

The Evolution of Value Assessment in the US: Considerations and Controversies

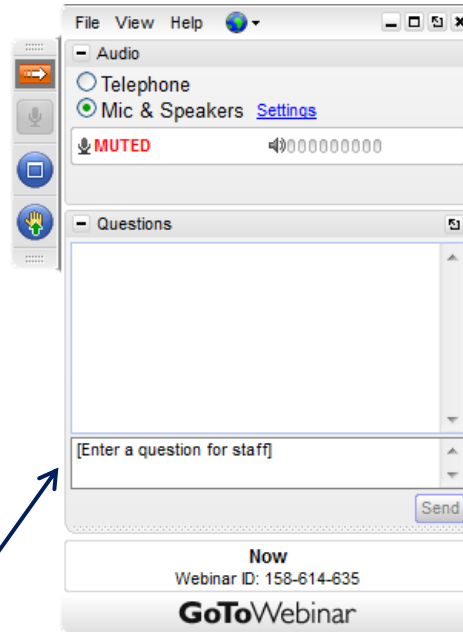
October 4, 2022



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How to ask a question



Type your question in the “Questions” area, then click “Send”

Webinar overview

Within the value assessment context, our expert panel will:

- Discuss the evolution of these frameworks in the US
- Explore payer perspectives and factors for decision making
- Elucidate considerations and controversies in applying value assessments to inform coverage and reimbursement
- Identify emerging trends that will affect the landscape



Which organization type do you most closely identify with?

- Payer or hospital/health system
- Life sciences manufacturer
- Consultancy
- Academia
- Other



What is your level of familiarity with value assessment tools?

- Extremely familiar
- Very familiar
- Somewhat familiar
- Not very familiar
- Not familiar at all



How do you primarily use value frameworks within your organization?

- I review and evaluate value frameworks
- I use value frameworks in my decision-making process
- I develop or generate evidence for value frameworks
- I currently do not use value frameworks

Panelists

Moderator



Joseph Washington,
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Research Fellow; Health
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AmerisourceBergen/Xcenda



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FormularyDecisions®

What is value assessment?

WHAT?



An approach to measure the “value” (often in terms of clinical benefit and cost) of healthcare interventions and provide those results to stakeholders in a clear, actionable, and user-friendly format

WHY?



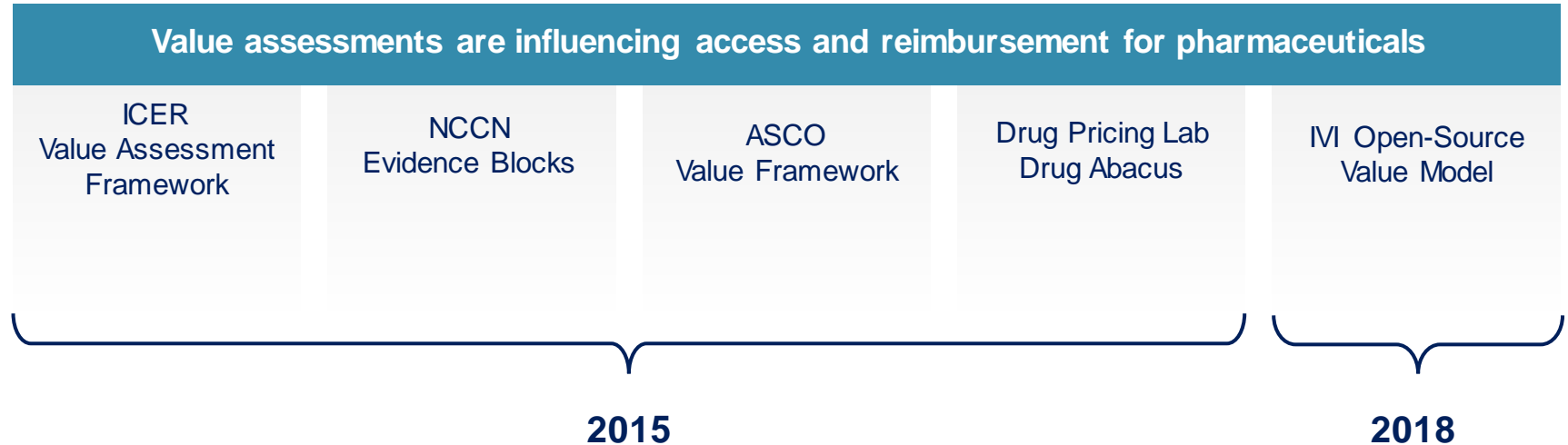
To aid stakeholder decision making and optimize treatment outcomes and value for money in policy and practice

WHO?



