

Selecting Prescription Drugs For Affordability Review, Part 2

Overview



Brief overview of RCW 70.405.040: Affordability Reviews



Data Measures For Affordability Review Selection

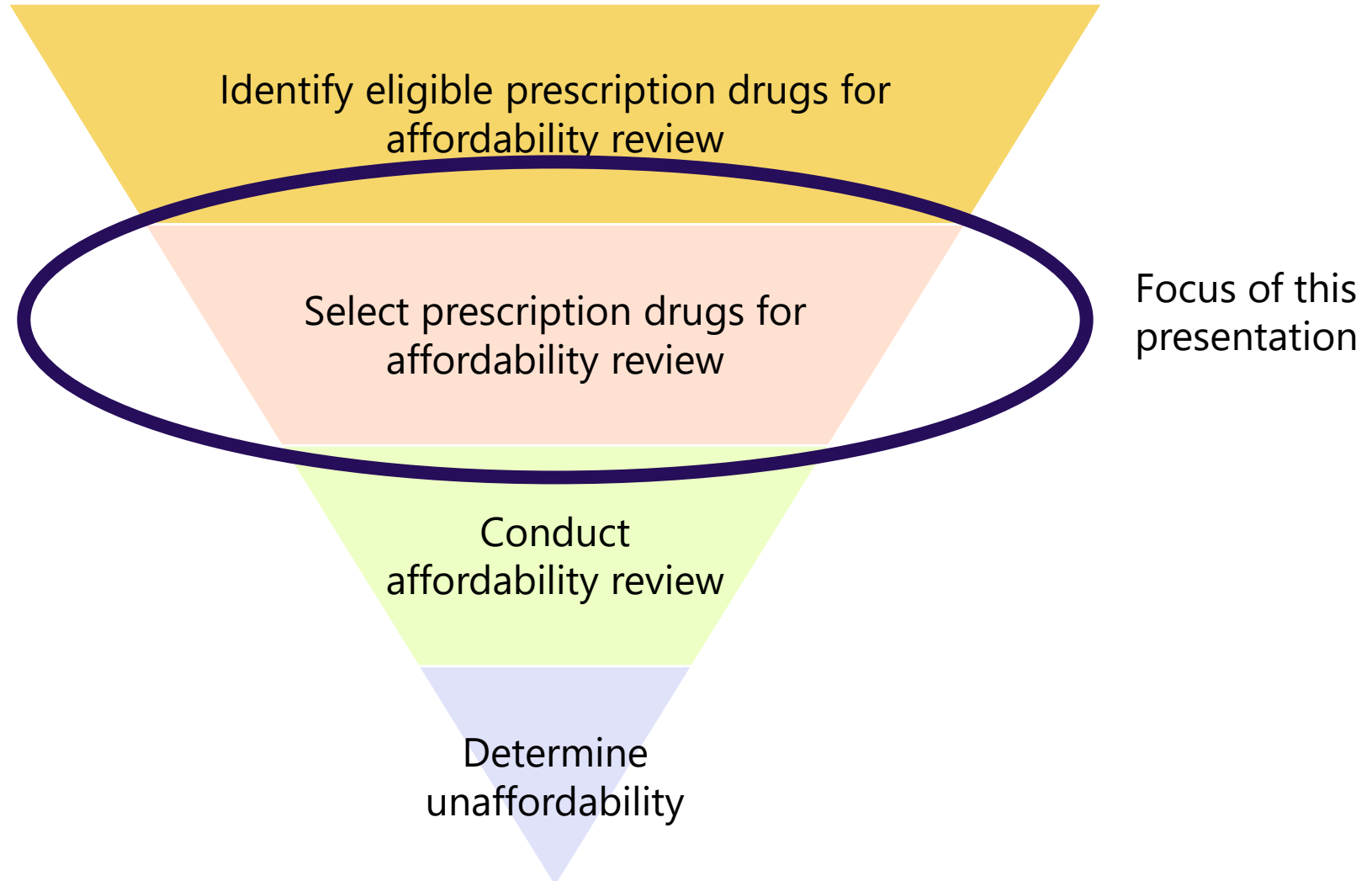


Discussion Points



Next steps and Q&A

Overview



Brief Overview of RCW 70.405.040: Affordability Reviews

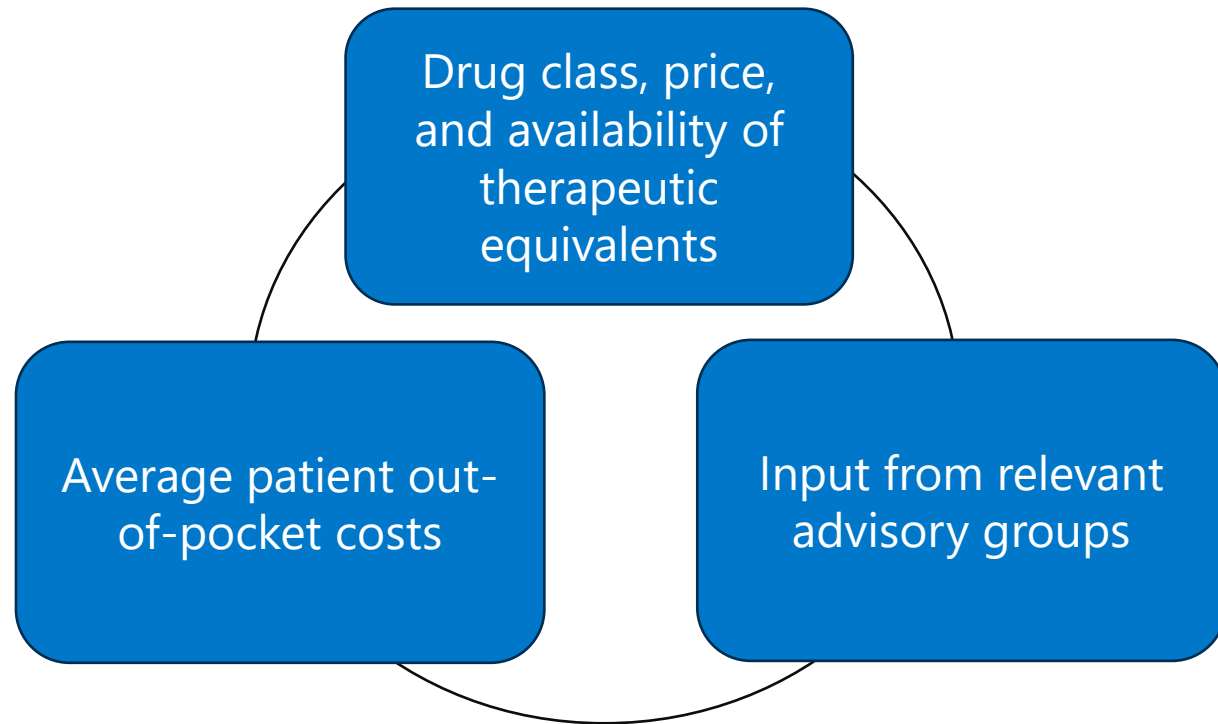
Deciding Whether To Conduct A Review

- ▶ The Board shall consider:
 - ▶ The class of the prescription drug and whether any therapeutically equivalent prescription drugs are available for sale;
 - ▶ Input from relevant advisory groups established pursuant to RCW 70.405.020; and
 - ▶ The average patient's out-of-pocket cost for the drug.
- ▶ Board can choose up to 24 drugs per year

Data Measures For Affordability Review Selection

Deciding Whether To Conduct A Review

The Board shall consider:



