

PBMM *news*



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PBMI CONFERENCE TACKLES TOUGHEST ISSUES

The Pharmacy Benefit Management Institute is tackling the industry's toughest issues at its ninth annual independent conference on prescription drug utilization management to be held April 28-30, 2004, in Scottsdale, Ariz. Conference sessions will address the new Medicare drug benefit, drug reimportation from Canada, consumer-directed plan designs, and increasing regulation of pharmacy benefit managers.

"The purpose of our three-day conference is to discuss the most timely and challenging issues facing the industry professionals who are responsible for providing drug benefits to employees, retirees, and union groups," said Michael H. Deskin, PBMI president. "We are pleased to have nationally recognized faculty members presenting new research findings, case studies, and ready-to-implement strategies to manage drug utilization and curb the rising costs of prescription drugs."

Continuing Education Credit

The University of Arizona College of Pharmacy, accredited by the American Council on Pharmaceutical Education, will award 14.7 contact hours of continuing education credit to

conference attendees participating in PBMI's conference. The WorldatWork will grant 2.0 certification maintenance credits for compensation and benefits professionals. The conference also has been approved for 12.5 recertification credit hours toward PHR and SPHR recertification by the Human Resource Certification Institute (HRCI).

Conference Agenda Available On Line

For a complete agenda and to register for the conference, log on to www.pbmi.com/conf2004.asp.

Experts from many organizations will speak including AdvancePCS; Advanced Pharmacy Concepts; Aetna, B. Wellness Consulting; BlueCross BlueShield of Minnesota; Buck Consultants; Burlington Northern Santa Fe Corporation; City of Springfield, Massachusetts; Express Scripts; Heritage Information Systems; Independent Pharmaceutical Consultants; Ingenix; McDermott, Will & Emery; National Council for Prescription Drug Programs; Passport Medical; Pharmaceutical Strategies Group; Prime Therapeutics; The Phoenix Law Group; Prescription Solutions; RxHub; the States of Missouri and Ohio; and The Segal Company. ●

PBMs RESEARCH COMMANDS MARKET ATTENTION

Pharmacy benefit manager (PBM) researchers are contributing articles to some of the nation's most well-respected medical journals. This growing body of peer-reviewed studies reflects the increased sophistication of the industry and its commitment to research.

This research adds value to the PBMs' performing the research. This article features comments from just a few of the PBMs with recently published studies.

"Our clients look for a balance between trend management and member satisfaction," said Emily R. Cox, PhD, director of research for Express Scripts, Inc. "We work to provide information to

support their decisions. Clients are getting more sophisticated as they critique peer-reviewed research literature and proprietary analysis. Our clients are looking at research findings and asking the right questions."

PBM research typically focuses on three major areas including 1) customer satisfaction, 2) clinical issues and outcomes, and 3) economic impact of drug management programs and plan designs. PBMs customarily share their research findings and case studies through print and on-line publications, Web sites, conference presentations, and account management communication.

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Keeping the Customer Satisfied

Customer satisfaction research is the predominant type of research conducted by PBMs, dating to the late 1980s. PBMs have many audiences to survey including members, plan sponsors, pharmacists, physicians, and pharmaceutical manufacturers. Some PBMs also conduct satisfaction research with home infusion services, home medical equipment providers as well as home respiratory providers that are an integral part of specialty pharmacy care.

“Customer satisfaction research aligns us with our customers’ needs and expectations,” said Mark Wilensky, assistant vice president of customer research and audit for AdvancePCS. “The research findings allow us to quantify issues so we meet the different needs of each segment.” AdvancePCS conducts ongoing satisfaction surveys with plan sponsors, patients, pharmacists, and physicians.

In addition, AdvancePCS conducts annual evaluations of its account teams. “Our relationship survey, customized for each account executive, account specialist and clinical manager, identifies special strengths, as well as areas for improvement for each individual,” Wilensky said. “The goals are to identify best practices and improve performance which should result in improved satisfaction and customer retention.”

