

# A Pharmaceutical View of Pathways, Quality, and Access: Multi-Stakeholderism In A Value-Based Health Care System

# Faculty

**Ira Klein, MD, MBA, FACP**

Senior Director, Healthcare Quality Strategy

Strategic Customer Group

Johnson & Johnson Health Care Systems Inc.



# Disclosure

Dr. Klein: Stockholder – Aetna Inc.; Stock/Employment – Johnson & Johnson



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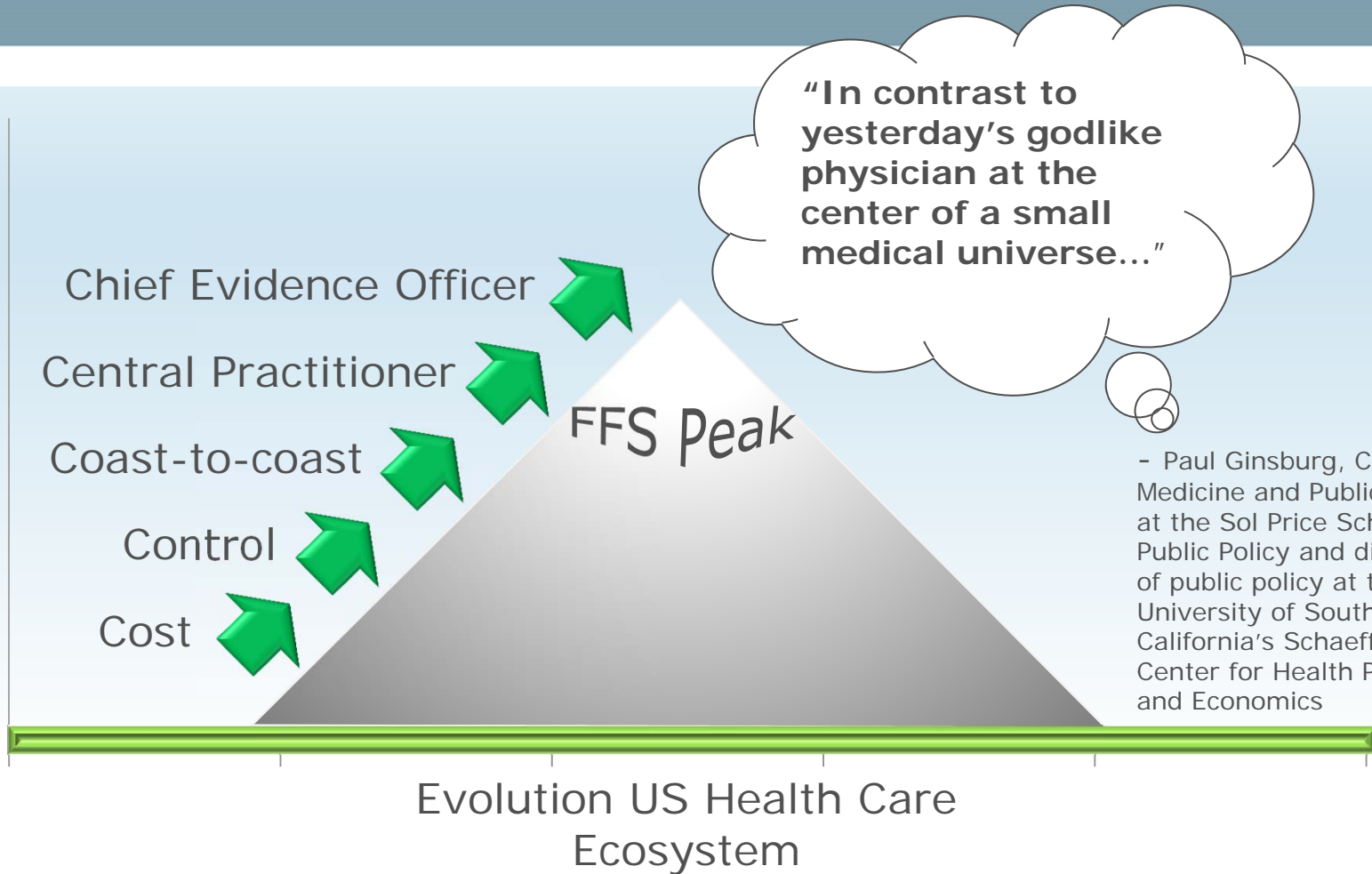


# Learning Objectives

- The US health care system of yesterday was based on a fractured FFS delivery model with HCPs at the center
- The adoption of the Triple Aim via the Affordable Care Act has introduced mechanisms to shift away from FFS and more toward value-based care
- Consequently, this elevates other health care ecosystem stakeholders who can influence health care delivery
- Although the HCP/KOL still carries an influential role in value-based care, other stakeholders have shared priority
- A more diversified ecosystem of stakeholders may need to be engaged to maximize ultimate value proposition of pharmaceutical products in the care continuum

# Slide Title Goes Here

HCP Stakeholder "Influence"



<https://www.wsj.com/articles/should-the-u-s-move-away-from-fee-for-service-medicine-1427079653>.



# Why The US Health Care Delivery System Is Restructuring Away From Fee-For-Service (FFS)



## RISING COSTS<sup>1</sup>

- FFS Payment System Provides Misaligned Incentives
- Costs increasing, quality not



## PATIENT POP<sup>2</sup>

- Aging Population
- Increasing Chronic Diseases



## NEW VALUE-BASED MODELS<sup>3</sup>

- MACRA
- MIPS
  - APMs
- Other

*MACRA: Medicare Access and CHIP ReAuthorization Act  
MIPS: Merit-Based Incentive Payment System  
APM: Alternative Payment Model*



## NEW HEALTH CARE ENTRANTS<sup>4</sup>

- Technology
- Retail
- Telecom

1. <http://www.aei.org/publication/the-role-of-medicare-fee-for-service-in-inefficient-health-care-delivery/>

2. <https://www.cdc.gov/chronicdisease/about/multiple-chronic.htm>

3. <https://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/Value-Based-Programs/Value-Based-Programs.html>

4. <https://www.pwc.com/us/en/health-industries/assets/pwc-health-research-institute-the-coming-plug-and-play-health-ecosystem-essay-dec-2015.pdf>



# Health Care...

VOLUME-BASED

has fundamentally changed

VALUE-BASED

We've all changed too...

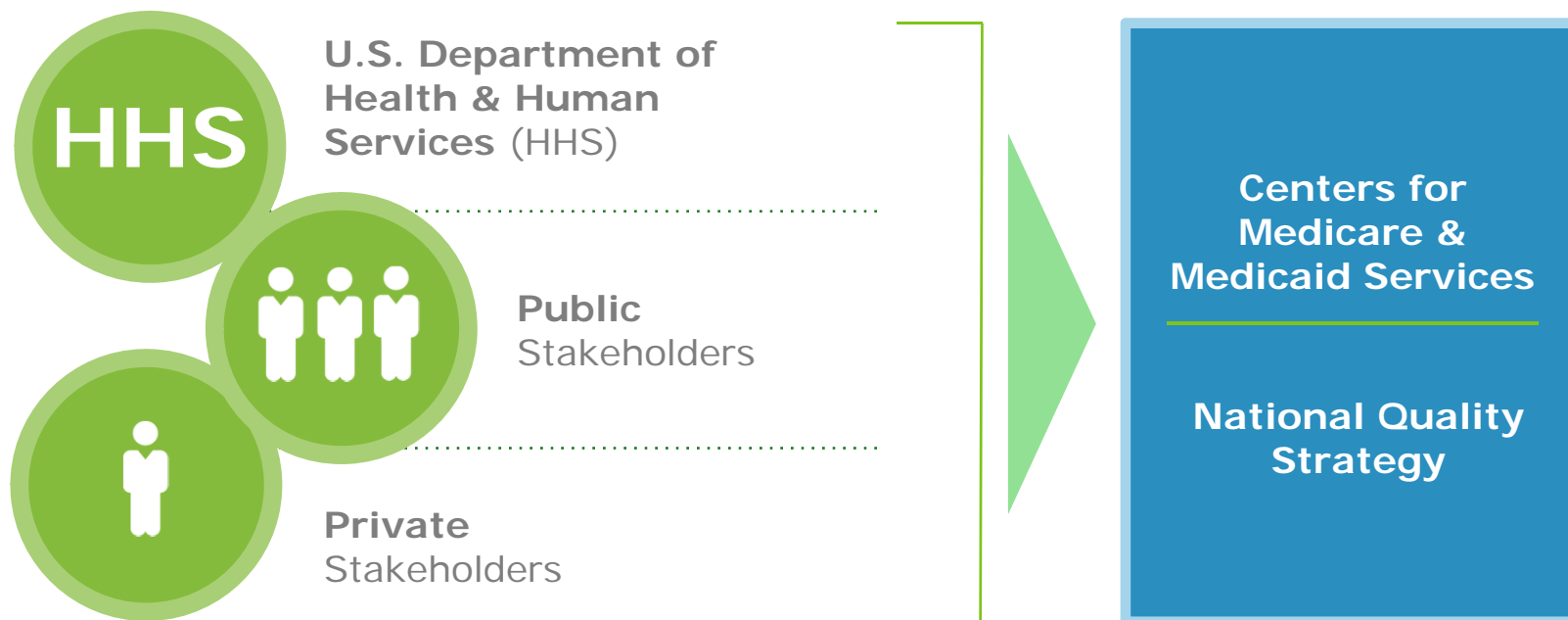
**EVOLVE**



# Multiple Stakeholders Are Driving Healthcare Reform

## HEALTHCARE REFORM

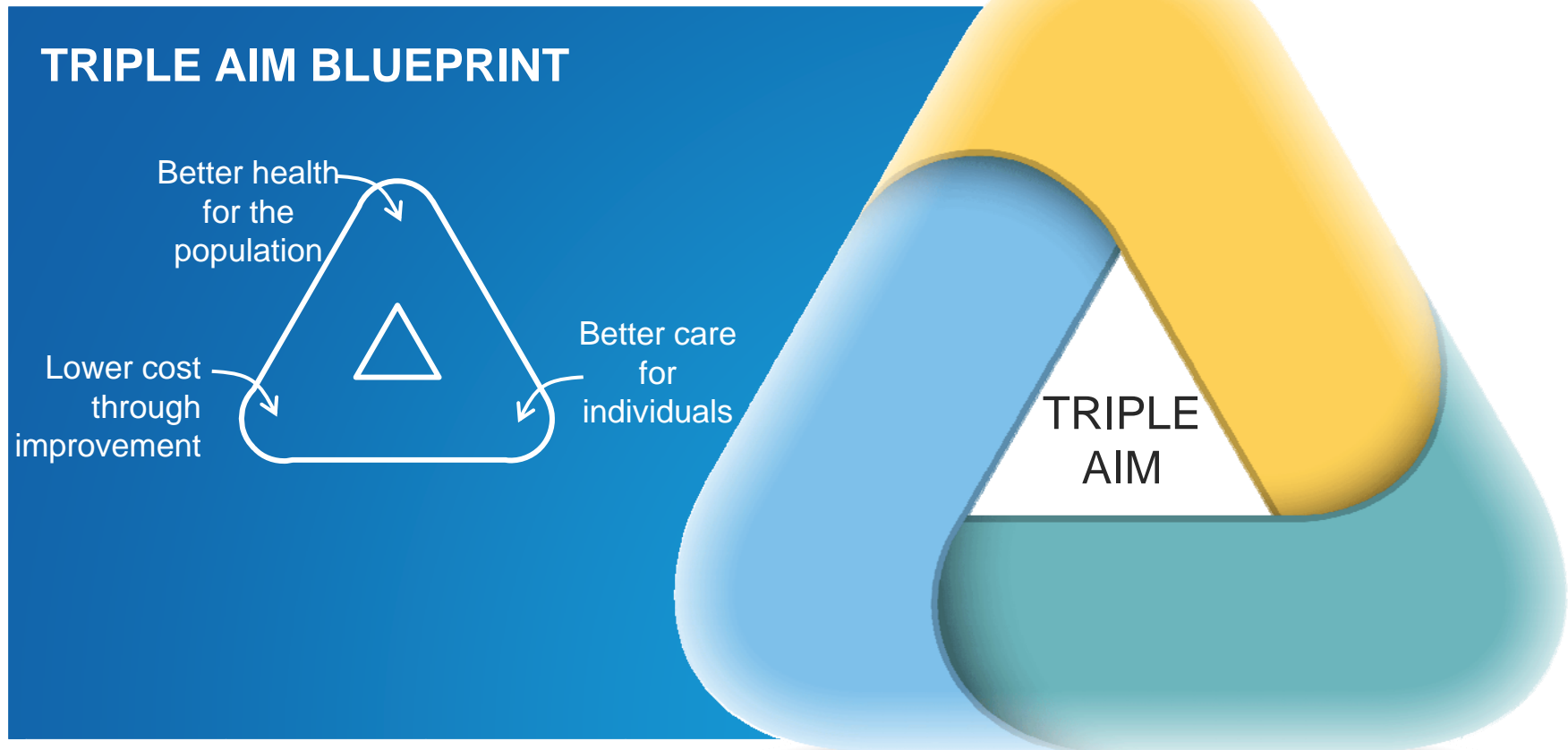
THE AFFORDABLE CARE ACT (ACA)



The ACA mandated that HHS create a national strategy for healthcare reform. The reform strategy is led by CMS, an office within HHS.<sup>1,2</sup>

1. CMS.gov. CMS Strategy: The Road Forward. <https://www.cms.gov/About-CMS/Agency-Information/CMS-Strategy/Downloads/CMS-Strategy.pdf>. Accessed December 7, 2016. 2. HHS.gov. Strategic Plan. <http://www.hhs.gov/about/strategic-plan/strategic-goal-1/index.html?language=en>. Accessed December 7, 2016.

