

# United States Medical and Pharmacy Director Cancer Concerns

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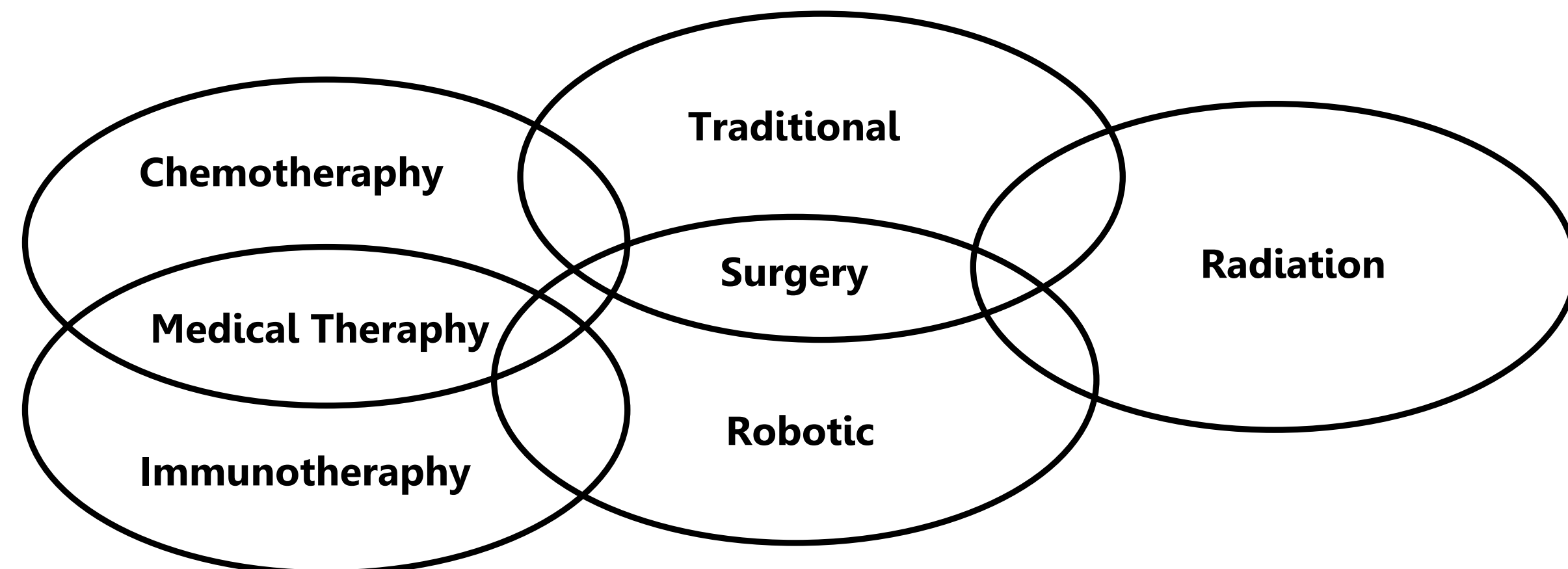


The JeSTARx Group provides evidence-based research and support to the healthcare industry.

## BACKGROUND

- Cancer is costly and managed by a variety of treatments that include: traditional and robotic surgery, radiation, chemotherapy, and immunotherapy (Figure 1)

Figure 1: Types of Cancer Treatments



- Pharmaceutical treatments are shifting from chemotherapy, with limited effectiveness and multiple side-effects, to effective, targeted immunotherapies with fewer side-effects, multiple treatment pathways with indications alone and in combination, and receiving fast-track approvals
- In 2015, 16 novel therapies for cancer were approved by the US Food and Drug Administration<sup>1</sup>
  - These new drugs included therapies for multiple myeloma, lung cancer (non-small cell, and ALK-positive), advanced melanoma, and other cancers<sup>2</sup>
- New trends in the development of anticancer drugs include: immunotherapies, monoclonal antibodies, adoptive-cell therapies, and new vaccines<sup>3</sup>
- 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 cancer-related topics