In the US, there are several private-sector initiatives undertaken by nonprofit organizations, including leading medical organizations and professional societies

The use of value assessments in the US is maturing



Value assessment tools have different purposes and structures

	ICER Value Assessment Framework	NCCN Evidence Blocks	ASCO Value Framework	Drug Pricing Lab Drug Abacus	IVI Open-Source Value Model
Primary audience	Payers and policymakers	Physicians and patients	Physicians and patients	Payers and policymakers	Payers, policymakers, academics, providers, patients
Services assessed	Primarily pharmaceutical, some healthcare services	Pharmaceutical	Pharmaceutical	Pharmaceutical	Pharmaceutical (aspirational: some healthcare services)
Conditions assessed	Any condition	Oncologic	Oncologic	Oncologic	Any condition

We surveyed payers to evaluate the uptake and impact of value assessment in their decision making



Online survey

Quantitative survey, including open-ended questions, was fielded from June 30, 2022, to July 19, 2022



Format

- Double blinded, 30-minute survey
- Topics covered included value assessment frameworks and tools

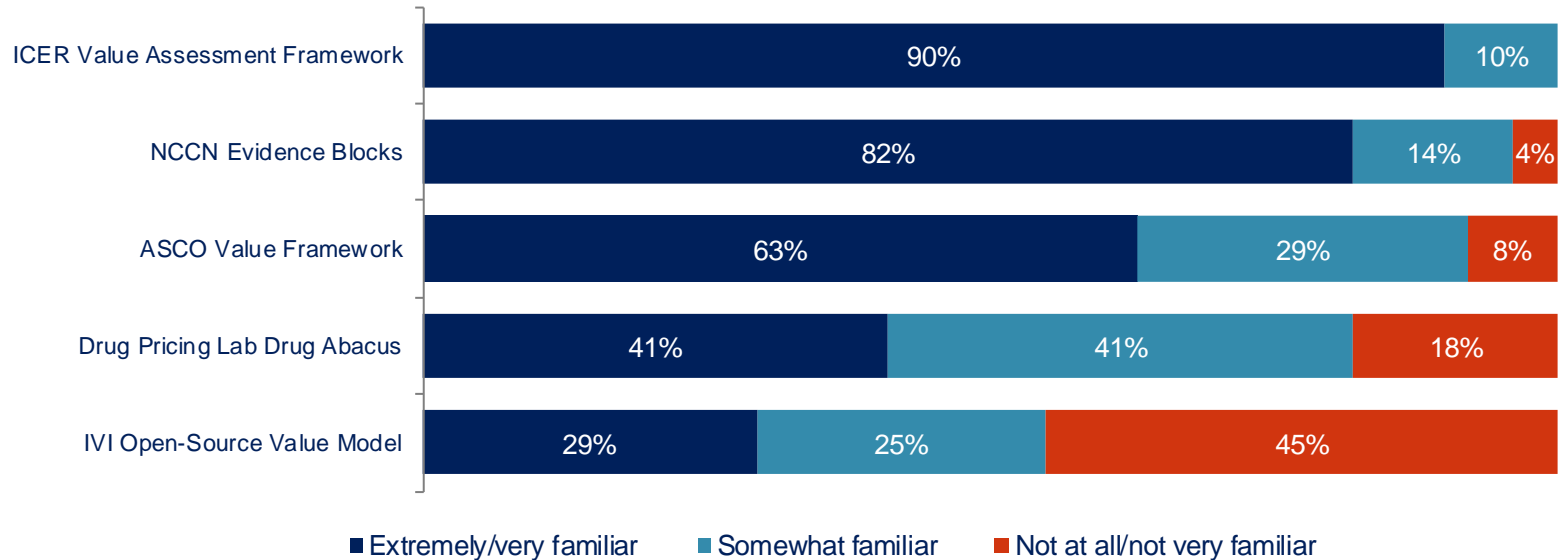


Participants

A total of 51 advisors from health plans, IDNs, and PBMs

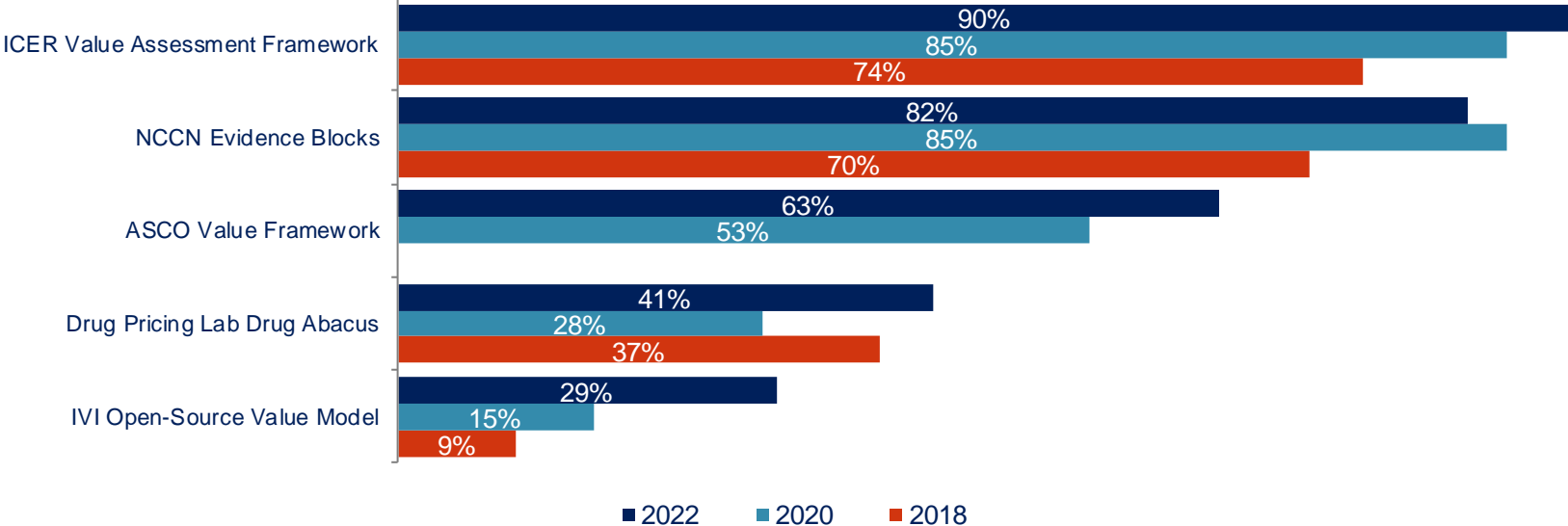
Respondents have varying levels of familiarity with value assessment tools

