



Specialty Pharmacy Issues & Trends: *Learnings from FMCP's Specialty Pharmacy Initiative*

Presented to: Pharmacy Quality Alliance, Quality Forum Lecture

Date: January 20, 2011 @ 1:00 PM

By: Norrie Thomas and Richard Fry
Foundation for Managed Care Pharmacy

Today's Agenda

Discussion Topics

- ▶ Introductions & Purpose of Today's Review
- ▶ Brief Overviews:
 - About the Foundation for Managed Care Pharmacy
 - About JC Consulting Group, Inc.
- ▶ FMCP Specialty Pharmacy Initiative:
 - *Why Specialty Pharmacy?*
 - *Key Priorities of the Project*
- ▶ Phase I Results
- ▶ Phase II Plans
- ▶ Questions / Discussion

Foundation for Managed Care Pharmacy (FMCP)

FMCP is a 501 (c) (3) charitable supporting foundation of the Academy of Managed Care Pharmacy (AMCP)

FMCP's Mission

- ▶ FMCP helps people optimize medication therapy through the generation and dissemination of new knowledge.

FMCP's Passion

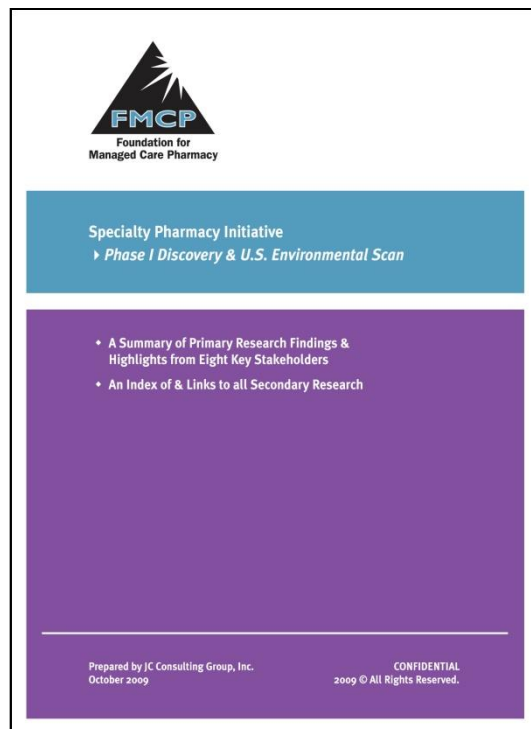
- ▶ FMCP is dedicated to helping people get the medications they need through the use of their pharmacy benefit, leading to healthier, happier lives.

FMCP's Value Proposition

- ▶ FMCP is an unbiased, credible source of information to many stakeholders dealing with the pharmacy benefit.
- ▶ FMCP's research and education efforts assist AMCP members and other health care professionals in staying current and to help educate public policymakers.
- ▶ As a foundation, FMCP can pool the resources of and partner with others who are focused on research and educational activities that help people receive their medications.

JC Consulting Group, Inc. (JCCG)

- ▶ Founded in 2002, with offices in Boston & Washington, DC
- ▶ A boutique, national firm working at the intersection of *health policy, health outcomes and business strategy*, across the Private and Public Sectors. The common theme in all their work: A focus on *Research, Relationships, Results.*™
- ▶ JCCG has significant experience in specialty pharmacy, including:



- 1) *FMCP Specialty Pharmacy Research Project, 2009 to present.*
- 2) *Significant experience supporting leading biotechnology companies at C-Suite level: strategic planning projects and customer programs, 2002 to present.*
- 3) *All team members possess key skill sets, experiences and key executive relationships in specialty pharmacy issues and advocacy work.*
- 4) *Most recent Consensus Development Work: OOP cost burden on patients needing specialty pharmacy therapeutics (across private sector.)*

FMCP Specialty Pharmacy Project Overview

- ▶ **FMCP Specialty Pharmacy Governance Key Objectives:**
Advancing Access, Affordability & Adherence
- ▶ **Umbrella Goal of the Project**
To conduct research and educational activities regarding access, affordability and adherence to life-saving specialty medications that will help people live healthier, happier lives.
- ▶ **Conditions for all deliverables:** Projects must be actionable, user-friendly and provide clear information to patients and the key stakeholders involved in specialty pharmacy care

Support & Governance

FMCP Specialty Pharmacy Initiative Founding Contributors:

- Genentech, Inc.
- Wyeth Pharmaceuticals—*now Pfizer, Inc. following the late 2009 merger*
- Teva Neuroscience, Inc.

Charter Members of the FMCP Specialty Pharmacy Governing Board:

- Jon Clouse – United Health Pharmaceutical Solutions
- Kevin Cosgrove – Wyeth Pharmaceuticals (*now Pfizer, Inc.*)
- Peyton Howell – AmerisourceBergen Specialty Group
- Kathleen Kaa – Genentech, USA
- David A. Lowenberg – Executive Consultant (*formerly of Curascript, Inc.*)
- Darlene Mednick – CareMed Pharmaceutical Services
- Victor Morrison – Teva Neuroscience, Inc.
- Michael A. Nameth, Walgreens Health Services—Specialty Pharmacy & PBM
- Peter M. Penna – Formulary Resources, LLC
- Norrie Thomas – Manchester Square Group

Market-driven Advisory Groups

Two Executive-level Advisory Groups identified priority issues:

Health Care Delivery & Employers

- ▶ James Lang – Blue Cross Blue Shield of Michigan
- ▶ Susan Pantely – Milliman, Inc. (*San Francisco Office*)
- ▶ Laurel Pickering – New York Business Group on Health
- ▶ Steven Russeck – Accredo Health Group, a Medco company
- ▶ Bruce Sherman – Whirlpool Corporation
- ▶ Mark Rubino – Endo Pharmaceuticals (*formerly of Aetna Pharmacy Management*)

Patient Advocacy & Patient Support Groups

- ▶ LaMar McGinnis – American Cancer Society
- ▶ Margaret Offermann – American Cancer Society
- ▶ Rebecca Burkholder – National Consumers League
- ▶ Kimberly Calder – National Multiple Sclerosis Society

BACKGROUND



Fourth Annual FMCP Emerging Trends Survey

September 2009



Project Overview And Objectives

- For the fourth consecutive year, FMCP (Foundation For Managed Care Pharmacy) worked collaboratively with Merck and HSM to develop and field an Internet survey on Emerging Trends with managed care pharmacy experts. First fielded in 2006, the study has maintained a core set of questions allowing for trending results over time.
- **Objective:** Obtain insights from leaders with informed opinions and/or decision-making roles (*e.g.*, pharmacy director) related to a number of managed care activities and trends.
- **The 2009 survey focused on two key topic areas:**
 - Adoption and design of Value-Based Benefit packages
 - Adoption of Specialty Pharmacy
- **Additional topics: less focus than in previous years:**
 - Adoption of Pay for Performance (P4P) Incentives
 - Efforts in Disease/Care Management (DM)
 - Adoption of eHIT and ePrescribing
 - Adoption of Consumer Driven Healthcare Designs
 - Emerging Formulary Benefit Designs

Survey Launch:

- June 22, 2009,
- FMCP email invitation to 3,726 members to complete a 15- to 20-minute Internet survey.

