



# stisali



**The US VBA Tracker**



**Value & Outcomes  
Based, Innovative  
Contracting**

January 2018

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# About Stisali & The US VBA Tracker

## The US VBA Tracker

Tracks the who, what and when of published value & outcomes-based, innovative contracting (OBIC) in the US.

## About Stisali

Founded by current and former payers, Stisali provides the inside track to creating successful outcomes based contracts. Targeted on rapidly changing payer landscapes, the company's approach uses insight and experience gained from mature managed markets to create innovative contracts which aim to deliver a win for patients, payers, physicians, distributors and manufacturers.

## Subscribe

To receive your own complimentary copy of the US VBA Tracker email [USVBA@stisali.com](mailto:USVBA@stisali.com) .





Luxturna launches with **three new** contracts & more promised



**CMS** strikes deals with Luxturna & Kymriah



**EXPRESS SCRIPTS®**

Express Scripts & Spark Therapeutics introduce **drug lease contracting** to the US

# US VBA Tracker – January 2018

- Latest published US contracts see shift from being about differentiation in a competitive market to managing drug affordability
- Harvard Pilgrim:
  - continue to be the #1 payer for undertaking & publishing contracts
- Spark Therapeutics moves into 4<sup>th</sup> place for manufacturers undertaking & publishing outcomes contracts
- Amgen remain the most prolific of manufacturers publishing their contracts
- 2017 witnessed less published outcomes contracts than 2016
- Stisali estimate an eight-fold difference between published and non-published outcomes contracts



