

Specialty Pharmacy, Diagnostic And Genetic Testing Coverage In US Health Plans: Results From A Survey Of Medical & Pharmacy Directors

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EVIDENCE BASED HEALTHCARE RESEARCH & SUPPORT



Background

- The TPG-National Payor Roundtable (TPG-NPRT) focuses on market access programs within the United States and is a subsidiary of The Pharmacy Group.
- The JeSTARx Group provides evidence-based research and support to the Healthcare Industry.
- The TPG-NPRT maintains a proprietary database of Chief Medical Officers, Chief Pharmacy Officers and other key decision makers from health plans in the United States.
- Specialty Pharmacy products are pharmaceuticals designed to treat specific, complex chronic diseases and have four or more of the following attributes shown in Table 1.^{1,2}
- In 2014 Specialty Pharmaceuticals accounted for one-third of spending, up from 23% in 2009.

Table 1. Attributes of Specialty Pharmacy products

- Initiated only by a specialist
- Requires a cold chain for distribution
- Having few prescribers or centers
- Requires special patient training to administer
- High expense
- Needs patient's support to achieve adherence
- Requires reimbursement assistance
- Has a unique process for distribution
- Requires processing of pre-approval essential and competitive skill
- Importance of low inventory
- Requires special handling
- No need to supply all pharmacies through all warehouses

- Diagnostic and genetic tests identify and predict diseases and treatment response.
- Pharmacy & Therapeutic (P&T) Committees and technology assessment entities are tasked with making coverage decisions with limited information available.
- Based on recent programs with US Payors, Medical Directors, and Sponsors (pharmaceutical companies, medical device, and health technology companies), the authors and their organizations decided to conduct a survey of medical and pharmacy directors involved with P&T Committees on their policies regarding:
 - Specialty Pharmacy products and
 - The use of Specialty Pharmacies
 - The use of diagnostic and genetic tests

Objectives

- This study sought to survey medical directors and pharmacy directors of US payors representing: health plans, insurers, employer groups and Pharmacy Benefit Managers (PBMs).
- The survey focused on the:
 - Management of Specialty Pharmaceuticals (SPs) and Specialty Pharmacies.
 - Pharmacy & Therapeutics (P&T) committee process.
 - Current and anticipated future:
 - Policies regarding the use of Specialty Pharmacies
 - Coverage of Specialty Pharmacy products
 - Coverage of diagnostic and genetic testing

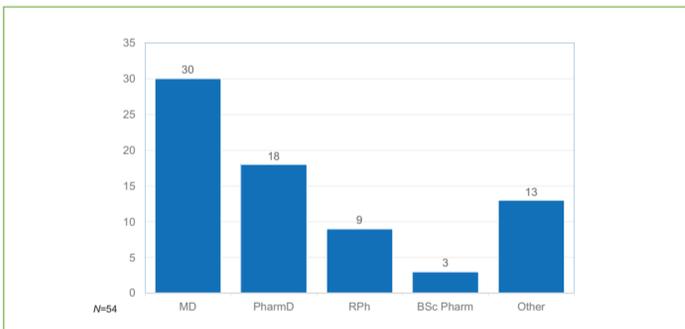
Methods

- An online, interactive survey was developed with 63 questions and included:
 - Yes / No questions
 - Lists for users to select single or multiple answers
 - Open-ended responses (ie, what disease states most concern you?)
- Invitations to participate were sent to 224 medical and pharmacy directors currently employed by US health plans and insurers from the TPG-NPRT database in December 2014.
- Material or financial incentives were not offered for completion of the survey.
- Topics included:
 - Plan coverage:
 - Geographical coverage
 - Types of lives
 - Restrictions on Specialty Pharmacy providers
 - Coverage of Specialty Pharmaceutical products:
 - Under the Medical or Pharmacy benefit
 - Current co-pays and expected co-pay changes
 - Coverage of diagnostic and genetic tests

