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The Long-awaited Launch of Oncology Biosimilars: Evaluating the Impact of Payer and Provider Strategies on Early Adoption

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Background

- From 2011 to 2016, average annual expenditures for the 3 reference biologics to bevacizumab (Avastin), trastuzumab (Herceptin) and rituximab (Rituxan) totaled $8.6 billion in the United States (U.S.).
- Nine years elapsed between the establishment of the FDA biosimilar approval pathway (351k) and the launch of the first therapeutic oncology biosimilar agent in the U.S.
- Finally, in July 2019, the launch of biosimilar bevacizumab (Mvasi) and biosimilar trastuzumab (Kanjinti) occurred followed by the launch of biosimilar rituximab (Truxima) in November 2019.
- Cost of oncology reference products and biosimilars at time of launch (based on WAC):

	Bevacizumab	Trastuzumab	Rituximab
Reference	$796.94 (4 mL vial)	$1558.42 (150 mg vial)	$939.52 (10 mL vial)
Biosimilar	$677.40 (4 mL vial)	$1320.45 (150 mg vial)	$845.55 (10 mL vial)

- Now that biosimilars are available, the question remains as to how payers should manage, or even encourage, uptake in their use compared to the reference products.
- Surveys have identified educational gaps of U.S. oncologists regarding biosimilars, including perceived barriers around provider acceptance, lack of interchangeability, and "skinny labels" where the biosimilar is not approved for all the reference product indications.
- For the biologics that have biosimilars currently available on the market, there may be an opportunity for managed care organizations to encourage use of biosimilars.
- Step therapy requirements can influence prescribing habits and drive utilization towards less expensive treatment with biosimilars.
- Criteria can be leveraged to place a step therapy requirement asking providers to first prescribe a biosimilar for treatment-naïve members when the biosimilar is approved for the same indication as the reference biologic.

Objective

- Evaluate the impact of utilization management strategies as a means for payers to address emerging oncology biosimilars.

Methods

Interventions to Impact Biosimilar Strategy

- During the latter half of 2018 and beginning of 2019, Magellan Rx created an oncology biosimilar action team.
- The team carefully researched and examined all clinical and business aspects related to these medications in order to advise our health plan clients regarding a proactive management strategy.
- Prior to launch of these agents, the Magellan Rx biosimilar action team identified key areas of focus to equip clients with a proactive management strategy.
- Key Areas:
  - Biosimilar and reference product indication similarity and issues of interchangeability
  - Cost savings projections based on historical utilization
  - Input from key opinion leaders (KOLs)
  - Manufacturer access strategies
  - Provider education and discernment of provider market dynamics
- Magellan Rx proactively developed a provider educational webinar and worked with health plans to identify the target audience of key oncology providers in their network.
- Utilization management policies were drafted in advance and clients were given the opportunity to review these with their P&T committees prior to biosimilar drug launch.

Inclusion Criteria

- At least one prior authorization approved determination for either the oncology reference product or a biosimilar during the measurement period.
- The oncology reference products and biosimilars included in the study were for bevacizumab (Avastin, Mvasi) and trastuzumab (Herceptin, Kanjinti).
- Oncology biosimilar products launched after December 1, 2019 were excluded from this analysis.

Proactive utilization management of oncology drugs via step therapy **increases use of less expensive biosimilars.**

Methods *cont.*

Inclusion Criteria *cont.*

- Health plan clients either chose to implement step therapy for all patients who had not previously received the reference product ("new starts") or chose to manage oncology biosimilars at parity with the reference products.
  - There were 2 payers who began the measurement period using a parity approach but later implemented mandatory step therapy on October 1, 2019 and January 1, 2020, respectively.
  - The results from these payers have been divided between comparator groups based on date of conversion, and also broken out in a sub analysis.

Statistical analysis

- Authorizations were categorized based on active drug and biosimilar vs. reference product.
- Descriptive statistics were generated to describe categorical variables (count and percentage).
- Statistical significance was calculated using a chi square test to compare proportions of biosimilar use for each group.

Results

Determinations by Plan

Prior Authorization Determinations: 9/1/2019 – 1/31/2020

Payer Step Therapy Strategy	Mvasi Auths	Avastin Auths	Kanjinti Auths	Herceptin Auths	Total Auths
Parity Strategy	201	994	177	1,105	**2,477**
Step Therapy	134	178	174	142	**628**
Total	335	1,172	351	1,247	**3,105**

*Step Therapy policy was limited to "new start" patients

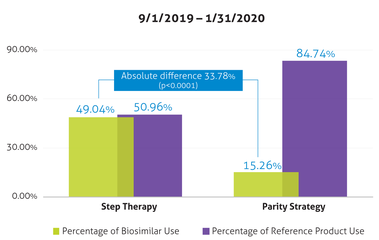
Biosimilar Determinations by Plan

Biosimilar Use by Management Strategy: 9/1/2019 – 1/31/2020

Payer Step Therapy Strategy	% Mvasi Auths	Kanjinti Auths	% Biosimilar
Parity Strategy	16.82%	13.81%	15.26%
Step Therapy	42.95%	55.06%	49.04%
Difference	**+26.13%**	**+41.25%**	**+33.78%^**

*Step Therapy policy was limited to "new start" patients
^ p<0.0001

Effect on Biosimilar Use: Proportion of Requests by Product (all authorizations)



*Step Therapy policy was limited to "new start" patients

Results *cont.*

Sub Analysis: Approved Determinations by Plan Post-Conversion to a Step Therapy Policy

	Mvasi Auths	Avastin Auths	Kanjinti Auths	Herceptin Auths	Total Auths
Before Adopting ST	18	132	4	97	**251**
After Adopting ST	120	155	150	117	**542**

*Step Therapy (ST) policy was limited to "new start" patients

Sub Analysis: Biosimilar Use by Plan Post-Conversion

Payer Step Therapy Strategy	% Mvasi Auths	% Kanjinti Auths	% Biosimilar
Before Adopting ST	12.00%	3.96%	8.76%
After Adopting ST	43.64%	56.18%	49.82%
Difference	**+31.64%**	**+52.22%**	**+41.05%**

*Step Therapy (ST) policy was limited to "new start" patients

Discussion

- A total of 3,105 determinations met the inclusion criteria from baseline through the measurement period.
- Payers electing management with step therapy were successfully able to implement this strategy with minimal to no disruption.
- In payers who opted for step therapy requirements, authorizations for biosimilars made up 49% of approvals. By comparison, 15.3% of approvals among payers without step therapy requirements were for biosimilars.
  - This increase was observed for each individual biosimilar.
- Despite the lack of interchangeability designation, voluntarily switching from the reference biologic to the biosimilar for individual patients in the middle of their course of therapy was observed.
  - Patterns also emerged with regard to the type of provider sites voluntarily moving utilization to biosimilars.

Conclusion

- Payers equipped with proactive utilization management strategies for oncology biosimilars were able to capitalize on early utilization shifts to the less expensive biosimilar products.
  - Specifically, step therapy requirements increased use of biosimilars and were implemented successfully with minimal disruption.
- Data also indicates that some providers are proactively switching patients to oncology biosimilars even without step therapy requirements.
- Longer follow-up and corresponding claims analysis may provide further insights on the true uptake in biosimilar use and cost savings being achieved.

References

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Disclosures

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