Appraising the Value of Digital Health Technologies From the Managed Care Perspective: Insights for Evidence Assessment and Reimbursement in the United States

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## BACKGROUND

Digital health technologies (DHTs) offer the potential to transform healthcare in 3 principal ways:

- Affording the ability for the healthcare delivery team to better respond to the patient’s needs with pattern-generated data
- Providing improved healthcare access and real-time support in both chronic and acute care disease states
- Boosting the efficiency of patient monitoring and allowing for the development of precise clinical intervention opportunities

Despite that health plans both the consumer and enterprise markets have soared to market and utility in recent years

To date, the situation of economic value of DHTs has not been well-defined. Nevertheless, many technology manufacturers have initiated clinical trials to generate evidence supporting DHTs

These trends have prompted managed care organizations (MCOs) to increasingly define the segment’s value and role in improving the health of their member populations

However, limited guidance or commentary exist on how MCOs formally evaluate these products

## OBJECTIVE

To understand how medical and pharmacy directors assess the value of DHTs in the United States and to identify best practices for supporting their reimbursement determinations

## METHODS

Using Xcenda’s proprietary PayerPulse® web survey, a double-blinded online questionnaire was fielded between September 1 and October 30, 2015

The respondents are managed care professionals, the Managed Care Network (MCN), and respondents were provided an opportunity to participate in the survey.

The survey measured the respondents’ organization’s current demand and coverage policy of the distinct categories of DHT and their top ranking criteria on health economics of potential impact DHTs can have for administering current needs using a 5-point Likert scale

## RESULTS

A total of 61 respondents completed the survey, including 37 pharmacy directors (60.7%) and 24 medical directors (39.3%)

The respondents’ MCOs cover approximately 180 million lives in the US, with a mix of national, regional, and local populations

Despite these evaluations, a majority of US payers are not currently covering DHTs for their member populations

## STUDY OUTCOMES

The top-ranking evidence types selected by the respondents were clinical effectiveness (95%), overall economic value (61%), and clinical outcomes reported (68%) (Figure 4)

## DISCUSSION

### RECOMMENDATIONS

1. Those DHTs that offer unique value propositions should be prioritized for reimbursement

2. Payer appraisal strategies that support DHTs in MCO reimbursement decision making

3. Further research is warranted to explore what other appraisal strategies may be appropriate to adequately evaluate DHTs as a member benefit

## CONCLUSIONS

Technology manufacturers are actively evaluating a wide range of DHTs in a variety of disease states as member benefits

Companies are investing in real-world evidence trials for two main populations, highlighting the need for DHT manufacturers to better demonstrate the clinical and economic value of their technology

Traditional paper appraisal strategies are being evaluated in the medical devices and pharmaceuticals industry. Appraisals are typically applied to the evaluation of drug and biologic outcomes

Further research is warranted to explore what other appraisal strategies may be appropriate to support DHTs in MCO reimbursement decision making

## REFERENCES