

ADOPTING BIOSIMILARS

A Blueprint for Purchasers



Introduction

As the cost of pharmaceuticals continues to rise, employers who provide pharmacy benefits find it more difficult to budget for the increases. This is especially true for specialty drugs. Now, much of a purchaser's pharmacy spend is for specialty drugs and a small percentage of employees/members use these drugs. The purchasing community must create innovative ways to address the rising costs.

Biosimilars, a biologic medical product that is almost an identical copy of an original product, are an option in reducing the pharmacy spend. Working together, employers and insurance companies can adopt biosimilars into the benefit design and save millions without disruption to patients.

Benefits of Adopting Biosimilars

- Competition from biosimilars lowered prices overall.
- Post-transition analysis revealed no increase in biosimilar dosage or frequency of prescribing due to belief that it might be less effective than the reference drug.
- Patients viewed lowering drug costs in order to maintain lower premiums as an incentive to switch to biosimilar medications.
- The biosimilar adoption rate was higher in oncology than other specialties.
- Health plans expressed that it was a necessary part of developing their biosimilar programs to make sure copay assistance was available from the biosimilar manufacturer.

Strategies for Adopting Biosimilars

- Educate the provider community and employees/members early on about biosimilars.
- Ask for data from medical carriers and for information about existing biosimilar programs. Be sure to work with trusted partners.
- Consider hiring a pharmacy specialist.
- Be aggressive when negotiating benefit contracts. Ask for a utilization review.
- Focus on lowest net cost. Take into consideration the many factors affecting costs such as wholesale costs, discounts, rebates, and coupons. Explore the possibility of direct contracting with drug manufacturers.
- Streamline delivery with site-of-care programs, allowing specialty drugs to be administered at home or at infusion centers, instead of hospitals where extra fees are incurred.
- Minimize patient disruption by implementing biosimilars with new treatment plans or a specific time period to switch to biosimilars. Work with disease societies to understand concerns before the roll-out.

