

# CLIENT STRATEGIES

*CuraScript Specialty Pharmacy Management Guide & Trend Report*

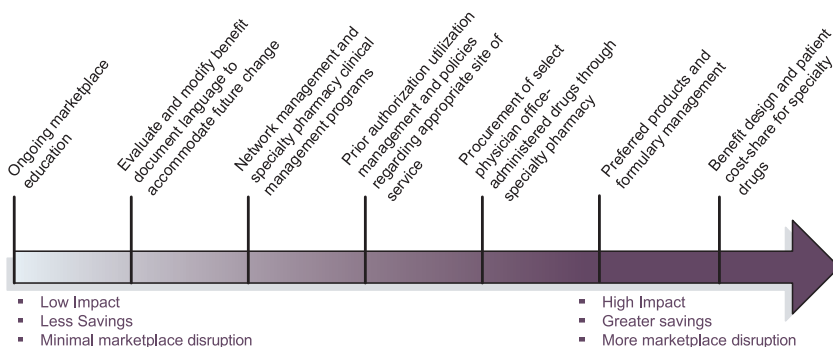
## *Client Strategies*

### **CLIENT PLANNING**

Clients in the early stages of specialty-drug management often ask how to develop a plan for gaining control over specialty spend and in what order they should implement various initiatives. There is no single management strategy, implementation process or benefit design that will work for all clients. A successful approach will analyze and incorporate several factors into the planning process. However, there are a number of critical management strategies that can be analyzed and adapted to meet the client's overall needs.

One potential framework that can help guide the decision-making process is shown in Exhibit 25 on the following page. This exhibit displays the major management strategies available based upon their degree of impact, potential cost savings and potential for marketplace disruption. For example, clients that still use retail or home delivery (mail) to distribute specialty drugs should consider moving these drugs to the specialty pharmacy before implementing patient cost-share. Home delivery typically accounts for about 3% of overall specialty-drug utilization, and retail accounts for approximately 30% of overall specialty drugs. Due to the small percentage of home-delivery utilization for specialty drugs, member disruption associated with a transition to a specialty pharmacy has been minimal. Furthermore, the increased patient and physician communication, and patient-care services provided by specialty pharmacy has significantly minimized marketplace disruption associated with a transition from retail to the specialty-pharmacy distribution channel.

Regardless of the strategies selected and the order in which they are deployed, ongoing marketplace education should occur. Education regarding specialty drugs should include their associated costs, and how the deployment of various management strategies can help preserve coverage and affordability for both prescription-drug and medical benefits.

*Exhibit 25***Impact of Specialty-Drug Management Initiatives****OVERVIEW OF CRITICAL MANAGEMENT STRATEGIES**

**1. Deployment of network management and specialty clinical-management programs.** Coverage policies and network design should be structured to promote the administration and management of specialty drugs in the most appropriate setting. Client evaluation of specialty-drug utilization and distribution channels will demonstrate several types of service providers and billing mechanisms. Isolation of specialty drugs to preferred, limited or single-source distribution channels will allow plan sponsors to gain control of utilization and provide the platform to implement additional cost-containment strategies. Without the complete capture of specialty drugs across all distribution channels, effective implementation of cost-containment mechanisms are difficult and limited in effectiveness. As demonstrated in Exhibit 8, specialty pharmacy offers the best selection of patient-management services and cost-containment strategies to support the complexities of specialty-drug management. Once network management has been instituted and distribution channels limited, specialty-pharmacy clinicians can begin to assess, monitor, educate and intervene with high-risk patients. This reduces adverse events and avoids the potential for additional costs from preventable emergency room visits, office visits and inpatient admissions. Clinical outcomes also can be monitored and reported to clients.

**2. Utilization of prior authorization (PA) and/or utilization management (UM) programs for key specialty drugs.** PA/UM may be appropriate for specialty drugs when any of the following conditions exist.