## OBJECTIVES

- This study sought to survey Medical Directors and Pharmacy Directors of US payors representing: health plans, insurers, employer groups and Pharmacy Benefit Managers (PBM)
- The survey focused on the management of:
  - Top cancer concerns
  - Policies regarding diagnostic and genetic tests for cancer
  - Coverage of agents used to treat cancers and the use of Specialty Pharmacies for cancer therapies

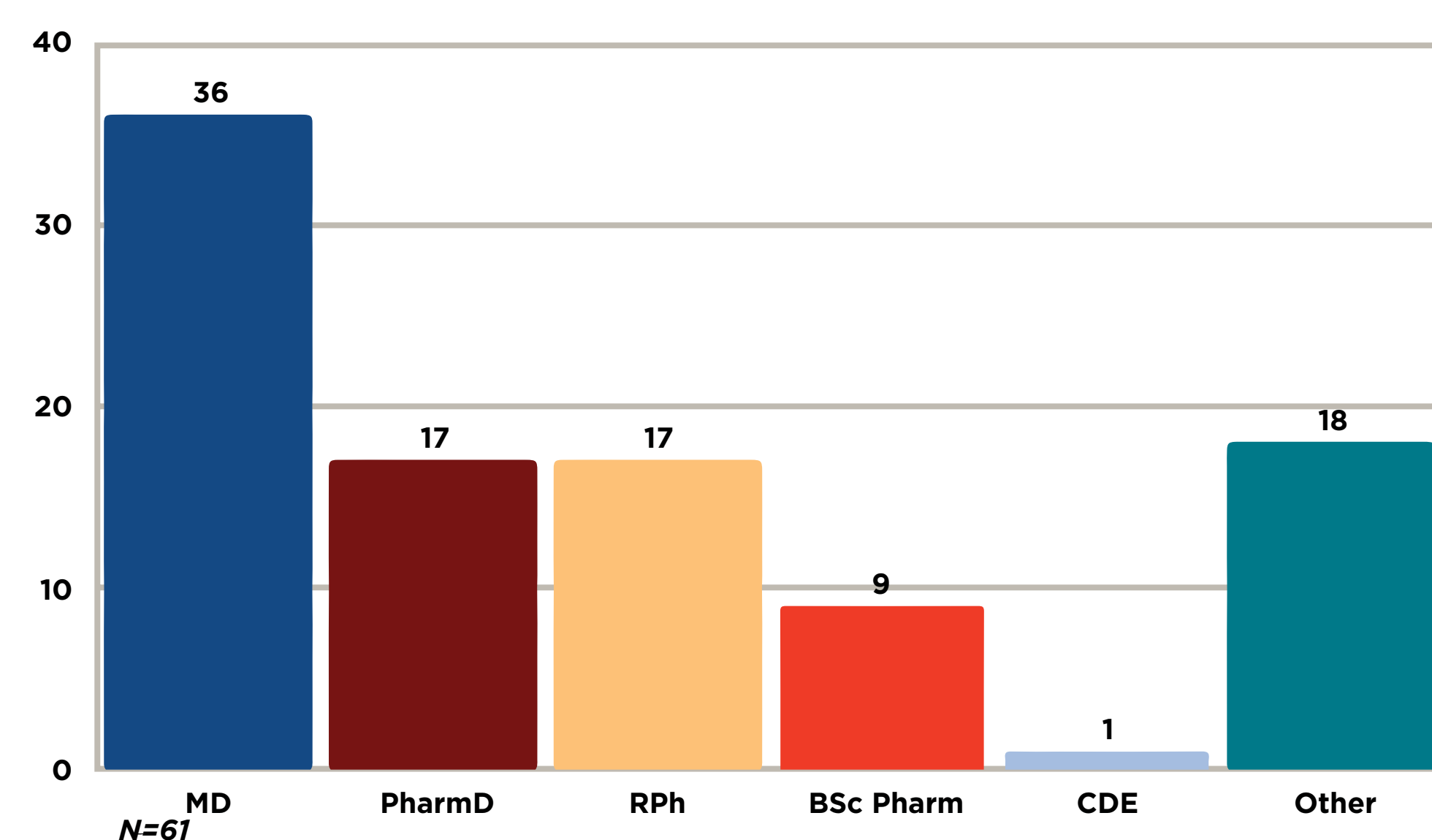
## METHODS

- To determine the types of cancers most concerning to US managed care plans, a survey invitation was sent to Medical and Pharmacy Directors (MDs+PDs) of US health plans, insurers, and Pharmacy Benefit Managers