# Market Force and the Affordable Care Act (ACA) Accelerated the Adoption of the “Triple Aim”<sup>1,2</sup>

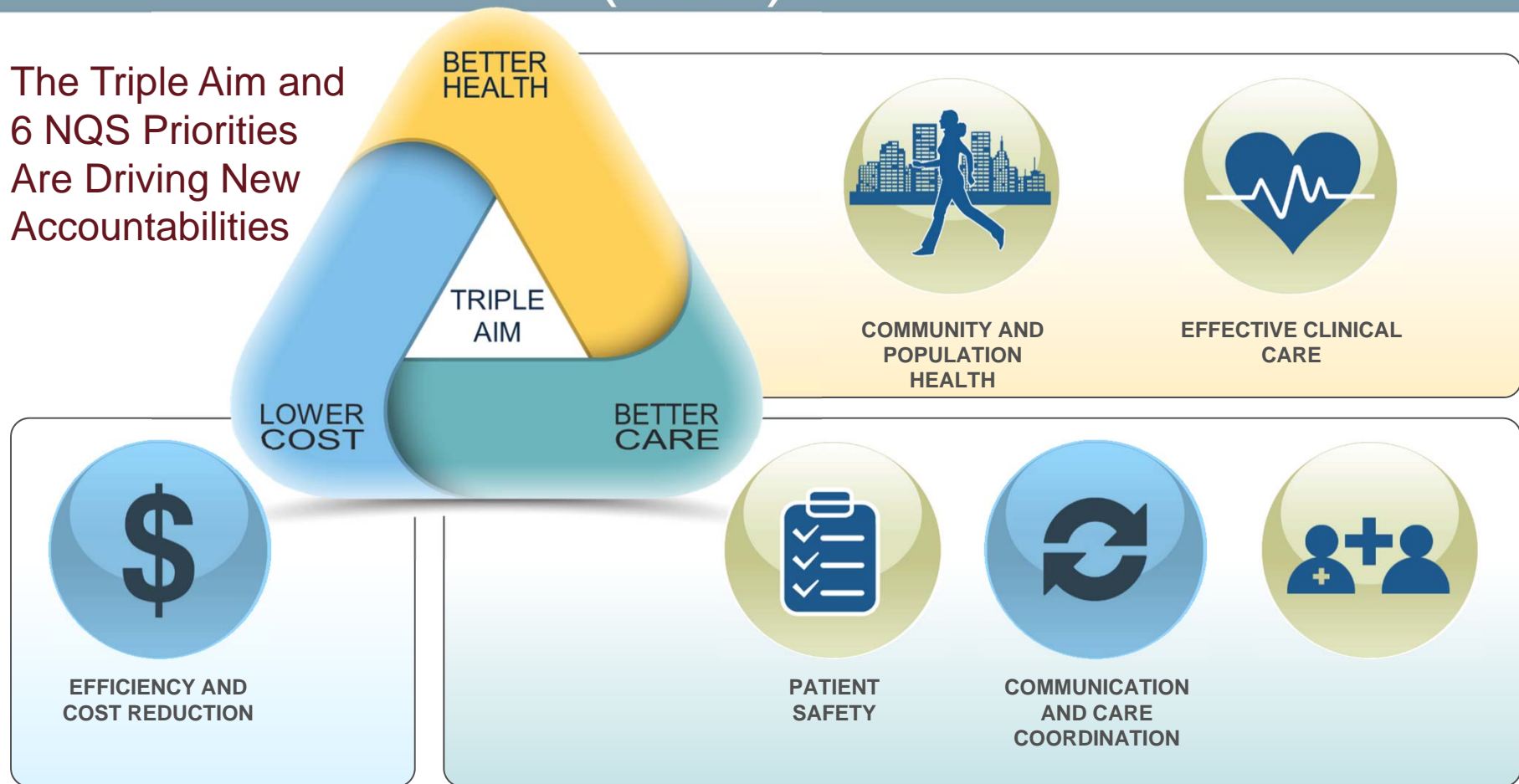


1. Berwick DM, et al. *Health Aff.* 2008;27:759-769. 2. The National Quality Strategy: Working For Quality. <http://www.ahrq.gov/workingforquality/about.htm>. Accessed October 27, 2016.



# National Quality Strategy (NQS) Is a Key Component of the Affordable Care Act (ACA) 2010<sup>1</sup>

The Triple Aim and 6 NQS Priorities Are Driving New Accountabilities



1. CMS.gov. 2016 Physician Quality Reporting System (PQRS): Implementation Guide. <https://www.cms.gov/About-CMS/Agency-Information/CMS-Strategy/Downloads/CMS-Strategy.pdf>. Accessed October 27, 2016.

# What Is a Performance Measure?

A healthcare performance measure is a way to calculate whether and how often the health and healthcare system does what it should.

Measures are based on scientific evidence about **processes, outcomes, perceptions, or systems** that relate to high-quality care.<sup>1</sup>



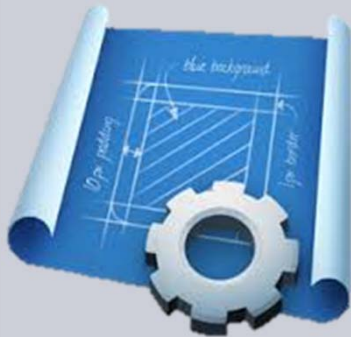
1. National Quality Forum. Understanding Performance Measures: Anatomy and Types. <http://public.qualityforum.org/Chart%20Graphics/Understanding%20Performance%20Measures%20-%20Anatomy%20and%20Types.pdf>. Accessed October 27, 2016.

# Quality Measures

## Backbone of formal accountability

### Structural Measures

Assess healthcare **INFRASTRUCTURE**



**Example:** The percentage of physicians in a practice who have systems to track and follow patients with Type 2 Diabetes

### Process Measures

Assess **STEPS** that should be followed to provide good care



**Example:** The percentage of patients with diabetes who have had an annual eye exam in the last year

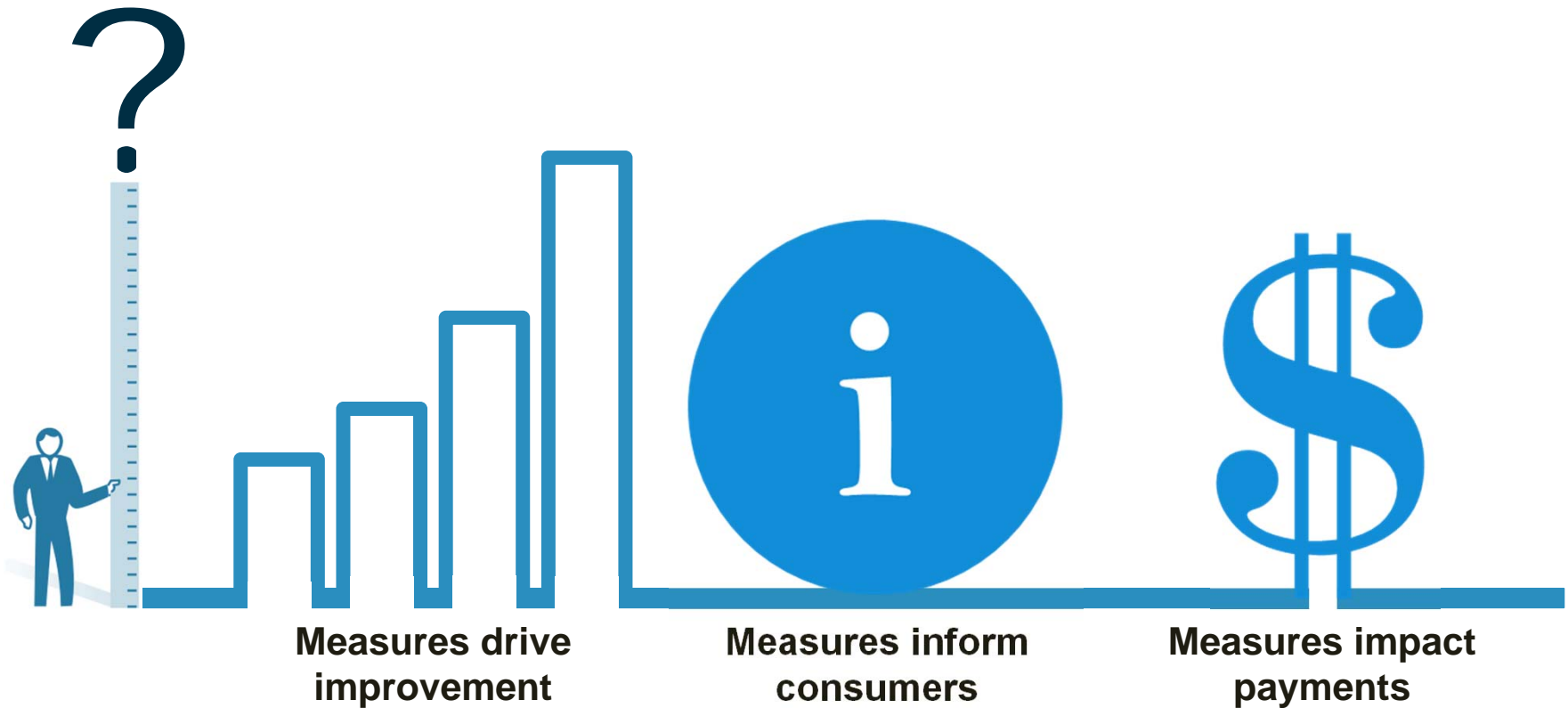
### Outcomes Measures

Assess the **RESULTS** of healthcare that are experienced by patients

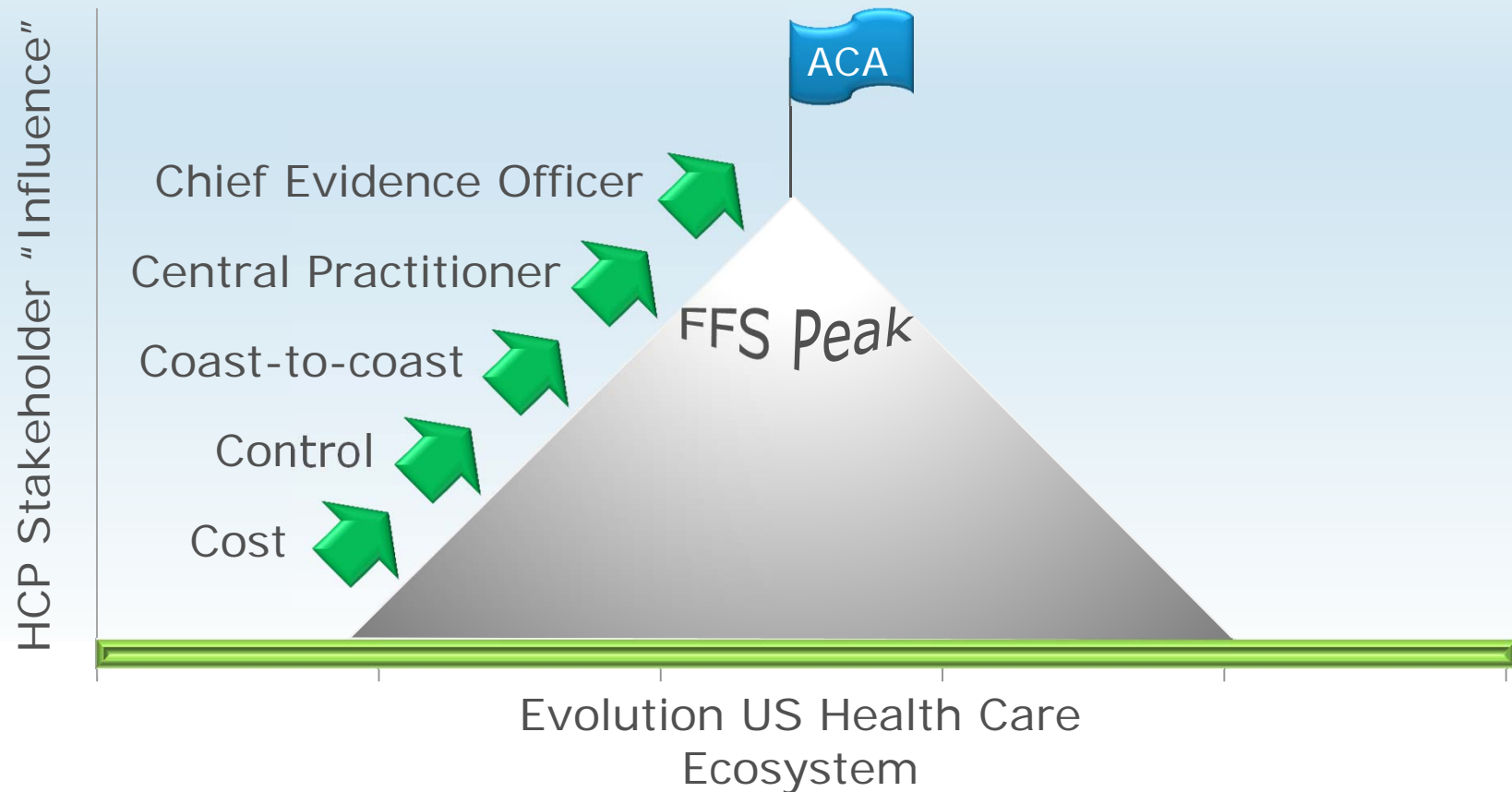


**Example:** The percentage of diabetes patients who are blind or have compromised vision

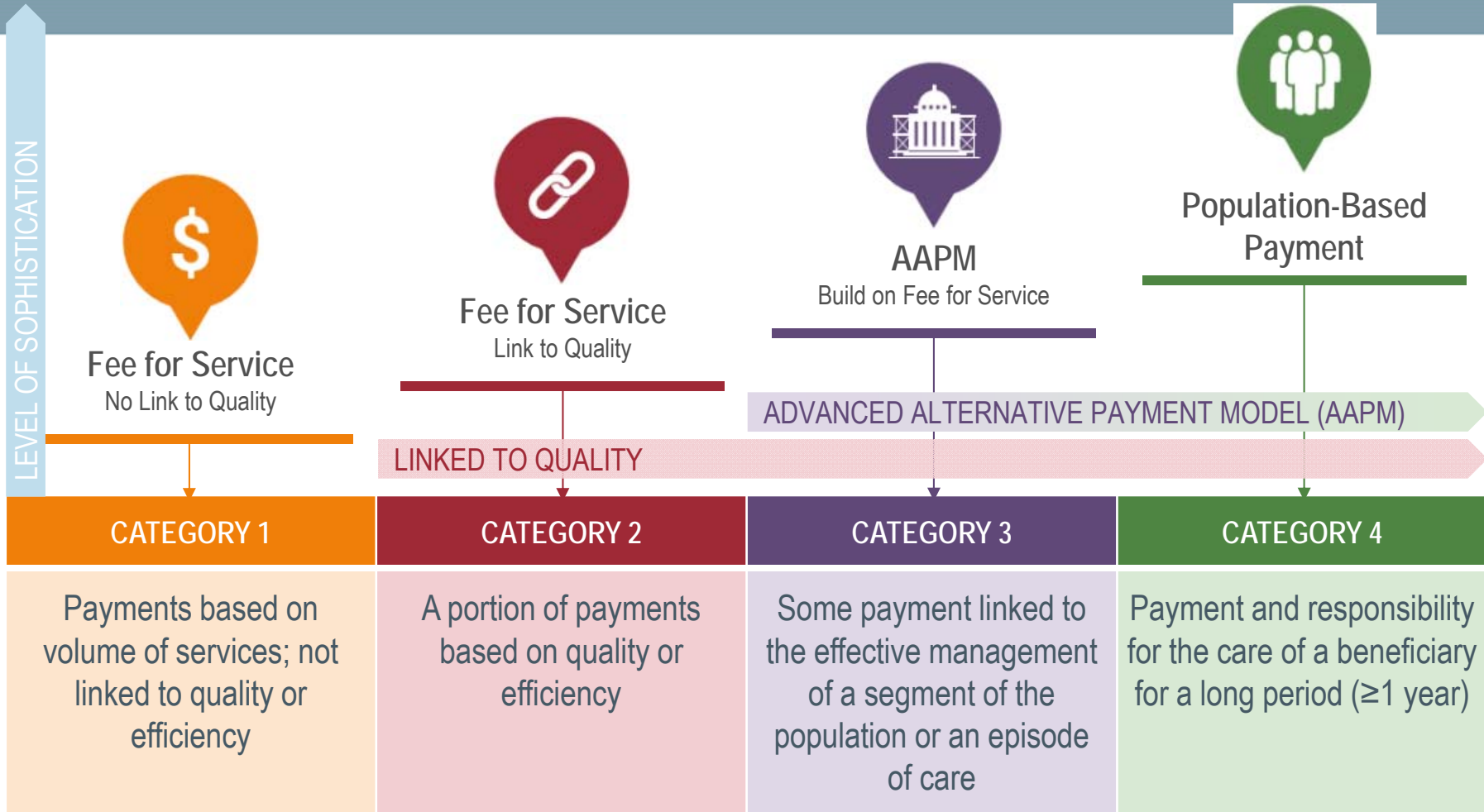
# Why Measure Performance?