Harvard Pilgrim  
HealthCare



## Number of OBICs Announced per Annum

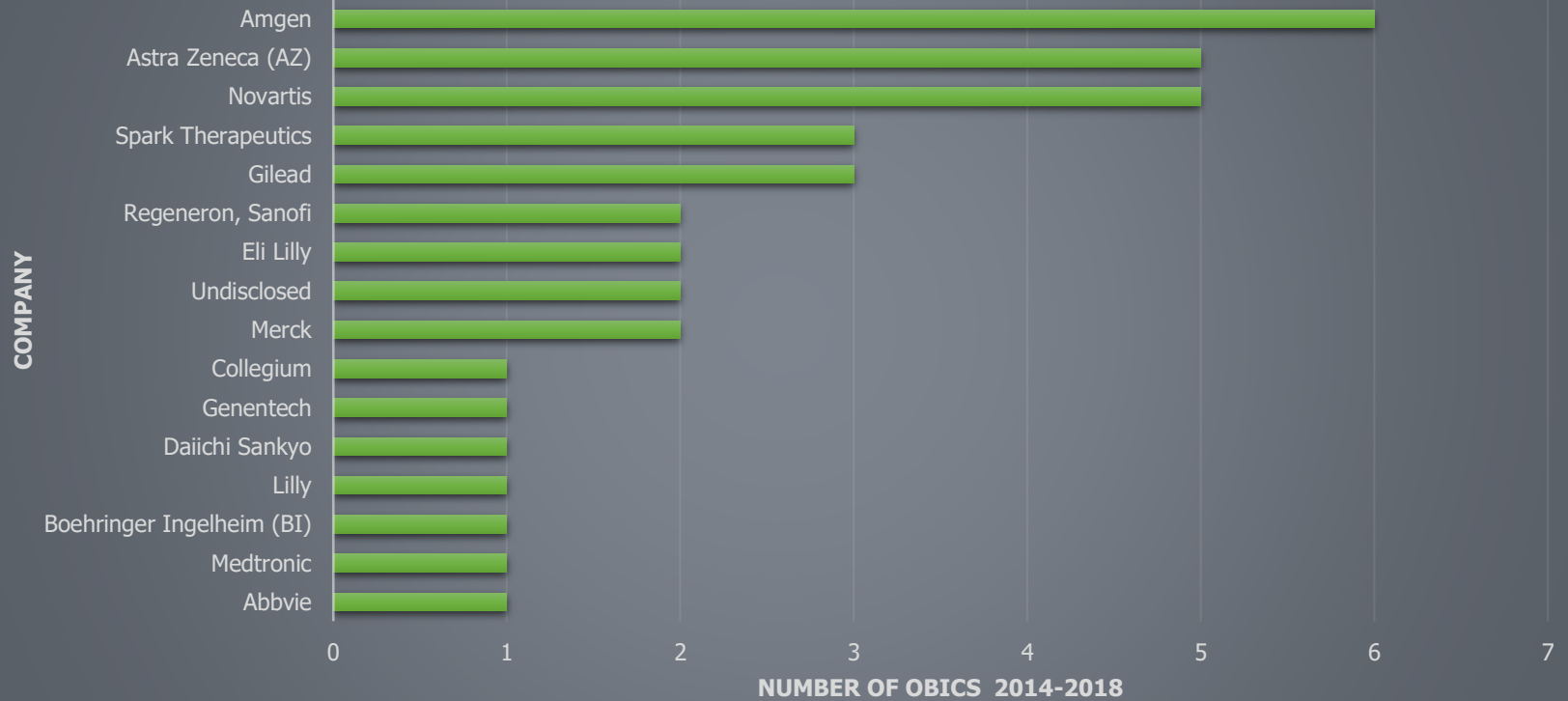


OBIC =  
outcomes  
based,  
innovative  
contract

	1998	2009	2011	2012	2014	2015	2016	2017	2018	ND
Total	1	1	3	1	1	6	13	11	3	3