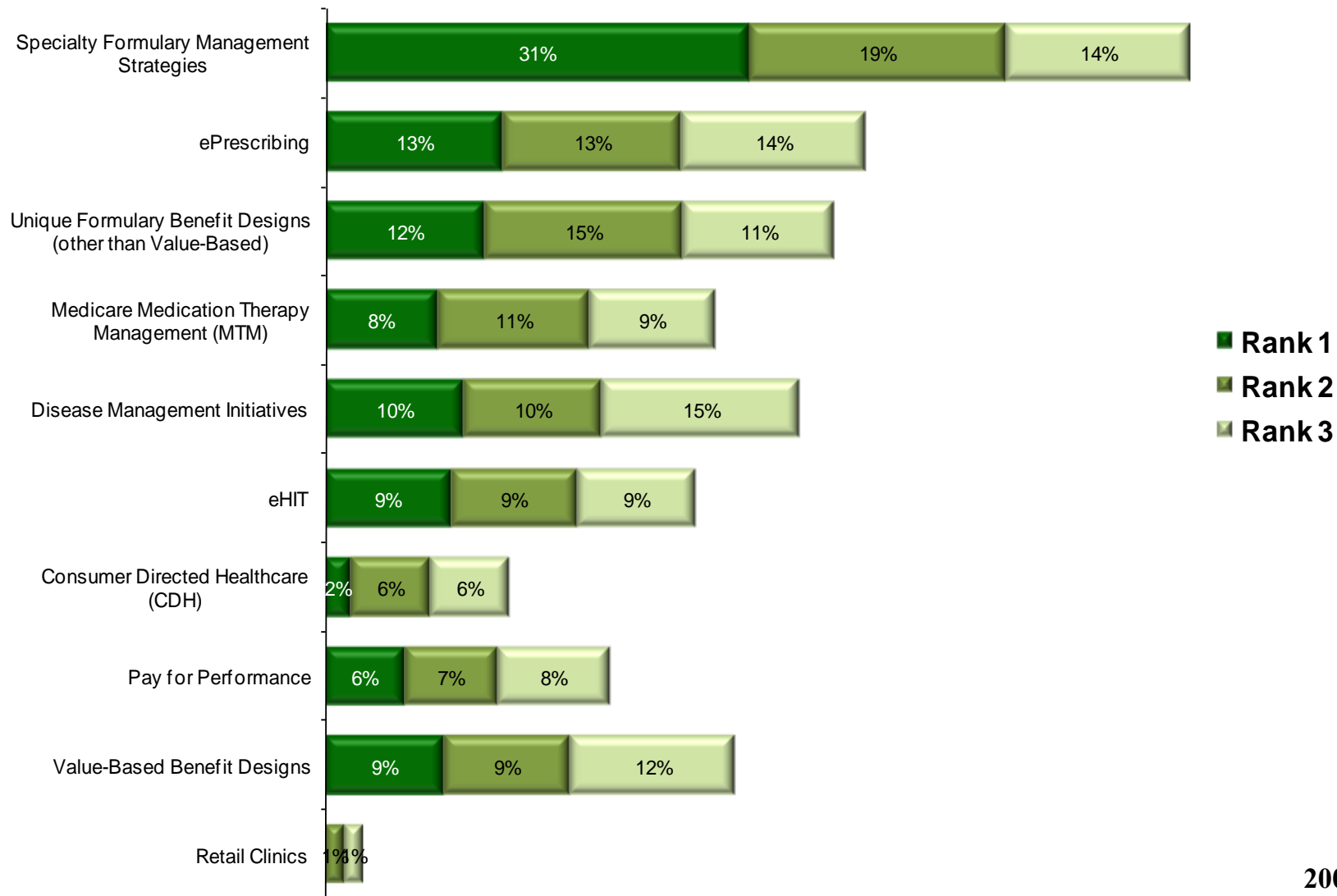
Survey Response:

- The survey was fielded for nine weeks (officially closed on August 23, 2009).
- The Internet survey was completed by 210 respondents.
- When looking at total invitations sent (n=3,726), and accounting for the number of undeliverable invitations (n=284), the response rate was 6.10%.

Final Report:

- Available at www.fmcpnet.org

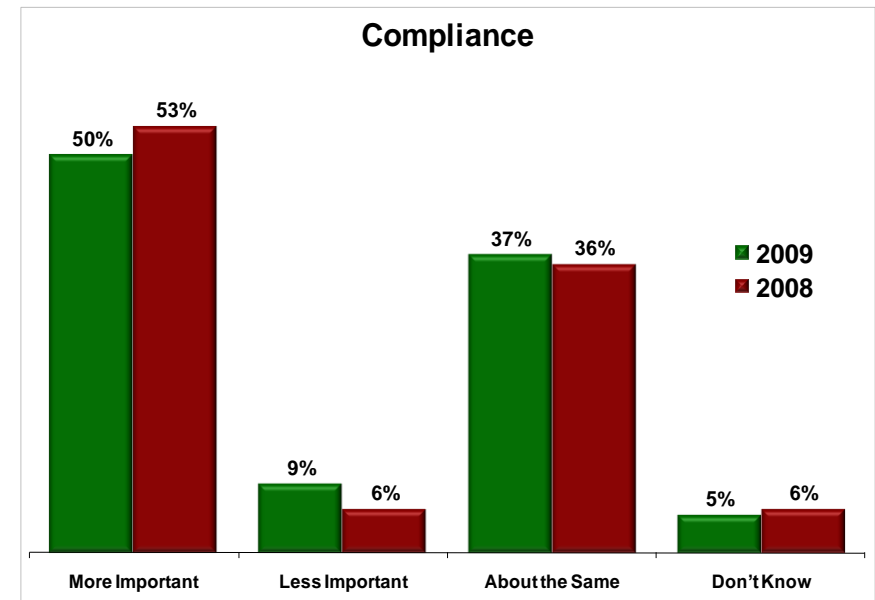
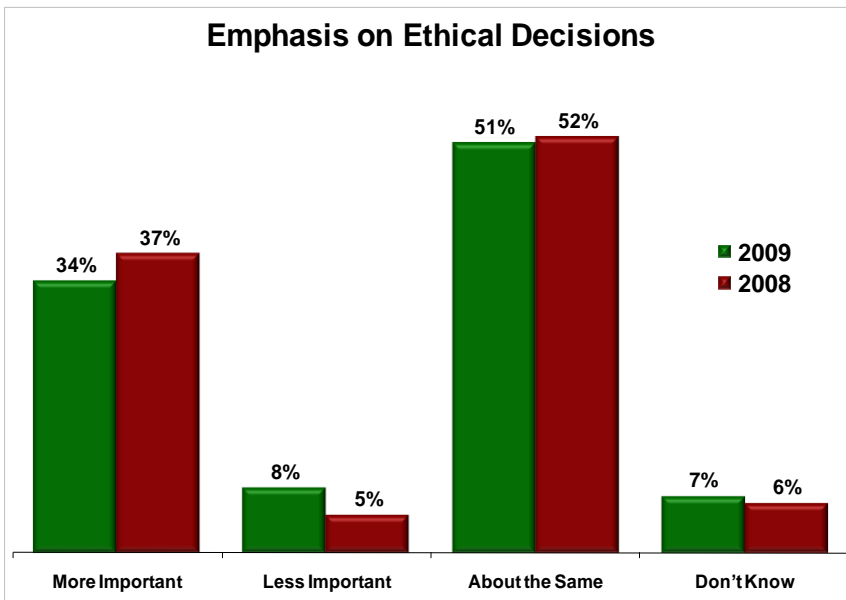
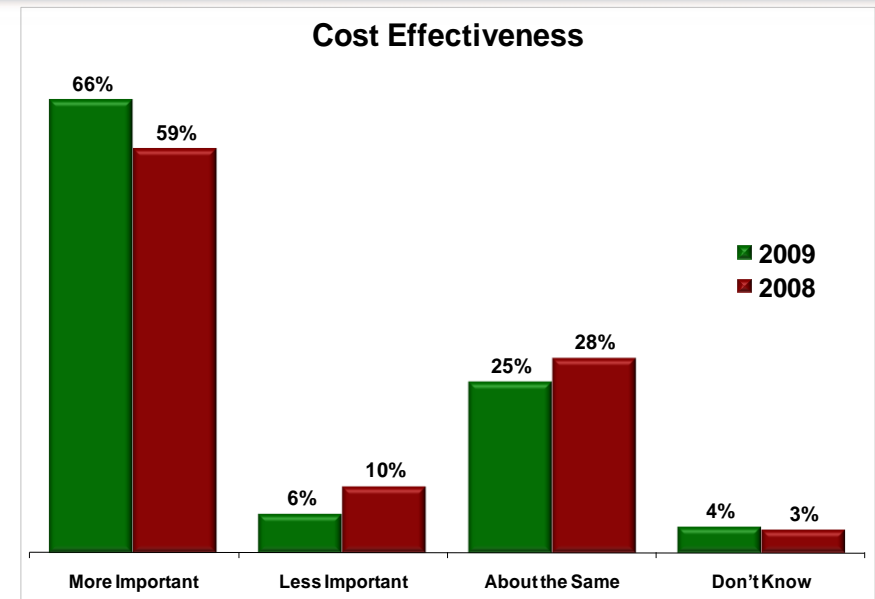
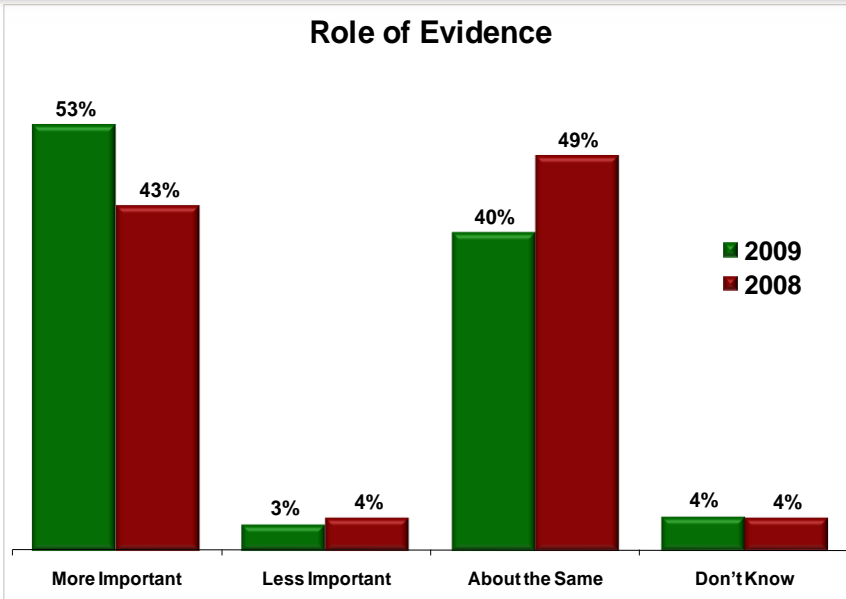
Top Three Initiatives Remain The Same In 2009, With Specialty Formulary Strategies Still The Most Critical Initiative To Implement In The Next Two Years