# Hypothesis: HCP Influence In Relationship To US Health Care Ecosystem

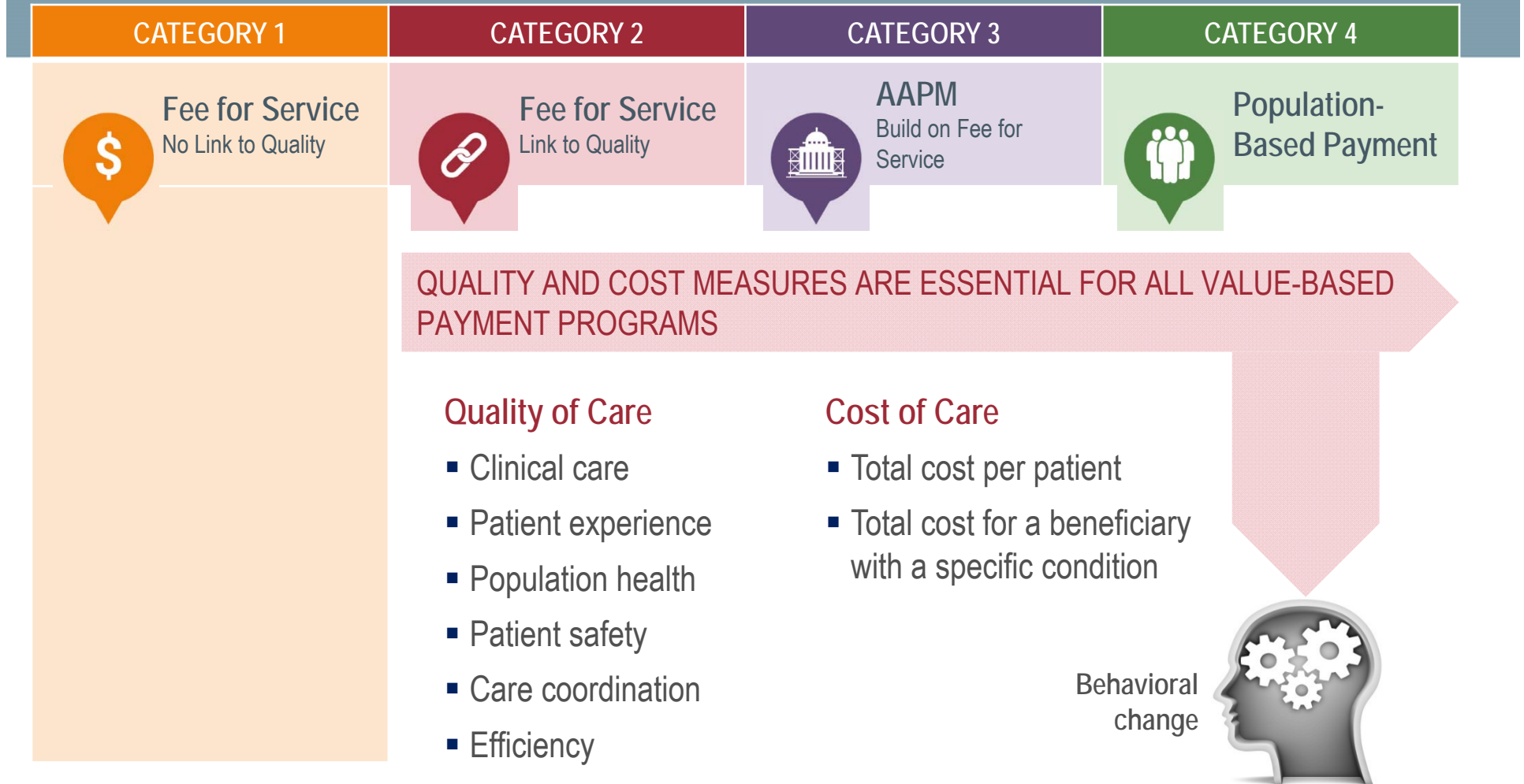


# CMS Payment Framework<sup>1,2</sup>







1. HCP LAN. Alternative Payment Model (APM) Framework. <https://hcp-lan.org/workproducts/apm-whitepaper.pdf>. Accessed October 27, 2016. 2. CMS.gov. 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 November 15, 2016.

# CMS Payment Framework<sup>1,2</sup>



1. HCP LAN. Alternative Payment Model (APM) Framework. <https://hcp-lan.org/workproducts/apm-whitepaper.pdf>. Accessed October 27, 2016. 2. CMS.gov. 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 November 15, 2016.

# CMS Payment Framework: Increasing Financial Risk and Accountability to Value<sup>1,2</sup>

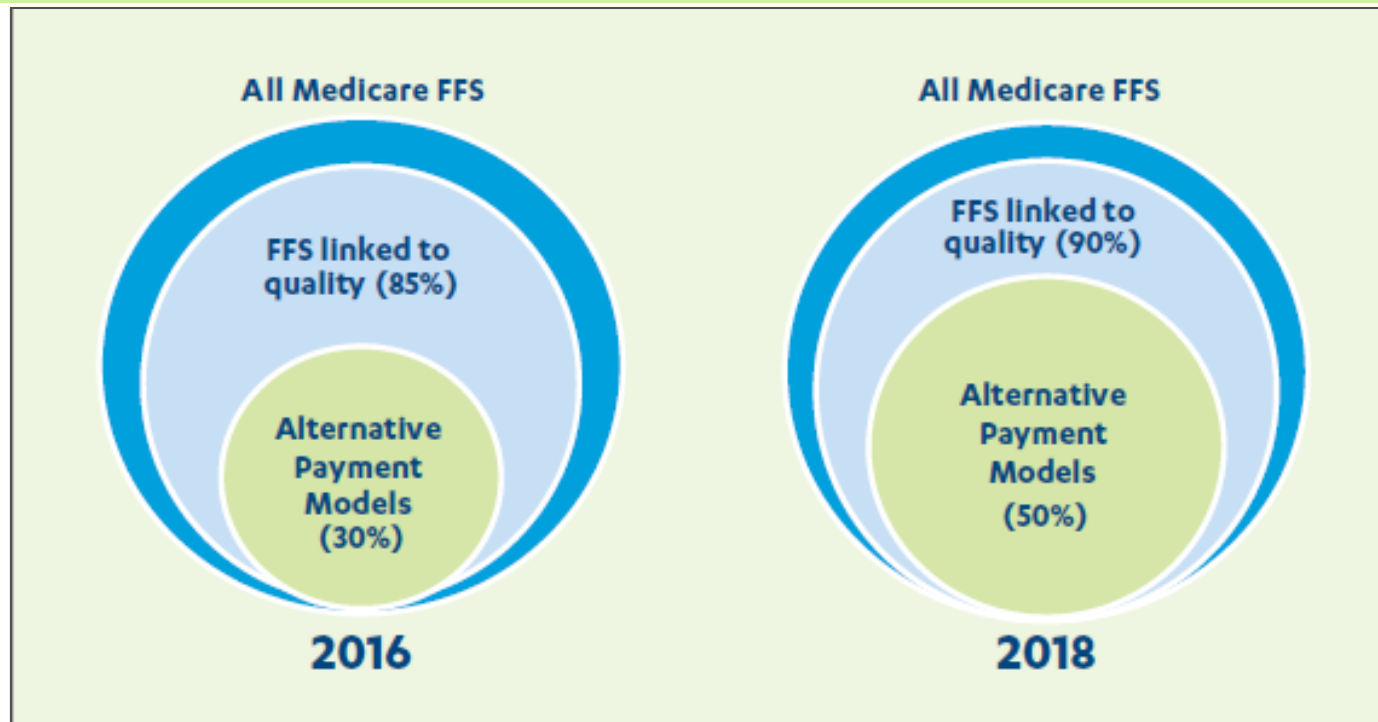
	CATEGORY 1	CATEGORY 2	CATEGORY 3	CATEGORY 4
	 <b>Fee for Service</b> No Link to Quality	 <b>Fee for Service</b> Link to Quality	 <b>AAPM</b> Build on Fee For Service	 <b>Population-Based Payment</b>
Linked to Quality		<b>A</b> Foundational payments for infrastructure and operations	<b>A</b> AAPMs with upside gainsharing	<b>A</b> Condition-specific population-based payment
		<b>B</b> Pay for reporting	<b>B</b> AAPMs with upside gainsharing and downside risk	<b>B</b> Comprehensive population-based payment
		<b>C</b> Rewards for performance		
		<b>D</b> Rewards and penalties for performance		
Examples	<ul style="list-style-type: none"> <li>Limited in Medicare fee for service</li> </ul>	<ul style="list-style-type: none"> <li>Physician value-based modifier</li> <li>Hospital-acquired condition reduction program</li> <li>Hospital value-based purchasing</li> </ul>	<ul style="list-style-type: none"> <li>Accountable care programs</li> <li>Bundled payments</li> <li>Oncology care model</li> </ul>	<ul style="list-style-type: none"> <li>Pioneer model ACOs</li> </ul>

1. HCP LAN. Alternative Payment Model (APM) Framework. <https://hcp-lan.org/workproducts/apm-whitepaper.pdf>. Accessed October 27, 2016. 2. CMS.gov. 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 November 15, 2016.



# CMS is Moving from Volume- to Value-Based Payments

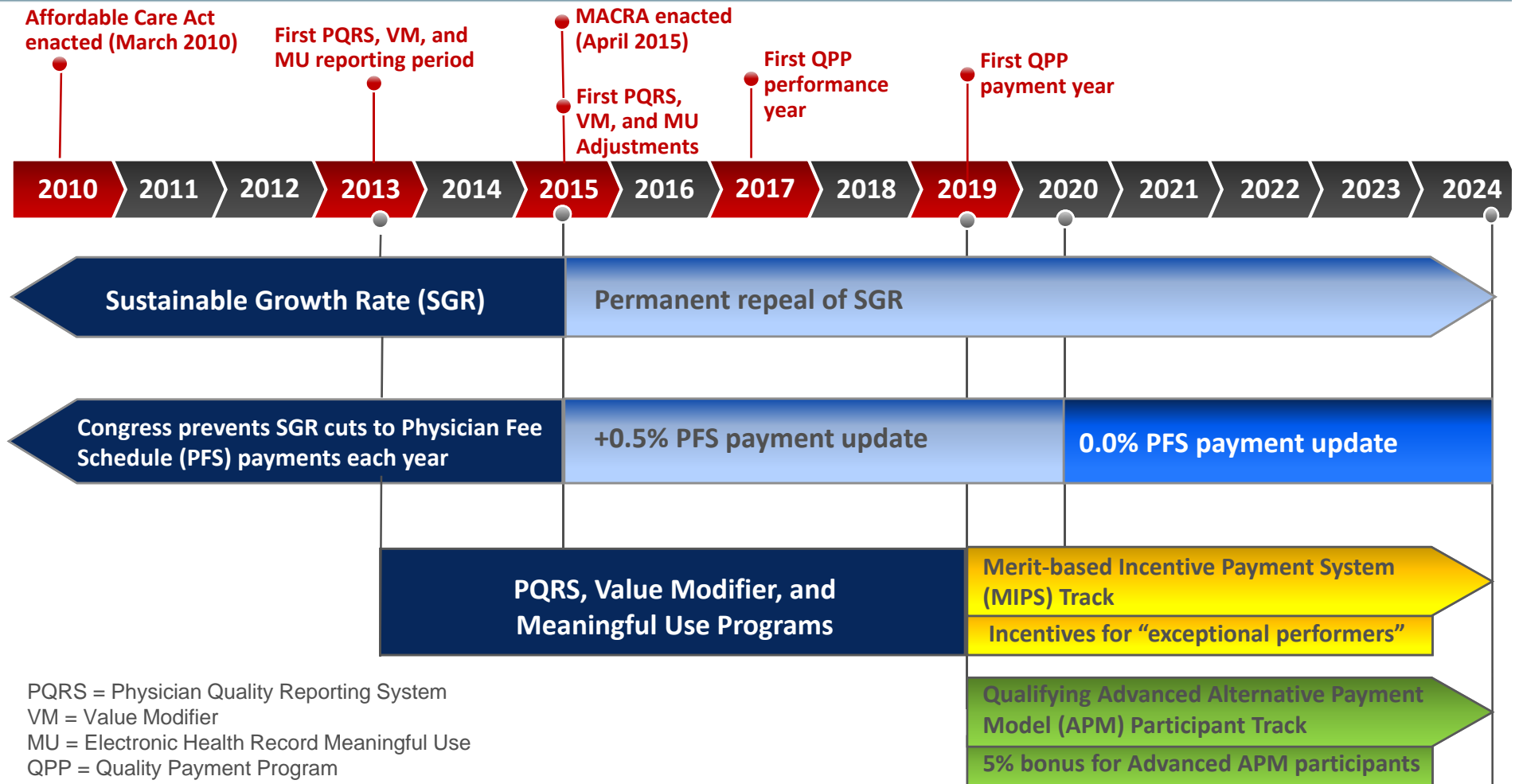
On January 26, 2015, HHS announced plans to move the Medicare program toward paying providers based on the quality, rather than the quantity, of care they provide patients



As of March 2016, HHS announced that it has reached its goal of tying 30% of Medicare payments to alternative payment models



# The basic MACRA implementation timeline remains unchanged by the Final Rule



CMS, Medicare Program; Merit-Based Incentive Payment System (MIPS) and Alternative Payment Model (APM) Incentive Under the Physician Fee Schedule, and Criteria for Physician-Focused Payment Models, 81 Fed. Reg. 77,008, 77,332–33, 77,399–40, 77,515–16 (Nov. 4, 2016); CMS, Medicare Quality Initiatives Patient Assessment Instruments, Value-Based Programs: Timeline, available at <https://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/Value-Based-Programs/MACRA-MIPS-and-APMs/Timeline.PDF>; see generally CMS, Medicare Program; CY 2018 Updates to the Quality Payment Program, Proposed Rule, 82 Fed. Reg. 30,010 (June 30, 2017).



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# What is the Quality Payment Program?