Clinical Issues

In addition to sharing clinical study results with their clients, PBMs are publishing their findings in industry journals.

“One example is a series of research studies on the use of cyclo-oxygenase² inhibitors¹ (COX-2s),” said Cox. “We selected this area because it was a therapy class with high spending in addition to questionable assumptions made in COX-2 cost-effectiveness studies. Our peer-reviewed findings support the use of step therapy and prior authorizations for the use of COX-2s.

Our step therapy and prior authorization systems allow us to limit access to the patients who truly need these drugs.”

“Plan sponsors are increasingly sophisticated from a clinical perspective,” said Alice Sloan, RPh, vice president of clinical account management for AdvancePCS. “It’s important for plan sponsors to have access to a clinical pharmacist to help them use research information,” she added.

“Over two years, we have conducted random surveys with workers nationwide to understand the health-related drivers of workplace productivity,” said Sloan. She cited the recent publication of a study evaluating the impact of common pain conditions (arthritis, back, headache, and other musculoskeletal) in the U.S. workforce.² AdvancePCS researchers also have examined how depression affects productivity issues.³ “We are now in the process of developing benefit design recommendations around these research results.”

Quantifying Economic Impact

Tracking the impact of benefit design changes or utilization management programs on drug utilization costs is critical. In addition to client-specific reports, studies with rigorous statistical methodologies are beneficial.

“We conduct research to provide information to our plan sponsors about what’s going to happen with their cost and utilization trends,” said Robert S. Epstein, MD, chief medical officer, for Medco Health Solutions. “In order to move forward, you have to look backward at historical data.”

One such backward look is a study on the effect of incentive-based formularies on prescription drug utilization and spending conducted jointly by Harvard University and Medco Health Solutions.⁴ The study focused on ACE inhibitors, proton pump inhibitors and statins. “This study gives our clients boundaries for their plan designs,” said Epstein. “If you move too far, too fast with copayments you’ll have problems.”

“One of the major types of research we do is to look at costs and trends for a market segment or peer universe for our customer segments,” said Sloan. “These peer insight reports allow plan sponsors to understand the results of programs at other organizations like their own. This gives our clients market advantage through cost control.”

Buoyed by market interest in their research, PBMs are continuing to research the drivers of drug utilization. Issues such as electronic prescribing, mail-order operations, pipeline drugs and emerging therapies, medical safety, and ethics⁵ also rank high on upcoming PBM research agendas pertinent for plan sponsors. ●

PBM Research Citations

¹Cox, E. R., Motheral, B., Frisse, M., Behm, A. Mager, D. (2003, November). Prescribing COX-2s for patients new to cyclo-oxygenase inhibition therapy. *The American Journal of Managed Care*, 9, pp. 735-742; and Cox, E. R., Motheral, B., Mager, D. (December 2003). Verification of a decision analytic model assumption using real-world practice data: Implications for the cost effectiveness of cyclo-oxygenase 2 inhibitors. *The American Journal of Managed Care*, 9, pp. 785-794.

²Stewart, W. F., Ricci, J.A., Chee, E., Morganstein, D., Lipton, R. (2003, November 12). Lost productive time and cost due to common pain conditions in the U.S. workforce. *Journal of the American Medical Association*, 290, pp. 2443-2454.

³Stewart, W. F., Ricci, J.A., Chee, E., Hahn, S.R., Morganstein, D. (2003, June 18). Cost of lost productive work time among U.S. workers with depression. *Journal of the American Medical Association*, 289, pp. 3135-3144.

⁴Huskamp, H.A., Deverka, P.A., Epstein, A.M., Epstein, R.S., McGuigan, K. A., Frank, R.G. (2003, December 4). The effect of incentive-based formularies on prescription-drug utilization and spending. *New England Journal of Medicine*, 349, pp. 2224-2232.