- An online, interactive survey was developed with 76 questions and included:
  - Yes / No questions
  - Lists for users to select single or multiple answers
  - Open-ended responses (i.e., what disease states most concern you?)
  - Invitations to participate were sent to Medical and Pharmacy Directors currently employed by US health plans and insurers from the TPG-NPRT database in December 2015
  - Material or financial incentives were not offered for completion of the survey
- Topics included:
  - Plan coverage:
    - Geographical coverage
    - Types of lives
  - Coverage of cancer medications
    - Under the Medical or Pharmacy benefit
    - Current co-pays and expected co-pay changes
    - Coverage of genomic tests for cancer
    - Types of cancer most concerning to them; Ranking (highest=12-to-1=lowest) of cancer-types
    - Top concerns today and in 5 years from budgetary and medical points of view
    - Coverage of diagnostic and genetic tests

## RESULTS

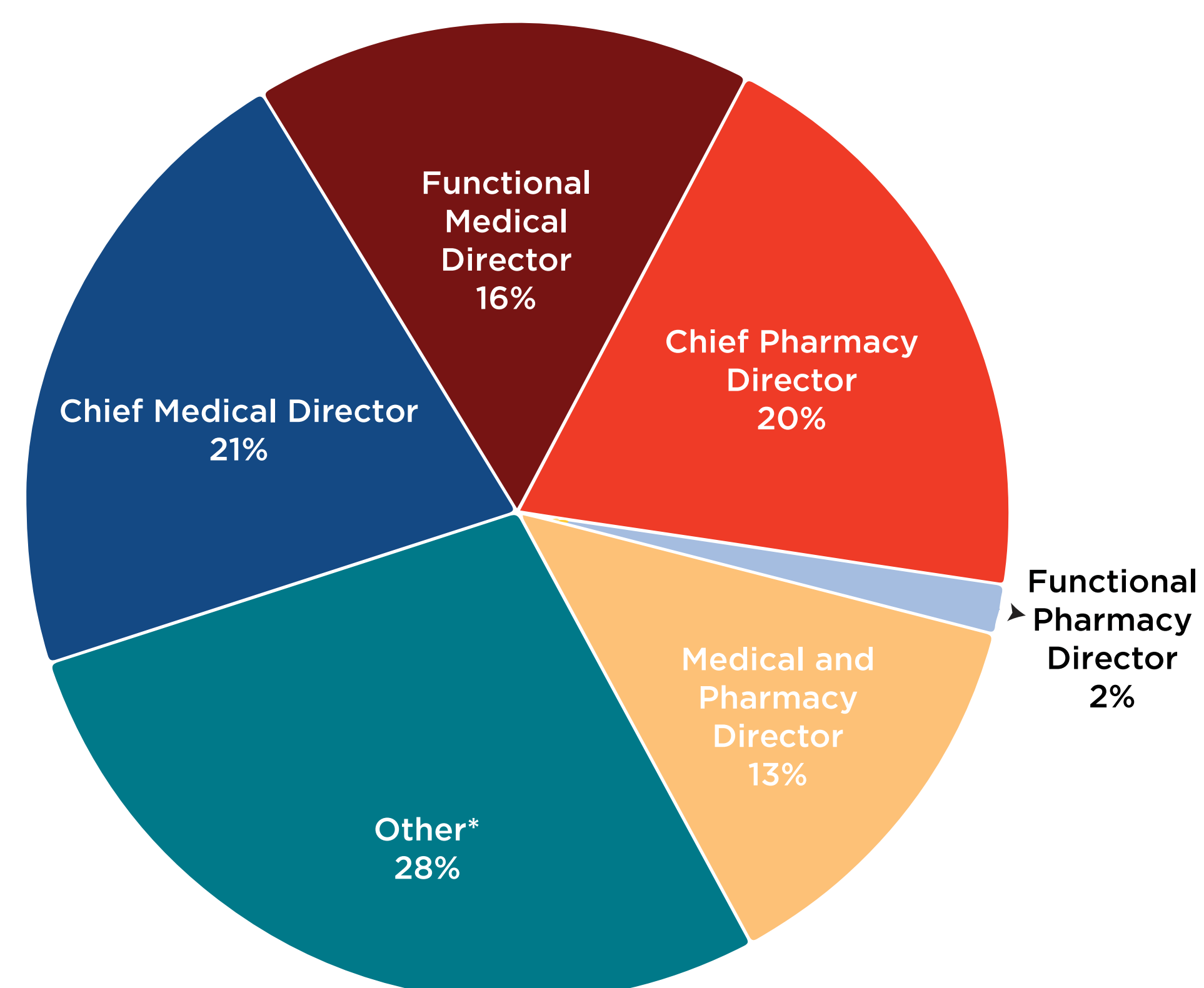
- A total of 61 persons completed the survey—some questions were not answered by all respondents
- Many advisors reported multiple degrees (Figure 2), and the most common degree was MD (59.2%). 86% of the advisors were involved in formulary decisions