- **Repeals** the SGR formula
- **Streamlines** multiple quality reporting programs into the new **MIPS**
- **Provides incentive** payments for participation in **Advanced Alternative Payment Models (AAPMs)**

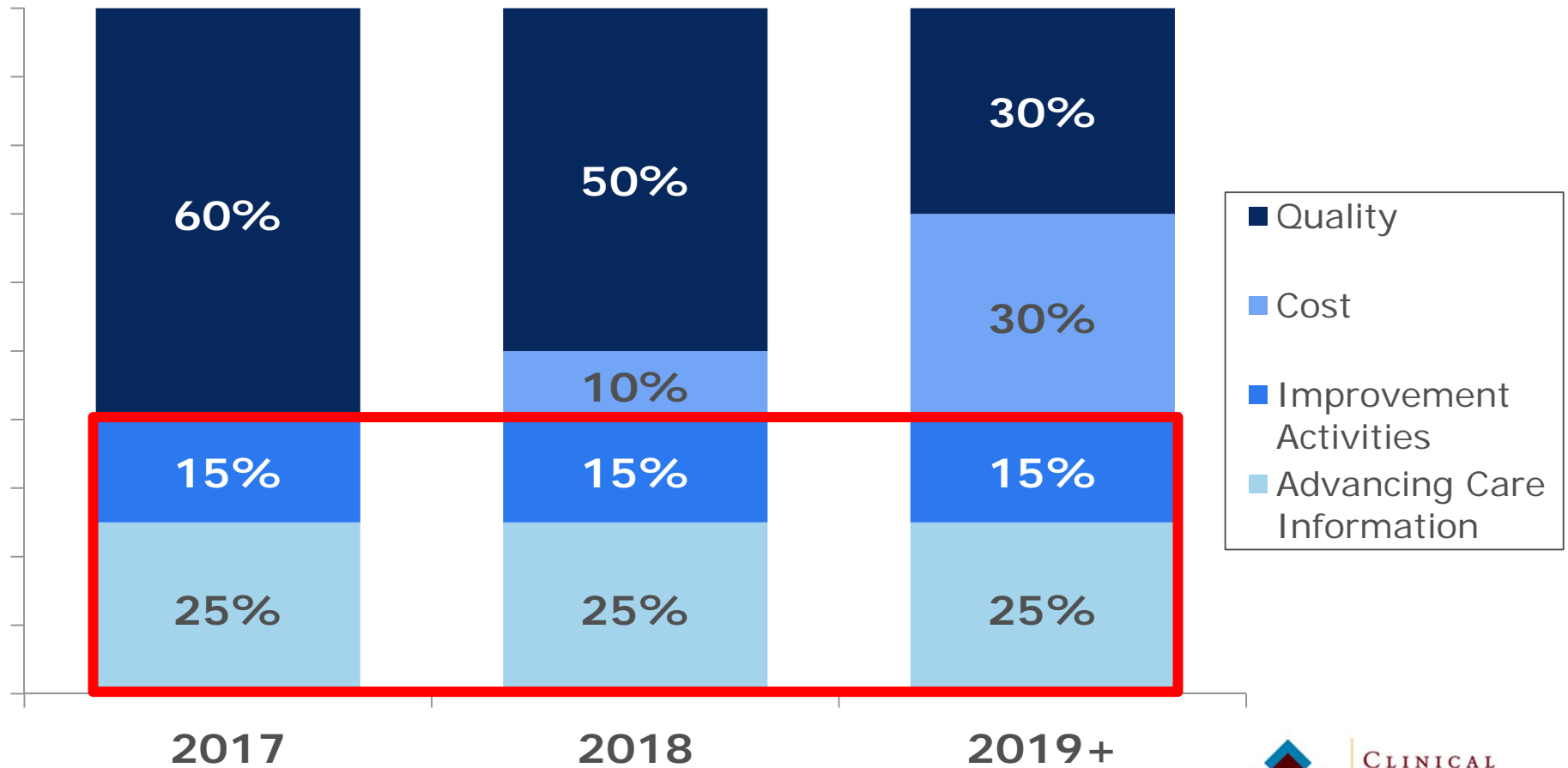
The Merit-Based  
Incentive  
Payment System  
(MIPS)

or

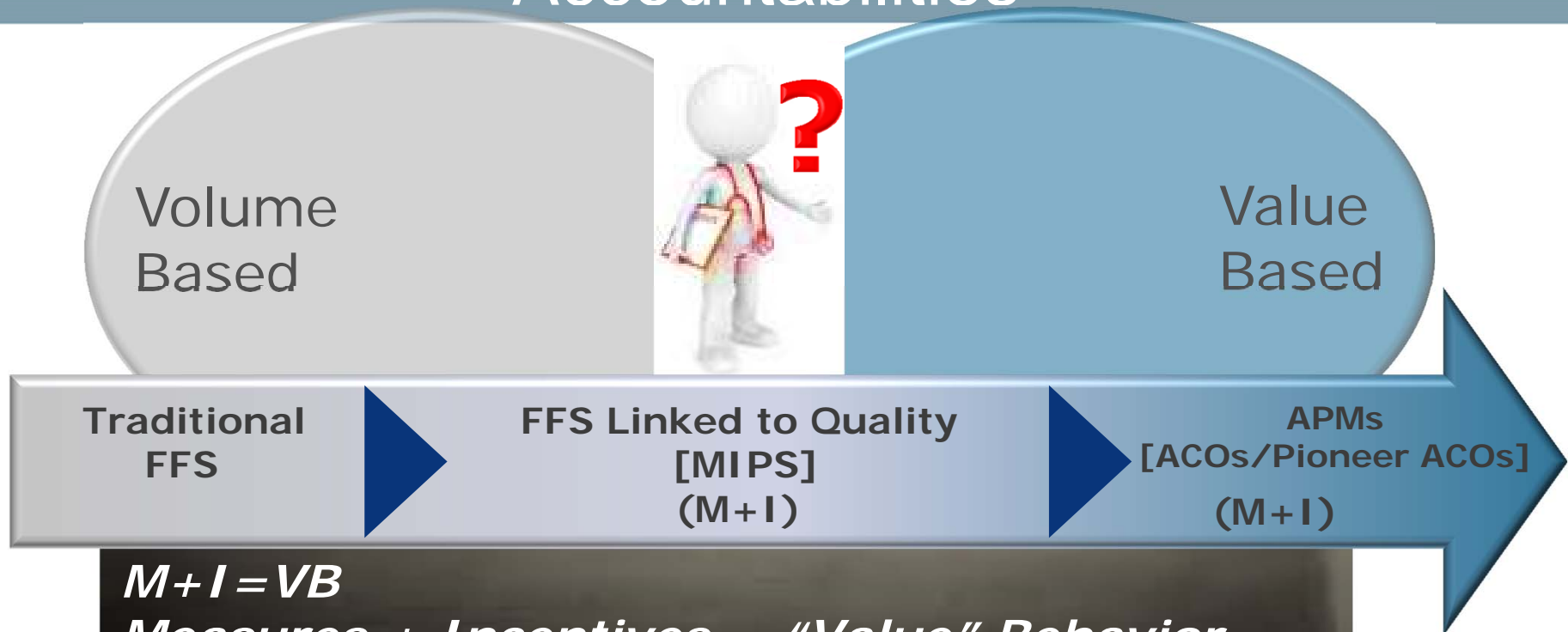
Advanced  
Alternative  
Payment Models  
(AAPMs)

Cost performance category will be weighted 0% for 2017, but its weight will increase in future years

MIPS Composite Score Weights, By Performance Year



# The “Math” of Value and Behavior Change; The Quandary of Misaligned HCP Accountabilities



$$M+I=VB$$

Masures + Incentives = “Value” Behavior

$$VB=Q/C$$

Value Behavior = Quality of Care / Cost of Care

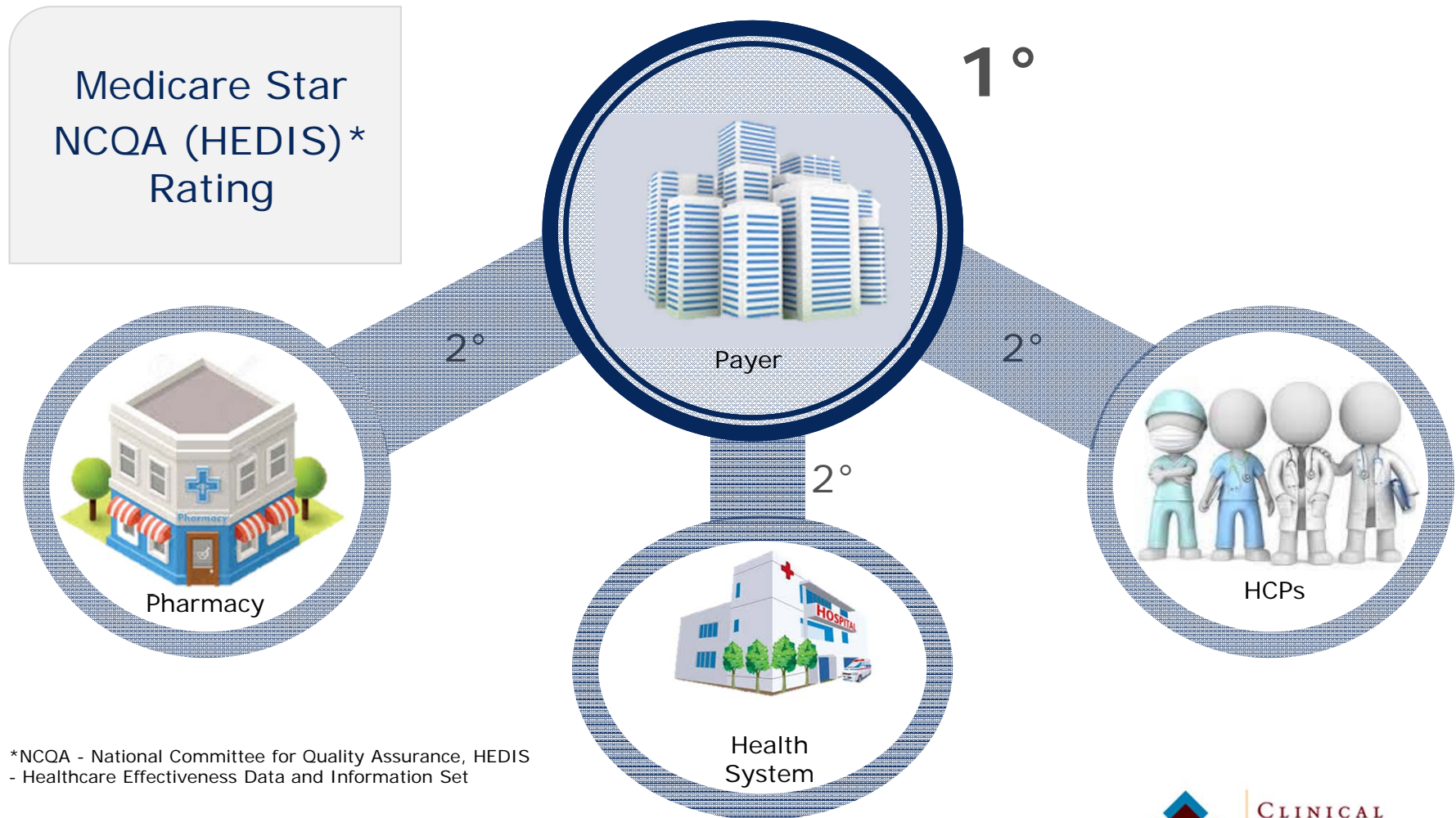
$$\therefore M+I=Q/C$$

HOW?



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# Quality-based programs manifest in several layers of stakeholder accountability



\*NCQA - National Committee for Quality Assurance, HEDIS  
- Healthcare Effectiveness Data and Information Set

[https://www.medicare.gov/find-a-plan/\(S\(4emd5e551rt5j22pu5kbpv55\)\)/staticpages/rating/planrating-help.aspx](https://www.medicare.gov/find-a-plan/(S(4emd5e551rt5j22pu5kbpv55))/staticpages/rating/planrating-help.aspx)  
<http://www.ncqa.org/hedis-quality-measurement/what-is-hedis>



# Quality-based programs manifest in several layers of stakeholder accountability

VM/MIPS\*



Payer

1°

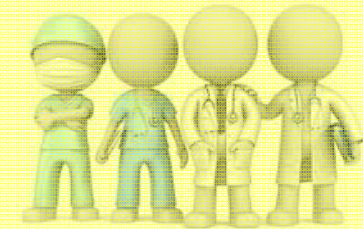


Pharmacy



Health System

2°



HCPs

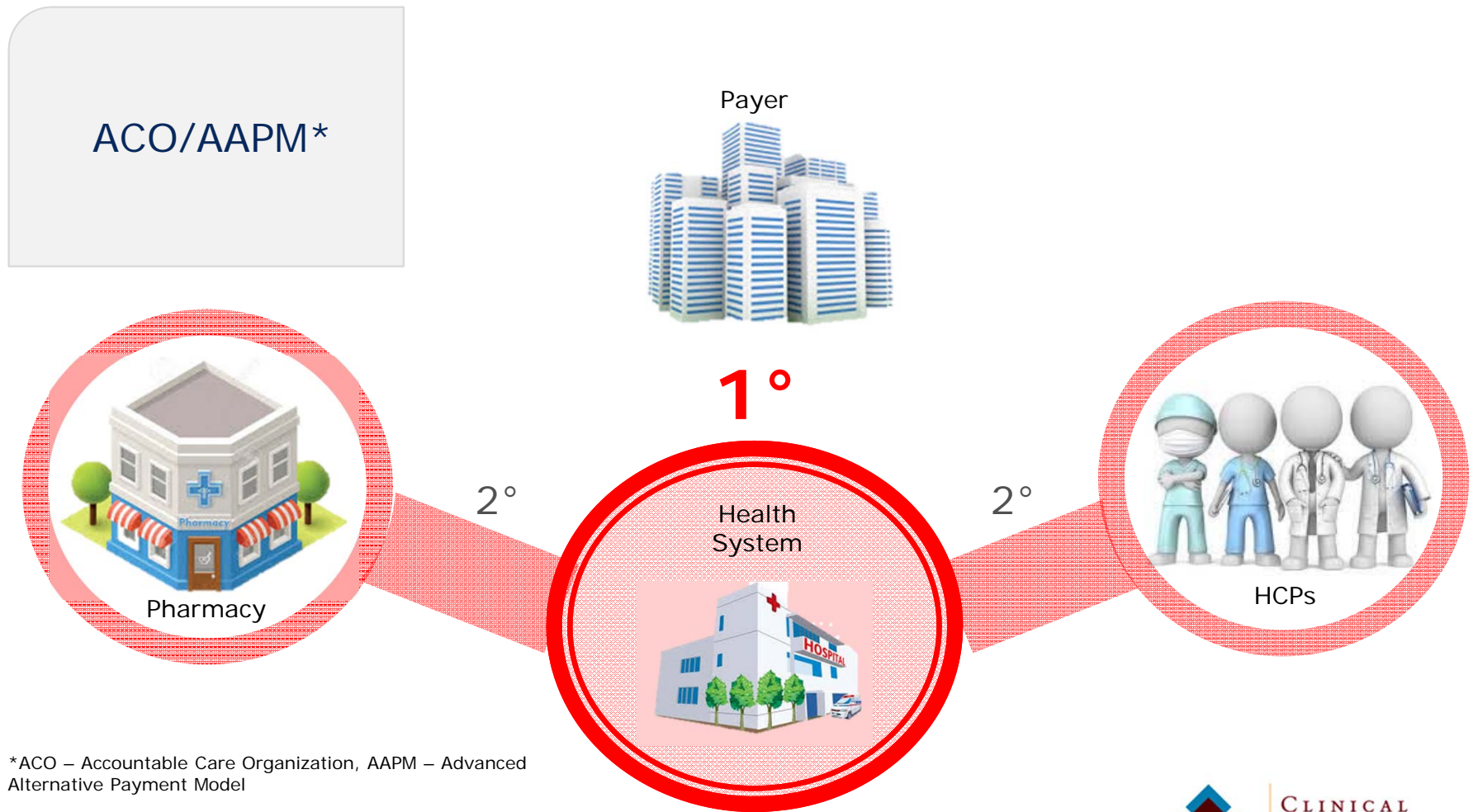
\*VM – Physician based value modifier, MIPS - Merit-based Incentive Payment System

CMS, Medicare Program; Merit-Based Incentive Payment System (MIPS) and Alternative Payment Model (APM) Incentive Under the Physician Fee Schedule, and Criteria for Physician-Focused Payment Models, Final Rule, 81 Fed. Reg. 77,008, 77,009-10 (Nov. 4, 2016).



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# Quality-based programs manifest in several layers of stakeholder accountability



\*ACO – Accountable Care Organization, AAPM – Advanced Alternative Payment Model

CMS, Medicare Program; Merit-Based Incentive Payment System (MIPS) and Alternative Payment Model (APM) Incentive Under the Physician Fee Schedule, and Criteria for Physician-Focused Payment Models, Final Rule, 81 Fed. Reg. 77,008, 77,009-10 (Nov. 4, 2016).