2009 n=210

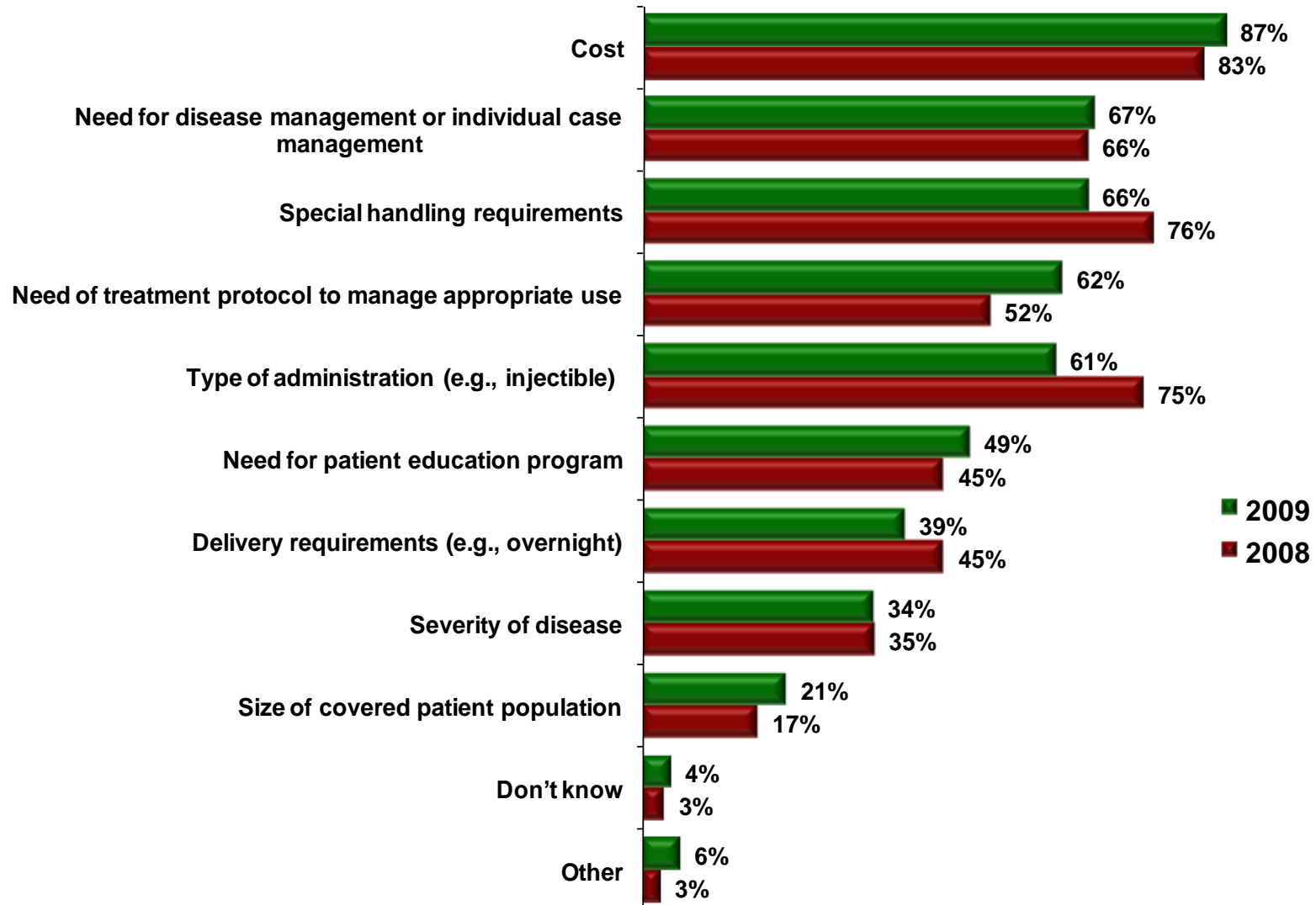
Source: *FMCP Emerging Trends Survey 2009*

Cost Effectiveness And Role Of Evidence Are Considered More Important In Specialty Pharmacy Compared To Non-Specialty Formulary Decisions



Q: Are the following factors more or less important in specialty pharmacy formulary decisions than in non-specialty formulary decisions? 2009 n=210; 2008 n=145

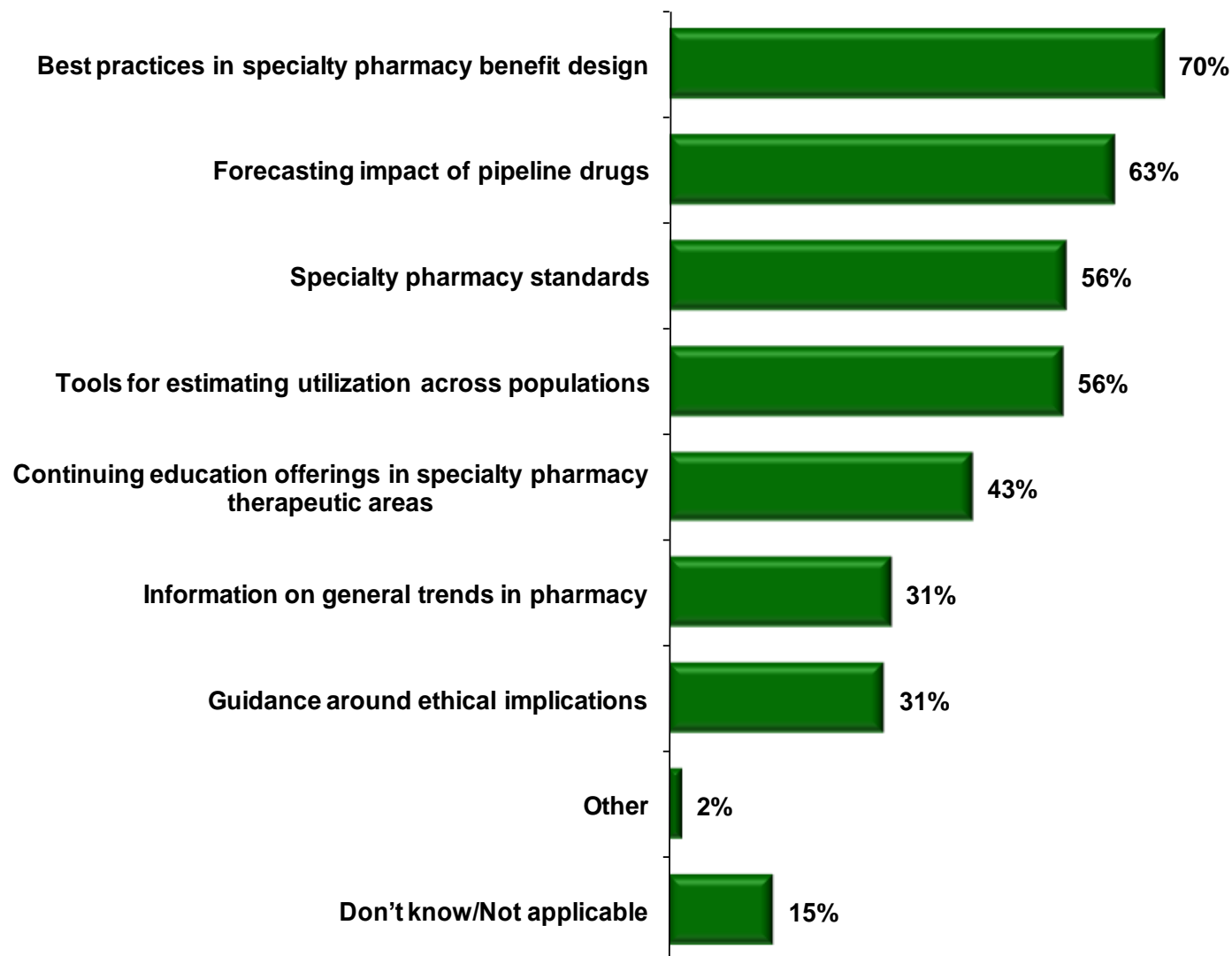
Most Organizations Continue To Use Cost To Determine Which Drugs Are Covered Under Specialty Pharmacy; Need For DM/CM & Special Handling Are Also Important



Respondents could select all that apply.

