

# BRAND ACCESS MARKETPLACE DYNAMICS: HIV

## Summary

A private, ongoing, multi-client study.

June 2020



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This summary provides highlights from robust longitudinal insights reports released throughout the year and available at our **INTELLICENTER®** portal. The Brand Access Marketplace Dynamics reports identify current and future access landscapes providing insights to support effective identification of opportunities and risks for HIV brands.

## Methodology

### Marketplace Dynamics HIV Research Methodology



Health Strategies Insights™ by EVERSANA conducts ongoing **longitudinal** research on U.S. marketplace trends, customer needs, and access barriers and opportunities for biopharmaceutical companies within the HIV/retrovirus market



Your team will have access to our **subject matter experts** and opportunities for inquiries and input into research, as well as tailored presentations on opportunities and risks for your specific pipeline and inline HIV/retrovirus drugs



Online surveys & follow-up interviews of **pharmacy and medical directors at health plans, IDNs, medical groups and PBMs\***, to provide quantitative benchmarking data and qualitative insights into best practices, skill sets, and future outlook

\*Refer to the research agenda for sample size and detailed profile



KEY FINDINGS	IMPLICATIONS & RECOMMENDATIONS
<p>The antiretroviral (ARV) market overall continues to be a low management priority for most health plans, as they recognize that HIV patients need access to a wide variety of antiretroviral therapies; however, as the market begins to get more crowded, plans are more willing to use cost-sharing differentials and limited restrictions to reduce costs.</p>	<p>As plans begin to increase management in this traditionally open category, biopharma companies will need to offer more competitive contracting and/or aggressive pricing to ensure favorable access.</p> <p>In addition, demonstrating that brands improve the overall cost of care for patients will prove meaningful to payers as they try to manage this increasingly high-cost market.</p>
<p>Organized providers more often rate antiretroviral management as a high priority, recognizing that many of these patients need a high-touch approach to ensure compliance and to address drug side effects.</p>	<p>Biopharmaceutical companies that offer comprehensive and novel solutions to increase patient adherence can further differentiate their products from both branded and generic competition.</p>
<p>Over one-half of payers acknowledge they do not fully understand the total costs associated with HIV care.</p>	<p>Companies can help payers understand costs across different patient types, as well as demonstrate how their products and program support address these issues to both reduce costs and improve care.</p>
<p>Plans and organized providers see opportunities to partner with advocacy groups on compliance messaging and programs.</p>	<p>Since patients trust advocacy groups more than other stakeholders to represent their interests, companies should ensure they are included in any broad stakeholder initiatives to improve compliance and/or disease management.</p>
<p>While plans continue to manage antiretrovirals less aggressively than drugs for most other chronic conditions, there is increased willingness to drive utilization of certain products with traditional tactics such as cost-sharing differentials, select implementation of step edits and PAs, and greater use of guidelines.</p>	<p>As the antiretroviral market crowds, biopharmaceutical companies should expect increased interest in contracting as plans seek opportunities to manage costs and some companies aggressively price newer entrants to gain broad preferred formulary coverage.</p> <p>Beyond the table stakes of aggressive rebating, biopharmaceutical companies must also continue to establish the value of their drugs in terms that payers understand via long-term data (especially on viral suppression) and reductions in the total cost of care.</p>
<p>Of the single-tablet regimens (STRs), Biktarvy and Triumeq have the broadest preferred coverage among commercial plans; among dual products used in multi-pill therapies or as pre-exposure prophylaxis (PrEP), Truvada maintains the broadest access.</p>	<p>Commercial plans are looking for better contracting opportunities and clinical data to support preferred tier assignment, while also recognizing the need to provide a wide variety of options.</p> <p>Beyond initiating or sustaining financial incentives in exchange for preferred access within classes or indications, consider engaging in risk-based contracts to help strengthen product value propositions.</p>