# Impact of APMs on HCP practices

1. Merging with hospitals
- + 2. Team approach care management
- + 3. Rise of PCP (reduce sub-specialist “leakage”)

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Yields: Fundamental change in practice model (vs. FFS); loss of individual/KOL-centricity

“In contrast to yesterday’s godlike physician at the center of a small medical universe, **the practice of medicine today involves team-based care with many moving parts**”

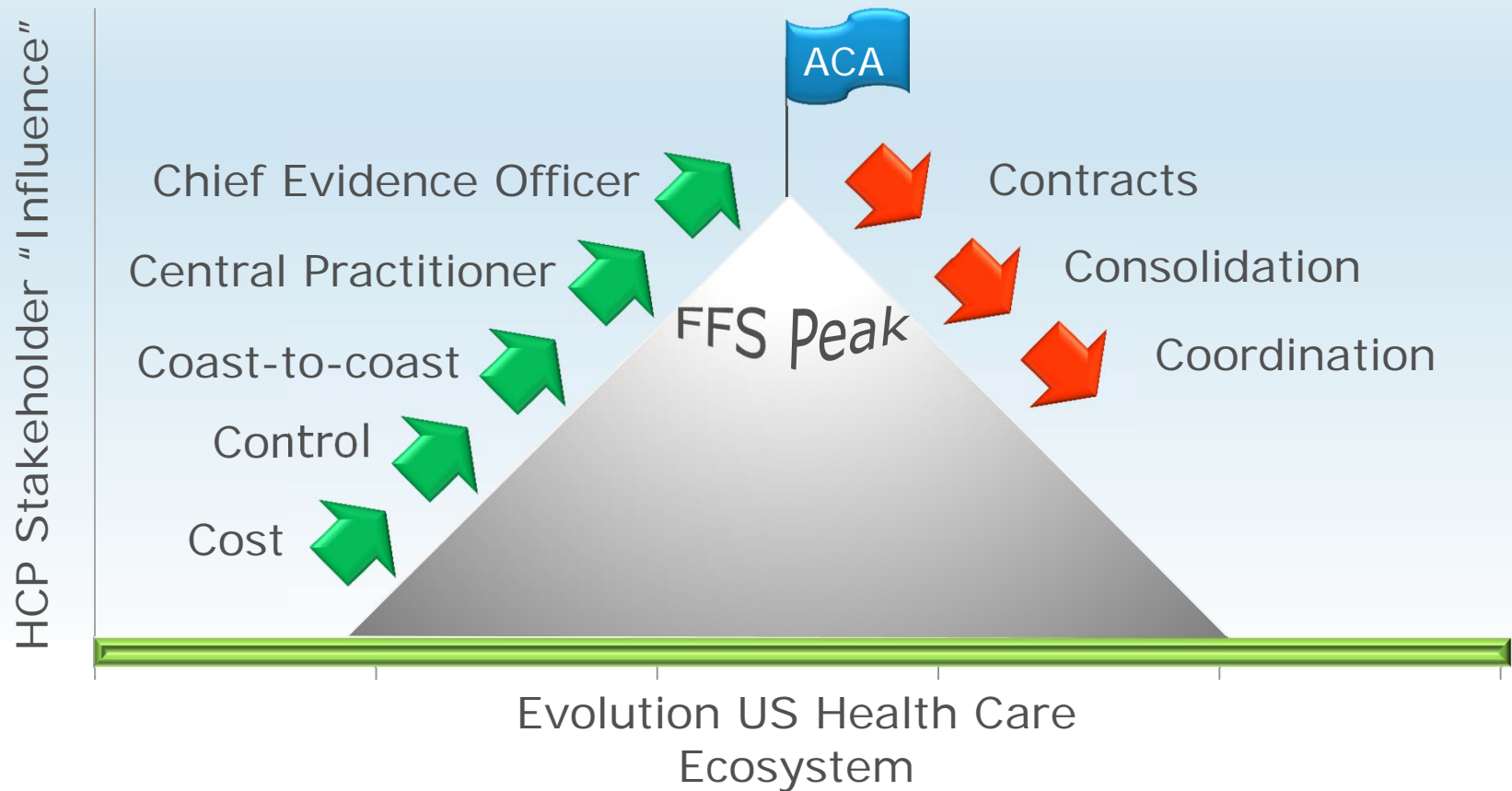
-Paul Ginsburg, Chair in Medicine and Public Policy at the Sol Price School of Public Policy and director of public policy at the University of Southern California’s Schaeffer Center for Health Policy and Economics

<https://www.wsj.com/articles/should-the-u-s-move-away-from-fee-for-service-medicine-1427079653>

[http://www.rand.org/content/dam/rand/pubs/research\\_reports/RR800/RR869/RAND\\_RR869.pdf](http://www.rand.org/content/dam/rand/pubs/research_reports/RR800/RR869/RAND_RR869.pdf).



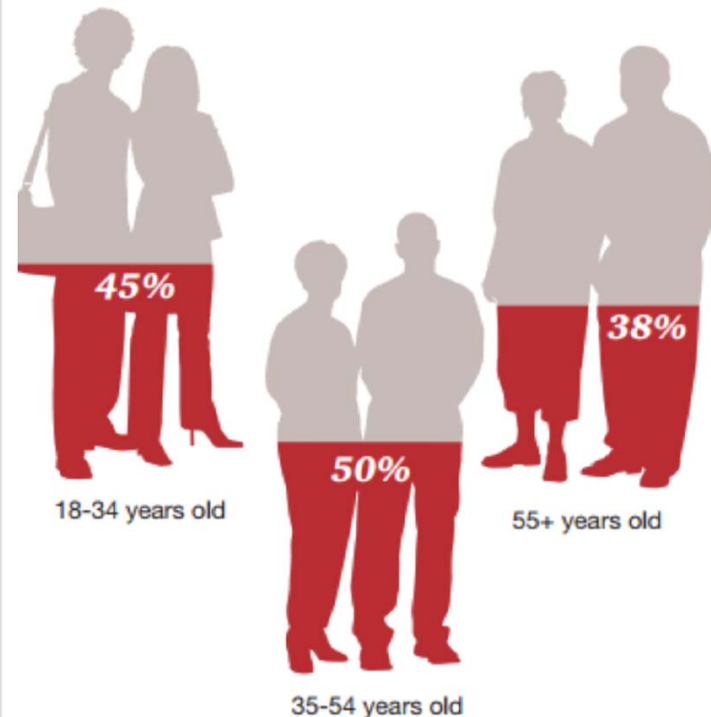
# Hypothesis: HCP Influence In Relationship To US Health Care Ecosystem



# Rise of Consumerism = Fall Of Traditional Care Models (Hospital or Physician Utilization)

“Consumers are ready to abandon traditional care models for ones that echo experiences in banking, retail and entertainment”

*Percent answering they would be “very likely” or “somewhat likely” to choose new healthcare-style options*



Source: HRI consumer survey, December 2013

<https://www.pwc.com/us/en/health-industries/healthcare-new-entrants/assets/pwc-hri-new-entrants.pdf>



# Further Evidence Of Shift Of Influence Away From HCP/KOL

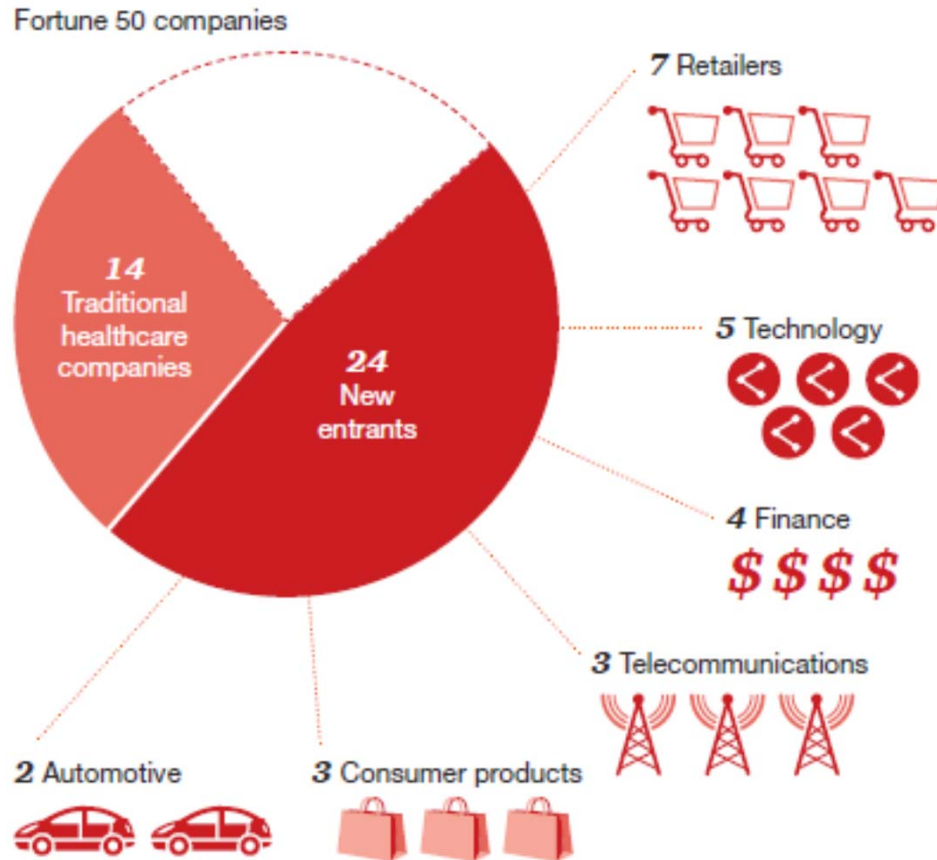
	THEN	NOW	INFLUENCER
<i>Patients in health plans that incentivize providers to prescribe certain treatments</i>	37% 2014	88% (2016 projected)*	Patients: Consumerism
<i>Hospital participation in accountable care organizations responsible for cost of care</i>	6% 2011	25% 2014	Hospital System
<i>Medicare payments tied to alternative payment models which include cost or quality incentives</i>	0% 2009	30% 2014	CMS: Quality Programs
<i>Commercial market payments where provider is at risk for cost of care</i>	6% 2013	21% 2014	Private Payer Evolution

\*2016 projection based off of 2015 publication



adapted from: <http://www.phrma.org/sites/default/files/pdf/prescription-medicines-costs-in-context-extended.pdf>.

# Many Top Healthcare Fortune 50 Are New Entrants From Other Industries

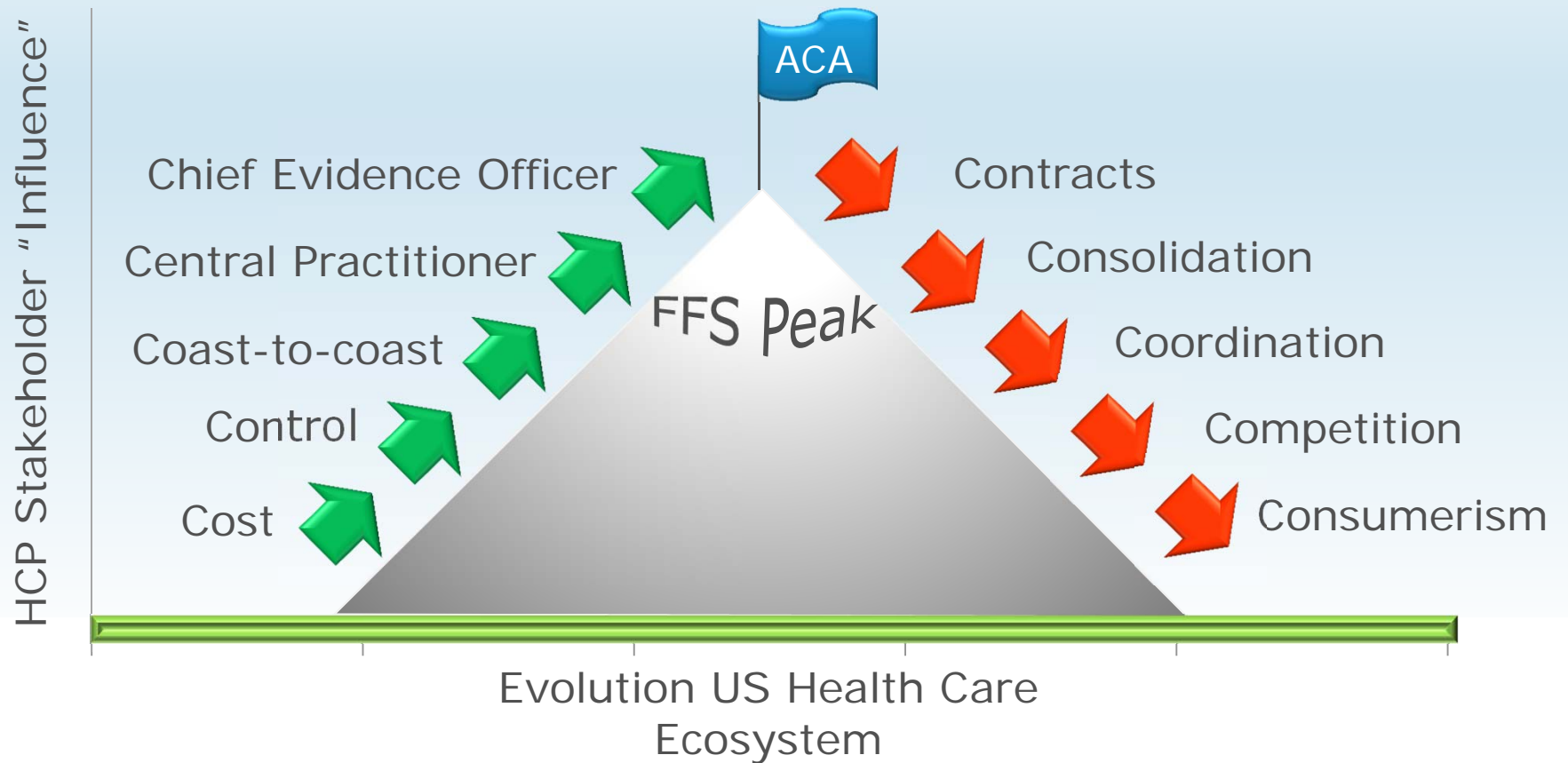


Source: Fortune 50, 2013

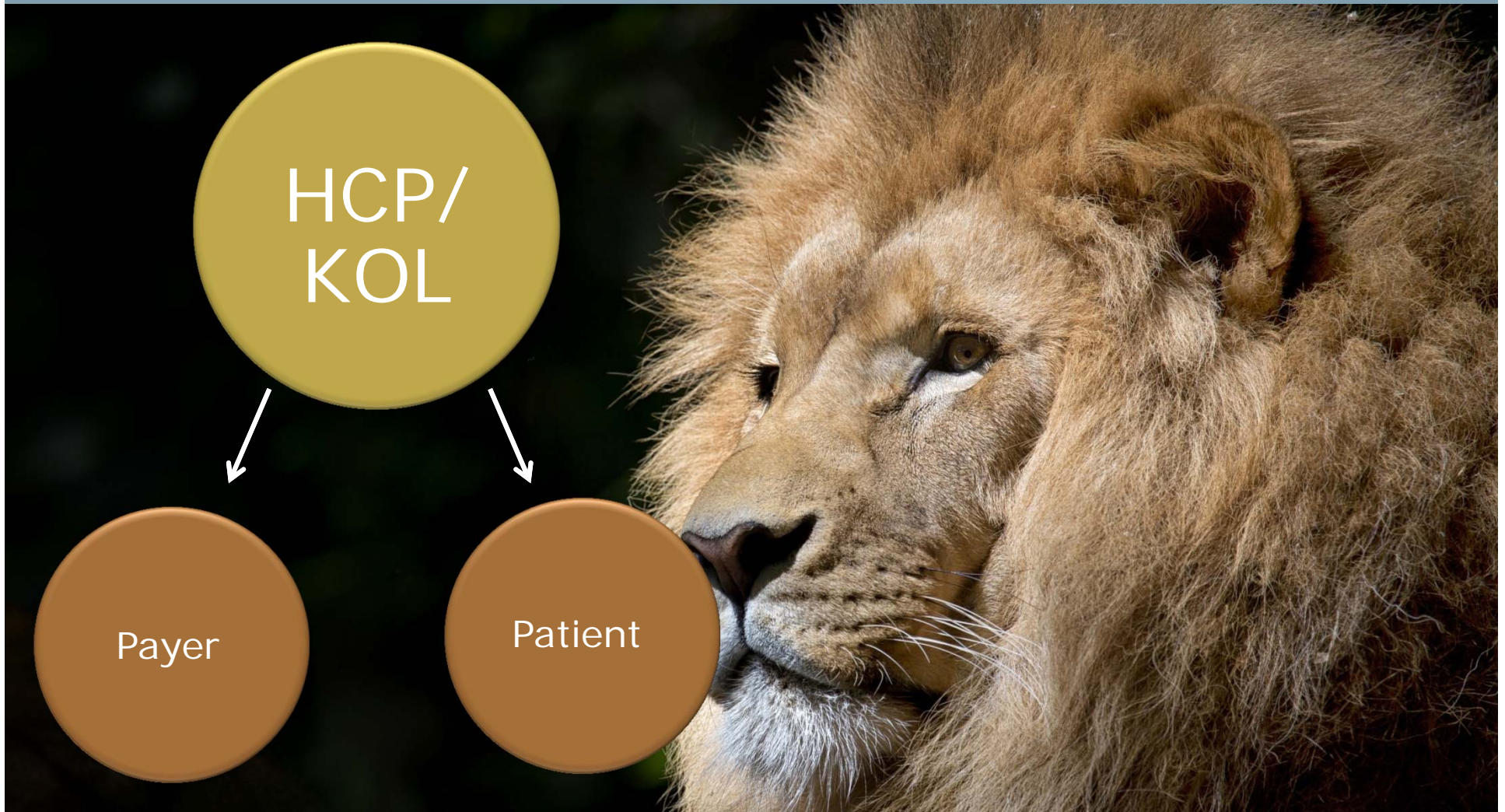
PWC. <https://www.pwc.com/us/en/health-industries/healthcare-new-entrants/assets/pwc-hri-new-entrants.pdf>. Accessed September 7, 2017.