Results

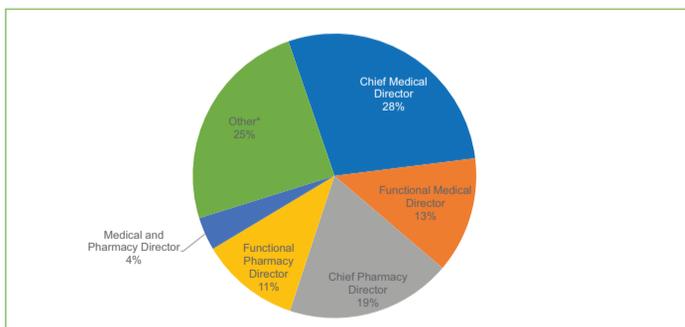
- A total of 54 persons responded to the survey invitation (24.1% response rate).
- Many advisors reported multiple degrees (Figure 1), and the most common degree was MD (55.6%).

Figure 1. Survey Respondent Degrees (multiple answers allowed)



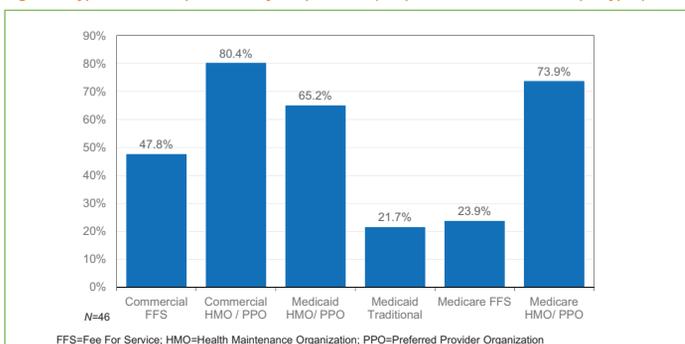
- 86% of the advisors were involved in formulary decisions.
- The respondents were mostly chief medical directors and chief pharmacy directors (Figure 2), the "Other" category included: VP (of Pharmacy, Medicine, or Medical Affairs); Chief Medical Officer, Senior Medical Director [3], and Consultant [3].

Figure 2. Respondent's Title within their Organization



- Most respondents worked for a health plan (83.6%) and 39.6% were local, 35.4% were national, and 25.0% were regional.

Figure 3. Type of Plans Represented by Respondents (Respondents can cover multiple types)



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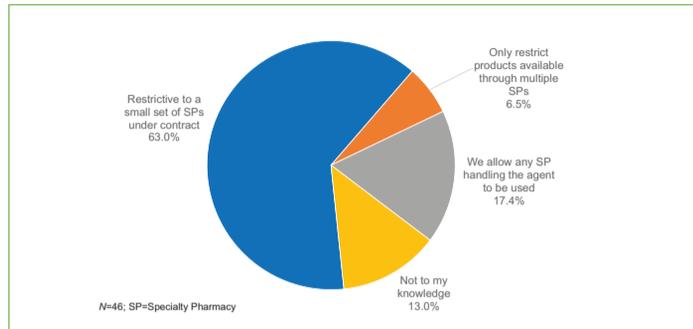
www.TPG-NPRT.com or www.jestarx.com/publications/

Complete this year's survey

www.surveymonkey.com/r/NPRTSurvey2016

- Specialty Pharmacy providers were restricted by 53.7% of the plans. Common restrictions of providers are shown in Figure 4.

Figure 4. Restrictions on the use of Specialty Pharmacies



- Overall, there were differences between the benefits used for clinician-administered products (injections/infusions) and oral biologics (Figure 5):
 - Cost-thresholds were used to determine benefit type for both types of products. Plans covered:
 - Clinician Administered products (injections/infusions) mostly under the Medical benefit (67.3%);
 - Most plans (72.9%) do not anticipate a change, 18.8% expect a change before 12-2016 and 2.1% before 12-2018.
 - Oral Biologics were managed under the Pharmacy benefit (78.3%);
 - Most plans are not expected to change by 71.1% of the plans, 11.1% were currently making changes; 13.3% expect changes before 12-2016; and 4.4% before 12-2018.
 - Co-pays are all shifting towards a percentage basis (Figure 6).