Familiarity with value assessment frameworks/tools



Since 2018, familiarity with all value assessment tools has increased

Familiarity with value assessment frameworks/tools (extremely/high)

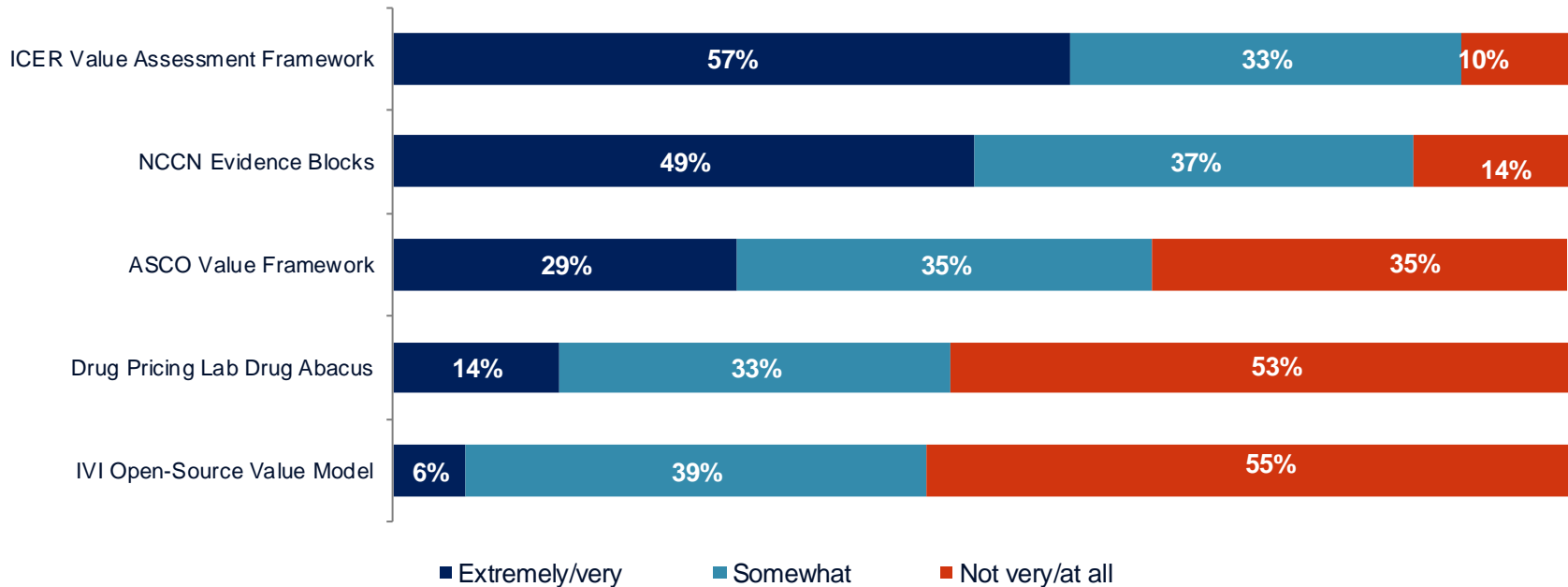


2022: N=51; 2020: N=47; 2018: N=54. (Note: Respondents were not surveyed on their familiarity with the ASCO framework in 2018.)