Q: What criteria are used to determine which products should be covered under specialty pharmacy?
2009 n=210; 2008 n=145

Best Practices, Forecasting Impact Of Pipeline Drugs, Specialty Rx Standards, And Utilization Estimation Tools Most Useful To Specialty Pharmacy Efforts



Respondents could select all that apply.

New question in 2009.

Q: What information or tools would be most useful in your specialty pharmacy efforts?
2009 n=210

Priority Items for FMCP Phase I Work

- ▶ Priority Item #1: Gain consensus on definitions, terminology and language in specialty pharmacy.
- ▶ Priority Item #2: Assess current benefit design and care delivery methods.
- ▶ Priority Item #3: Examine service-level specifics, incentives and fees associated with specialty pharmacy products and offerings.
- ▶ Priority Item #4: Assemble information on the pipeline that helps decision-makers understand and interpret the new products.

PRIMARY RESEARCH

Research Objectives & Methodology

A. Conducted by JCCG – August to October 2009

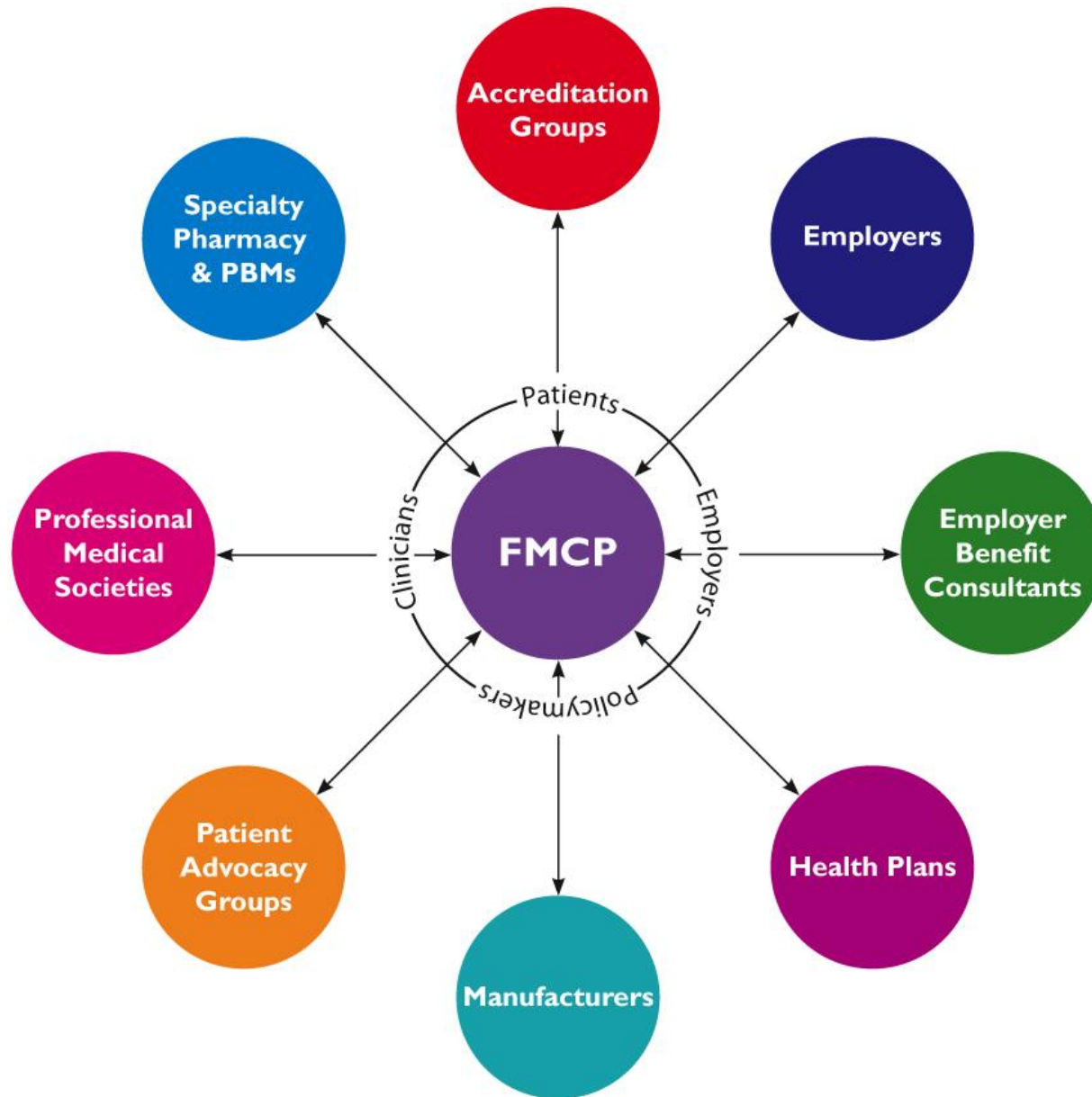
B. Three Objectives of Phase I Work

- ▶ Understand directionally from market leaders, the macro and more defined, micro views about the issues, challenges and specifics in Specialty Pharmacy today
- ▶ Gauge opinions, beliefs and perceptions about factors and obstacles affecting efficient, effective quality of care for this patient population (*from the multi-stakeholder approach – eight groups*)
- ▶ Create a foundation of understanding on what the priorities are and what recommendations seem to have the most support

C. Methodology

- ▶ Primary Research: 32, one-hour confidential interviews with 61 executives in eight stakeholder groups; Secondary Research: Literature search, key word search and other web-based research