⁵Daniels, N., Teagarden, J.R., Sabin, J.E. (2003, January/February). An ethical template for pharmacy benefits. *Health Affairs*, 22, pp. 125-137.

On-line Resources

Many PBMs who are members of PBMI post research studies and drug information they have developed on their Web sites. Here are some resource URLs grouped by topic.

Clinical and Economic Publications

www.advancepcs.com/Index.cfm?FuseAction=Page&PageID=4
portal.caremark.com/wps/portal/_s.155/3381/_s.155/3384
www.ehs.com/healthcare/clinicaltips/index.asp
www.express-scripts.com/other/news_views/ind_rep.htm
www.pharmacenet.com/about/publications_dtc.asp
www.primetherapeutics.com/drugnews.htm
www.rxamerica.com/clinical_newsletters.htm?page=ps
www.rxsol.com/c/pbi/pbi.asp

Clinical and Economic Presentations

www.express-scripts.com/other/news_views/outcomes_conf.htm

Legislative Affairs

www.advancepcs.com/Index.cfm?FuseAction=Page&PageID=129

New Drug Information

www.rxamerica.com/new_drugs.htm?page=ps

MANAGE COSTLY THERAPIES FOR PSORIASIS

By Carl Reed

Plaque psoriasis, commonly known as psoriasis, is a skin condition related to the immune system. This disease is typically found on the knees, elbows, scalp, hands, feet or lower back and affects more than 4.5 million American adults¹. About 33% of this population (1.5 million) has moderate to severe psoriasis as defined in Table 1: Classifications of Psoriasis. While mild to moderate forms of psoriasis are effectively treated with topical agents, moderate to severe cases of psoriasis sometimes require phototherapy, photochemotherapy, or systemic treatment of varying durations.

Table 1: Classifications of Psoriasis

Classification	Scope of Involvement
Mild psoriasis	Less than 3% of body surface area (BSA)
Moderate psoriasis	3% to 10% of BSA
Severe psoriasis	> 10% of BSA

Treatment Options

Increased sun exposure, over-the-counter remedies, as well as prescription topical treatments are first-line agents in treating psoriasis. Highly effective for the majority of psoriatic patients, these agents are not the subject of this *Rx Reimbursement Brief*.

Second- and third-line agents for the more severe and disabling cases of this chronic skin condition are phototherapy, photochemotherapy, or systemic treatments outlined in Table 2: Therapies for Psoriasis. The disease is disabling when it is on the palms of the hands or soles of the feet, affecting patients' ability to use their arms and legs. The disease also is emotionally disabling at this severity because of the appearance of the individual.

About 35% of patients with moderate to severe psoriasis have tried phototherapy or systemic treatment since diagnosis. About 330,000 Americans are currently using systemic maintenance medications². These systemic treatments for psoriasis require careful prescribing and monitoring because of their side effect profiles.

The newly approved biologic therapies will be touted as safer by manufacturers. Because these agents are designed to affect the autoimmune system, their long-term effects are not yet known. Industry experts estimate that up to 33% of psoriatic patients could be using biologics.

Table 2: Therapies for Psoriasis

Chemical Entity & Strength	Brand Name	Manufacturer	Average Wholesale Price (AWP)	AWP per Year Per Dose
<i>Phototherapy or Photochemotherapy (psoralen plus UVA or PUVA)</i>				
methoxsalen	8-MOP	ICN	\$27.09	\$2,817 ³
ultraviolet A light treatments	N/A	N/A	\$87.54	\$9,100
<i>Systemic Treatments</i>				
methotrexate	Rhematrex® 2.5mg tablet	Lederle	\$36.15 ¹	\$1,880 ¹
cyclosporine	Neoral® 100mg/ml solution	Novartis	\$12.48 ²	\$4,555 ²
<i>Biologic Medications</i>				
alefacept	Amevive®	Biogen	\$995 ⁴ per week for each 15 mg intramuscular injection	\$23,880 ⁴ for 24-week treatment regimen per calendar year
efalizumab	Raptiva®	Genentech	\$343 ⁵ for each 150 mg vial	\$17,836 ⁵

¹ Based on a 17.5 mg weekly dose.