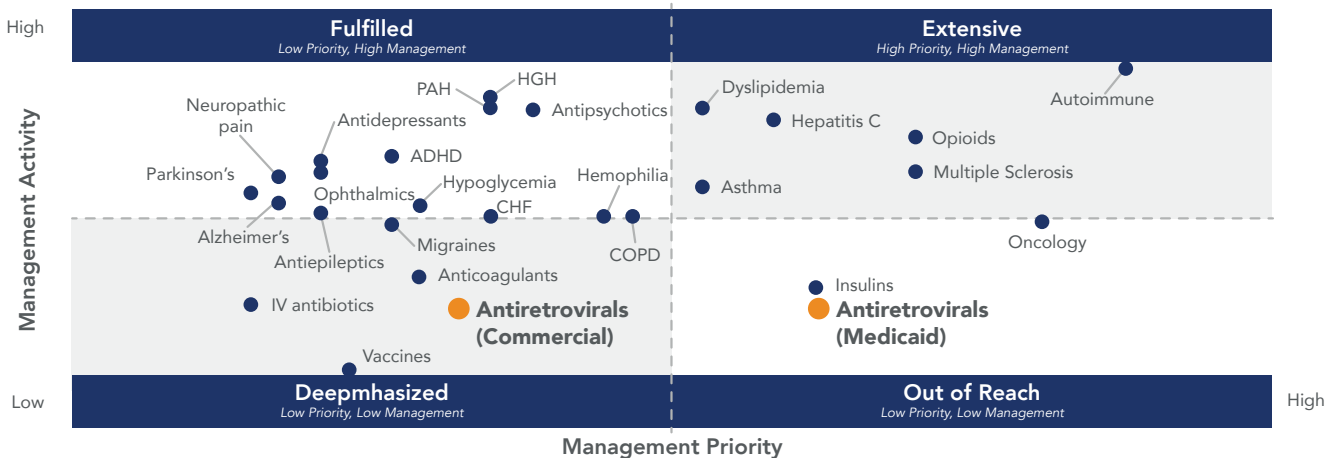


KEY FINDINGS	IMPLICATIONS & RECOMMENDATIONS
<p>While use of copay card blocking tactics remains lower for antiretrovirals than for other categories, select plans are increasingly willing to implement them.</p>	<p>To date, the impact of copay card blocking has been limited for ARVs, given the multiple challenges involved; nevertheless, expect use of this tactic to grow, especially for higher-cost products, as payers look to contain costs.</p> <p>Biopharmaceutical companies must prioritize contracting for preferred status to retain lower cost sharing as these programs are adopted. Support through debit cards has proven harder to process but may be a short-term solution.</p>
<p>Some PBMs signal increased interest in restricting ARVs as a more crowded market creates new opportunities to reduce drug spend.</p>	<p>While plans largely believe in the necessity of open antiretroviral access, they will also monitor PBM exclusion policies and potentially follow suit if they believe this can reduce costs, while still maintaining favorable patient outcomes.</p>

### HIV/Antiretroviral Market is Still of Low Priority

Commercial Insurance plans continue to perceive the antiretrovirals market as a lower priority than other drug markets. While Medicaid plans may prioritize antiretroviral drug management, government rules and advocacy group pressure limit their ability to tackle more aggressively.

“ We don’t manage this area. Every FDA-approved drug out there, we allow. We don’t do step edits, we don’t do prior authorizations. We don’t limit to specialists, because a lot of non-specialists, including PCPs, manage these patients. ”  
*– Blues Plan Medical*



N=40 health plans. Source: Health Strategies Insights by EVERSANA, Brand Access Marketplace Dynamics, March 2020.



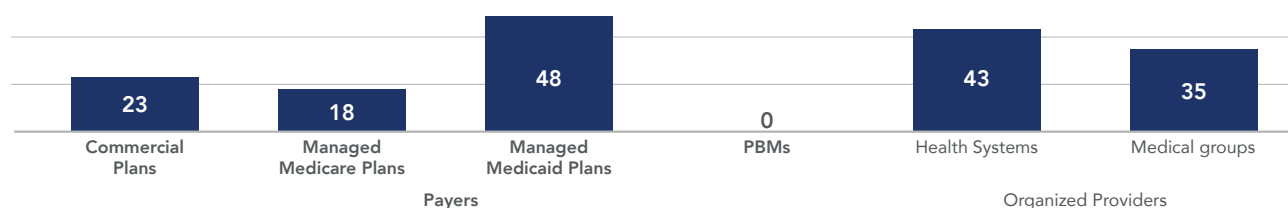
## Organized Providers Increasingly Identify ARVs as a Top Management Priority

Both systems and groups are significantly more likely in 2020 to perceive ARVs as a top priority due to concerns about rising out-of-pocket expense and the potential for new long-acting injectables to ensure better outcomes for certain patients.

Nearly one-half of Medicaid plans prioritize antiretroviral drug management due to a higher-than-usual HIV rate within this plan type’s patient population and the greater potential for disease complications related to noncompliance.

As market crowding continues, companies need to proactively monitor which customers are considering a more aggressive management stance; responding via contracting or better pricing may be less successful once new barriers are implemented.

**Payers and Providers Increasingly Prioritize Management of HIV Products**  
(Percentage rating priority high across 30+ markets)



N=40 health plans, N=5 PBMs, N=38 health systems, N=25 medical groups. Source: Health Strategies Insights by EVERSANA, Brand Access Marketplace Dynamics, March 2020.

