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BACKGROUND

- As payers such as the Centers for Medicare & Medicaid Services (CMS) focus on the Triple Aim, plan sponsors are increasingly being held accountable for their ability to achieve those aims through programs like the Medicare Star Ratings program and the Quality Rating System for the Exchange Marketplace.¹
- These programs have begun to drive plan sponsor priorities and focus, but it is unclear how plans are thinking about quality as part of their coverage decision-making process.¹

OBJECTIVE

- To understand the influence of quality metrics on coverage decision making and evaluate the importance of aligning manufacturer labels and evidence with quality metrics.

METHODS

OVERVIEW OF DATA SOURCE

- A web-based survey was conducted of medical and pharmacy directors from national and regional health plans in the United States (US).
- The survey was distributed to members of Xcenda's proprietary Managed Care Network (MCN) during its December 2015 PayerPulse® survey.
- MCN members:
 - Represent a variety of plan sizes and types from key payer segments
 - 90% of MCN members serve on pharmacy and therapeutics committees
 - Collectively, MCN members represent approximately 200 million covered lives
- Participation in this survey was voluntary and fully blinded. An honorarium was paid by Xcenda to survey respondents.

ELECTRONIC SURVEY DESIGN AND ANALYSIS

- Respondents were asked questions outlining the following areas:
 - How frequently they consider a product's ability to help their plan achieve specific quality metrics when making formulary decisions
 - The influence of quality metrics on formulary tier placement/preferred coverage status
 - Expectations of quality metrics to influence coverage decisions for their organization over the next 3 years
 - The level of impact certain disease states have on quality as a factor in formulary decision making and/or product placement
 - The importance of alignment between product labeling claims and quality metrics in which payers are held accountable
 - The importance of pharmacoeconomic evidence generation linking product outcomes to quality metrics in terms of formulary decision making
- Descriptive statistics, including frequency and percentage were used to summarize respondent characteristics and analyze survey answers.

RESULTS

PAYER CHARACTERISTICS (TABLE 1)

- A total of 57 advisors were surveyed, which consisted of pharmacy directors (57.9%), medical directors (35.1%), and others (7.0%).
- Commercial, Medicare, and Medicaid plans were represented by 87.7%, 77.2%, and 63.2% of advisors, respectively.

Table 1: Payer Characteristics

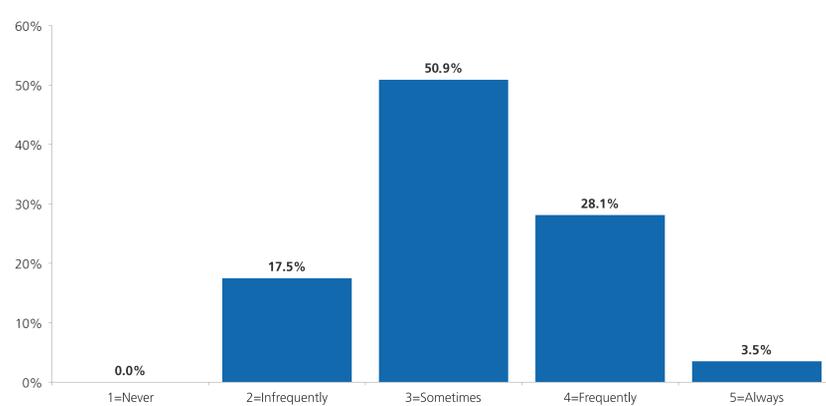
	Frequency	Percentage
Payer Type		
Pharmacy Director	33	58%
Medical Director	20	35%
Clinical Pharmacist	1	2%
Contracting Director	1	2%
Quality Director	1	2%
Industry Relations Director	1	2%
Plan Type		
Commercial	50	88%
Medicare	44	77%
Medicaid	36	63%
Organization Type		
MCO	37	65%
IHDS	7	12%
PBM	9	16%
ACO	1	2%
Other	3	5%

Key: IHDS – integrated health delivery system; MCO – managed care organization; PBM – pharmacy benefit manager.