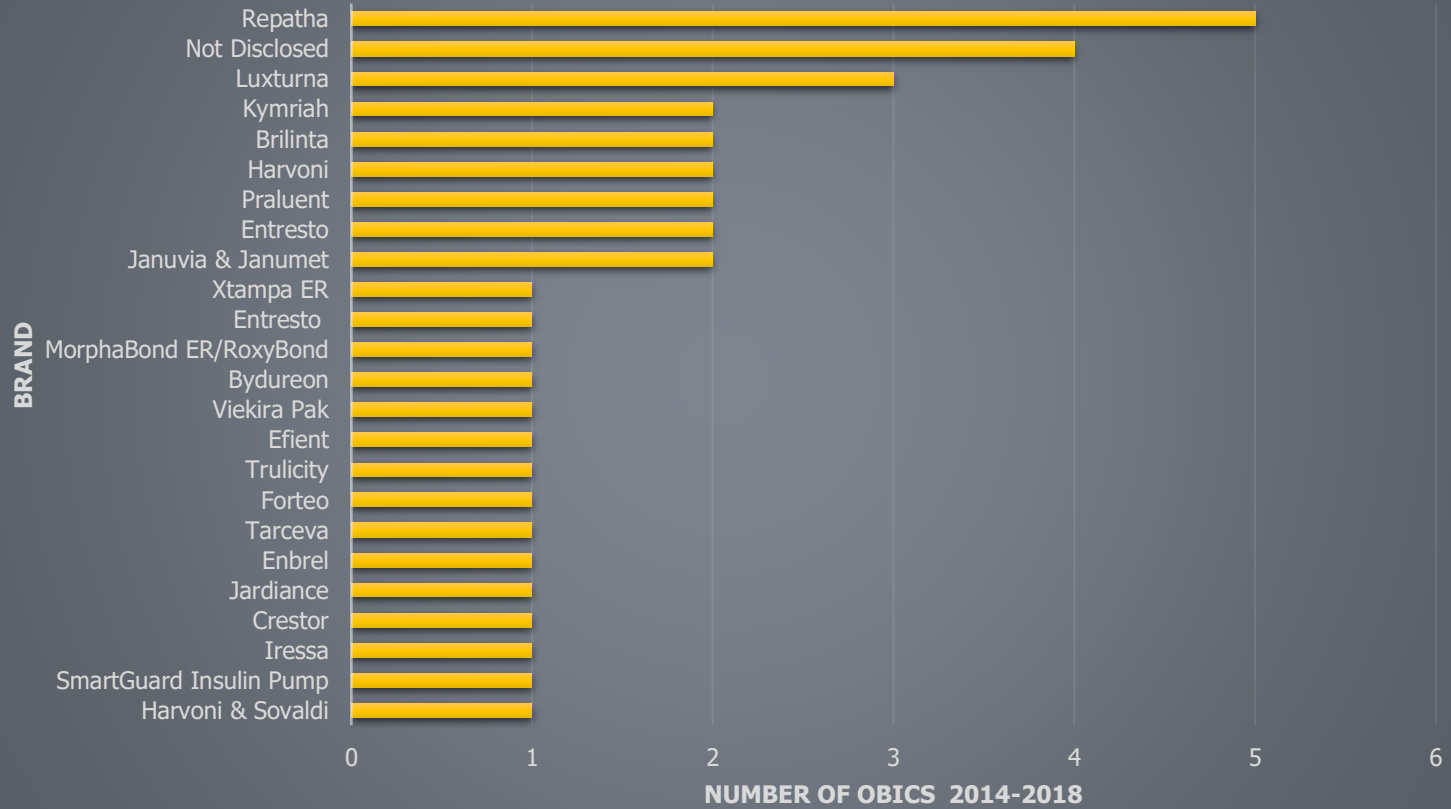
NUMBER OF OBICs 2014 - 2018

## Rank of US Companies With Most Published OBICs



OBIC =  
outcomes  
based,  
innovative  
contract

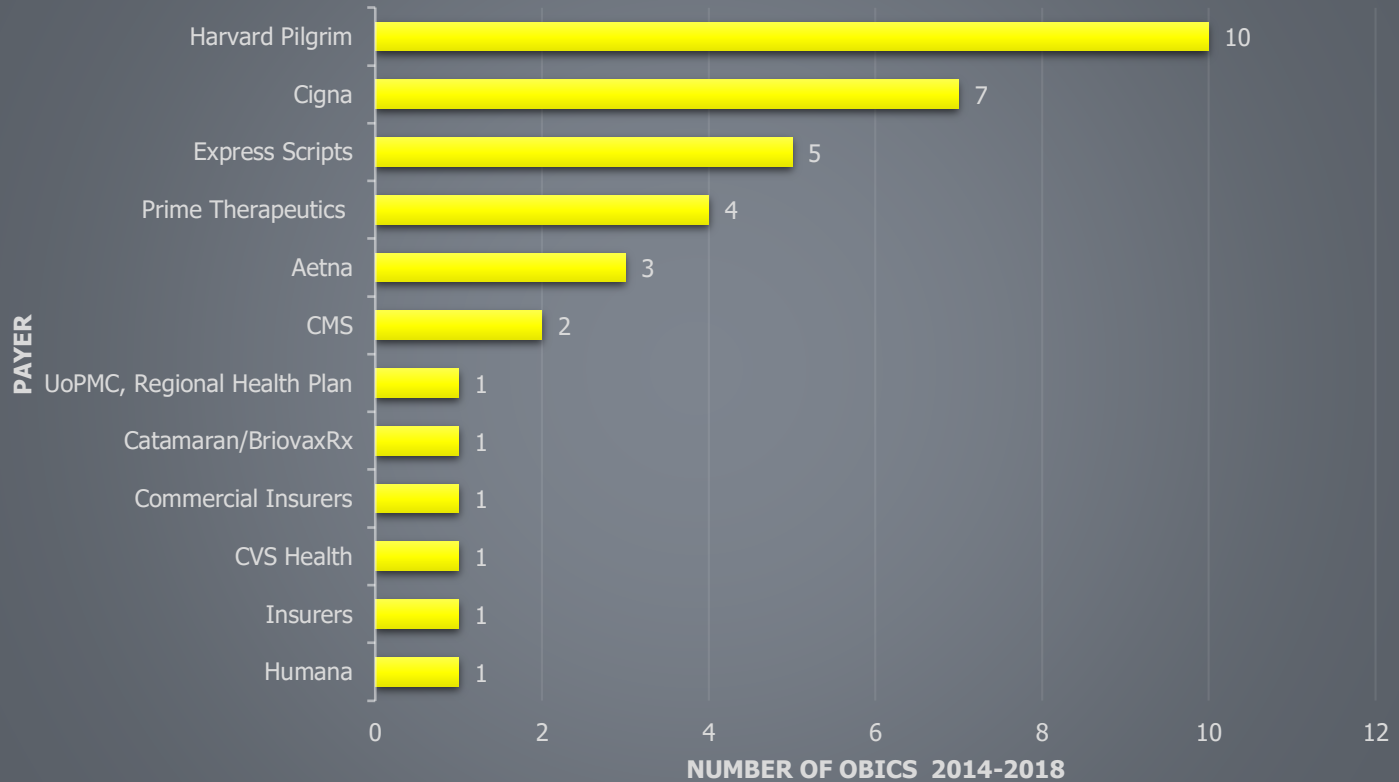
## Rank of US Brands by Number of Published OBICs