Figure 2: Respondent Degrees



- The respondents were mostly Chief Medical Directors and Chief Pharmacy Directors (Figure 3) and functional Medical or Pharmacy Directors
- Most advisors (83.6%) worked for a health plan— 39.6% were local, 35.4% were national, and 25% were regional

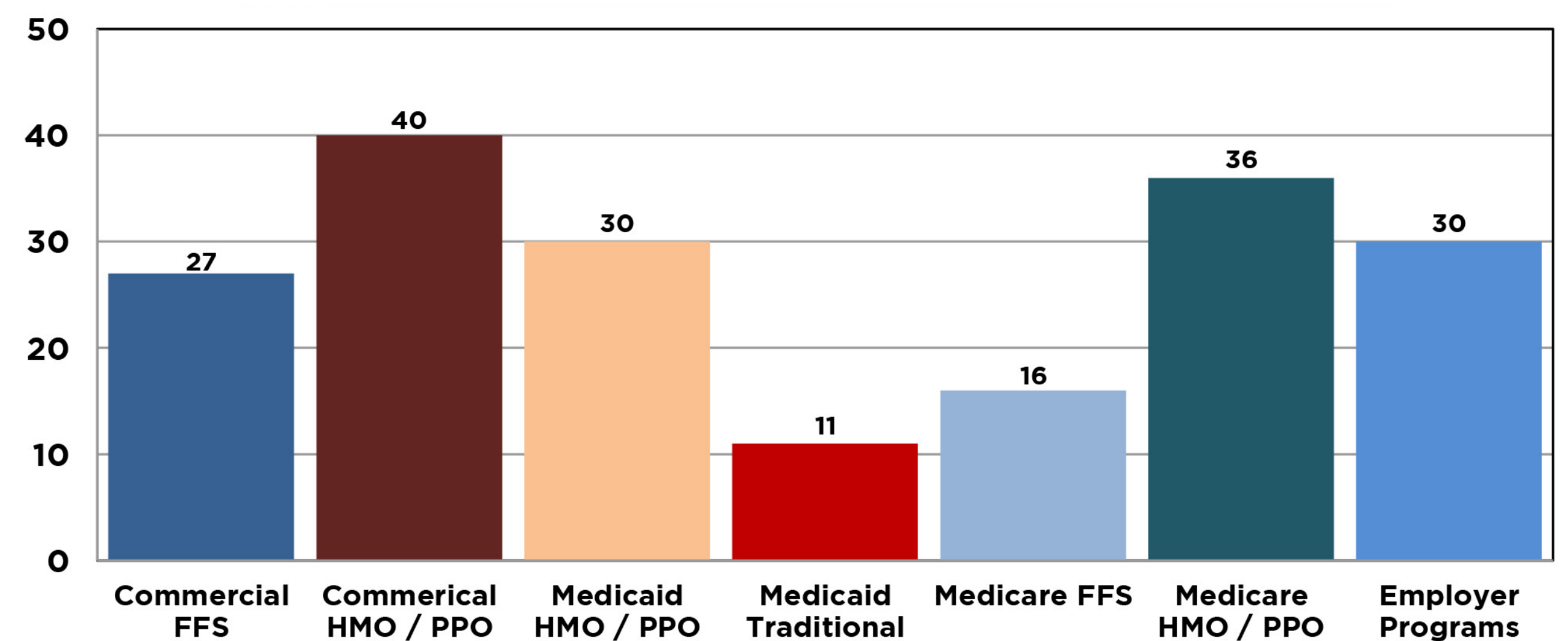
Figure 3: Respondent Titles



## RESULTS CONTINUED

- Plans could cover multiple types of members:
  - 96.49% covered commercial lives, 84.21% Medicaid, 78.95% Medicare MA-PDP, and 59.65% Medicare PDP-only lives
  - Respondents can cover multiple types of plans (Figure 4)