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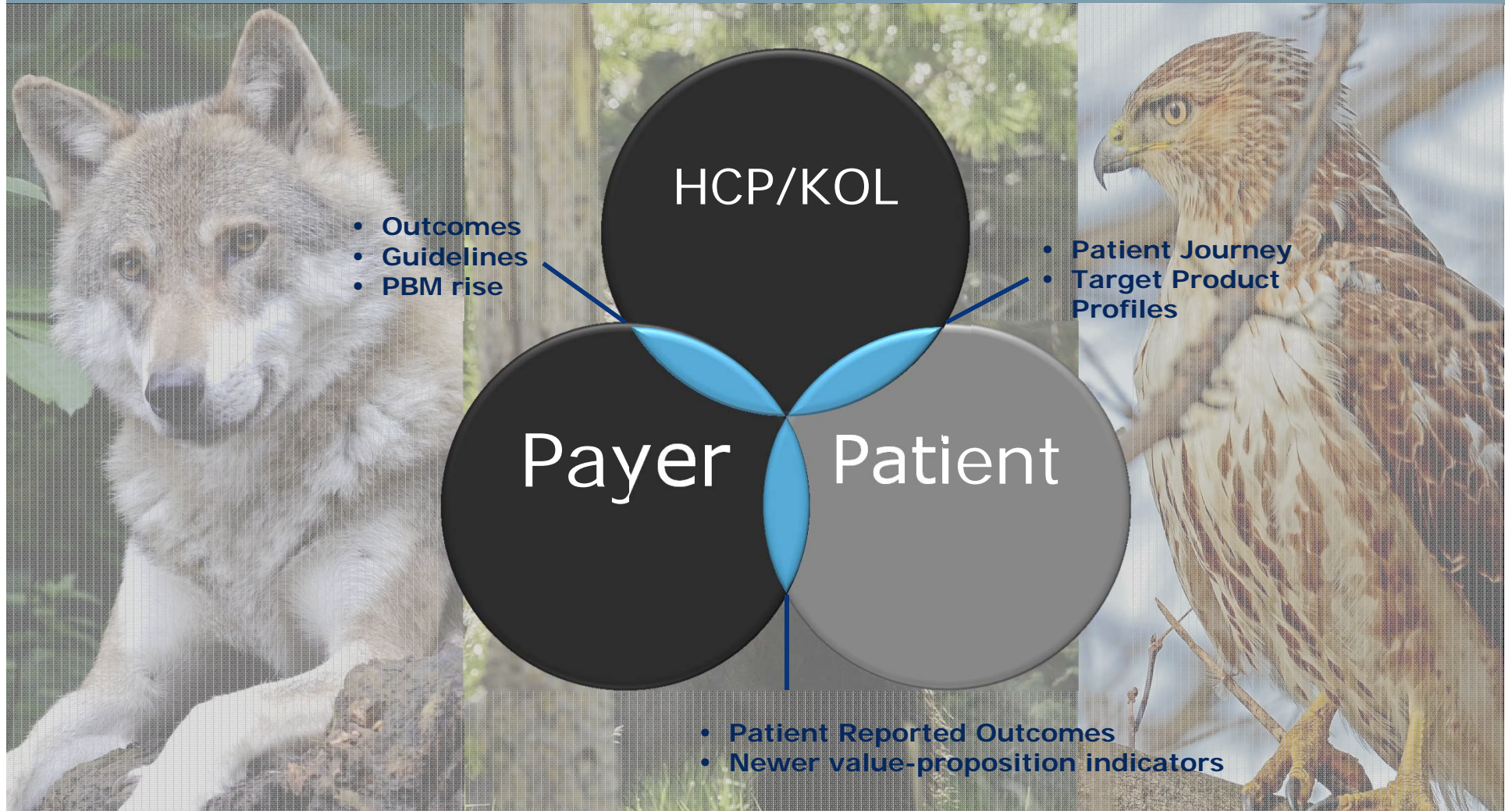


# Hypothesizing Traditional Health Care System Influence In Fee-For-Service: **Food Chain**



PWC. <https://www.pwc.com/us/en/health-industries/assets/pwc-health-research-institute-the-coming-plug-and-play-health-ecosystem-essay-dec-2015.pdf>. Accessed September 7, 2017.

# Hypothesizing Transitional Health Care System Influence In Introduction To VBC = Food Web



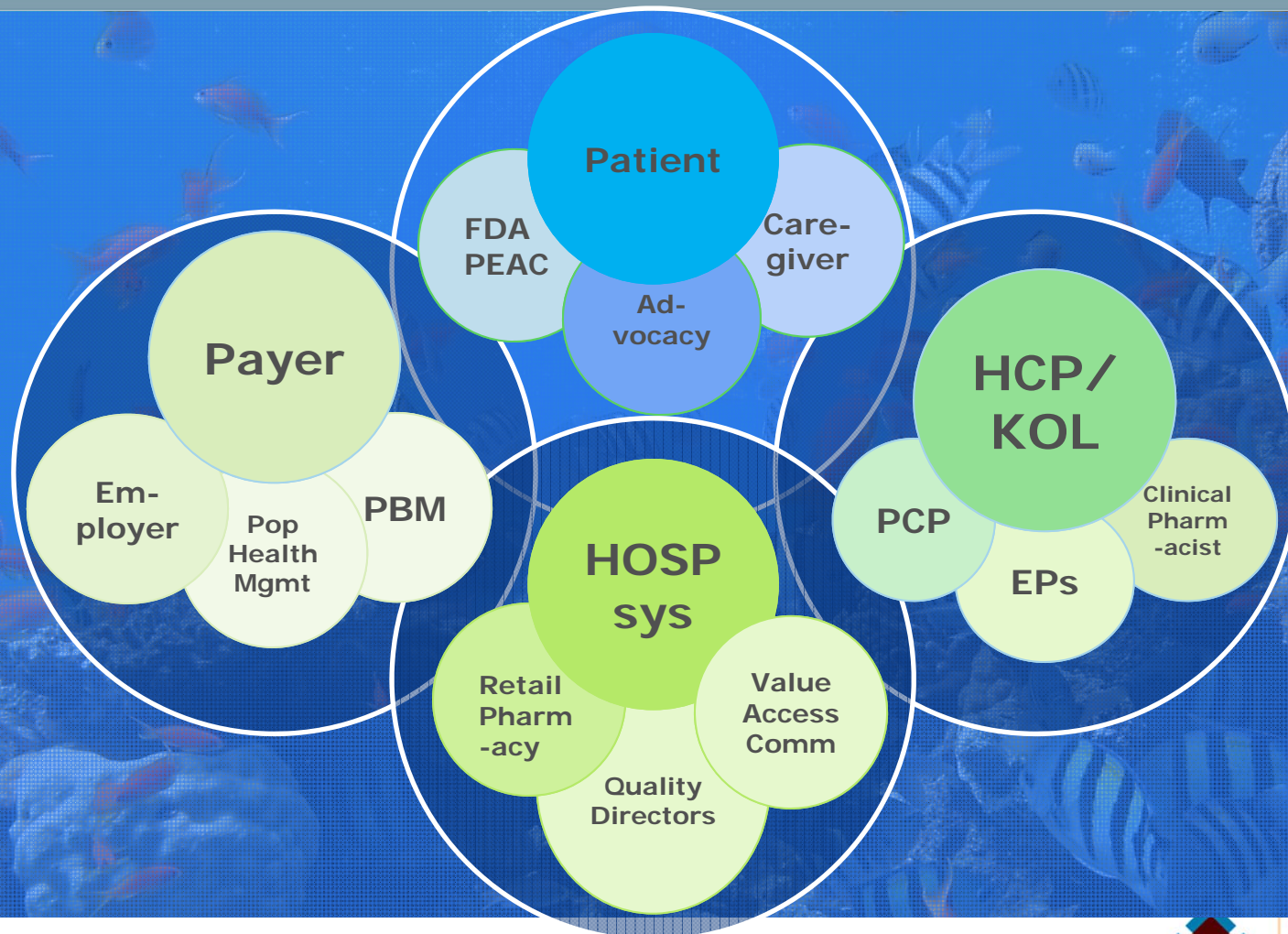
VBC = Value-based Care.

Wall Street Journal. [www.wsj.com/articles/SB10001424053111903554904576460322664055328](http://www.wsj.com/articles/SB10001424053111903554904576460322664055328). Accessed

September 7, 2017.



# Hypothesizing The *NEW* View In Health Care System Influence In Full Risk VBC = Ecosystem



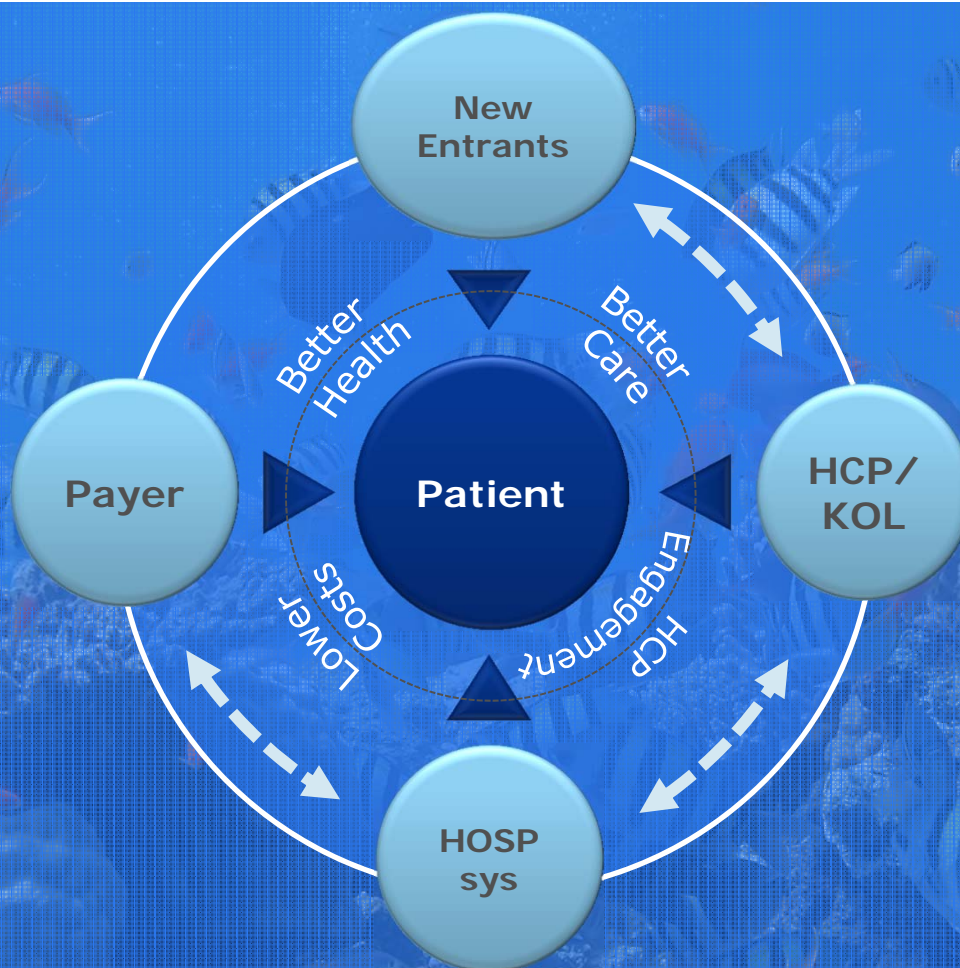
FDA PEAC = FDA Patient Engagement Advisory Committee; EP = Eligible Practitioners; Value Access Comm = Value Access Committee; Pop Health Mgmt = Population Health Management.

Source: Presenter's Opinion



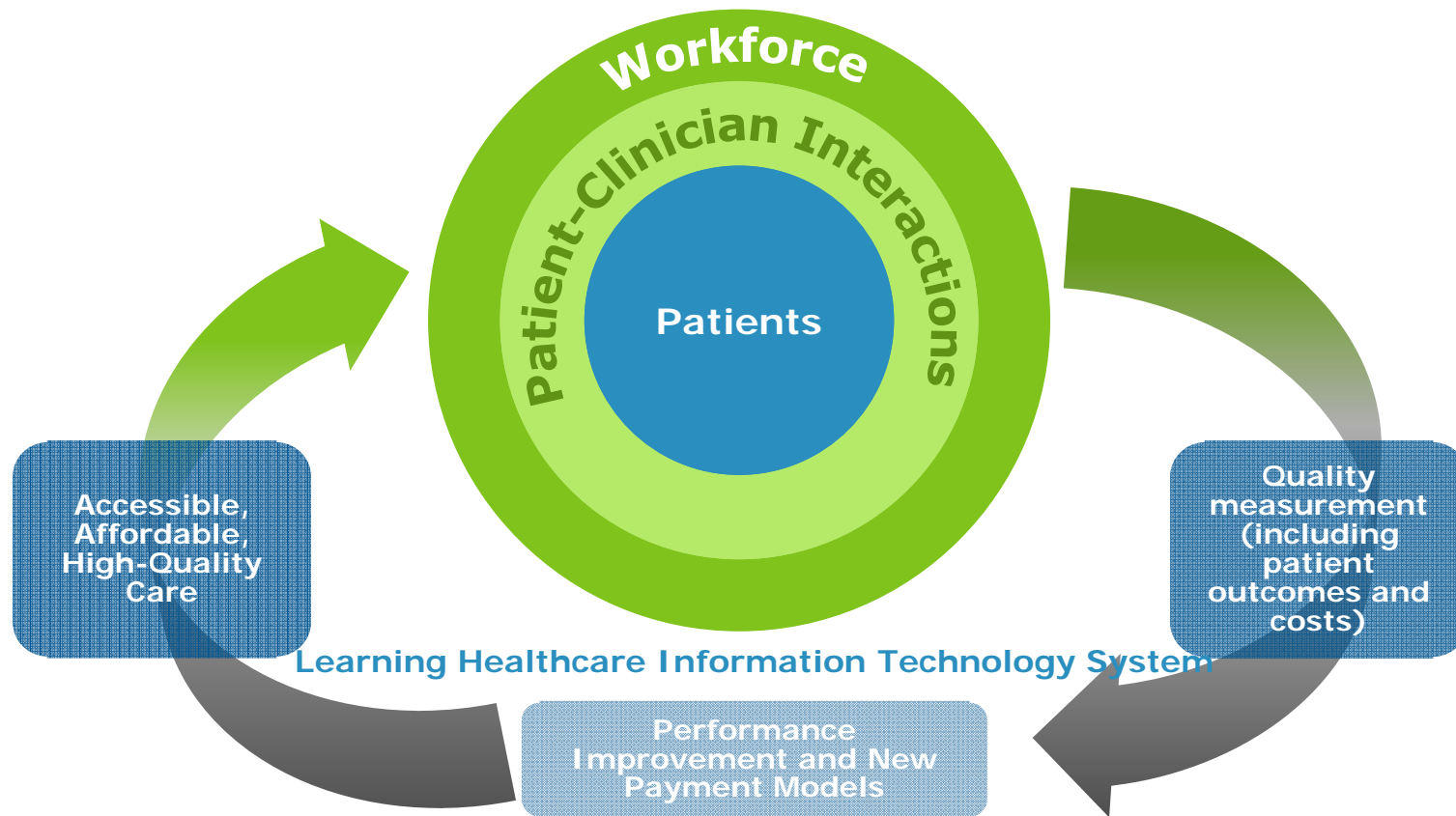
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# Hypothesizing The *NEW* View In Health Care System Influence In Full Risk VBC = Ecosystem



