Payer Perceptions on Incentives and Barriers to Innovative Partnerships Between Biopharmaceutical Manufacturers and Payer Organizations

Sauvageau G[1], Noonan K[1], Devendorf A[1], Schroader B[1], Zheng C[1], Penzner B[1]
[1]Xcenda, Carrollton, TX, USA

Background

- Strategic partnerships between payer organizations and biopharmaceutical manufacturers have the potential to create synergies that improve patient outcomes and reduce costs to the health system.
- Although value-based arrangements (VBAs) or other risk-sharing agreements have become more common in recent years, there is a wide range of potential partnership types in addition to VBAs.
- While manufacturers look for innovative ways to add value to payer organizations through partnerships, there is an unclear understanding of payer perspectives and organizational incentives or preferences related to manufacturer partnerships.

Objective

- To better understand payer organization and biopharmaceutical manufacturer partnerships, assess barriers and opportunities, and identify specific disease state considerations for these partnerships.

Methods

- A double-blind, web-based survey was fielded in October 2022 to medical and pharmacy directors recruited from Xcenda's Managed Care Network (MCN).
  - Xcenda's MCN is a proprietary research panel of over 160 healthcare executives, medical and pharmacy directors, and other experienced individuals in managed care, representing over 310 million covered lives in the United States (US).
  - Participation in this survey was voluntary, and a modest honorarium was paid by Xcenda to participants who completed the survey.
  - Respondents were screened to include medical and pharmacy directors from health plans, integrated delivery networks (IDNs), accountable care organizations (ACOs), and health systems.

Respondent demographics[a] (N=30)

50% Health plans | **43%** IDNs | **3%** ACOs | **3%** Health system

Covered lives represented by respondents
36.8M

Primary role of respondents
63% Pharmacy director | **37%** Medical director

Involvement with contracting in role?
77% Yes | **37%** No

National 33% | **Regional 67%**

Book of business[b]	Median hospitals	Median sites of care
IDN (n=13)	33	110
ACO (n=1)	7	50
Health system (n=1)	23	350

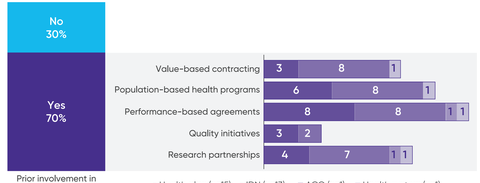
[a] Respondent organization types do not add up to 100% due to rounding.
[b] Respondents manage a median of 23 inpatient hospitals and 110 individual sites of care.
Key: ACO = accountable care organization; IDN = integrated delivery network.

Results

Organizational structure and past partnerships

- Nearly all respondents (93%) reported being "very" or "extremely" familiar with partnerships between their organizations and biopharmaceutical manufacturers.
- Of our sample, 70% (n=21) reported having partnerships with biopharmaceutical manufacturers.
  - The most common types included value-based contracting (86%), population-based programs (71%), performance-based agreements (62%), and quality initiatives (53%) (**Figure 1**).

Figure 1. Involvement in partnerships with biopharmaceutical manufacturers

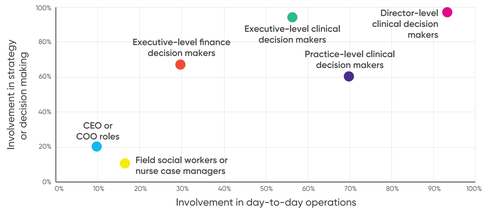


Total respondents (N=30)
Q: Has your organization been involved in innovative contracts or partnerships with biopharmaceutical manufacturers? (ie, quality initiatives, population-based health initiatives, value-based contracting, performance-based agreements)
Key: ACO = accountable care organization; IDN = integrated delivery network.

Total respondents (n=21).
Multiple mentions accepted.
Q: For which innovative contracts or partnerships with biopharmaceutical manufacturers has your organization been involved?

- The majority of respondents (73%) stated that their organization does not have a standard operating procedure (SOP) or internal guidance on how to initiate or evaluate potential partnerships.
  - However, for those that did have an SOP, common themes included demonstrating the return on investment of the program, explanation of outcomes and measurement periods for any VBAs, internal decision-making committees, such as a clinical innovation and strategy committee, and final approval from finance or contracting specialists.
- Respondents indicated that director-level clinical decision makers, such as pharmacy or medical directors, are nearly always involved in the strategy and day-to-day operations related to manufacturer partnerships, while "C-suite" and field social workers or nurse case managers are least likely to be involved in the strategy or day-to-day operations (**Figure 2**).