Figure 4: Plan Payor Coverage

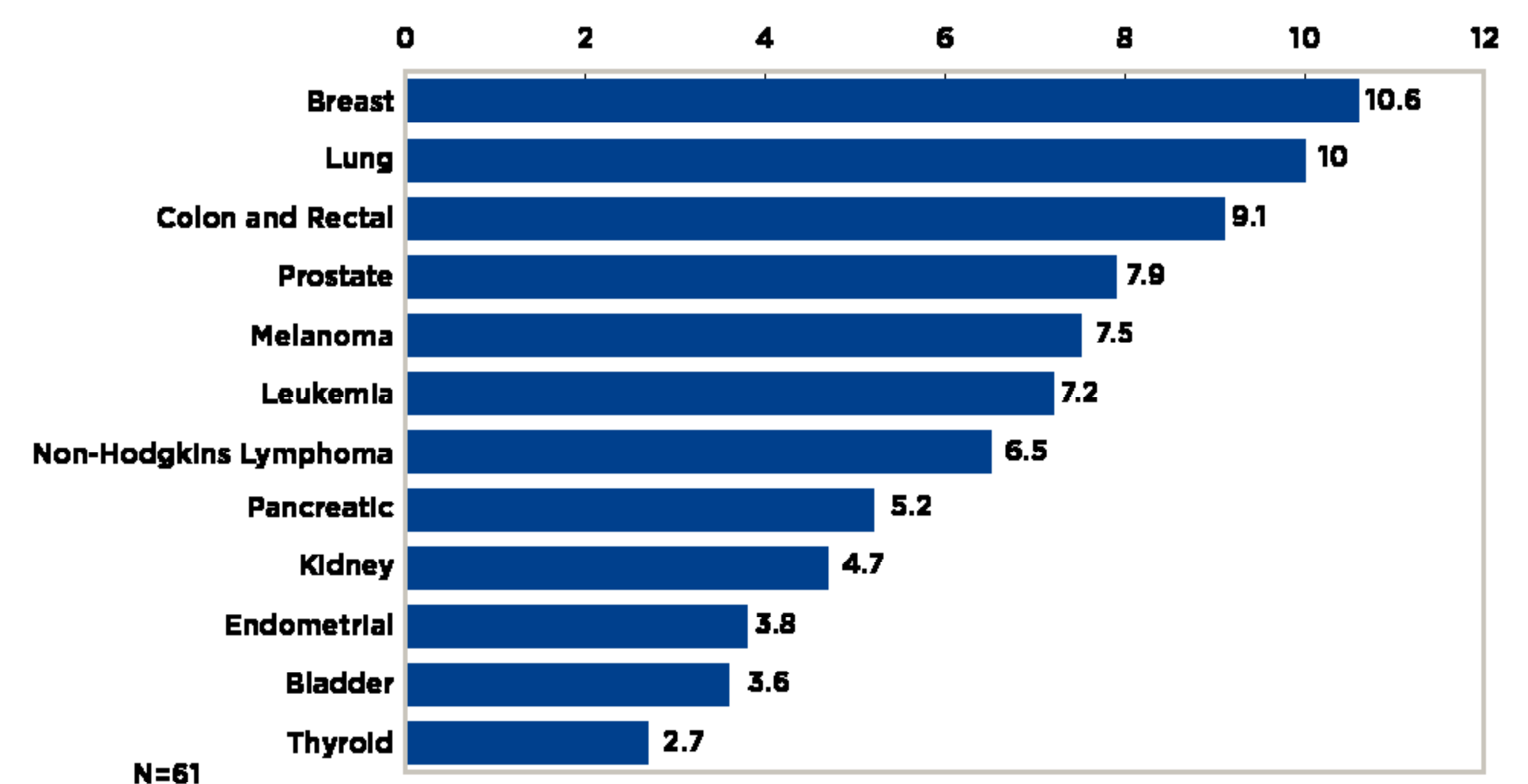


N=61

FFS=Fee For Service; HMO=Health Maintenance Organizations; PPO=Preferred Provider Organization; Medicare=Care for the aged and special populations; Medicaid=Care for the poor

- Cancer/oncology:
  - Pharmaceutical treatments were classified a top Specialty Pharmacy condition by 88.46% of plans
  - Genomic tests for cancer were always covered by 92.45% of plans
- Overall, breast and lung cancer were the most concerning, with thyroid cancer the least concerning among the cancer types ranked (Figure 5)

Figure 5: Ranking of Cancer Types by Concern



N=61

- When asked about their overall concerns as the medical / pharmacy director, cancer / oncology was consistently reported near the top for today, and in 5 years, from medical and budgetary points of view (Figure 6)
- Specialty Pharmacy products were generally paid under the Medical Benefit (Figure 7)

Figure 6: Percent of Advisors Identifying Cancer as a Top Concern Today and in 5-Years

