

Employer Rx Value Assessment Framework: *Building the Bridge to Sustainability*

SUPPORTING HEALTHCARE DECISION-MAKING

- **Patients and their doctors** use frameworks to choose among therapy options.
- **Employers/payers** use frameworks to determine how therapies will be covered and reimbursed.

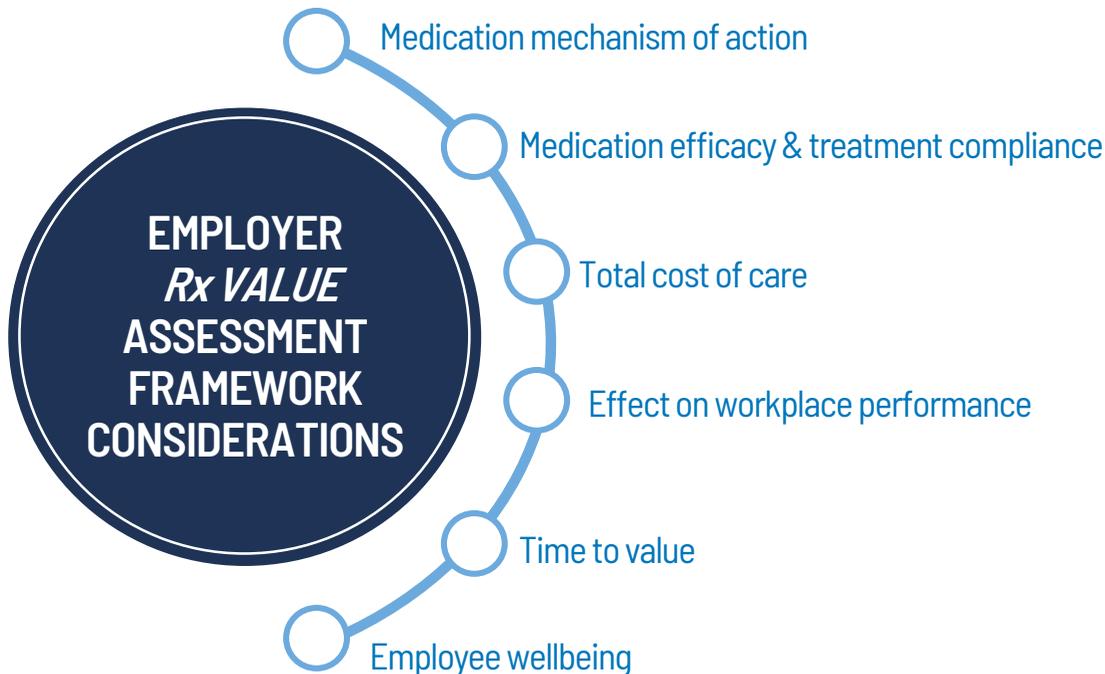
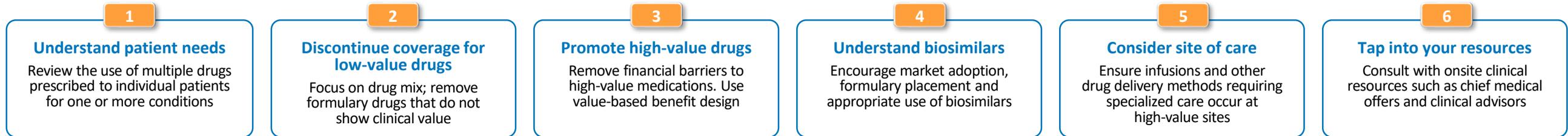
Today's Rx value frameworks' shortcomings

- Do not consistently address employer or employee needs.
- Are highly influenced by business models of intermediaries (payers, PBM, providers).
- Have methodologies that may not factor in the nuanced and personalized needs of organizations and people.
- Lack consideration of "real-world" evidence of impact and performance.

Enhancing our approach to Rx value frameworks

- Integrate employer- and employee-relevant measures.
- Enhance transparency of reviews of new/existing drugs and therapies, including costs.
- Feature relevant outcomes for use in value-based contracts (VBCs).
- Identify tactics for employer-based VBCs independent of rebates.
- Offer practical, actionable materials for effective dissemination.

Action Steps for Employers/Purchasers to *Regain Control* Over Prescription Drug Benefits Management



"Employers need to flex their individual and collective power to manage prescription drug benefits and drive transparency and value across the entire supply chain."

