Specialty Pharmaceuticals: Policy Solutions for Encouraging Access and Affordability

October 2, 2008 Washington, D.C.

8:30: Continental Breakfast

9:00: Coordinating Medical and Pharmacy Benefits for More Effective Program Management
The independent and overlapping structure of the medical and pharmacy benefits creates confusion, and hinders effective oversight and management of specialty pharmaceuticals. This session will examine potential solutions for reorganizing and integrating these benefits to improve payers’ ability to manage these products, with special emphasis on Medicare policy.

Speakers: Dan Mendelson, President, Avalere Health
Lauren Barnes, Vice President, Avalere Health

Respondent: Joan Sokolovsky, MedPAC

10:00: Designing Physician Financial Incentives for Appropriate Care
“Buy-and-bill” reimbursement policies frequently create financial incentives that favor certain therapeutic choices. These incentives may place physicians’ financial interests in conflict with the needs of patients. This session will explore specialty pharmaceutical reimbursement alternatives that are more closely aligned with providing efficient, effective care.

Speaker: Lee Blansett, Senior Vice President, MattsonJ ack DaVinci

11:00: Break

11:30: Designing Payment Policies to Promote Appropriate Utilization
Although many specialty pharmaceuticals demonstrate strong results in clinical trials, it is frequently difficult to identify which patients are likely to benefit from specific treatments. This uncertainty, combined with the high cost of these products, make it important to design policies that encourage appropriate use. This session will examine the potential impact of alternative pricing models like value-based pricing, performance-based risk sharing, and capitation for achieving this objective.

Speaker: Sharon Levine MD, Permanente Medical Group

Respondent: Newell McElwee, Pfizer

12:30 – 1:15 Lunch

1:15: Addressing Social Tradeoffs of Coinsurance for Specialty Pharmaceuticals
This session will focus on addressing the increasingly common conflicts that arise from the use of 4-tier formularies with high co-insurance for specialty pharmaceuticals. It will examine options for moderating the financial burdens that individuals who need these drugs may face, for example, mandated limits on coinsurance or income-adjusted annual out-of-pocket maximums.

Speaker: Don Moran, President, The Moran Company

Respondent: Amy Melnick, Arthritis Foundation

2:15: Review of Key Themes, Areas of Agreement and Next Steps

Speaker: Stuart Altman, Professor, Brandeis University

2:30: Meeting Adjourns