5 Steps to Creating a Smarter Payer Segmentation Blueprint

There’s a saying that if you want to predict the future, take a look at the past. In the world of payer segmentation, that’s a sentiment that can serve market access teams well. When you observe payer behaviors over a course of time, you start to see distinct patterns that you can preempt. And that means a greater chance at building a stronger overall market access plan.

It all comes down to developing an intelligent payer segmentation blueprint. After a decade of tracking payers’ attitudes and actions, my Xcenda colleagues and I have landed on 5 critical steps every market access team should consider in order to create a sound foundation on segmentation.

CRITICAL STEP 1 Ask the right business questions.

As a market access expert, your understanding of the market landscape will help you frame up the right questions for your payer segmentation. Examples may include the following:

**IN A MARKET WITH ESTABLISHED BRANDS:**
- Can I leverage my value proposition with this payer for better access?
- Where should I focus more on removing patient/provider barriers to access?

**IN A HIGHLY COMPETITIVE MARKET WITH GENERICs AVAILABLE:**
- Who should I contract with proactively vs reactively?

**WHEN REGIONAL SALES FOR A PRODUCT ARE VASTLY DIFFERENT:**
- Are the differences at the access level based on payer policies or at the execution level within the manufacturer organization?

Whether your insights are gathered through secondary research, data feeds, primary research, or a mix of these, capturing essential data is where every intelligent blueprint starts. Ultimately, the goal is to know the basics on where your biggest sales opportunities are, which payers may best respond to your approach (e.g., value proposition, contracting), and, perhaps even most importantly, where you may never gain the traction you desire.
CRITICAL STEP 2 Look at the benefit – is it pharmacy or medical?

This question is key, as it not only drives your options for data insights, but also the depth of resources available at the plan level. In general, on the pharmacy benefit side, you have more robust data sources for insights into how plans are managing products (eg, Wolters Kluwer, IMS). If it’s a medical benefit product, you’ll have to collect insights from a number of different data sources and piece together your best picture. These data sources may include specialty pharmacy feeds, manufacturer hotlines, or even unique subsets of IMS data such as SDI data.

CRITICAL STEP 3 Take a history lesson.

How has the plan acted in the past toward the category or a similar market? Is the behavior representative of the entire carrier? Or is it more product-based? On the management side of plan assessment, what’s been their general NDC-blocking behavior? Insights into blocking behavior across therapeutic areas can be helpful in predicting future actions.

CRITICAL STEP 4 Start your bucket list.

By thinking strategically about exactly which “buckets” payers fall in from the initial planning phases, you’re better positioned to capture the right metrics to drive brand leadership and account decisions. For example:

1. High class volume with high product share and high likelihood of blocking
2. High class volume with low product share and high likelihood of blocking
3. High class volume with high product share and low likelihood of blocking
4. High class volume with low product share and low likelihood of blocking

As a result, we have a key directive to explore proactive contracts to either protect our share (bucket 1) or increase our share (bucket 2) to the disadvantage of our competition. For buckets 3 and 4, we are dealing with plans that are not likely to block us, but we have a directive to understand why our market share is high in some of these plans (bucket 3) but low in others (bucket 4).

Since we want to transform the plans with low share to look more like the plans with high share, we utilize the management profile for the high share plans to guide us. The output will also include those plans that have relatively low class volume compared with all of the above groups. The manufacturer can then decide whether those plans have enough volume to selectively approach them on a case-by-case basis.
The next decision we make determines the specific tools and tactics we’ll use to push the brand’s message to payers. Where can we have the greatest impact? Can we affect an existing or potential threat to access? Or are we better off optimizing sales under the existing access environment? After determining between our ability to affect an existing or potential threat to access or optimize sales under the existing access environment, the brand can consider its set of tools and specific actions to take.

**Key Brand Business Questions***
- Where are my payer opportunities and threats?
- Who should I contract with proactively vs reactively?
- How should I approach payers differently?

**Example Key Business Questions:**
- Where are my payer opportunities and threats?
- Who should I contract with proactively vs reactively?
- How should I approach payers differently?

**Right Solution: Payer Segmentation**

**How should I approach payer segments differently?**

With this payer group, I want to:

**Affect Existing/Potential Threats to Access**
- Value Proposition/Messages
  - Current
  - Aspirational
- Communication
  - Existing pieces
  - New tools/new platform
- Contracting

**Optimize Sales Under Existing Access Environment**
- Provider Support
  - Enduring materials
  - Hotline
  - Reimbursement field managers
- Patient Support
  - Existing programs
  - Enduring materials

**Value Proposition/Messages**
- Current
- Aspirational

**Communication**
- Existing pieces
- New tools/new platform

**Contracting**

**Provider Support**
- Increase hotlines/support awareness
- Overcome barriers to patient access with field reimbursement specialists

**Patient Support**
- Reimbursement support awareness
- Education
- Cost-sharing initiatives
NEED AN **EXPERT** set of eyes to review your payer segmentation blueprint? Or a seasoned team of strategists to help you build one? [Contact Xcenda today](https://xcenda.com/managedmarkets).

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