Figure 2. Roles reported to be frequently or almost always involved with the day-to-day operations and strategic decision making for innovative payer/manufacturer partnerships



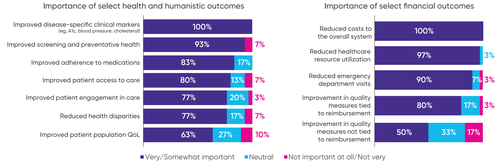
Total respondents (N=30)
X and Y axis represent the percentage of respondents who reported that each role was "frequently" or "almost always" involved in each aspect of the partnership.
Q: To what extent are the following role types involved with the strategy and key decision making with regard to innovative partnerships with biopharmaceutical manufacturers?
Q: To what extent are the following role types involved with the operational and day-to-day activities that go into innovative partnerships with biopharmaceutical manufacturers?

- Two-thirds of respondents indicated that partnerships were initiated by manufacturers, while the remaining one-third of respondents were split between health system and payer initiation.
- When asked to select common barriers to the long-term success of a partnership program, the top 3 selected were operational barriers (90%), clinical barriers (73%), and technological barriers (70%).

Payer organizational incentives

- Respondents indicated that reduced costs to the overall system and reduced healthcare resource utilization were the most important financial outcomes to consider, while improved clinical markers of disease and improved screening and preventative health were among the most important health and humanistic considerations (**Figure 3**).

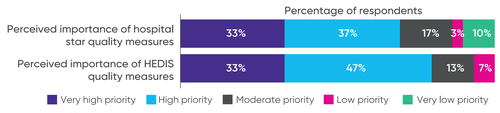
Figure 3. Most important health-related and financial outcomes when considering manufacturer partnerships



Total respondents (N=30)
Q: In your experience, what financial outcomes of innovative partnerships with biopharmaceutical manufacturers do you consider most valuable for your organization?
Q: What health-related or humanistic outcomes of innovative partnerships with biopharmaceutical manufacturers would you consider most valuable for your organization?
Key: QoL = quality of life.

- The majority of advisors rated Healthcare Effectiveness Data and Information Set (HEDIS) quality measures (80%) and hospital star ratings (70%) as "high" or "very high" priorities when assessing which biopharmaceutical partnerships to participate in (**Figure 4**).

Figure 4. Perceived importance of hospital star quality measures and HEDIS quality measures

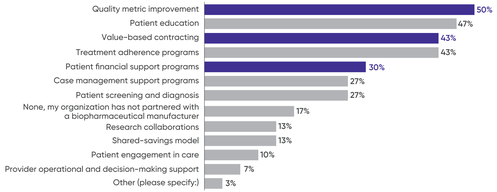


Total respondents (N=30)
Q: To what extent are hospital star quality measures a priority when determining the innovative biopharmaceutical manufacturer partnerships your organization takes part in?
Q: To what extent are HEDIS health plan quality measures a priority when determining the innovative biopharmaceutical manufacturer partnerships your organization takes part in?
Key: HEDIS = Healthcare Effectiveness Data and Information Set.

Priorities for partnership types and disease states

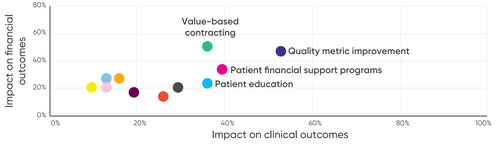
- Respondents indicated that they would be most open to partnerships involving quality metric improvement (57%), value-based contracting (50%), and financial support programs for patients (47%), which closely align with the most common partnerships that respondents reported having taken part in previously (**Figure 5**).
- Respondents reported that partnerships with quality metric improvement, value-based contracting, and patient financial support programs have had the largest impact on clinical and financial outcomes for their organization (**Figure 6**).
- When asked to select the 5 highest-priority disease states that could be addressed through manufacturer partnerships, respondents selected cardiovascular disease (90%), asthma/chronic obstructive pulmonary disease (87%), diabetes mellitus (83%), and oncology (73%) (**Figure 7**).
- Respondents' most common reservations about biopharmaceutical partnerships included "no clear perceived value" (73%) and "initiatives would be too difficult to execute" (70%) (**Figure 8**).

