

PARTNERSHIP FORUM 2022



High-Investment Medications

EXECUTIVE SUMMARY

As novel therapies to address important medical needs are approved, the high costs for these medications — especially cell and gene therapies — can raise sustainability and affordability concerns for employers, payers, and patients. High short-term investments present clinical and financial challenges that are magnified when the long-term health benefits are uncertain, patients switch employers or enroll in different health plans, or complex care coordination is needed. New payment policies and the application of 21st century financial and technical tools can mitigate risk and affordability concerns.

To explore alternative payment models, financial tools, and policy initiatives to improve the predictability, affordability, and accessibility of high-investment treatments and ensure patients get the medications they need at a cost they can afford, AMCP held a multi-stakeholder Partnership Forum in Arlington, VA, April 26 and 27, 2022. Forum participants were asked to 1) identify stakeholder challenges associated with high-investment medications, 2) explore the challenges and opportunities related to financial tools to address predictability, affordability, and accessibility for high-investment medications, and 3) determine the challenges and opportunities of potential policy solutions to improve the predictability, affordability, and accessibility of high-investment treatments.

THEMES THAT EMERGED FROM THE PARTICIPANT DISCUSSION INCLUDED THAT:

High-investment medications do not yet raise significant sustainability or affordability stakeholder concerns but are expected to in coming years. Among stakeholders, state Medicaid plans and employer groups are likely to have the most urgent need to address the predictability, affordability, and accessibility of these medications.

WATCH FOR FOLLOW-UP

This Partnership Forum was a valuable opportunity to evaluate the state of the evolving space of high-investment medications. AMCP's next steps will be to:

- Publish a proceedings document
 describing the findings and recommendations from the Partnership Forum in an
 upcoming issue of AMCP's Journal of
 Managed Care + Specialty Pharmacy (JMCP)
 and disseminate it widely to decision
 makers around the country.
- Host a webinar to report these findings and recommendations.
- Continue to engage stakeholders on this topic by sharing these findings and recommendations.
- Create educational materials providing background on the financial tools that may be utilized in the management of high-investment medications.
- Explore opportunities for the private and public sector to permit, test, and encourage new financial tools and policy solutions to meet market needs.

CONTACT INFO

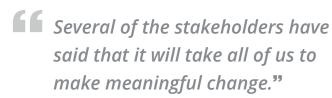
675 N Washington Street | Suite 220 Alexandria, VA 22314

703 684 2600 | www.amcp.org | @amcporg

AMCP | Academy of Managed Care Pharmacy

EXECUTIVE SUMMARY

- Stakeholders prioritize predictability, affordability, and accessibility in different ways. Existing financial tools address some, but not all stakeholder needs for high-investment medications. For example, stop-loss policies can help address affordability concerns with unexpected and rare high-cost events, however these tools may not adequately address access for known high-cost events. No single tool optimizes predictability, affordability, and accessibility equally.
- The uptake of new and innovative payment models for high-investment medications by health plans and employers is modest but growing. Nearly one half of all surveyed health plans and employers are considering innovative payment models (e.g., annuities, warranties, outcomes-based payment models) in the next 18 months.
- Innovative payment models and new financial tools must also be tailored to meet stakeholder needs. Outcomes-based contracts can address predictability concerns related to the duration of the treatment response. In contrast, state and federal risk pools can address affordability concerns for smaller employers or health plans. Multiple financial tools will be needed to account for different treatments, stakeholders, and circumstances.



Zahra Mahmoudjafari, PharmD, BCOP, DPLA Clinical Pharmacy Manager-Hematology/BMT/Cellular Therapies • University of Kansas Cancer Center

- Incremental changes are needed now to prepare for the future impact of these medications. These changes include improving data infrastructure, educating employers, health plans and policy makers on these new financial tools, and pilot programs.
- Enhance the collection, sharing, and use of data related to high-investment medications. Efforts such as creating a patient global consent for data collection to assess treatment response predictability and improve planning and forecasting, are necessary. Simplifying and creating efficiencies throughout the care continuum is needed.
- Standardize terminology and education to provide awareness of new financial models and potential policy solutions. As the primary purchasers of health care, it is important to include employers, employer benefit consultants, and employer coalitions in this education.
- Facilitate partnering and innovation across stakeholders. For example, engagement with state health authorities could design Medicaid pilot programs for the proposed financial tools. To accomplish this, it is important to diversify stakeholder conversations with a key focus on patient engagement to understand alternative perspectives and determine where incentives can be aligned.

HOSTED BY AMCP IN PARTNERSHIP WITH