Eight Stakeholders – Mostly Private Sector



Employers

Employers

Organization	Representative(s)
Cisco Systems, Inc.	Pamela A. Hymel, MD, MPH, FACOEM, Senior Director Corporate Medical Programs and Integrated Health Benefits
The Procter & Gamble Company	Sandra Morris, RN, MSN, CM, Senior Manager, Health Care Benefits Design
Whirlpool Corporation	Charles M. "Chris" McSwain, Director, Global Benefits; and Jan Butler, Senior Manager, US Benefits--Actives
National Business Coalition on Health	Andrew Webber, President and Chief Executive Officer; and Dennis White, Senior Vice President of Value-Based Purchasing

Employee Benefit Consultants

Employer Benefits Consultants

Organization	Representative(s)
Buck Consultants, LLC	Michael S. Jacobs, RPh, National Clinical Practice Leader
Hewitt Associates, LLC	Kristin Begley, PharmD, Principal; and Kristi Passarelli, PharmD, Principal, Health Management Consulting Practice
Milliman, Inc.	Susan E. Pantely, FSA, MAAA, Principal & Consulting Actuary, San Francisco; Frank Kopenski, ASA, MAAA, Principal & Consulting Actuary, Milwaukee; Bruce Pyenson, FSA, MAAA, Principal & Consulting Actuary, New York; and Brian Anderson, MBA, Consultant, San Diego
Watson Wyatt Worldwide, Inc.	John Malley, North American Practice Leader, Pharmacy Benefit Consulting

Health Plans

Health Plans

Organization	Representative(s)
Aetna, Inc.	Duane H. Barnes, Division President – Aetna Pharmacy, Home Delivery & Specialty, Aetna Pharmacy Management; Raechele M. McMahan, Program Development and Analytics, Aetna Pharmacy Management; and Edmund J. Pezalla, MD, MPH, National Medical Director and Chief Clinical Officer, Aetna Pharmacy Management
Kaiser Permanente	Sharon L. Levine, MD, Associate Executive Director, The Permanente Medical Group; Matthew T. Nye, PharmD, Director of Pharmacy Benefits and Business Development, Kaiser Permanente Health Plan, Inc.; and Murray N. Ross, PhD, Vice President, Kaiser Permanente Institute for Health Policy, Kaiser Foundation Health Plan, Inc.
United Health Group	Randy E. Falkenrath, Senior Vice President, Specialty Pharmacy and Business Development, United Health Pharmaceutical Solutions; and Lee N. Newcomer, MD, MHA, Senior Vice President and Business Leader – Oncology, United Healthcare
WellPoint, Inc.	Alan B. Rosenberg, MD, Vice President for Medical Policy, Technology Assessment and Credentialing Programs; and Brian T. Sweet, PharmD, Chief Pharmacy Officer

Specialty Pharmacy Providers & PBMs

Specialty Pharmacy Providers & Pharmacy Benefit Managers

Organization	Representative(s)
Accredo Health Group, a Medco company	Steven B. Russek, RPh, Vice President, Professional Practice and Chief Clinical Officer
AmerisourceBergen Corporation	Peyton R. Howell, President, Consulting Services & Health Policy
CVS Caremark Corporation	Troyen A. Brennan, MD, Chief Medical Officer; and Albert R. Thigpen, Vice President of Industry Relations
Diplomat Pharmacy, Inc.	Philip R. Hagerman, President and Chief Executive Officer; and Atheer A. Kaddis, PharmD, Vice President, Managed Markets, Diplomat Specialty Pharmacy, LLC
Express Scripts, Inc.	Steven B. Miller, MD, Chief Medical Officer; and Matthew C. Totterdale, Vice President, Specialty Pharmacy
MedImpact Healthcare Systems Inc.	Louis L. Brunetti, MD, JD, Senior Vice President and Chief Medical Officer; Richard G. Jay, PharmD, Vice President – Industry Relations; and Gary K. Rice, RPh, MS, MBA, Director – Specialty Clinical Management
Walgreens Health Services	Michael A. Nameth, RPh, MBA, Executive Vice President, Specialty Pharmacy

Patient Advocacy Groups

Patient Advocacy Groups

Organization	Representative(s)
American Cancer Society	LaMar S. McGinnis, MD, Senior Medical Advisor and Liaison, Research and Cancer Control Science; Margaret K. Offermann, MD, PhD; Deputy Vice President, Research; and Victor G. Vogel, MD, MHS, FACP, National Vice President, Research
Arthritis Foundation	Bernadette O'Donoghue, Director of Advocacy and Public Policy
National Multiple Sclerosis Society	Kimberly Calder, MPS, Director of Insurance Initiatives; and Nicholas G. LaRocca, PhD, Vice President, Health Care Delivery and Policy Research
National Partnership for Women & Families	Eva Powell, MSW, CPHQ, Director, Health Information Technology Project

Professional Medical Societies

Professional Medical Societies

Organization	Representative(s)
American College of Rheumatology	Tiffany Schmidt, JD, MBA, Vice President for Socioeconomic Affairs; and Raymond Hong, MD, MBA; Assistant Professor of Medicine, University Hospitals Case Medical Center
American Academy of Neurology, PA	Katie M. Kuechenmeister, Manager of Medical Economics; and Lily Jung, MD, MMM, FAAN; Swedish Neuroscience Institute/ Swedish Physicians Division
American Society of Clinical Oncologists (invited)	ASCO leaders deferred participation in this project.

Accreditation Groups

Accreditation Groups

Organization	Representative(s)
National Comprehensive Cancer Network (NCCN)	Elizabeth Danielson, Director, Payor Relations
National Committee on Quality Assurance (NCQA)	Greg Pawlson, MD, Executive Vice President
URAC	John DeSoto, Director, Pharmacy Markets; Jane Webster, Vice President of Marketing; John DuMoulin, Vice President, Government Relations and Product Development; Janice Anderson, Director of Pharmacy Programs; and Anthony Wisniewski, Senior Vice President, Strategic Development

Manufacturers

Manufacturers

Organization	Representative(s)
Genentech, Inc.	Kathleen Kaa, Director of Product Managed Care Marketing
GlaxoSmithKline PLC	Joseph N. Kucharski, Account Vice President, Payer Markets; and Marci Mutti, Director of Reimbursement Policy
Teva Neuroscience, Inc.	Victor Morrison, Director of Regional Accounts
Wyeth Pharmaceuticals	Charles Schneider, Assistant Vice President, Health Care System Sales (Specialty); Mike Nuttal, Regional Account Director, Corporate Account Management (Specialty); Tom Koenig, Executive Director, Health Care Systems Brand Marketing (Specialty); and Kevin Cosgrove, Executive Director, Segment Marketing, Specialty and Retail Pharmacy

Question #1: Current Issues & Challenges

What are the top 3-4 issues in Specialty Pharmacy care today?