Figure 5. Types of partnerships in which payer organizations have taken part



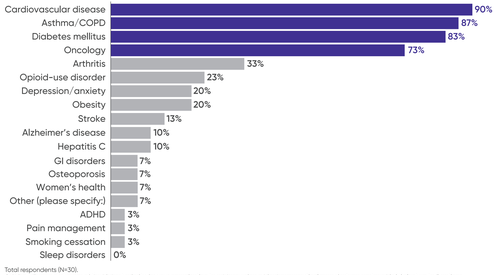
Total respondents (N=30)
Boxes in **purple** represent the types of partnerships that payer organizations would be most open to joining.
Q: Which of the following types of partnerships has your organization taken part in before?
Q: Which of the following types of partnerships would your organization be most open to joining or forming with a biopharmaceutical manufacturer?
Note: "Other" responses include performance-based contracting opportunities.

Figure 6. Impact on clinical outcomes of patients and financial health of the respondents' organization



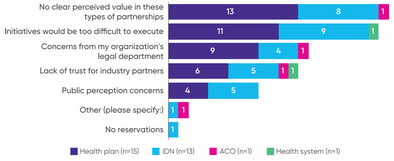
Total respondents (N=30)
Q: In the past, what type or types of biopharmaceutical manufacturer partnerships have had the largest impact on clinical outcomes within your organization's population? (ie, disease-specific outcome measures, health-related quality of life, engagement in care, improved screening or diagnosis)
Q: In the past, what type or types of biopharmaceutical manufacturer partnerships have had the largest impact on the financial health of your organization? (ie, reducing costs, increasing revenue)

Figure 7. Highest-priority disease states to address through manufacturer partnerships



Total respondents (N=30).
Q: What disease states are of the highest priority for your organization to address using a biopharmaceutical manufacturer partnership? Select up to 5 options.
Note: "Other" responses included gene therapy and orphan diseases
Key: ADHD = attention deficit hyperactivity disorder; COPD = chronic obstructive pulmonary disease; GI = gastrointestinal.

Figure 8. Common reservations when considering a manufacturer partnership



Total respondents (N=30)
Q: What, if any, are your reservations about forming partnerships with biopharmaceutical manufacturers? Select all that apply.
Note: "Other" responses include a lack of provider buy-in and data-sharing concerns.
Key: ACO = accountable care organization; IDN = integrated delivery network.

Limitations

- Survey results were descriptive in nature and based on a small number of respondents, and therefore may not be generalizable to all payer organizations or payer types.
- Because all respondents voluntarily completed the survey, voluntary response bias may exist, and survey results may over-represent respondents with a stronger interest in payer-manufacturer partnerships.
- This research reflects the perspectives of managed care professionals identified from Xcenda's MCN research panel; other user types (eg, healthcare providers, patients, manufacturers) were not represented in this subset.

Conclusions

- This survey builds on previously published reports by summarizing what outcomes are most important, who is most often involved in partnering initiatives, and what reservations payer organizations have.
- The majority of payer respondents had experience with manufacturer partnerships, and although much of this experience was related to VBAs or risk-sharing arrangements, payers also reported having experience with population-based health and quality metric improvement programs.
- Director-level clinical decision makers appear to be the best point of contact for partnership proposals; however, approval from executive-level finance or contracting teams may be necessary.
- Respondents were in consensus that cardiovascular disease, asthma/chronic obstructive pulmonary disease (COPD), diabetes, and oncology were top priority disease states; however, other diseases that were not included in our list of choices may also be priorities, such as orphan diseases and those with gene therapy treatments.
- As manufacturers look to strengthen partnerships with payer organizations in the US, clearly communicating the value of these partnerships, and supporting them with administrative and operational expertise will be instrumental to ensuring their success.

Presented at:
AMCP 2023 Annual Meeting, March 21-24, 2023; San Antonio, Texas.
Direct questions to Griffin Sauvageau at Griffin.Sauvageau@xcenda.com
This research was funded by Xcenda.

AmerisourceBergen