OBIC =  
outcomes  
based,  
innovative  
contracts



## Rank of US Payers By Total Number of Published OBICs



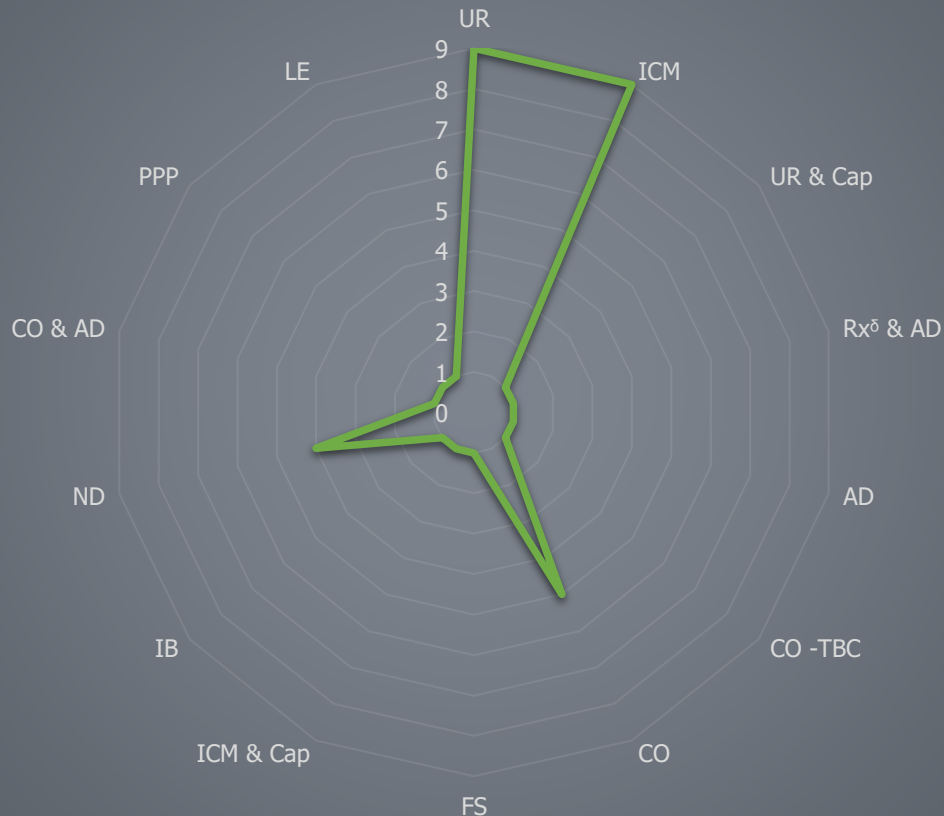
OBIC =  
outcomes  
based,  
innovative  
contract

Note: the chart classifies the main measures used in the OBIC

AD	Adherence
Cap	Number of Patients Capped
CMA	Continued Medication Adherence
CO	Clinical Outcomes
CU	Capped Usage
FS	Free stock
IB	Indication Based
ICM	Improved Clinical Metric
ND	Not Disclosed
PPP	Pro-active Patient Profiling
Rx <sup>δ</sup>	Change in Prescribing
TCC	Total Cost of Care
UoPMC	University of Pittsburgh Medical Center, Regional Health plan
UR	Utilization Reduction

OBIC =  
outcomes  
based,  
innovative  
contract

## Primary Classification of US Published OBICs - 2014-2018



Note: the chart classifies the main market access environment the drug faced when introducing an outcomes based or innovative contract