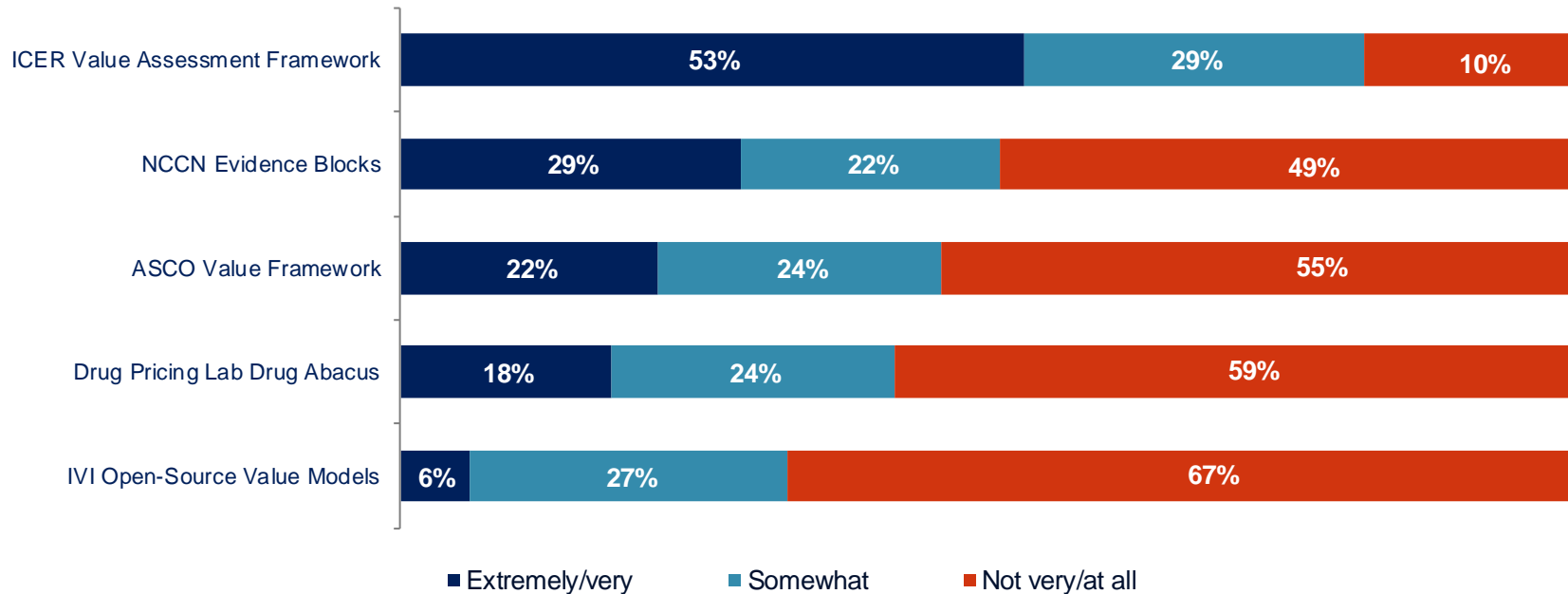
Q: Please describe your current level of familiarity with the following value assessment frameworks/tools:

Key: ASCO – American Society of Clinical Oncology; ICER – Institute for Clinical and Economic Review; IVI – Innovation and Value Initiative; NCCN – National Comprehensive Cancer Network

ICER and NCCN value assessments are the most useful for formulary decisions



ICER's value assessments are the most useful for pricing negotiations



Methodology and transparency are among the most important factors when selecting a value assessment framework/tool

Alternate perspectives and identification of health disparities are among the lowest

Most important factors	Appropriate metrics and outcomes are included	Comparative clinical effectiveness information	Methodologically rigorous and unbiased methods	Part of a transparent and open process
Least important factors	Identification of health disparities	Inclusion of provider perspective	Inclusion of patient perspective	Inclusion of societal perspective

There are many ways to make value assessments more useful and relevant

Improve awareness of value assessments and provide education to their users

Make changes to current value assessment methods and processes

Seek validation and broader acceptance of value assessment tools and methods

Conduct more assessments

Models should be more user friendly and generalizable

Influence of ICER's value assessments on payer coverage decisions

Nearly half of payers have applied the findings of >1 ICER report in the past 2 years

Report
usage

75%
Reviewed

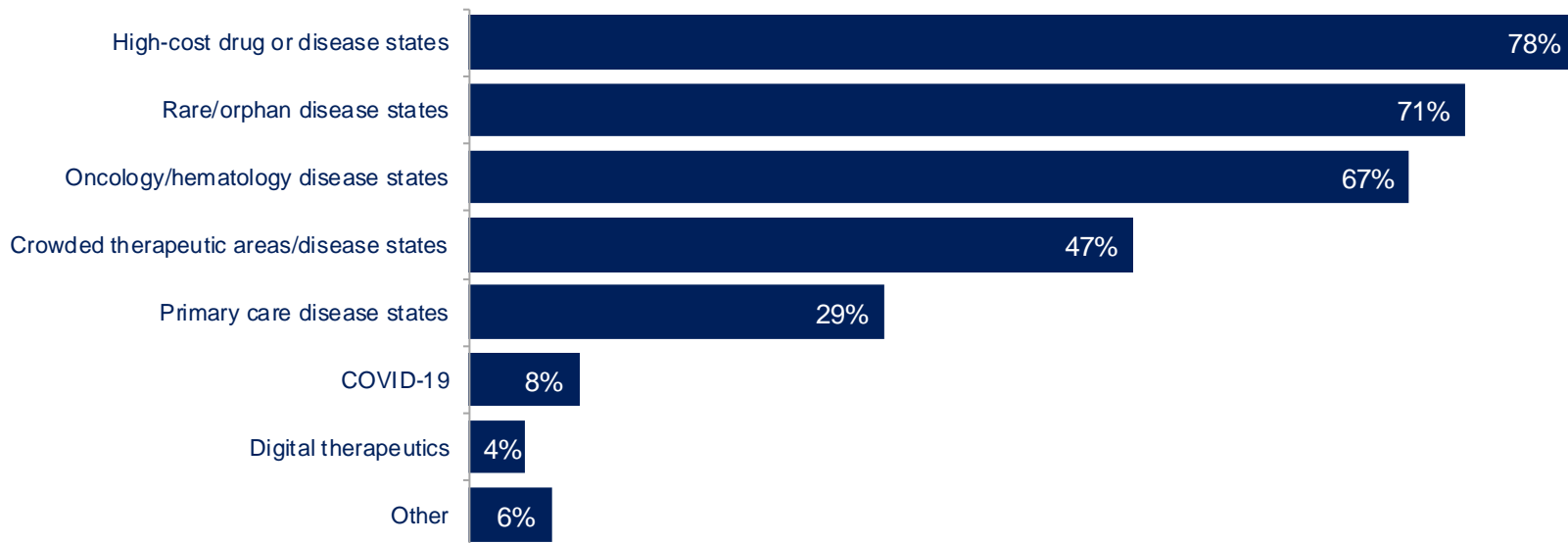
45%
Integrated findings into
therapeutic class reviews