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Data Measures Of Interest



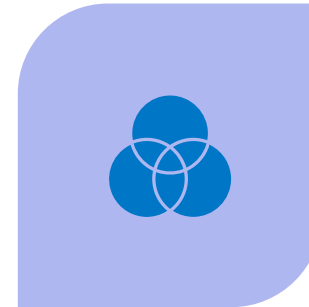
**Drugs on
multiple lists**



Drug costs



Utilization



Treatment options

Drugs On Multiple Lists

- ▶ Consider whether a prescription drug meets multiple review thresholds
- ▶ Consider whether other states have identified the prescription drug for review

Drug Costs

- ▶ Total cost
- ▶ Out-of-pocket cost
- ▶ Cost to payer
- ▶ Member paid amount
- ▶ Cost per member per month
- ▶ Rebate amount
- ▶ Manufacturer assistance programs and coupons

Utilization

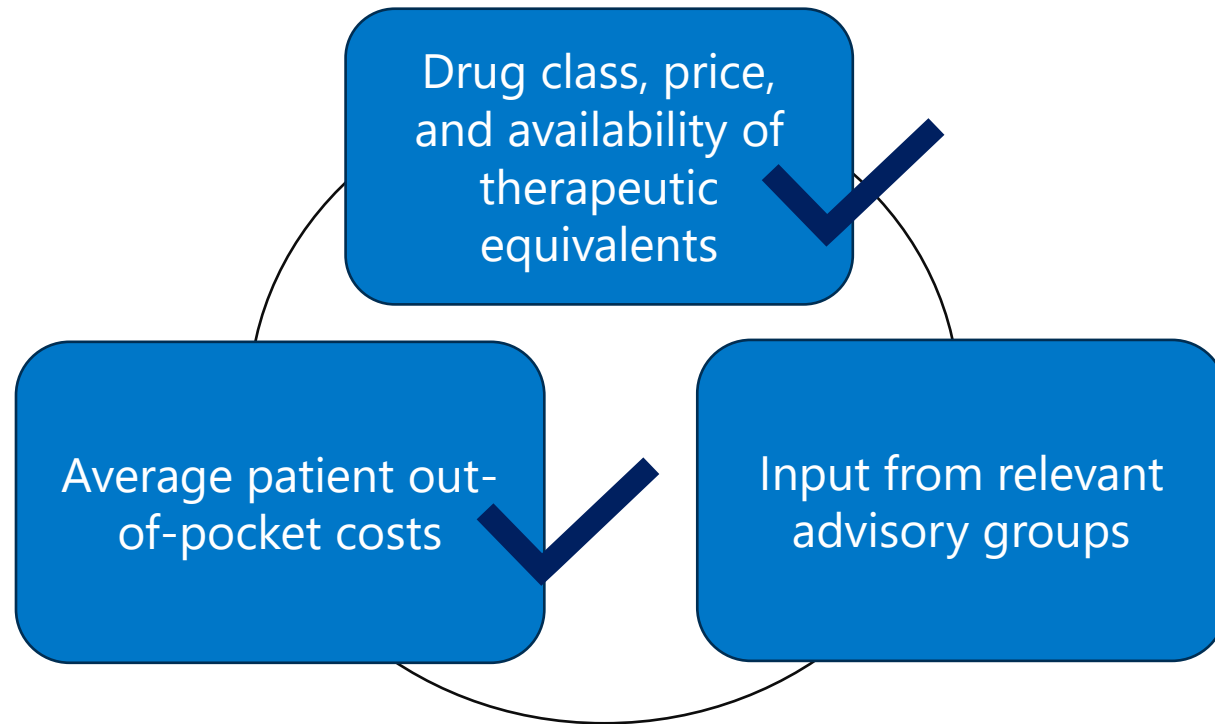
- ▶ % of population using the prescription drug
- ▶ # of people using the prescription drug
- ▶ Utilization by disease state
- ▶ Utilization by specialty/non-specialty

Treatment Options

- ▶ Therapeutic equivalents (including biosimilars)
- ▶ Therapeutic alternatives
- ▶ Generics
- ▶ Step therapy or other utilization management

Deciding Whether To Conduct A Review

The Board shall consider:



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Data Sources

Washington State All Payers Claim Database (APCD)