# Oncology Practices in the New VBC Ecosystem: Value-Based Care Framework Evolution

## A High-Quality Cancer Care Delivery System



# Practice Redesign Requirements

Treat patients with therapies consistent with nationally recognized clinical guidelines

Provide 24/7 patient access to an appropriate clinician who has real-time access to the practice's medical records

Use data to drive continuous quality improvement

Provide the core functions of patient navigation

Use a certified electronic health record (EHR) and attest to Stage 1 of "meaningful use" by the end of the first performance year (with the intention of attesting to Stage 2 by the end of the third performance year)

Document a care plan that contains the components recommended in the Institute of Medicine report, "Delivering High-Quality Cancer Care: Charting a New Course for a System in Crisis"

# Pharmaceutical Drug Development: Adapting to Changes in U.S. Healthcare Environment

- 1** The **new “value-based care” model** is built on a FFS framework and traditional R&D process
- 2** The whole US environment is **moving in a new direction**, and thus, drug development will need to as well
- 3** The **21st Century Cures Act** goes beyond today’s approval process; more weight on patients in real-world settings <sup>1</sup>
- 4** FDA Draft Guidance on Communications with Payors, Formulary Committees, and Similar Entities acknowledges **how industry can communicate** health care economic information regarding approved prescription drugs <sup>2</sup>

1. [www.modernhealthcare.com/article/20161231/MAGAZINE/312319948/outlook-for-2017-manufacturers-count-on-faster-product-approvals](http://www.modernhealthcare.com/article/20161231/MAGAZINE/312319948/outlook-for-2017-manufacturers-count-on-faster-product-approvals). Accessed January 27, 2017.  
2. [www.fda.gov/downloads/Drugs/GuidanceComplianceRegulatoryInformation/Guidances/UCM537347.pdf](http://www.fda.gov/downloads/Drugs/GuidanceComplianceRegulatoryInformation/Guidances/UCM537347.pdf). Accessed January 27, 2017.



# Compare and Contrast: CER and FDA

- **FDA's responsibility:**

- To ensure drugs are safe and effective, **not** to ensure new technology is *superior* to existing technology<sup>1,2</sup>

- **Comparative studies:**

- Currently **not** required as part of submission package (FDCA 1962)<sup>1</sup>
- Exceptions: superiority claims or when current therapy reduces mortality or prevents irreversible morbidity [inferior performance is a safety concern]<sup>3,4</sup>

- **Claims must be proven by “adequate and well-controlled” and fair clinical investigations<sup>1,5</sup>**

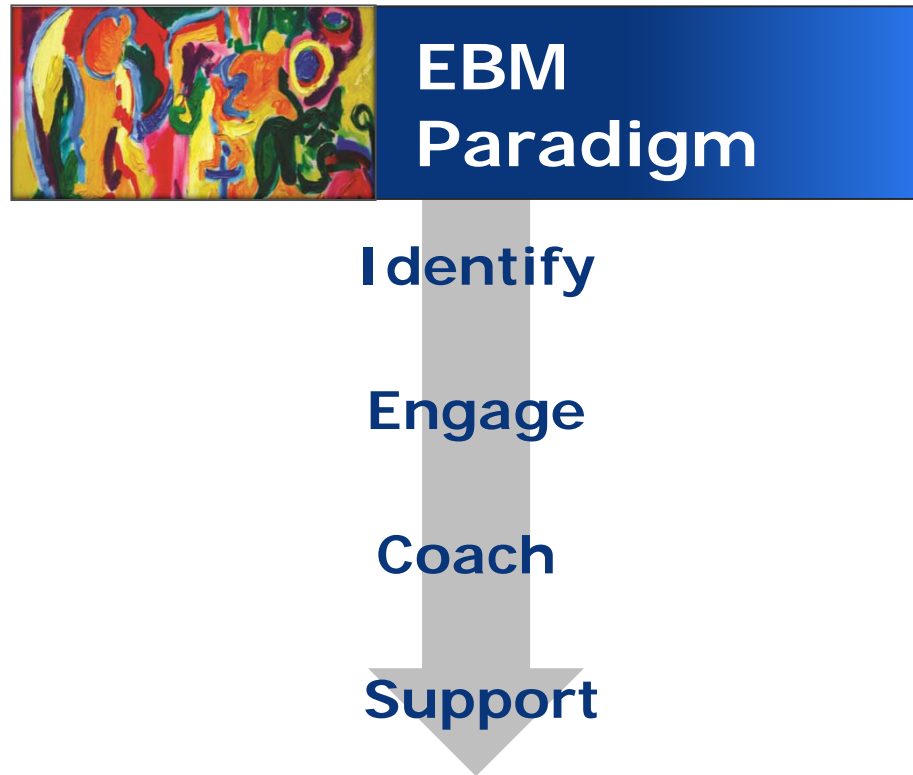
- **FDA has been interested in CER to advance personalized medicine:<sup>6</sup>**

- Partnership for Applied Comparative Effectiveness Science (PACES): to better understand what interventions work best for which patients under specific circumstances<sup>7</sup>

1. 21 U.S.C. § 355(d). 2. 60 Fed. Reg. 39180, 39180 (Aug. 1, 1995). 3. 21 C.F.R. § 202.1(e)(6)(ii). 4. Robert Temple, A of Comparative Effectiveness Research, 9 Clinical Trials 56, 58 (2012), available at <http://journals.sagepub.com/doi/pdf/10.1177/1740774511422548>. 5. Choice of Control Group and Related Issues in CI (ICH E-10). 6. FDA Strategic Priorities, 2011-2015, 5-7 (2011). 7. May 2011: Update: ARRA Comparative Effectiveness Clinical Trial Repository and PACES Initiative.



Evidence-based medicine (EBM) pathways programs can provide the bridge to “pay for value” demanded from pharma by all payers

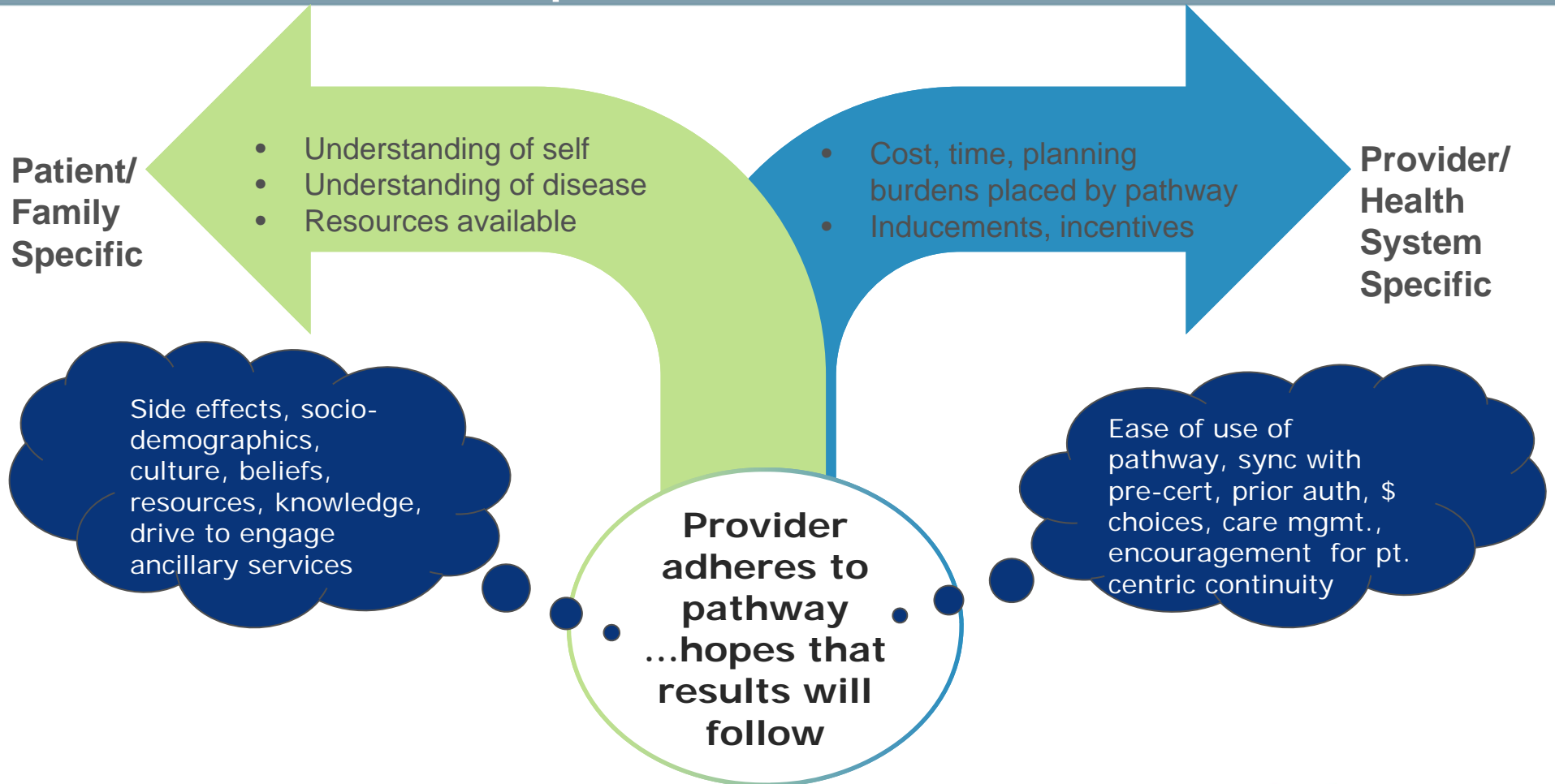


**Success in an adherence program**

Source: Presenter Opinion.

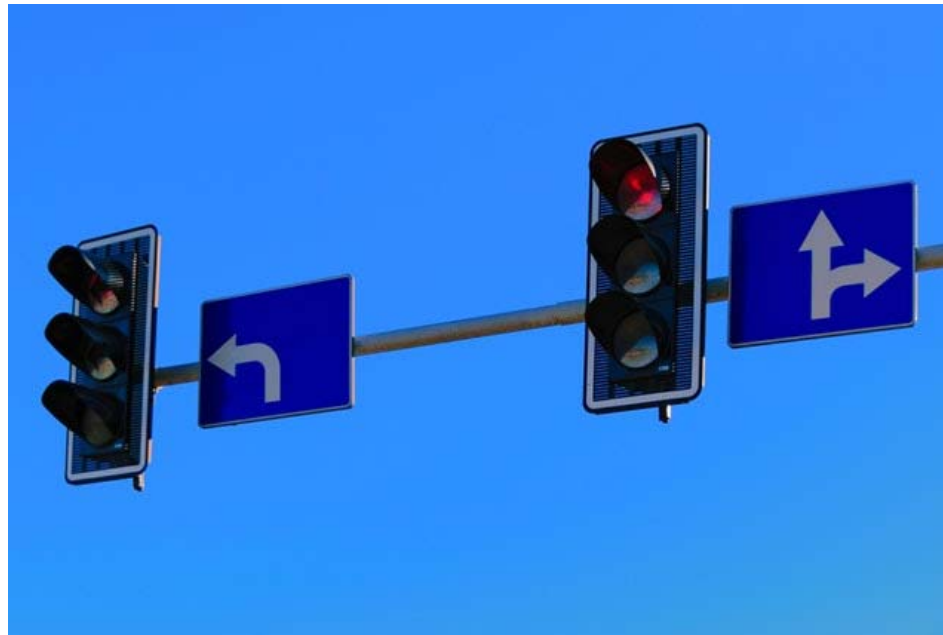


# Pathway programs have both patient specific elements and health system specific elements



Source: Presenter Opinion

Without full agreement to measure results,  
there can be no real movement to value



*In driving for results, decisions have to be made regarding what direction will be taken in order to decide what's important, and how to get there...*

# Movement to Value in Healthcare Ecosystem Informs Key Drivers of Commercialization

Adjusting for the Future means knowing who your new customer is!

	Past	Present	Future
<b>Key Decision Maker</b>	Physician	Payer	IDN/"Corporatized" System
<b>Access Needed</b>	Hospital/Office	Formulary	Clinical Pathways
<b>Key Data</b>	Features & Benefits	Value Proposition/ Contracting	Quality-based Outcomes
<b>Key Resource/ Capabilities</b>	Sales Rep	SMD/Sales Rep	Quality/HECOR/HPA
<b>Reimbursement Basis</b>	U.S. Package Insert (USPI) or FDA-approved Product Label	FDA Label & Payer Contract Terms	Label, Contract, & Quality Outcomes
<b>Key Business Drivers</b>	Reach & Frequency	Formulary Access	Inclusion in Care Pathway & Quality Measures
<b>Need to Shape</b>	Physician Behavior	Formulary Positioning	Quality Measurement & Care Pathways



Source: Presenter's Opinion.