45%
Applied findings

33%
Integrated findings into product
monographs

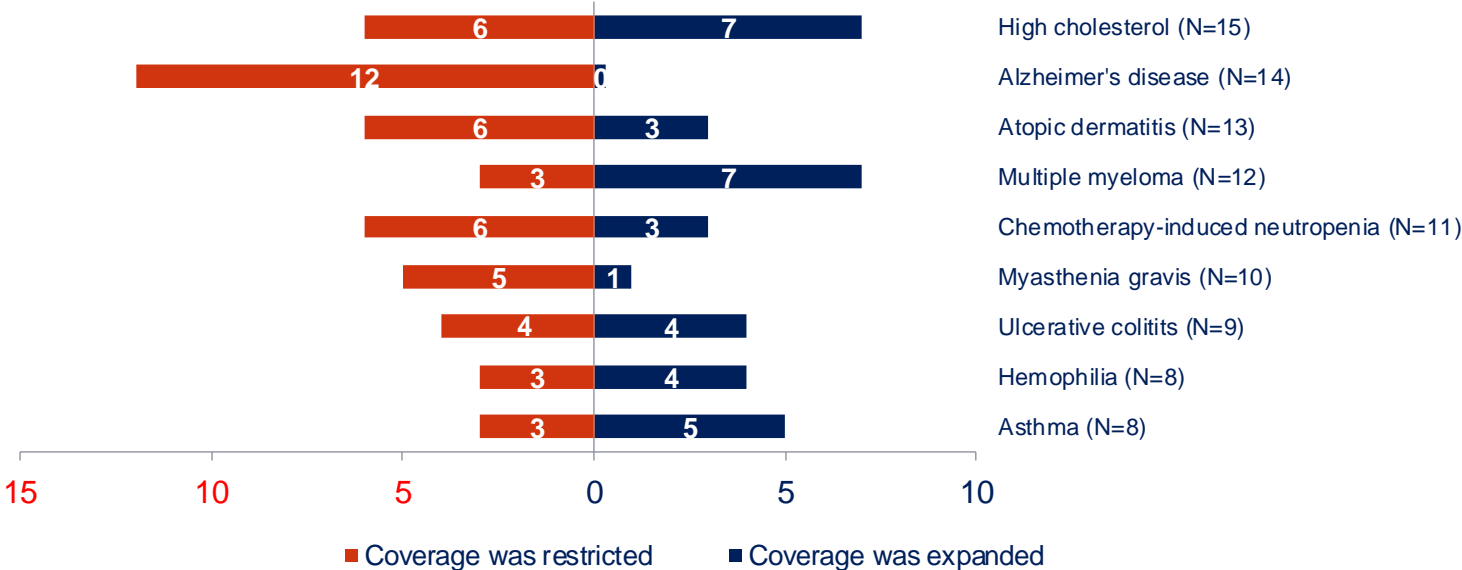
Use of ICER value assessments is most prevalent for high-cost drugs or disease states

Current use of ICER value assessments



ICER value assessments inform both coverage expansions and restrictions

Coverage decision revisions based on ICER assessment



Note: Numbers may not add up to total due to "other" response (not shown on chart)
 Q: How have you revised a prior coverage decision based on the [assessment topic] ICER report or update in the last 24 months?
 Key: ICER – Institute for Clinical and Economic Review.