OBIC = outcomes based, innovative contract

## Type of OBIC Landscape From Published Examples, 2014-2018



# US VBA Tracker complimentary database

Technology	Therapy	Tech Type	Manufacturer	Payer	Date Released	Primary Payer/Landmark	Class	Technology Success Measure		Published Rebate/Refund	Incentive Reimbursed	Lower copay	Published formulary	Negotiables			Level of Reported Success	Health Management	Further Description of Contract
								Primary	Secondary					Payer-led action	Other				
usurna	Retinal dystrophy	Biopharma	Spark Therapeutics	Harvard Pilgrim	Jan-18	High Cost	OO	Full-field light sensitivity threshold testing scores		Rebate if drug fails to perform as agreed								Spark Therapeutics will give a rebate if drug fails to read at 3 months	
usurna	Retinal dystrophy	Biopharma	Spark Therapeutics	Express Scripts	Jan-18	High Cost	LE	Full-field light sensitivity threshold testing scores		Leading payments to aid affordability								Payer's specialty pharmacy purchases the drug, an spread payments over multiple years	
usurna	Retinal dystrophy	Biopharma	Spark Therapeutics	CMS	Jan-18	High Cost	OO	Full-field light sensitivity threshold testing scores		Promial - Outcome based rebates								In discussion - Spark Therapeutics offers outcome based payment over years	
ymviah	Oncology - B-type ALL	Biopharma	Novartis	CMS	Aug-17	High Cost	OO	Not disclosed		Payment only if patient responds to treatment within one								In discussion - options include paying for treatment financing one-time payments	
ymviah	Oncology - B-type ALL	Biopharma	Novartis	Express Scripts	Sep-17	High Cost	OO	Not disclosed		Promial - Payment only if patient responds to treatment									
torphaBond RifflonyBond	Analgesic	Biopharma	Daiichi Sankyo	Commercial Insurers	Sep-17	Competitive Market	LR	Not disclosed										Daiichi Sankyo, Inc. has entered into an agreement to determine formulations of opioid medications or to development of nonopioid-based contracts that it will enter into with Express Scripts. Collegium will reduce the cost of the medication if Ximpa ER prescribed exceed a specific threshold.	
Ximpa ER	Analgesic	Biopharma	Collegium	Cigna	Oct-17	Competitive Market	LR	Reduction in amount prescribed		Costs reduced if prescribing threshold reached									
vsulin pump entering insartGuardTM hilinta	Diabetes - Insulin Pump Flarelet inhibitor - blood thinner	Device Biopharma	Medtronic Astra Zeneca (AZ)	Aetna Harvard Pilgrim	Jun-17 May-17	Novel agent Competitive Market	CM LR	Initially will focus on patients achieving A1c targets	In time, the deal may expand to measuring hypoglycemia episodes, time in proper glucose range, and a patient's adherence.									The OBC ties a component of reimbursement to a threshold for Type 2 diabetes who transition to Medtronic and the deal may expand to other types of diabetes. The deal may also include monitoring specific criteria in patients following sickle cell disease symptoms. The outcome will focus on the impact acute care events for patients on Flarelet inhibitor therapy.	
Eybureon	Diabetes - GLP 1	Biopharma	Astra Zeneca (AZ)	Harvard Pilgrim	May-17	Competitive Market	CM	Achievement of predetermined HbA1c goals in patients who adhere to Eybureon		If end-point not achieved, HP charged a lower amount				Yes	3 year contract			The second contract is for Eybureon, a medication for diabetes patients. Harvard Pilgrim will measure if patients who adhere to Eybureon to get to a pre-	
lepatha	PCSK9 inhibitors	Biopharma	Amgen	Harvard Pilgrim	May-17	Competitive market	LR & Cap	Hospitalization reduction for MI or stroke after 90 months on Evahya, providing patient has achieved an agreed compliance level	Excessive usage in non-appropriate patients	Full drug refund if hospitalized after a stroke occurs	Yes	Exclusivity						Amgen guarantees the health plan and its members drug if a member is hospitalized for a myocardial infarction or stroke for 90 months or more and maintaining an appropriate level	