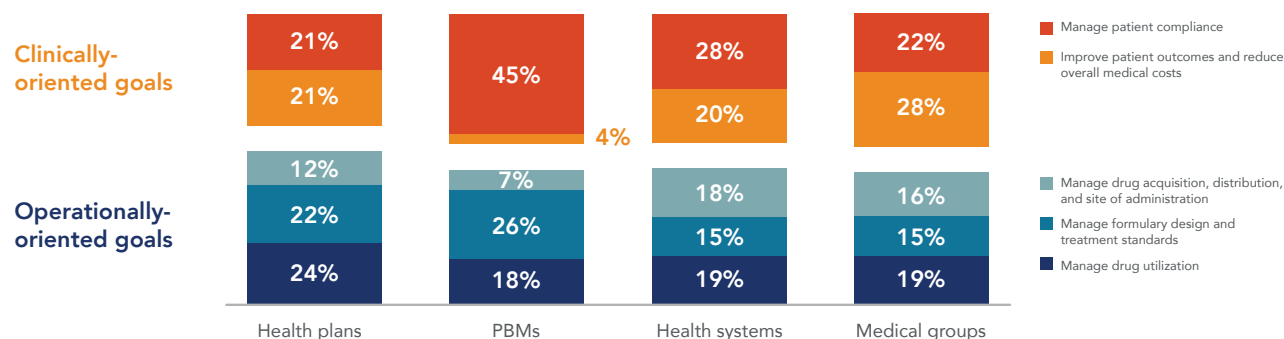
## Engagement Strategies Should Focus on Patient Compliance as PBMs and Systems Shift Management Focus

Recognizing that current antiretroviral therapies are highly efficacious and safe, PBMs increasingly focus on managing compliance to ensure patient viral loads remain suppressed and CD4 counts remain within normal range. However, one market-leading PBM continues to focus on formulary design, aggressively excluding antiretroviral products to extract greater discounts from biopharmaceutical companies.

Health systems are also focusing more on compliance efforts to ensure disease activity remains under control by monitoring for prescription fills and assessing the impact of side effects on compliance.

Biopharmaceutical companies can better align with customer goals by demonstrating how their products improve compliance via dosing simplicity and/or patient medication management programs.

**The Recent Launch of Biologic Trogarzo Has Not Led to an Increase in Distribution/Site-of-Administration Focus**  
(Average proportion across antiretroviral market, 100-point allocation)



N=37 health plans, N=5 PBMs, N=38 health systems, N=25 medical groups. Source: Health Strategies Insights by EVERSANA, Brand Access Marketplace Dynamics, March 2020.

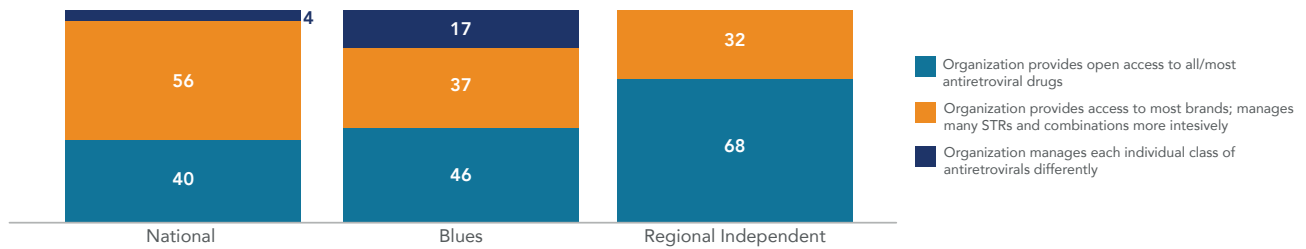


## STR Growth Has Prompted Plans to Re-examine the Class and Incrementally Increase Management

National and Blues plans have largely embraced class-based access decisions, while Regionals maintain a more open access policy with limited application of strict STR management.

Customer segmenting preferences must dictate biopharma engagement strategies, or brands risk losing preferred access. Aggressive contracting offers, promotion of superior clinical profiles and data demonstrating sustained outcomes will help differentiate brands from intra-class rivals.