- Prescription drug utilization
- Patient out-of-pocket costs

Manufacturer data

- Pricing data
- Profit data
- Rebate data

PBM data

- Prescription drug utilization
- Rebate data

First Databank

- Pricing data
- Prescription drug information (i.e. therapeutic alternatives)

Medi-Span

- Pricing data
- Prescription drug information (i.e. therapeutic alternatives)

Washington APCD Data


- ▶ Contains eligibility, medical, dental, and pharmacy claims for about 70% of the total Washington state population
- ▶ Has claims data dating back to 2014

Washington APCD Data


- ▶ All health carriers operating in Washington state
- ▶ State Medicaid plans
- ▶ Public employee benefit plans
- ▶ School employee benefit plans
- ▶ Third-party administrators
- ▶ The Washington State Labor and Industries program
- ▶ Self-funded plans submit data on a voluntary basis.

Washington State APCD

Pros

- 
- ▶ Captures data from most public and commercial payers in Washington state
 - ▶ PDAB data team has access to the data
 - ▶ PDAB team has access to technical support to help with understanding and pulling the data correctly

Cons

- 
- ▶ Does not capture entire state population
 - ▶ Missing data
 - ▶ Potential data quality issues

Manufacturer and PBM Data

- ▶ "Manufacturer" means a person, corporation, or other entity engaged in the manufacture of prescription drugs sold in or into Washington state.
- ▶ Does not include a private label distributor or retail pharmacy that sells a drug under the retail pharmacy's store, or a prescription drug repackager.
- ▶ May not be able to request data from manufacturers & PBMs at drug selection stage



Manufacturer and PBM Data


- ▶ PDAB can use data collected by the [Drug Price Transparency program](#)
- ▶ “For the purpose of reviewing drug prices and conducting affordability reviews, the prescription drug affordability board, as established in chapter 70.405 RCW...may access all data collected pursuant to RCW 43.71C.020 through 43.71C.080 and any analysis prepared by the authority.”

Advisory Group Input

- ▶ Share access to dashboard with data measures
- ▶ Share the data measures the PDAB thinks is most important
- ▶ Share the prescription drugs the PDAB thinks should be selected for affordability review
- ▶ Discuss preferences for data measures and prescription drug selection

Data Measures Of Interest	Data Sources			
	APCD	FDB/Medi-Span	Manufacturers	PBM's
Drug meets multiple review thresholds		✓		
Total cost of drug	✓	✓		
Out-of-pocket cost	✓			
Cost to payer	✓			
Member paid amount	✓			
Cost per member per month	✓			
Rebate amount	⚠		✓	✓
Patient assistance programs and coupons	⚠		✓	

Data Measures Of Interest	Data Sources			
	APCD	FDB/Medi-Span	Manufacturers	PBM's
% of population using the prescription drug	✓			
# of people using the prescription drug	✓			
Utilization by disease state	✓	✓		
Utilization by specialty/non-specialty prescription drug	✓	✓		
Therapeutic equivalent availability		✓		
Therapeutic alternative availability 		✓		
Generic availability		✓		
Step therapy/utilization management 				✓

Data Measures Of Interest	Data Sources			
	APCD	FDB/Medi-Span	Manufacturers	PBM s
Whether other states have selected the drug for review				

Defining and Clarifying Data Measures

- ▶ Total cost of prescription drug
- ▶ Out of pocket cost vs member paid amount
- ▶ How to classify specialty vs non-specialty drugs

Discussion Points

- ▶ Which data measures should be used for selecting prescription drugs for review?
- ▶ How many prescription drugs should be selected for review?
- ▶ Is there a data measure that is more important than others when selecting prescription drugs for review?
- ▶ Do you have any strong interest or preference for any specific data measures?

Next Steps

1

Choose data measures for selecting prescription drugs for affordability review

2

Finalize data measure definitions

3

Develop methodology used for selecting prescription drugs for affordability review

4

Create dashboard of eligible prescription drugs and chosen data measures

Discussion and Questions