Oral Oncology and the Significance of the Specialty Pharmacy

Timothy Paine
Director, Industry Relations
Fairview Specialty Pharmacy
Minneapolis, MN
Agenda

• Fairview Specialty Pharmacy
• Specialty Pharmacy in the Oncology World
• Manufacturer and Payer Impact on Specialty Pharmacy
• Oncology Pharmacy Within a Health System
• Options for Specialty Pharmacy
• Overcoming BI/PA Challenges
• Future of Specialty Pharmacy in the Oncology World
Fairview Specialty Pharmacy

Service Area

Deliver to ALL 50 states and D.C.
Capabilities

We have all the capabilities you’d expect...

- Call Center, Adherence Calls
- Patient Educational Providers
- Express Shipment and Tracking
- 24/7 Pharmacist availability

- Data Reporting
- Cold Chain Expertise
- URAC Accreditation
- Nationwide shipping – licensed in all 50 states
Big enough to get it done anywhere, small enough to do it right the first time

**AND we exceed expectations**
Differentiators

- All calls answered live
- Reduced abandonment rate
- Increased adherence rates
- Therapy Management tailored to disease and drug
- Ability to execute on the exceptions
- Ability to positively impact behaviors
Specialty Pharmacy in the Oncology Market

Current state of oncology specialty pharmacy

- **US Cancer Drug Market ($)**
  - $37.8 Billion in 2015
  - 73% growth 2010 – 2015
  - 49% growth 2010 – 2015 Ex-US
  - Retail oncology: 25% → 33% 2010 - 2015
  - Retail market growing at nearly 2x Clinic/Hospital
  - Nearly 1/3 of oral targeted meds were introduced in last 5 years

## Specialty Pharmacy in the Oncology Market

### How Did We Get Here?

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<tbody>
<tr>
<td>New Oncology therapies</td>
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<tr>
<td>- Taxanes</td>
<td>- Humanized/Fully Human MAbs</td>
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<tr>
<td>- Cytokines</td>
<td>- PD-1/PD-L1</td>
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<td>- Chimeric MAbs</td>
<td>- KIs</td>
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<td>- Capecitabine</td>
<td>- Iressa/Tarceva/Gleevec</td>
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<td>Basic research efforts</td>
<td>- CDK4/6 Inhibitors</td>
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<td>- Protein kinase inhibitors</td>
<td>- ALK Inhibitors</td>
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<td>- Disrupt a key process in cell cycle</td>
<td>- MEK Inhibitors</td>
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<td>- PARP Inhibitors</td>
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Specialty Pharmacy in the Oncology Market

Current state of oncology specialty pharmacy II

• **Oral Onc Specialty Meds**
  - Management of adverse events/DLT
  - High Cost
  - Understanding benefits
  - Managing copays
  - Seeking assistance
  - Special Handling
  - Niche Markets

• **The Specialty Pharmacy**
  - Therapy Management
  - Navigating payer hurdles
  - Obtaining copay assistance
  - Special handling and delivery
  - Data reporting
Specialty Pharmacy in the Oncology Market

Specialty Pharmacies in the Oncology Market

Stand-alone/ Payer-owned

- Walgreens
- CVS
- McKesson/Biologics
- Avella
- Diplomat
- BriovaRx
- Accredo/Express Scripts
- Humana Specialty

Health System Owned

- Fairview/Univ. Minnesota
- Vanderbilt
- Carolinas
- Cleveland Clinic
- Unity Point
- Excelera
Why do manufacturers require use of their chosen pharmacy network?

• **The Patient Journey**
  • Benefits investigations
  • Completion of prior authorization
  • Co-pay assistance
  • Custom handling and delivery
  • Speed up time to fill
  • Management of dose-limiting toxicities → adherence
  • Risk Evaluation and Mitigation Strategies (REMS)

• **Data**
  • Market insights
  • Identify potential hurdles/barriers to access
  • Inventory management

• **Cost**
  • Limit distribution costs
Required Use of Chosen Pharmacy

Why do insurance companies require use of their chosen pharmacy?

• *The Patient Journey*
  • Benefits investigations
  • Completion of prior authorization

• *Cost*
  • Control of service costs
  • Control of reimbursement

• *Vertical Integration*
Required Use of Network Pharmacy

The potential impact on patient care

- **Abandonment**
  - 35-40% of specialty prescriptions are not filled\(^2\)

- **Compliance/Adherence**
  - Clinical trial results vs. Real world practice

- **Management of Toxicities/Adverse Events**
  - Dose-limiting toxicities
  - Abandonment

- **Communication**
  - Between specialty pharmacy and the patient
  - Between the specialty pharmacy and the provider

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I have a dispensing pharmacy in my practice or within my health system. Why can’t I fill the prescription?

• **The manufacturer has decided on a narrow network**
  • To meet their needs and to compliment their vision for the patient journey
  • There can be exceptions to this rule!

• **The payer/health plan dictates where it will go**
  • There are few to no exceptions to this rule

• **Fill at Practice/Clinic/System Pharmacy**
  • Are you up to the challenges?
Do I have options when it comes to which specialty pharmacy fills my patients' specialty prescriptions?

- **Review the manufacturer and payer network**
  - Get to know who they are and how they perform
  - Get to know their programs
    - Go beyond the rep

- **Get them to understand YOUR needs**
  - Patient care
  - Communication
  - Procedures for follow up
## Third Party Challenges

### HUBs, Copay Assistance, and Foundations

### Patient Assistance

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<th><strong>HUB</strong></th>
<th><strong>Copay Assistance</strong></th>
<th><strong>Foundations</strong></th>
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| - Required participation for access to certain benefits  
  - Copay assistance  
  - Free drug/bridge drug  
  - At home patient education (e.g.: injection training) | - Offered by most manufacturers  
  - Pharmacy benefit  
  - Medical benefit  
  - Payers’ Position | - Viability dependent on manufacturers |
The Future of Specialty Pharmacy in the Oncology World

• This is only the beginning....

• Health system specialty pharmacy is becoming more sophisticated

• Engage your pharmacy leadership for assistance
Thank you!

Questions?