Ranking	Mentions	Specialty Pharmacy Care Issues & Trends
1	27	Cost & OOP Burden
2 (tie)	10	Benefit Design / Coverage Confusion (Medical vs. Pharmacy) – plus Impact of Pipeline
	10	Care Management Issues/Quality/Side Effect Management (Provider education deficits often mentioned with this)
3 (tie)	7	Distribution Channel Complexity
	7	Limited Distribution Channels & Network Access
	7	Patient's Understanding/Education/Support
4 (tie)	6	Off-label use issues
	6	Patient Access Issues

Question #2: Longer-term Issues & Challenges

What are the longer-term issues and trends?

Ranking	Mentions	Specialty Pharmacy Care Issues & Trends*
1	21	Cost & OOP Burden/Prices for New Drugs
2	10	Availability of Bio-similars / generics
3 (tie)	7	Continuing Benefit Design Issues (Medical vs. Pharmacy)
	7	Growth of the Pipeline

**A recurring point: Many mentions "same as current list - but intensity will ramp up or fade, depending on the outcome of health care reform"*

Question #3: Is Specialty Pharmacy a Single Entity?

We have been told that Specialty Pharmacy is no longer considered a single entity; and that while some issues are similar across the therapeutic spectrum, that Oncology is being treated very differently from Multiple Sclerosis (MS), Rheumatoid Arthritis (RA) and other conditions. What is your view?

- ▶ Specialty pharmacy has evolved to be very disease state-specific.
- ▶ Oncology still is described as being handled differently from most other conditions. (Need to “avoid negative headlines at all cost.”)
- ▶ Some are establishing care management approaches that are more focused on episodes of care; others are concentrating much more the patient experience.
- ▶ Outcomes-based reimbursement across the continuum of care providers is the goal—taking aim directly at those who do not follow clinical guidelines (for adults) and can’t document why.
- ▶ Treatment options are growing rapidly across many health conditions and much greater focus of energy and resources on specialty pharmacy is becoming much more common.

Question #4: Are there patient-centered best practices?

On the Oncology, MS or RA fronts, are there examples of innovations that you believe represent a more patient-centric approach?

- ▶ Respondents struggled overall to answer this question.
- ▶ The majority said “None comes to mind,” while a few described efforts now underway by some specialty pharmacy providers are more focused on what the individual patient’s needs are—thus, the hope that they would be the ones to chart the course for best practices in this regard.
- ▶ Executives with clinical management responsibilities indicated that the growing volume of biomarkers or companion diagnostics represents the best opportunity for patient-centered care.

Question #5: Specialty Pharmacy Differentiation

With more health plans adding specialty services, what do you believe will differentiate specialty pharmacy providers in the future?

- ▶ The unanimous answer: Those who can integrate medical and pharmacy data—creating the ability to track and analyze health outcomes—and demonstrate how the various distribution channels serve specific patient needs, will lead the way.

Question #6: Channel Evolution

Distribution Channel	Expectations About Evolution
a) Oral	<ul style="list-style-type: none">› More oral medications will be available› More focus on which benefit design is better› Dilemma of more patient convenience and responsibility vs. what needs oversight
b) Infusion	<ul style="list-style-type: none">› Potential movement from doctor's office or hospital setting to outpatient settings› Increased home care options› Prediction by most stakeholders: Physicians will fight to protect revenue associated with infusion
c) Injection	<ul style="list-style-type: none">› Watch infusion evolution for clues to likely changes for injectables› Some possibilities with outpatient and home care access
d) Self-injection	<ul style="list-style-type: none">› More and more patient-centered technology on the way› Some attention to self-injectables at specialty pharmacies whose clinicians can teach patients

Question #6: Channel Evolution (Cont'd.)

Distribution Channel	Expectations About Evolution
e) Adjuvant therapies (such as anti-anemia, anti-nausea agents)	<ul style="list-style-type: none">‣ Not much change expected here—as medical supervision is universally agreed to be necessary‣ Evolution, if it occurs, will be where medical practices own or have special arrangements with specialty pharmacies who have trained clinicians administering
f) What is the role for retail pharmacy?	<ul style="list-style-type: none">‣ Many stakeholder leaders believe that retail's new frontier is specialty pharmacy—as long as they equip themselves with the right facilities and staff specially trained in specialty pharmacy patient needs.‣ Some believe retail should stay away completely from specialty pharmacy.‣ Some believe the expected increase in orals is the big opportunity for retail.‣ Some believe retail pharmacy's new partnerships and joint ventures with home care and infusion centers will help a great deal in some geographic areas

Question #7: Migration from Medical to Rx?

Do you see the migration of coverage from the medical benefit to the pharmacy benefit continuing? What are the potential gains vs. risks for patients and for the system?

- ▶ Most interviewed believe the migration from the medical to pharmacy benefit will continue. They share mixed views on what they think the outcome will be.
- ▶ Many seem to believe the pharmacy benefit data advantages could mean that more patients and care plans will be better managed; utilization review will be much easier.
- ▶ They voice concern, though, that such changes will likely mean greater out-of-pocket and co-insurance charges for patients—which could delay or derail treatment.
- ▶ Cost-related pressures already are known to cause non-compliant behavior, so those concerns are echoed by all. They also believe further migration to the pharmacy benefit could severely reduce essential patient counseling and access to important information—or it could vanish altogether.
- ▶ Finally, those expressing doubts about further migration predict that physicians who have a great deal of their income in buy-and-bill reimbursement will do what they have to, to protect their revenues. The misalignment of incentives was seen as a growing issue across medicine—but especially in specialty pharmacy matters.

Question #8: Cost Pressures & Reactions?

How do you see the market reacting to the continuing cost pressure on patient care delivery?

- ▶ Increased cost-shifting to patients – to tiers with higher co-pays or co-insurance.
- ▶ Less focus on compliance and adherence and more experimentation of pay-for-performance and outcomes-based reimbursement.
- ▶ Sacrifices by all and the likelihood of more governmental intervention—especially to permit the entry of bio-similars or follow-on biologics sooner by reducing the amount of time granted for patient exclusivity.
- ▶ Greater efforts to tighten benefit designs—with limits on supplies at the point-of-service.
- ▶ Pressure to implement Comparative Effectiveness Research—with access denials as a result.
- ▶ Greater attention to cost-benefit analysis and more scrutiny over who accesses high-cost medications and when.