Considerations and challenges: Lessons from AMCP Partnership Forum, August 30-31

- Develop shared understanding across stakeholders
- Solve important issues through collaborative approach
- Align on actionable results

Goals

- Outline considerations for how value should be rewarded
- Identify education and tools to apply value assessment findings
- Explore the evolution of value frameworks



Value assessment results are used in multiple ways

Confirm clinical evidence



Provides additional checks and balances for identifying and evaluating clinical net benefits and harms

Identify potential utilization management criteria



Guides subpopulations of patients or care settings where high-value care can be optimized; used to inform step therapy, prior authorization, or prescriber guidance; address health equity lens

Inform rebate negotiations and risk-sharing arrangement



Informs rebate team and signals need for value-based agreement

Value assessment results are used in multiple ways

Enable understanding of patient perspectives



Understand patient experiences; guide decision makers on endpoints that matter to patients; inform the need for shared decision-making tools

Assess budget impact; plan care scenarios



Aid forecasting and budget impact, especially for state Medicaid and employee and federal programs

Guide care management



Facilitate clinical treatment and care management programs to optimize high-value products

Generalizability to plan membership is needed; off-the-shelf reports offer insights but are insufficient

Patient
demographics

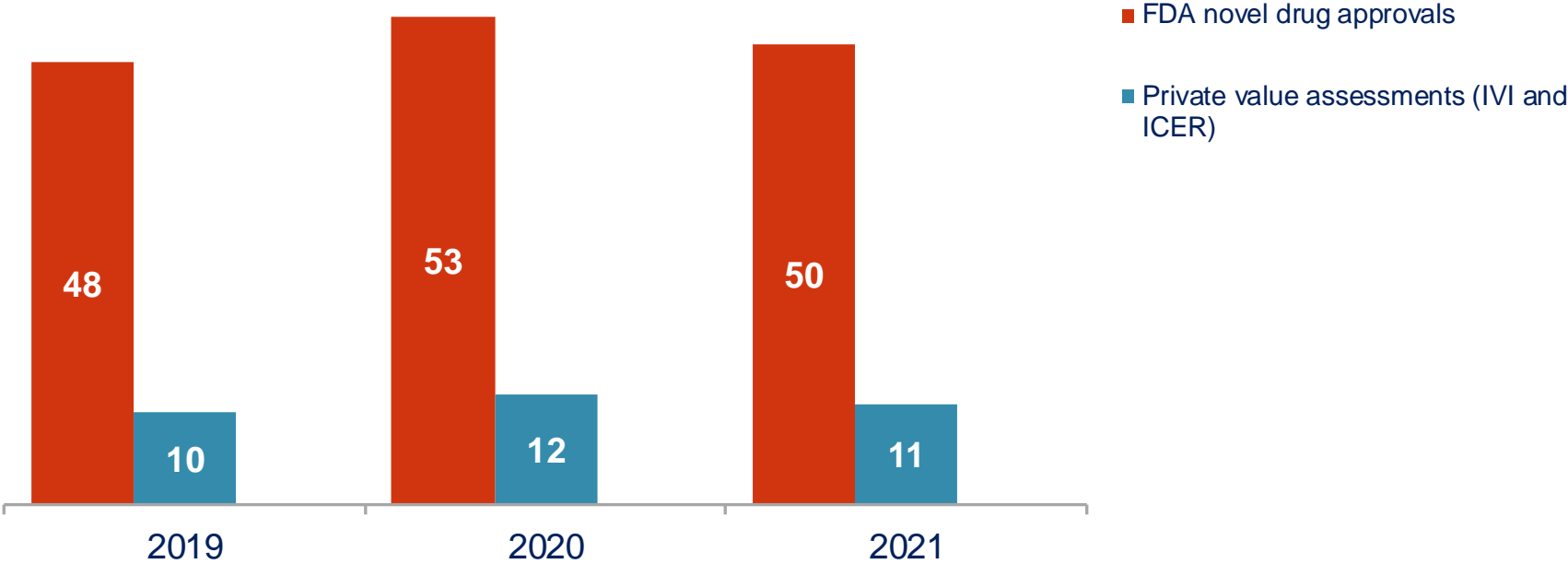
Anticipated
epidemiology

Treatment
patterns

Costs of care

Line of
business
implications

Private value assessments are conducted only for a small proportion of all novel drug approvals



