among the lowest

**Most important factors**
- Appropriate metrics and outcomes are included
- Comparative clinical effectiveness information
- Methodologically rigorous and unbiased methods
- Part of a transparent and open process

**Least important factors**
- Identification of health disparities
- Inclusion of provider perspective
- Inclusion of patient perspective
- Inclusion of societal perspective

N=51
q4: How important are each of the following when selecting a value assessment framework/tool to utilize within your organization?
ICER value assessments informed both coverage expansions and restrictions

Coverage decision revisions based on ICER assessment*

- High cholesterol (N=15)
- Alzheimer's disease (N=14)
- Atopic dermatitis (N=13)
- Multiple myeloma (N=12)
- Chemotherapy-induced neutropenia (N=11)
- Myasthenia gravis (N=10)
- Ulcerative colitis (N=9)
- Hemophilia (N=8)
- Asthma (N=8)

q18: How have you revised a prior coverage decision based on the [assessment topic] ICER report or update in the last 24 months?

* Reported Ns include “other” responses (not shown in chart)

Key: ICER – Institute for Clinical and Economic Review.
Value assessment results are used in multiple ways

- **Confirm clinical evidence**
  - Provides additional checks and balances for identifying and evaluating clinical net benefits and harms

- **Identify potential utilization management criteria**
  - Guides subpopulations of patients or care settings where high-value care can be optimized; used to inform step therapy, prior authorization, or prescriber guidance; address health equity lens

- **Inform rebate negotiations and risk-sharing arrangement**
  - Informs rebate team and signals need for value-based agreement
Value assessment results are used in multiple ways

Enable understanding of patient perspectives
Understand patient experiences; guide decision makers on endpoints that matter to patients; inform the need for shared decision-making tools

Assess budget impact; plan care scenarios
Aid forecasting and budget impact, especially for state Medicaid and employee and federal programs

Guide care management
Facilitate clinical treatment and care management programs to optimize high-value products

https://www.amcp.org/Resource-Center/meeting-proceedings-findings/partnership-forum-health-technology-assessment-and-value-frameworks-inform-coverage-reimbursement
Future needs in value assessment framework

Data and systems
- Build infrastructure to collect data
- Use and enforce data standards
- Integrate system to leverage available data and link them for analysis
- Establish accessibility through transparent shared evidence generation and data to follow patients

Education
- Opportunities for user training on existing tools and frameworks
- Increase expertise in pharmacoeconomics though additional education
- Raise awareness of current applications and ongoing efforts to improve frameworks
- Increase trust by validating format and communicating rational for value assessment
Future needs in value assessment framework

Payers
- Prioritize clinical factors in coverage decisions and consider utilization management and economic factors separately
- Allow true value-based benefit design where it is currently limited
- Transparent pricing for most efficient decision-making and clear communication of cost to stakeholders
- Ensure fair access by applying a broad definition and utilizing innovative tools

Tools and Frameworks
- Consider meaningful clinical outcomes in trials, incorporate ICD-10 codes
- Increase subpopulation specificity and integrate health equity
- Incorporate patient level data to understand how the results may impact specific plan population
- Have flexibility in tools and frameworks to allow modeling of potential tradeoffs in various scenarios

Health care industry
- Expand the availability and use of HTA via both public and private competition and better methods for non-drug evaluations
- Employ a PDUFA like mechanism developed with feedback from all relevant stakeholders to fund HTA activities
- Consider legislative initiatives for standards on future needs and improve transparency of current pricing structures
- Reward value and consider other direct and indirect incentives that might be useful
What’s Next?
Next Steps

https://www.amcp.org/Resource-Center/meeting-proceedings-findings/partnership-forum-health-technology-value-frameworks-coverage-reimbursement
Key forum takeaways

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• High-value products should be rewarded.
• Value assessments are just one part of payer coverage and reimbursement decisions.
• New inputs to value assessment frameworks need time for uptake.
• Stakeholder education is a key opportunity.
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