Question #9: Data Trends & Barriers

**What trends and/or barriers do you see in data collection?
(Please answer for the pharmacy vs. the medical benefit.)**

- ▶ The majority of respondents agreed on three central barriers:
 1. Matching data from the medical and pharmacy records, so the total medical record and outcome can be seen in a timely fashion;
 2. Dealing with the barriers created by HIPAA standards, which are believed to be significant; and
 3. Too many channels compounded by too many differing service-level specifics and no standard definitions—everything is customized and almost nothing can be fully compared.

Question #10: Public Policy Changes

What pending public policy changes do you believe will have the greatest impact on specialty pharmacy access and delivery?

- ▶ The majority cited the following:
 - Potential actions to be taken on bio-similars and determining what defines therapeutic equivalency;
 - Further development of Comparative Effectiveness Research guidelines and protocols;
 - The potential for biomarkers and greater attention to "qualifying patients" for particular treatments;
 - The potential multiple impacts of health care reform, including what will happen to the doughnut hole in Medicare Part D; and
 - The growth of U.S. FDA REMS-labeled products, which will be more task-intensive to manage and may limit distribution even more.

SECONDARY RESEARCH

JCCG Secondary Research (on CD-ROM)

- ▶ **A comprehensive review of all publicly-available information:**
- ▶ Work plan covered 16 sources using key word and classic search modalities;
- ▶ Engaged University of Washington School of Pharmacy students and Shanahan Capital Ventures, LLC; and
- ▶ Revealed definition variations and inconsistencies in over 300 documents:
 - Wide range of definitions, scope of services
 - Multiple peer-reviewed article topics are listed; Many from ***Journal of Managed Care Pharmacy***
 - 151 documents related to benefit product, covered services, deductibles and service-level specifics
 - Health plans most complete – differ from plan to plan
 - 4th tier / Specialty tiers, 25-33 percent co-insurance, limitations on supply to 30 days
 - 34 documents on the pipeline of specialty pharmacy products; Interpretation / translation missing

JCCG Secondary Research (*Cont'd*)

- ▶ **Website Searches regarding Specialty Pharmacy Providers were informative and focus on:**
 - Convenience of care delivery
 - Case management
 - Patient education & refill reminders
 - Coordination of care & 24/7 patient support
 - Some highlighted data capabilities

Phase I Research: Key Findings

JCCG Outreach & Analytical Work: Primary research among eight key stakeholders; Secondary Research – 300+ references; two small advisory boards with patients' groups, employers and clinical leaders.

- ▶ **No common definitions or descriptions of patient care services!**
 - ▶ **What qualifies as “specialty pharmacy”?**
 - Pricing criteria varies in Private to Public Sectors: Medicare Part D (\$600+/mo or \$7,200/yr) vs. commercial payers (\$10,000 to \$300,000 / yr.)
 - No common ingredients in product offerings or service components; some are drug-specific and some are condition-specific. Providers claim approaches are proprietary.
 - ▶ **Lack of transparency in the Private Sector:** With the exception of URAC, commercial providers would not share their product or services information.
 - ▶ **Evolution of benefit design and channels:** Medical vs. Pharmacy Benefit management; requires more and more technical expertise, data collection and dedicated management of these therapeutics—*orals especially!*
-

Consequences: Chaos and confusion among employers and patients who need to access, understand treatment plans and pay for care.

PHASE II & NEXT STEPS

FMCP Specialty Pharmacy Initiative -- Phase II

Focus on Original Priority Items #1 & #3

- #1: Gain consensus on definitions, terminology and language in specialty pharmacy.**
 - #3: Examine service-level specifics, incentives and fees associated with specialty pharmacy products and offerings.**
-

Develop Definitions Consensus*

Initiate a consensus process to establish common definitions in the field of specialty pharmacy and its closely-related service components.

**Definitions consensus work is the foundation for all other work.*

Phase II: Redefining our Goals and Objectives:

- ▶ Provide new knowledge to help patients receive the specialty medications they need
- ▶ Develop a framework to drive decision-making and guide research to identify “domains of specialty pharmacy”
 - Distribution services
 - Benefit designs, how they’re managed, and related consequences
- ▶ Provide knowledge and expertise to assist benefit managers and payers in selecting benefits that provide access and affordability
- ▶ Create a specialty pharmacy "RFP" for payers and providers and patients
- ▶ Outline research priorities that advance the knowledge of managed care tools and their impact on patient care
- ▶ Provide a set of "Principles" of effective specialty drug benefit guidelines; including distribution goals and patient-centered goals
- ▶ Define the relationship between medical-pharmacy benefit structure and specialty pharmacy service levels and distribution
- ▶ Provide consensus definitions related to Specialty Pharmacy
- ▶ Define the future of specialty medication distribution systems

FMCP's Next Steps & Phase II Actions

Expand Advisory Board to include more key stakeholders (Done):

- ▶ Joshua S. Benner, PharmD, ScD, Engelberg Center for Health Care Reform, The Brookings Institution
 - ▶ Kevin Cosgrove, Pfizer Inc
 - ▶ John DeSoto, URAC
 - ▶ Diane Giaquinta, Strategicare Inc.
 - ▶ Kevin D. Host, Prescription Solutions
 - ▶ Peyton R. Howell, AmeriSourceBergen Specialty Group
 - ▶ Kathleen Kaa, Genentech
 - ▶ Pete Penna, Formulary Resources, LLC
 - ▶ David Lowenberg, Consultant
 - ▶ Darlene M. Mednick, MAZE Healthcare Communications
 - ▶ Victor Morrison, Teva Neuroscience, Inc.
 - ▶ Stephen T. Ritter, BlueCross BlueShield of Minnesota
 - ▶ Mark Rubino, Endo Pharmaceuticals, Inc.
 - ▶ Elliott M. Sogol, Target
 - ▶ Denise L. Wolff, EMD Serono, Inc.
-

FMCP's Next Steps & Phase II Actions, cont'd

- ▶ **Specialty Pharmacy /AMCP Format meeting:** October 18-19, 2011 Atlanta, Georgia
- ▶ **Seek additional support for the FMCP Specialty Pharmacy Initiative:** Opportunities exist for contributions/sponsorship in support of the FMCP Specialty Pharmacy Initiative.
 - Merck & Co., Inc – Phase II Sponsor
- ▶ **Share and distribute Phase I Results:** Meetings with key organizations and available on www.fmcpnet.org.
- ▶ **Secure Partner-Collaborators** with a mission / priority stakeholder interest, that have like-minded objectives, for Phase II.

THANK YOU!