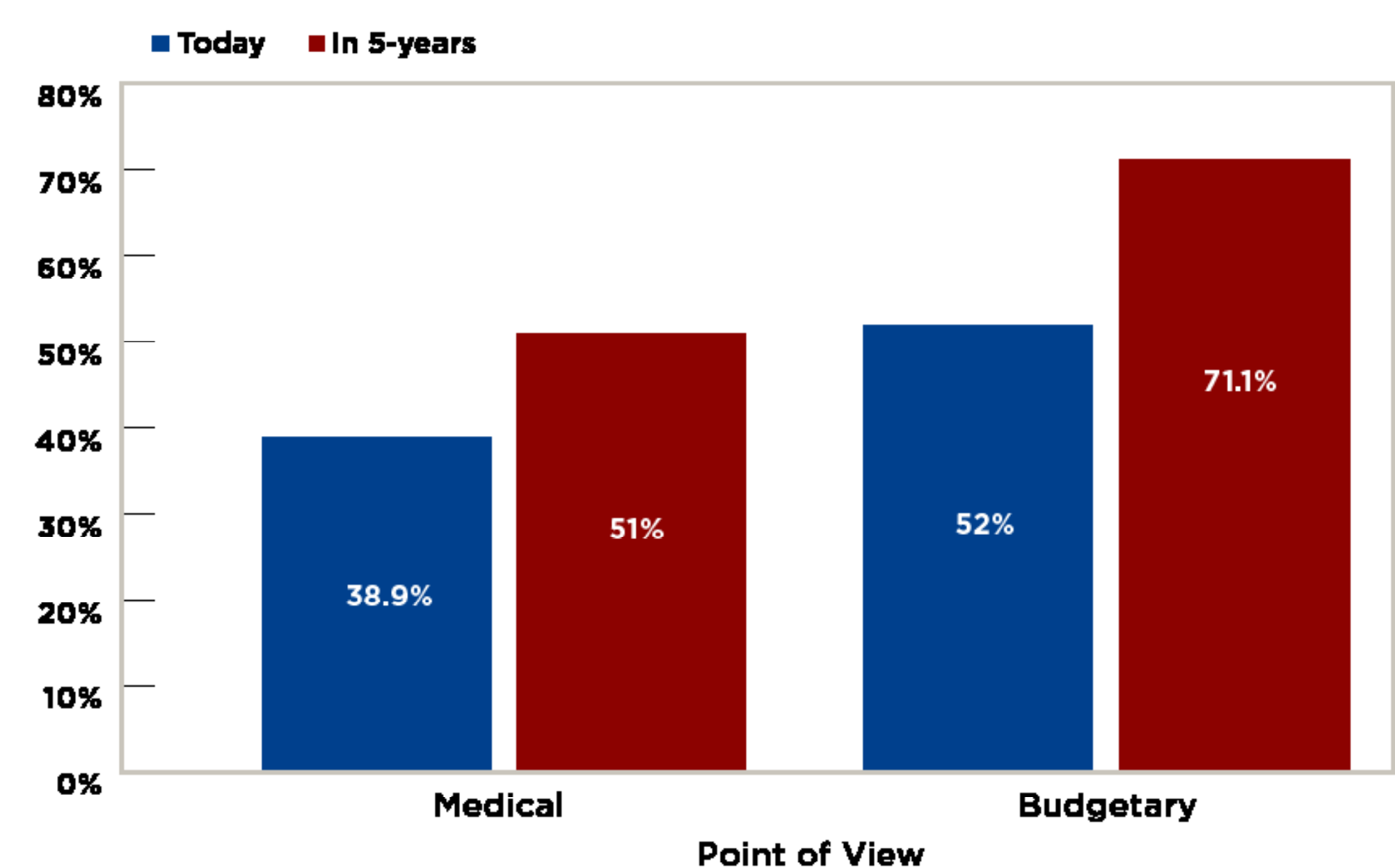
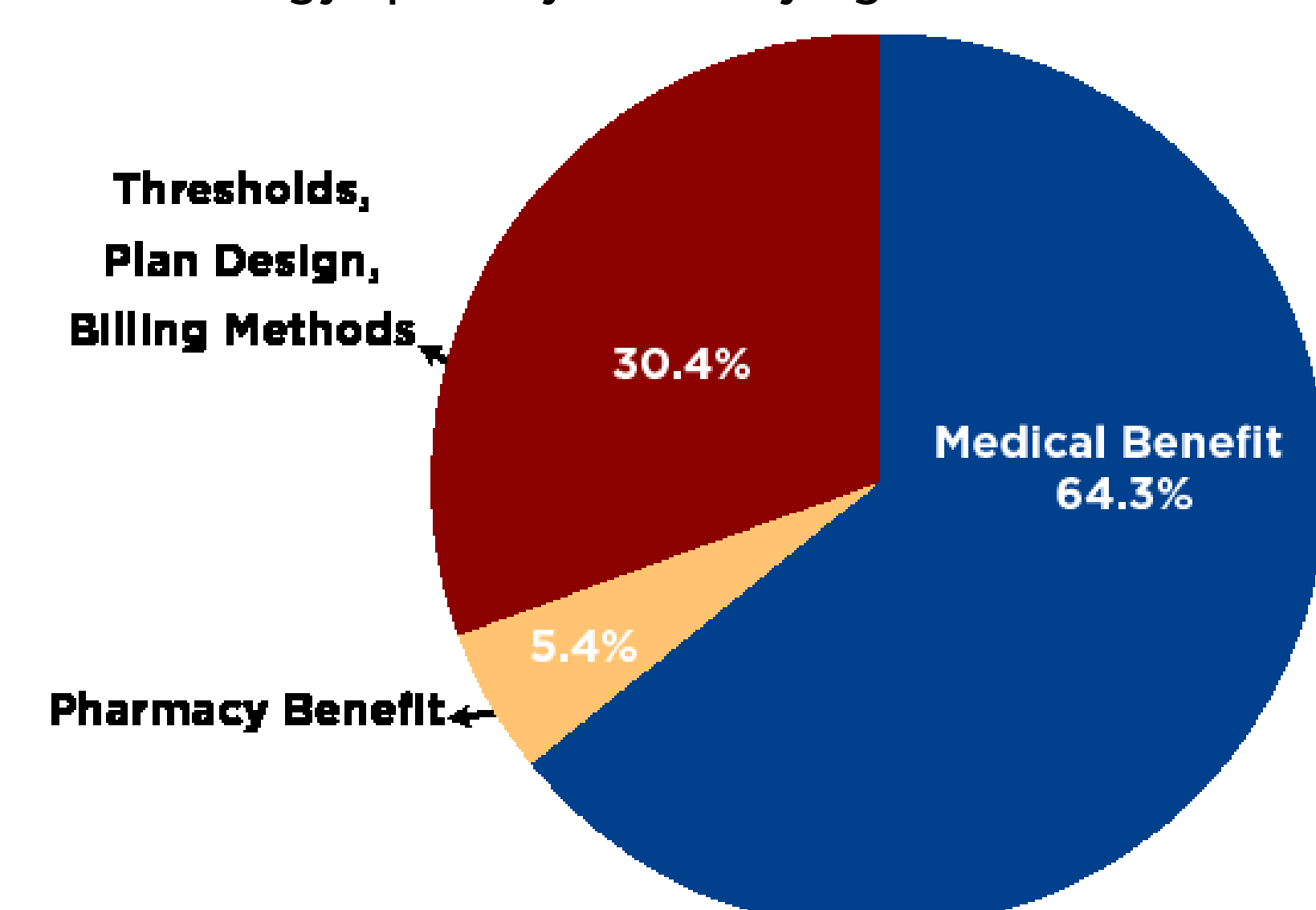


Figure 7: Benefit Used for Oncology Specialty Pharmacy Agents



- Specialty Pharmacy copays are decreasing in fixed copay plans (2015=15.8%; 2017=13.0%) and percentage copay plans (2015=42.1%; 2017=37.0%) with the rest varied by group and benefit-design

## CONCLUSIONS

- The environment for cancer treatment is undergoing a series of changes
- Cancer therapy is shifting from traditional chemotherapies toward targeted immunotherapies
- The potential cost implications of these new therapies requires payors Medical and Pharmacy Directors to adapt and evaluate these newer agents and pathways along the same rapid timelines as they become available

## REFERENCES

<sup>1</sup> US Food and Drug Administration. Novel drugs 2015 summary. January 2016. [www.fda.gov/downloads/Drugs/DevelopmentApprovalProcess/DrugInnovation/UCM485053.pdf](http://www.fda.gov/downloads/Drugs/DevelopmentApprovalProcess/DrugInnovation/UCM485053.pdf). Accessed June 3, 2016



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