- Step therapy can be implemented to ensure clinically appropriate, cost-effective use of treatments or drugs in accordance with best practice guidelines (i.e., DMARDS tried and failed or contraindicated prior to initiating Enbrel® for RA).
- Inappropriate prescribing or over-utilization is likely.
- The drug is a “crossover” drug, with the potential to be provided in multiple settings. (A drug that is normally self-administered but, depending upon the patient’s health status, could be appropriate for administration in a physician office by a healthcare provider.)
- The drug has a narrow therapeutic treatment range.
- Determining appropriate patients for whom the drug will be effective requires diagnostic testing.
- Periodic testing and assessment is required to determine the drug’s continued effectiveness after initiation.

**3. Implementation of formulary-management programs in select drug classes and disease states, where applicable.** Through limited distribution and network management, claims for both medical and prescription-drug benefits can be tracked. This data collection allows clients to then implement formulary programs. A number of specialty-drug classes now have effective, comparable therapies within the class. Human growth hormone, treatments for MS and intravenous immunoglobulin are three examples of specialty drugs that can be managed through a formulary. Even antineoplastics now offer numerous opportunities for the use of generics. Once implemented, specialty-pharmacy management oversight can then drive penetration of preferred formulary products through clinical interventions with patients and prescribers. Additional cost savings can be recognized.

## CLIENT IMPLEMENTATION

Clients often choose to take an incremental approach to implementing specialty-drug management programs. For example, clients may find it easier to implement a program with self-administered injectables before moving into infusable, office-based products and oncology management. Clients who elect to manage specialty drugs through a specialty pharmacy will find that implementation follows a well-defined process that can be divided into three major phases:

1. Program and Benefit Design
2. Communication Strategy and Process
3. Ongoing Program Evaluation, and New Product and Services Implementation

### **Phase 1: Program and Benefit Design**

During the program and benefit-design phase of the implementation, the specialty-pharmacy team works closely with the client to evaluate overall specialty spend, how benefits are covered, and overall goals and objectives. Using the framework presented in Exhibit 18, the team and the client gather baseline information and begin to develop a strategic, tactical plan to address the components of the specialty-pharmacy program. The client also identifies the expected timelines for implementing the various parts of the program.

A thorough evaluation of how specialty drugs are currently defined and covered, as well as reviewing related language in contracts, riders and evidence of coverage documents, will help the client determine the best approach to implementing the program. Phase 1 of implementation must include identifying the client's reporting needs to ensure the ongoing monitoring and evaluation of the program.

### **Phase 2: Communication Strategy and Process**

Patients taking specialty medications and their caregivers are typically very involved in their treatment. Frequent and thorough communication of the specialty pharmacy services offering well in advance of the implementation — and post-implementation if necessary — is critical to maintaining overall patient satisfaction and experiencing minimal member disruption.

All stakeholders must be considered when preparing a communication strategy. These stakeholders include:

- Patient and Family
- Physician
- Client

There are a number of proven communications methodologies available that balance the client's desire for overall cost-effectiveness and efficiencies with anticipated member disruption. Communications may include letter campaigns to patients, letter campaigns to prescribing physicians with pre-populated enrollment forms, telephone outreach programs to patients and physician-office educational programs. The type and frequency of communications will have a direct effect on the desired outcome.

### **Phase 3: Program Evaluation, and New Products and Services Implementation**

A successful specialty program implementation is characterized by:

- The transition of patients to the desired distribution channels
- Minimum patient and prescriber disruption
- Patient satisfaction scores maintained or increased
- Realized savings to the client

Evaluating trends and having the flexibility to respond quickly to changes in the market will enable the client to make effective decisions about the specialty-pharmacy offering. It is critical that the client remain engaged throughout implementation, and on an ongoing basis to evaluate long- and short-term goals and be able to respond to changes in the market. As new therapies and new indications for existing therapies enter the market, the specialty-pharmacy team will assist the client in evaluating and responding to these changes.

## *Notes*