Figure 5. Benefits Used for Clinician Administered Products and Oral Biologics

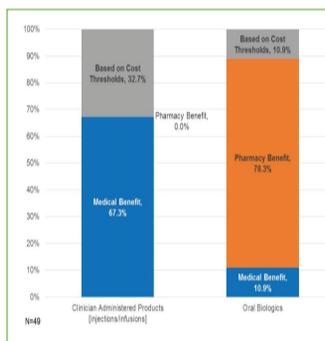
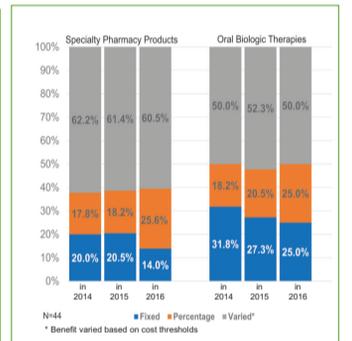


Figure 6. Co-Pays for Specialty Pharmacy Products, Oral Biologics and Oral Multiple



- In 2013, genetic tests were covered in 79.5% of all cases (Figure 7) and with coverage expected to increase to 90.2% in 2015 (Figure 8).
- Genetic test coverage was highest for: Oncology (92.9%); OB/GYN (83.3%); cardiovascular (50%) tests.

Figure 7. Genetic Test Coverage in 2013

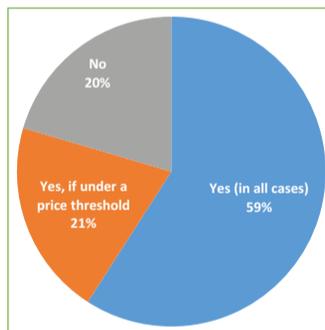
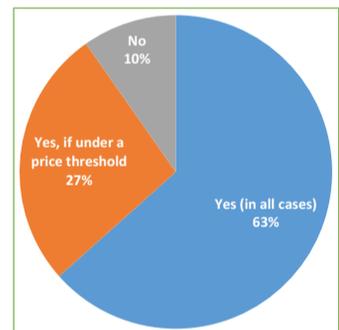


Figure 8. Genetic Test Coverage in 2015



- Disease marker tests (ie, BRCA in breast cancer), were covered in over 95% of cases (Figure 9) and tests to identify therapy responses (ie, HIV, RA) were covered in 89.4% of cases (Figure 10).

Figure 9. Disease Marker Test Coverage

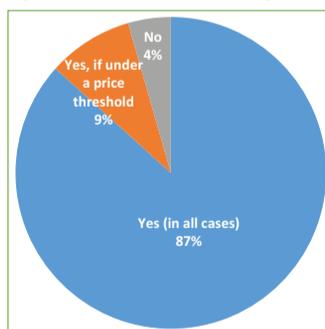
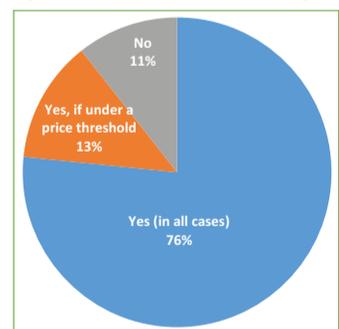


Figure 10. Therapy Response Test Coverage



Conclusions

- Expenditures for Specialty Pharmacies products and the use of Specialty Pharmacies will continue to grow.
- Health plans need to determine how to provide coverage for and evaluate:
 - Specialty Pharmacy products
 - Specialty Pharmacies
 - Diagnostic and genetic tests
- The environment for P&T Committee decision making in managed care is undergoing a series of changes.
- Payor medical directors and pharmacy directors, who commonly serve as P&T Committee members, have a distinct understanding and opinions as to how to alter the process to adapt to these influences.

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