Challenges exist on evidence inputs and how reports are put into policy

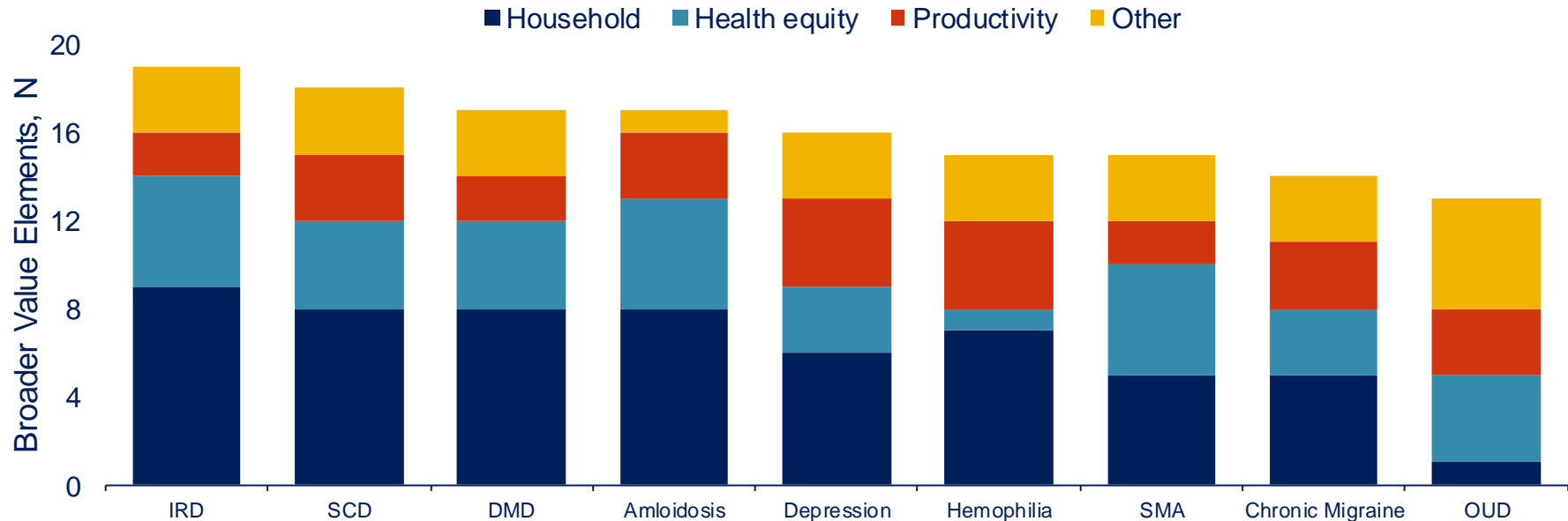
Hereditary transthyretin amyloidosis: “The economic modeling and resulting QALY cost assignments were undermined by an inability to translate improvements ... to understandable effect on patient lives.”

Lupus nephritis: “Report highlighted substantial uncertainty over the results for Black patients... present affordability and access issues concerning their use.”

Spinal muscular atrophy:
“Establishes a fair price for the value that a drug provides.
Challenge is continued healthcare affordability.”

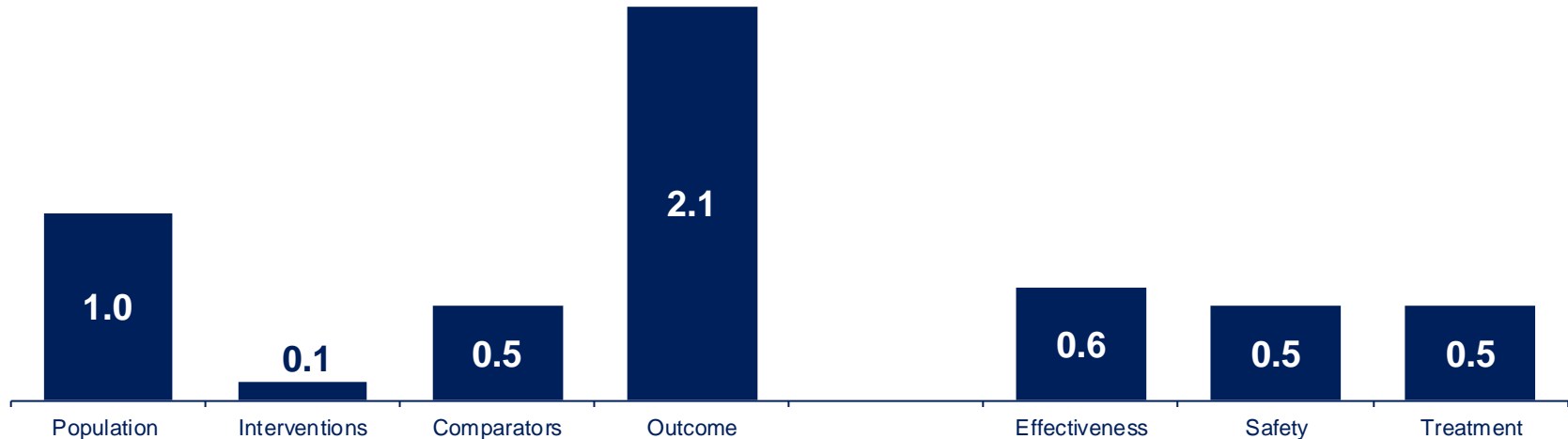
Atopic dermatitis: “Wait with hope that plan sponsors do not create requirements for OOP spending that cause major barriers to appropriate access for vulnerable patients.”

Adequately assessing fair value may require additional elements of value



Real-world evidence can inform clinical and economic inputs

Average number of RWE studies per report



Value assessment is maturing; time, evidence, culture, infrastructure needed

Emerging trends and broader value elements

- Patient preferences
- Equity
- Productivity
- Severity of condition
- Process improvements
- Criminal justice system
- Education
- Social services
- Scientific spillover

Needs

- Better data and data collection
- Quantitative vs quantitative
- Tested methods to develop trusted inputs
- Culture
- Technical capacity
- Understanding of tradeoffs with additional core elements

Xcenda provides education and strategic insights on value assessment frameworks

Value frameworks overview and methodologies

Understanding and navigating assessment processes

Market research on payer perspectives and use of VAFs

Analysis of implications of VAFs on patient access to medications

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The value corner

IQWiG: Smarter than a QALY?