**STR Brands Under Threat as Plans Scrutinize the Class**  
(Percentage enrollment)



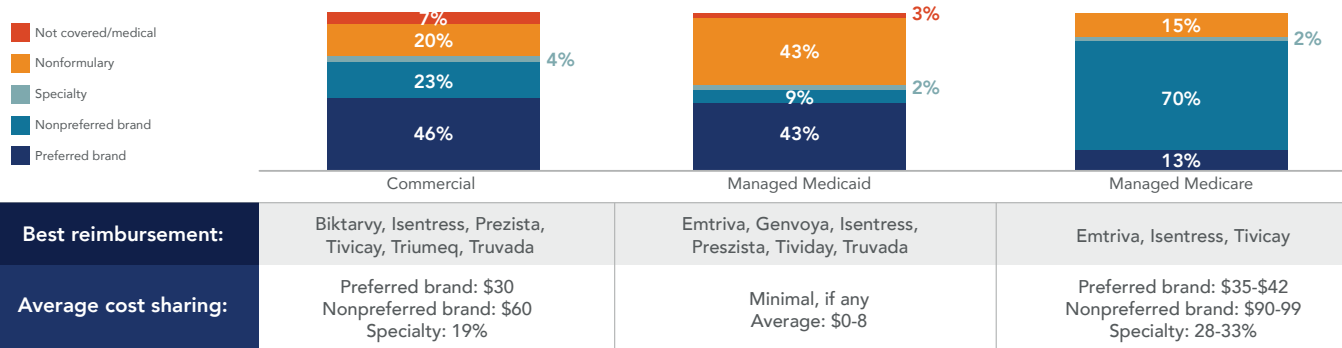
N=18 national plans with 93.5 million total lives, N=13 Blues plans with 16.7 million total lives, N=6 regional independent plans with 2.7 million total lives. Source: Health Strategies Insights by EVERSANA, Brand Access Marketplace Dynamics, April 2020.

## Increased Brand Competition Does Not Change Antiretroviral Reimbursement Strategies in 2020

Commercial and managed Medicaid plans maintain broad preferred ARV coverage in 2020, while managed Medicare plans have decreased their preferred offerings slightly since last year, pushing some options to the nonpreferred tier. Managed Medicaid plans are most likely to assign ARVs to nonformulary status; while patients can gain access to these products, physicians are less likely to prescribe them, since they may need to submit medical necessity paperwork/justification to gain plan approval.

Gilead's newest triple Biktarvy achieves broad preferred coverage in commercial formularies due to highly favorable payer impressions on safety and efficacy, as well as positive feedback from physicians.

**Preferred Brand Representation Remains Strong Among Commercial and Managed Medicaid Plans**  
(Percentage enrollment)



Source: Breakaway Partners LLC, Sources of Coverage, March 2020; Health Strategies Insights by EVERSANA, Brand Access Marketplace Dynamics, April 2020.



## Use of Accumulator Programs for ARVs Will Continue to Increase

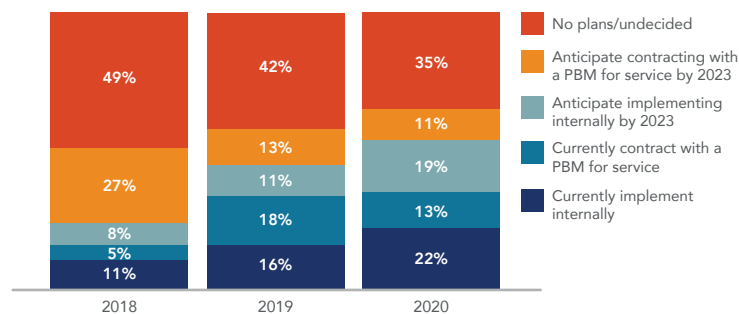
While health plans are still more likely to implement accumulator programs for other chronic conditions (e.g., respiratory, autoimmune), they are more willing than in past years to apply this model to antiretrovirals to manage costs. We have no problem applying accumulators to antiretrovirals as long as it's not applied to the deductible. – National Plan Medical

Biopharmaceutical companies should closely monitor which customers are implementing or considering implementing accumulator services for antiretrovirals, and work with advocacy groups to highlight the potential adverse impact on adherence.

An in-depth look at copay accumulator programs can be found within our Insurance and Benefit Design: Commercial service.

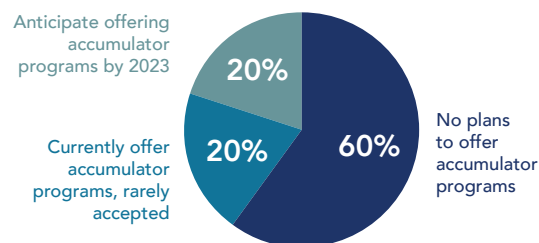
### Plans and PBMs Work to Better Track Copay Card Use via Copay Accumulator Programs

(Percentage plans)



2018 N=40 health plans, 2019 N=38 health plans, 2020 N=37 health plans

(Percentage PBMs)



N=5 PBMs

Source: Health Strategies Insights by EVERSANA, Brand Access Marketplace Dynamics, April 2020.

### About EVERSANA™



EVERSANA is the leading independent provider of global services to the life science industry. The company's integrated solutions are rooted in the patient experience and span all stages of the product lifecycle to deliver long-term, sustainable value for patients, prescribers, channel partners and payers. The company serves more than 500 organizations, including innovative start-ups and established pharmaceutical companies to advance life science solutions for a healthier world. To learn more about EVERSANA, visit [EVERSANA.COM](https://EVERSANA.COM) or connect through [LinkedIn](#) and [Twitter](#).