² Based on a dose of 2.5 mg/kg/day for a 75 kg person.

³ Based on a dose of 40 mg per treatment for 2 treatments per week. (Price from 2002 Red Book)

⁴ Pricing from Medi-Span Price Alert; December 15, 2003.

⁵ Genentech's formulary kit for Raptiva®.

and is not expected to be less costly if and when approved for treating psoriasis.

Management Strategies

For the U.S. Food and Drug Administration to approve medications for the treatment of psoriasis, the drug must be better statistically in reducing a patient's Psoriasis Area and Severity Index (PASI) scores by 75% versus placebo. The percentage reduction in PASI scores also is instructive in comparing various psoriasis treatments.

In the studies approving new treatments, Amevive® achieved PASI 75 (a 75% reduction in severity of illness) in two trials of 14% and 21% of the patients participating. Raptiva® achieved a PASI 75 in

Economic Impact

The annual costs of psoriasis treatments vary as illustrated in Table 2. The cost to a health plan for each person treated with a biologic therapy is \$120 per member per year across the entire plan population. In addition to Amevive® and Raptiva®, several existing biologic products have ongoing studies for psoriasis indications. The cost of these products for their existing indications is between \$15,000 and \$30,000

27%, 39%, 22%, and 24% of the individuals participating in the four trials to gain approval. In a recent study published in the August 13, 2003 issue of *The New England Journal of Medicine* comparing methotrexate and cyclosporine, methotrexate achieved a PASI 75 in 60% of the patients and cyclosporine in 75% of the patients. Other studies confirm the effectiveness of methotrexate and cyclosporine.

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Therapies, continued from page 3

Because of the greater effectiveness of these older, less expensive therapies, higher cost biologic medications like Amevive® and Raptiva® should be reserved for those patients who fail on the older therapies. The newer agents are effective but no more so than current therapies and, in the case of methotrexate and cyclosporine, not as effective.

To ensure patients are improving after treatment regimens of systemic therapies, a physician should calculate the patient's PASI score before and after treatment. While many physicians and prescribers may not typically calculate a PASI score for each psoriatic patient, it is an effective tool for measuring patient outcomes.

Plan sponsors need to be vigilant about the use of biologic treatments to ensure the most costly medications are used only by patients who need them and have failed on less costly medications. This will require the use of prior authorization for these products.

^{1,2}Condition information accessed at the National Psoriasis Foundation (NPF) Web site at www.psoriasis.org in January 2004.

Reed is Vice President of Pharmacy for Preferred Care, a New York HMO with more than 200,000 lives. He is also a member of the New York State Medicaid Pharmacy & Therapeutics Committee. ●

CUSTOMER SATISFACTION REPORT NOW AVAILABLE

PBMI's 2003 PBM Customer Satisfaction Report is now available. More than 450 employers, representing 10 million drug benefit plan members, provide insights on the performance of PBMs. For the eighth consecutive year, the report provides plan sponsors with information to select and manage PBM services. To order a copy, visit www.pbmi.com.

ENJOY REWARDS OF BECOMING A MEMBER OF PHARMACY BENEFIT MANAGEMENT INSTITUTE

Join PBMI for research-based information on designing and managing pharmacy benefit programs. PBMI membership is open to plan sponsors, pharmacy benefit managers, and the organizations involved in supporting drug benefit delivery. Some of the many benefits of PBMI membership include:

- Discounted registration to largest U.S. conference dedicated to drug benefit issues
- Annual trend reports on PBM performance and drug benefit plan design
- Subscriptions to *PBM News* and *Rx Reimbursement Brief*.

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