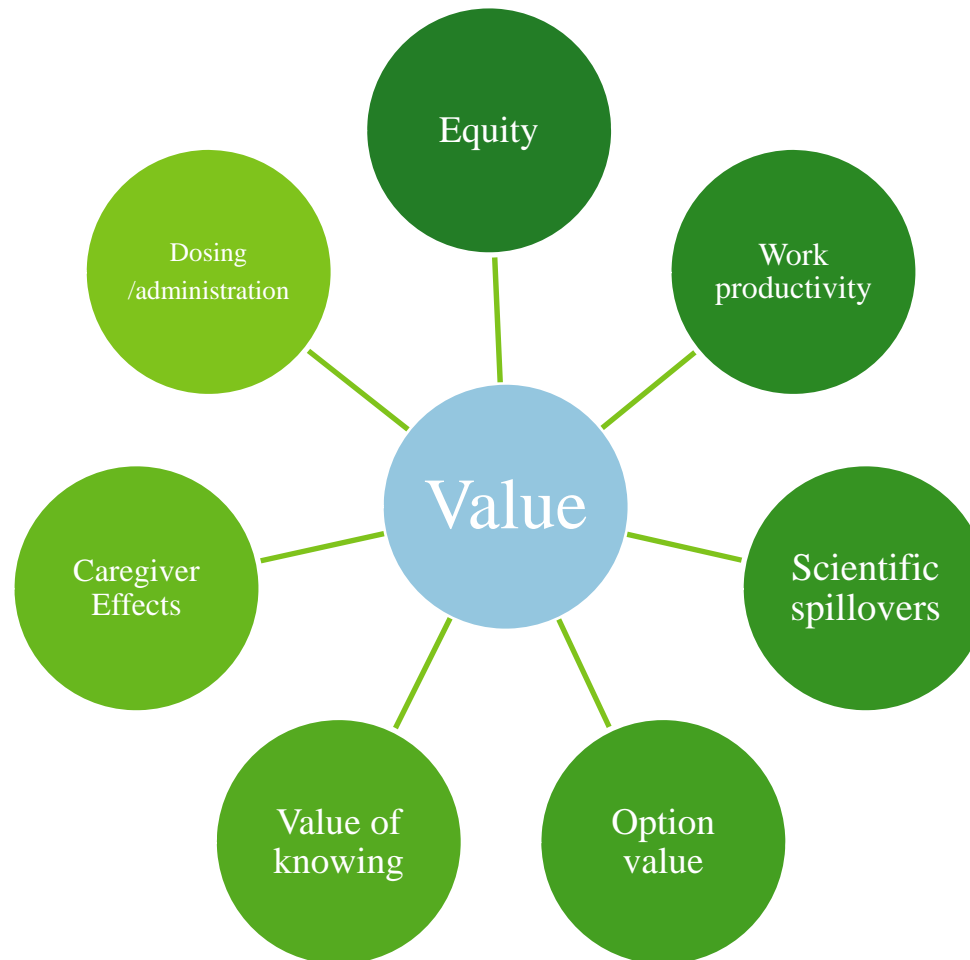
# NQS Review: Quality Measurement Framework for Quality Programs

	Measurement Types	Sub-Types
Clinical Composite	Clinical Care	<ul style="list-style-type: none"> <li>Appropriate Use</li> <li>Clinical Outcomes/Intermediate Outcomes</li> <li>Medication Adherence</li> <li>Patient-Reported Outcomes (Fx Status &amp; QOL)</li> </ul>
	Patient Experience	<ul style="list-style-type: none"> <li>AHRQ CAHPS</li> <li>Shared Decision Making</li> <li>Care Plan Creation</li> </ul>
	Population/Community Health	<ul style="list-style-type: none"> <li>Screening/Preventive Services</li> </ul>
	Patient Safety	<ul style="list-style-type: none"> <li>Healthcare Acquired Conditions</li> <li>Potentially Avoidable Complications</li> </ul>
	Care Coordination	<ul style="list-style-type: none"> <li>Communication of Care Plan</li> <li>Hospital Readmissions</li> <li>Medication Reconciliation</li> </ul>
	Total Overall Costs	<ul style="list-style-type: none"> <li>Global/Capitated Costs</li> </ul>
Cost Composite	Medical Costs/Episode	<ul style="list-style-type: none"> <li>Episode of Care Costs</li> </ul>



Source: Presenter's Opinion.

# Other Considerations in Approaches to Value



Adapted from Garrison, et al. Toward a Broader Concept of Value: Identifying and Defining Elements for an Expanded Cost-Effectiveness Analysis. *Value in Health* 2017;20(2):213-216.

# The “Value Story” road: New drugs must perform & support all of these functions

Know what your product specific challenges are

Manage Patient Populations

Access

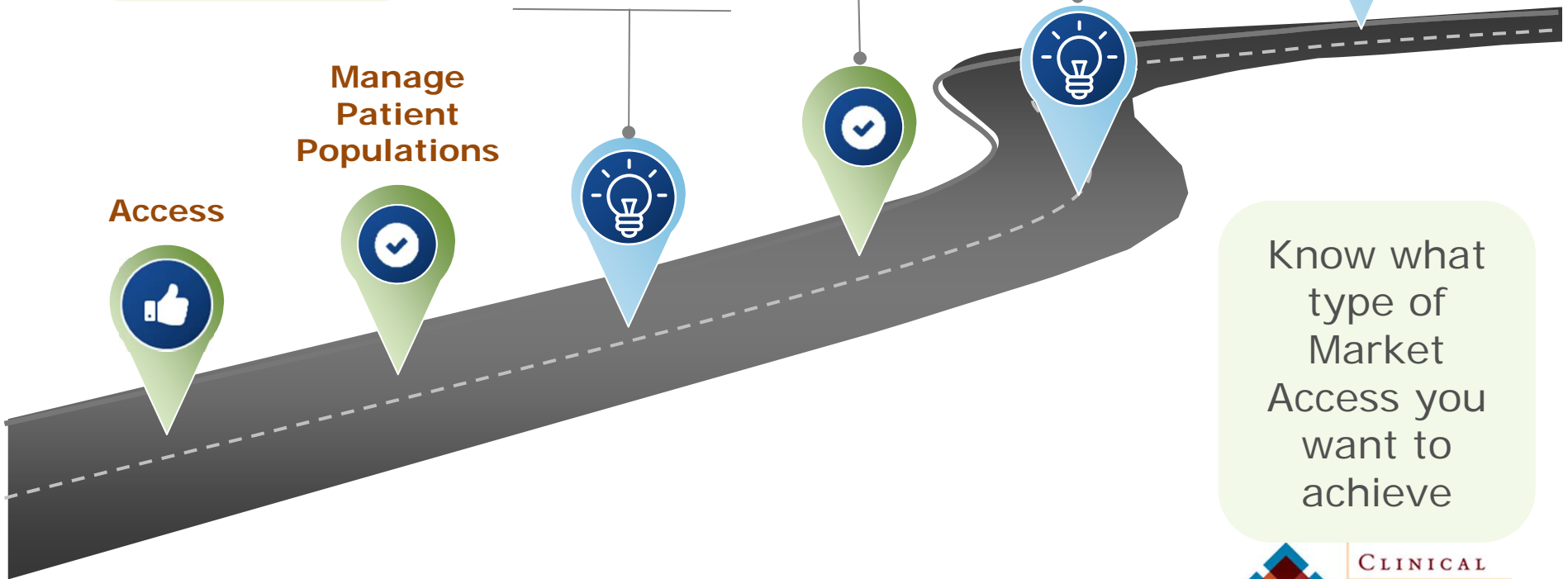
Plan and Manage Care

Self-Care Support

Track and Coordinate Care

Performance Improvement

Know what type of Market Access you want to achieve



Source: Presenter's Opinion.

# Bringing it all together in a medical condition example: Producing greater “value” in cancer care

- There has been increased focus on strategies to reduce costs while improving quality and care coordination in oncology



- Clinical pathways
- Bundled payments
- Alternative payment models



- Tiered pricing
- Narrow networks
- Restricted formularies
- Consolidation of practices



- Shared decision making
- Transparency in cost



CLINICAL  
PATHWAYS  
CONGRESS

Source: Presenter Analysis.

# Achieving Agreement on Value in Oncology care: Key Considerations/Factors

Appropriate key government & professional organization quality metrics must be or should be represented

- Measure both Quality and Cost...all Costs
- Do this from a patient- and family-centric perspective
- This is a competitive marketplace, but patient experience is the litmus test of sustainability

Early high-level public disclosures about these arrangements can be informative

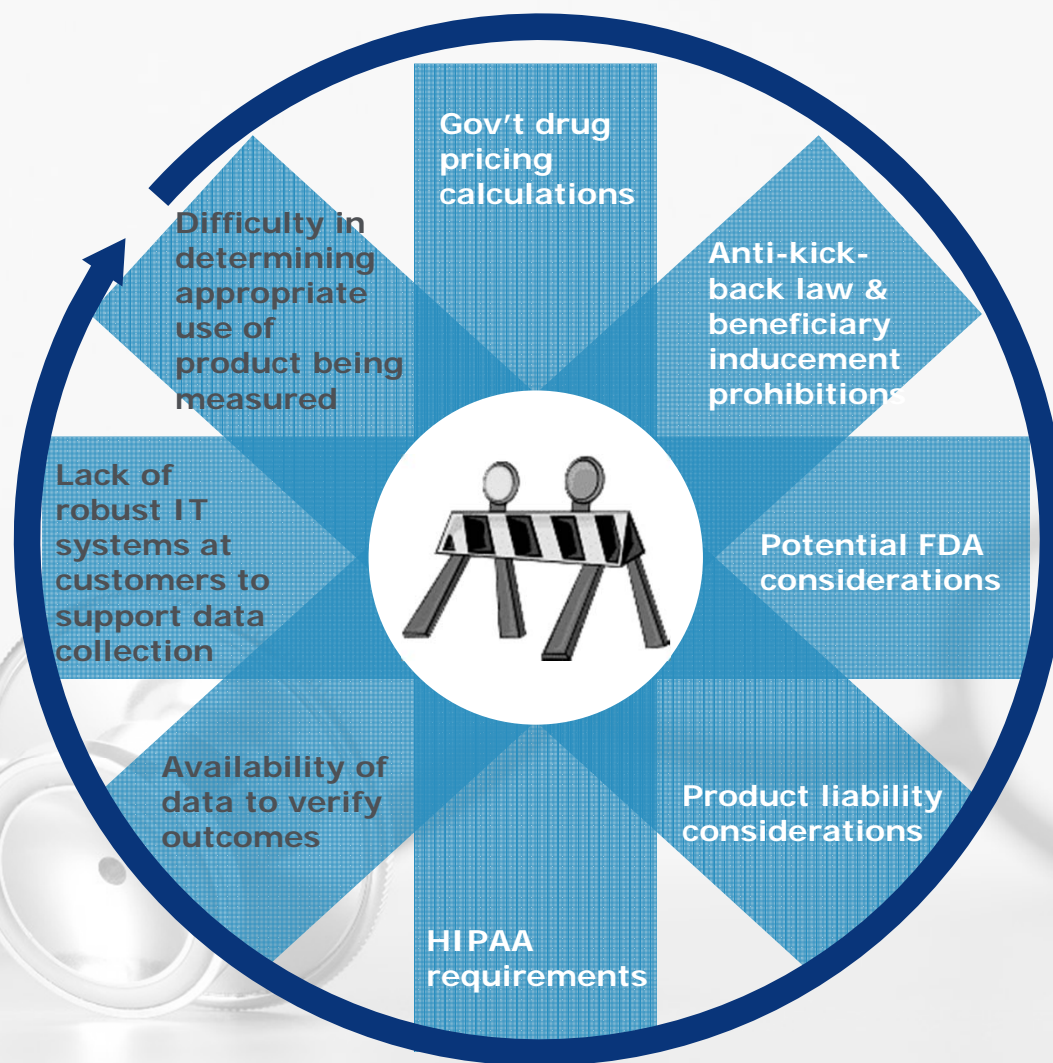


# Ingredients for Value-Based Contracting for Medicines

- **Trusting relationship between parties**
  - Genuine desire to seek win-wins, make equitable compromises
  - Availability of and willingness to share data, acknowledge data gaps
- **Great measurement scientists, with different training and perspectives, who can collaborate and innovate**
  - Clinicians, Health Economists, Actuaries/Risk adjustment, Pricing and Contracting, Health Informaticists, Statisticians/Analysts, Programmers
- **Top management support**
  - Nothing like having a formal performance objective to get action
  - Small steps best, permission to test and learn, increase comfort level
- **Data infrastructure/resources to support**
  - Screening for AEs/PQCs, contract validation
- **Dedicated legal and compliance experts**

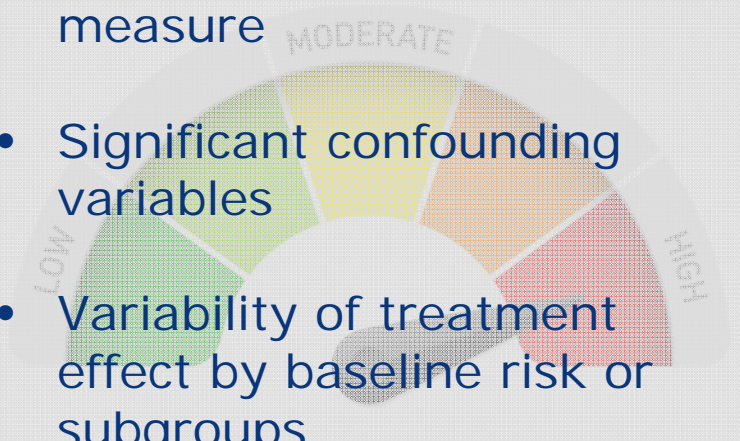


# Additional challenges to implementing value-based arrangements in the US healthcare environment



REFERENCES

# What about RWE for Payers (contracting) and Pharma (Clinical Trials); general principles apply to Oncology population

- Small Effect size
  - Outcomes difficult to measure
  - Significant confounding variables
  - Variability of treatment effect by baseline risk or subgroups
  - Trial populations in enriched selected populations
- 

- Large Effect size
  - Outcomes easily measured
  - Limited confounding variables
  - Consistent treatment effect by baseline risk or subgroups
  - Trial populations close to real-world population, which are well defined
- 

# Items for Consideration: 2017-2018

Trend	Implications
<ul style="list-style-type: none"><li>• Participation in quality programs will continue to increase</li><li>• The focus will shift from SGR chaos to new payment models and quality measurement</li></ul>	<ul style="list-style-type: none"><li>• <b>All providers</b> are increasingly at risk, as programs evolve to further tie reimbursement to improvements in <b>quality</b> and reduction in <b>total cost</b> of care<ul style="list-style-type: none"><li>➤ Need to understand how customers are adjusting in drug formulary selection</li><li>➤ Both private and public models growing (eg, ACO, Medical Home)</li></ul></li></ul> <p>Systems should continue focus on <b>clinical value</b> and <b>efficiency</b></p> <ul style="list-style-type: none"><li>➤ Data generation for current and future models to include quality measures and impact on total cost of care</li><li>➤ Increasing opportunities <b>to partner</b> with other ecosystem entities to achieve goals, for example implementing new <b>tools and solutions</b></li></ul>

Source: Presenter's Opinion.



CONGRESS

# Items for Consideration : 2017-2018

Trend	Implications
<ul style="list-style-type: none"><li>• Focus on population health and primary care</li><li>• Increasing patient centeredness</li></ul>	<ul style="list-style-type: none"><li>• Primary care models are key focus for CMS<ul style="list-style-type: none"><li>➤ What are the market access and commercialization tools and solutions to address new data availability and primary care focus?</li></ul></li><li>• Emphasis on <b>shared decision making, quality and cost transparency</b>, and insurance marketplace changes.<ul style="list-style-type: none"><li>➤ Are there tools to match to drugs that improve care coordination and aid the provider in patient interaction and engagement?</li></ul></li></ul>

Source: Presenter's Opinion.



# Items for Consideration: Prepare for the future (2019-...)

Trend	Implications
<ul style="list-style-type: none"><li>Expanding cost/quality in Commercial and Medicare programs will impact customers, 2019 and beyond</li></ul>	<ul style="list-style-type: none"><li>Continued pressure for consolidation of practices; alignment with hospitals</li><li>Systems must consider/define future delivery models to grow under new system; pursue organizational changes to make those models possible</li><li>Need to track how constituents will adapt</li><li>Clinical practice improvement will be key area of opportunity for partnerships that include new drugs</li><li>Data generation end to end:<ul style="list-style-type: none"><li>➤ Demonstrate how products and services improve quality and lower overall total cost of care</li><li>➤ Increase accountability to patients</li><li>➤ Compete in a value-based world</li></ul></li></ul>



Source: Presenter's Opinion.

# Additional Key Takeaways

- The US health care system of yesterday was based on a fractured FFS delivery model with HCPs at the center
- The adoption of the Triple Aim via the Affordable Care Act has introduced mechanisms to shift away from FFS and more toward value-based care
- Consequently, this elevates other health care ecosystem stakeholders who can influence health care delivery
- Although the HCP/KOL still carries an influential role in value-based care, other stakeholders have shared priority
- Therefore, pharmaceutical industry may adapt to engage a more diversified ecosystem of stakeholders to maximize ultimate value proposition

Questions?