imvrel	Immunology IGA	Biopharma	Amgen	Harvard Pilgrim	Feb-17	Generic - biologic threat	Rif & AD	Effectiveness algorithm score, based on E prescribing related parameters & adherence		Rebates in algorithm score goes below an agreed threshold								2y contract uses an effectiveness algorithm drive on adding drugs, dose escalation, general trends positive impact on members. If patient score are 1 because its real life effectiveness will have been for drug is measured	
orteo	OP	Biopharma	Eli Lilly	Harvard Pilgrim	Feb-17	High Cost	AD	Adherence		Rebate provided the greater patients adhere to Forteo								Contract rewards improvement in persistence in adherence seen in HP population, if meaningful impact of the drug HP will work with its pharmacy network persistence.	
Jardiance	Diabetes - SGL2	Biopharma	Boehringer Ingelheim (BI)	Insurers	Jan-17	Competitive market	OO - TBC	TBC - this was a prospective statement of intent by BI		TBC - this was a prospective statement of intent by BI								BI said it would assess the real-world benefit. Jardiance outcomes where Jardiance may provide more benefit than developing protocols that health plans can use for outcome.	
anuvia & anumet	Diabetes - DPP4	Biopharma	Merck	Aetna	Oct-16	Competitive market	CM	Reduction in HbA1c is potentially other diabetes related metrics		Decreasing rebate for Aetna as more patients achieve set targets		Not disclosed	Yes, via AetnaCare	Pro-active diabetic patient identification & education				AetnaCare & Merck educational resources working collaboratively to help patient engagement & adherence New Jersey	
anuvia & anumet	Diabetes - DPP4	Biopharma	Merck	Cigna	Oct-16	Competitive market	CM	Lower HbA1c levels	Yes - further improvement in an HbA1c levels	Reverse - counter incentive rebate based on lower unit cost the more effective the drug.	Likely to have lower copay	Preferred Tier status	Yes	In 195k members, HbA1c improved 1.0% on an 8.5% increase in blood sugar lab testing. Adherence improved to 87%				Cigna used Coach Rx, a Value based notification tool from improved adherence Merck offered initial rebate when members with high medication adherence and lowest blood sugar re-round of rebates when patients taking the drug lost	
Tulicity	Diabetes - GLP1	Biopharma	Lilly	Harvard Pilgrim	Jun-16	Competitive market	CM	Colony Performance V Comparator Cohort - # of GLP-1 patients with HbA1c < or = 8% V. # of comparator		2 ways - we results, Lilly get higher base Cost - we results Lilly get lower base Cost	Likely to have lower copay	Preferred Tier status						Tulicity provided preferred formulary status, HP pay a preferred rebates to Lilly. Lilly will make sure that net cost if patients taking Tulicity do better than pa	

Manufacturers wishing to obtain a copy of the complete dataset underpinning the US VBA Tracker can request a complimentary copy by emailing [usvba@stisali.com](mailto:usvba@stisali.com)

# Data – Read Me

Base data collected using desk research on all publicly available information relating to outcomes based, innovative contracts in the USA up to 1/16/2017.

OBIC is classified as either:

- Outcome payment – reimbursement tied to a clinical &/or process outcome at either individual patient or population level i.e. reduction in a clinical indicator such as HbA1C  
and/or
- Conditional payment – payment is contingent on specific short-term health outcome or evidence target i.e. Persistence  
and/or
- Innovative contracts i.e. indication based pricing, free stock etc.

Data only relates to bio and pharmaceutical products, not devices and diagnostics

Data does not include traditional, straight discount & rebate deals based on volume &/or usage

# Analysis – Read Me

**Date** – relates to the first evidence of public notification of the OBIC, not contract commencement

**Not Disclosed, Undisclosed & ND** – insufficient information provided to complete the field

**Payer** – the name of the payer organization which initiated the contract

**Primary Classification** – of the type of value & outcomes based, innovative contract used

**Type of OBIC Landscape** – the predominant environment the drug operated in when launching the OBIC  
Evaluated by Stisali's internal team of payers



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