IMPACT OF QUALITY METRICS ON FORMULARY DECISION MAKING

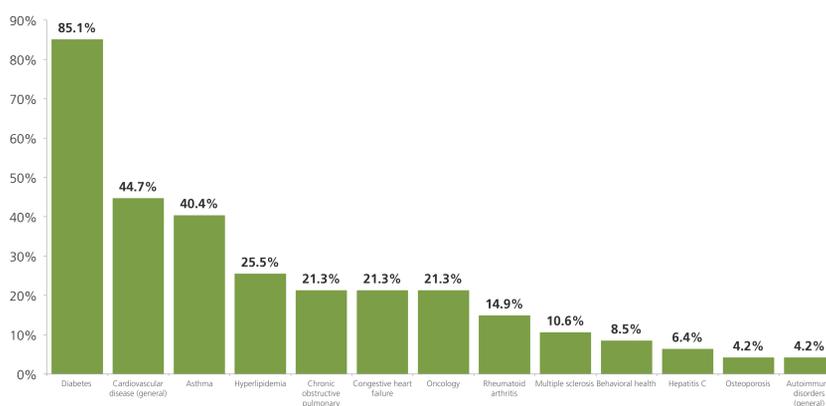
- A majority of advisors (82.5%) indicated that formulary decision making included consideration of quality metrics “sometimes” (50.9%), “frequently” (28.1%), or “always” (3.5%), compared to 17.5% who only considered them “infrequently.” (Figure 1)
- Two-thirds of advisors who utilized quality metrics reported “moderate” or greater influence of quality metrics on coverage decisions.
- A majority of advisors (52.6%) indicated that they expected quality metrics to have a greater influence on coverage decisions within the next 3 years; with only 10.5% of advisors indicating expectations of less influence, and 36.8% indicating that they expected no change.
- Over 80% of advisors indicated that certain disease states will have moderate or greater impact on quality as a factor in formulary decision making and/or product placement.
 - Therapeutic areas indicated as being impactful by advisors are noted in Figure 2. Diabetes was mentioned by over 85% of advisors who indicated moderate or greater impact of certain disease states.

Figure 1: Frequency of Quality Metric Consideration in Formulary / Medical Decisions



Q: When making formulary or medical decisions (coverage, placement, etc.), how frequently does your organization consider a product's ability to help your plan achieve specific quality metrics? (N=57)

Figure 2. Therapeutic Areas Considered to Affect Quality as a Factor in Formulary Decision Making and/or Product Placement

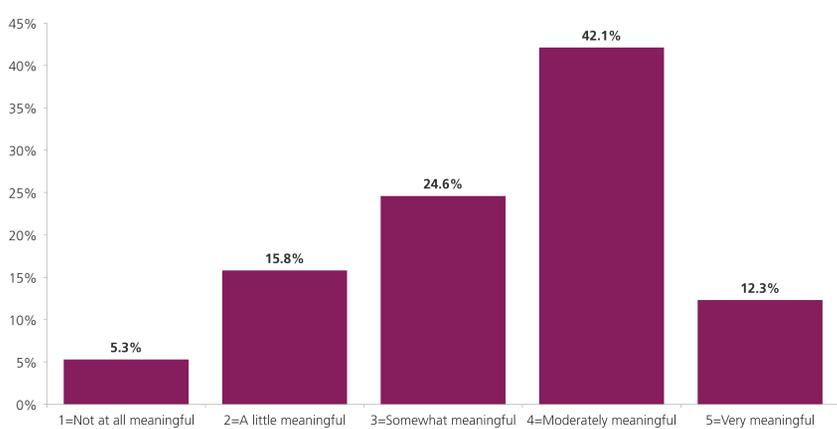


Q: [Of advisors who ranked moderate or higher impact of certain disease states.] Please list those therapeutic areas considered to have an impact. [More than 1 response allowed. Responses included in the figure above had at least 2 advisors who indicated their importance.] (N=47)

IMPORTANCE OF QUALITY METRICS ALIGNMENT TO PRODUCT EVIDENCE

- Drug labeling alignment with quality metrics was “very meaningful” for 43.9%, “somewhat meaningful” for 35.1%, and “not very/not at all meaningful” for 21% of advisors.
- A majority of advisors (54.4%) indicated that pharmacoeconomic evidence that aligns with corresponding quality metric outcomes was “moderately” or “very meaningful” followed by “somewhat meaningful” (24.6%), or “a little/not at all meaningful” (21.1%). (Figure 3)

Figure 3: Importance of Alignment of Pharmacoeconomic Evidence to Support Corresponding Quality Metrics



Q: How meaningful for formulary decisions would it be for a manufacturer to align their label claims to quality metrics payers are accountable for (eg, 30-day readmissions)? (N=57)

LIMITATIONS

- Caution should be used in generalizing study results due to the limited sample size.
- This study does not explore the rationale of the advisors' responses related to impact or selection of therapeutic areas of importance.

CONCLUSIONS

- Consideration of quality metrics is shown to be increasingly important for plan sponsors when making coverage decisions. This is especially true in the areas of diabetes, asthma, and cardiovascular disease.
- In addition, alignment of labeling and supporting pharmacoeconomic evidence with quality metrics may influence coverage decisions in a majority of organizations.

References

- Centers for Medicare and Medicaid Services. Better care. Smarter spending. Healthier people: paying providers for value, not volume. <https://www.cms.gov/Newsroom/MediaReleaseDatabase/Fact-sheets/2015-Fact-sheets-items/2015-01-26-3.html>. Accessed April 1, 2016.