Thinking about HTAs and what could/should be

CAR-T hits the QAL(y)

Shepherding German HTA into the US; Adopt with caution

**More patient-friendly idea: ICER could add an emoji rating;
This one would be meh :|**



HTA QUARTERLY | FALL 2020

Incorporating the Patient Voice in Value Assessments: The Evolution of ICER's Approach to Patient Engagement

HTA QUARTERLY | WINTER 2020

ICER's Growing Influence on Payer Decision Making: The Impact of ICER Assessments on Market Dynamics and Patient Access

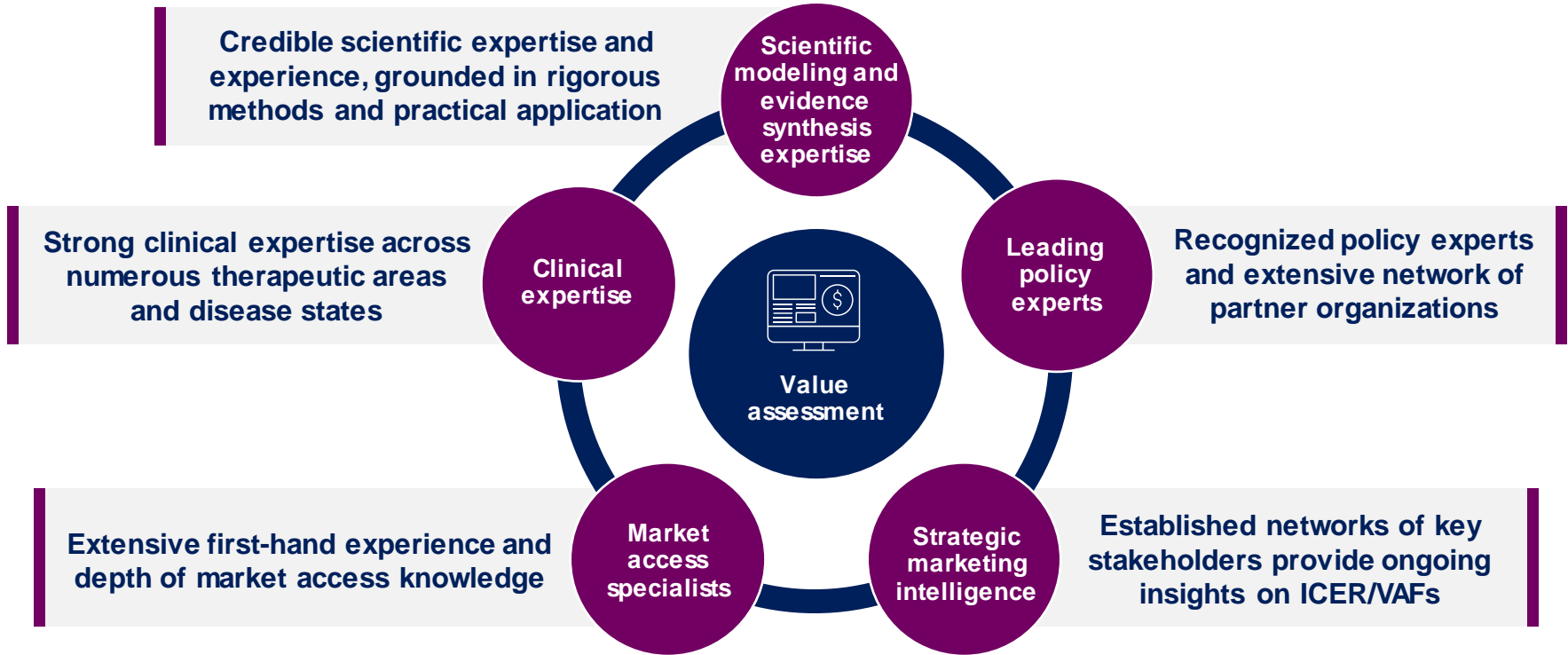
HTA Quarterly | Spring 2021

A comparison of the Innovation and Value Initiative's Open-Source Value Project and the Institute for Clinical and Economic Review's value assessment framework

May 13, 2021

ICER seeks to improve healthcare decision making with new customizable analytic tools

Xcenda takes a holistic approach to value assessments



Life sciences manufacturers

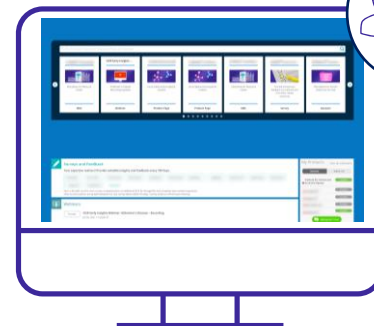


Includes pharmaceutical, biotech, and medical devices

Evidence and landscape review

Insights, preferences, and attitudes

HCDM community



Closed platform of verified HCDMs

FormularyDecisions provides qualified payer access to product information

For inquiries on the FormularyDecisions platform or questions related to information exchange between payers and life sciences manufacturers:

Email Xcenda at insights@xcenda.com

Contact us at <http://www.xcenda.com>

Thank You





Questions?

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