*Michael Thompson
National Alliance President & CEO*

Moving the System Forward: *Areas of Focus*

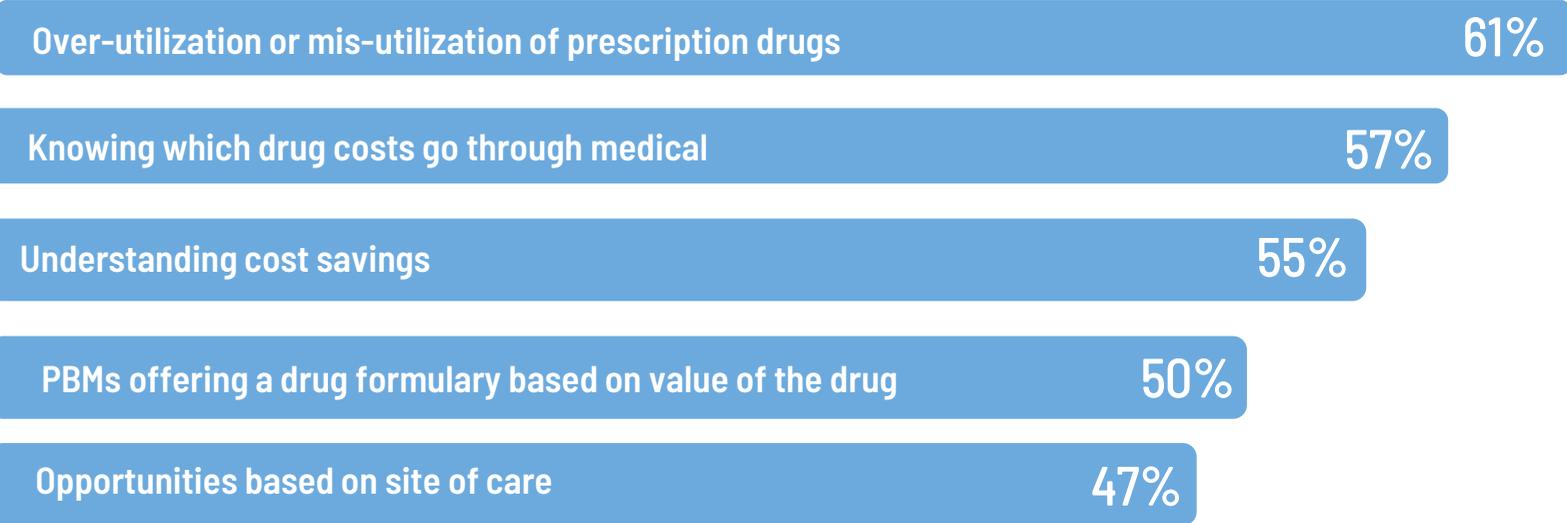


All stakeholders should re-examine their approach to managing Rx value to be more responsive to the needs and expectations of patients and purchasers.

MEDICATION MECHANISM OF ACTION	MEDICATION EFFICACY & TREATMENT COMPLIANCE	TOTAL COST OF CARE	EFFECT ON WORKPLACE PERFORMANCE	TIME TO VALUE	EMPLOYEE WELLBEING
<ul style="list-style-type: none"> Does it fill an unmet clinical need or is it a “me, too” drug? Does administration require special care/facility? What is the timeline to clinical impact? 	<ul style="list-style-type: none"> Adherence concerns (e.g., 30-day vs. 60-day). Evidence provides insights into – and solutions for – concerns. Personalized medicine to identify candidates for certain therapies. 	<ul style="list-style-type: none"> Employer: Net drug acquisition cost, including all contributors to costs and rebates, recognizing PBM contracting transparency concerns. Employee: Total out-of-pocket costs. 	<ul style="list-style-type: none"> Do employees have to leave work to have the drug administered? Will the drug affect cognitive status? Is job safety a concern? Will the drug shorten lost work time? 	<ul style="list-style-type: none"> Length of drug therapy; cost evaluation. Does the drug accelerate the path to health improvement? Benefits of treatment to the employee and the employer? 	<ul style="list-style-type: none"> Supporting an organizational culture of caring. Employee loyalty based on thoughtful employer benefits. Long-term benefits for employers and employees.

KEY CHALLENGES WITH MANAGING DRUG TREND (BESIDES COST)

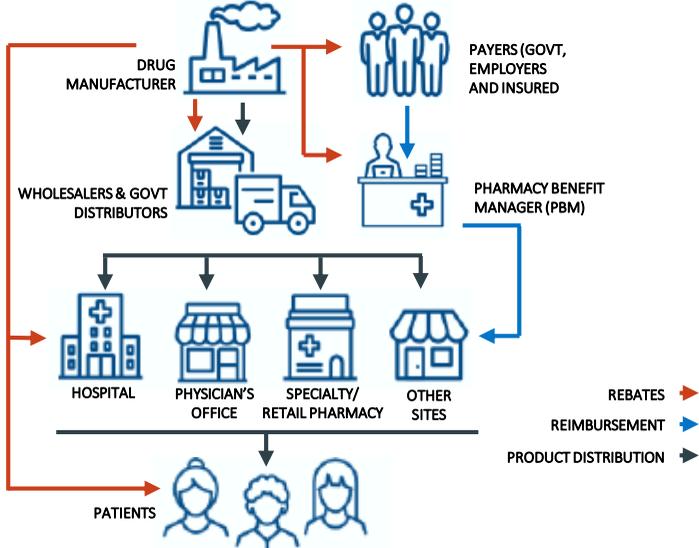
Percentage identifying issue as a major or medium challenge



Source: [National Alliance Employer Rx Roundtable 2020](#)

DRUG VALUE SUPPLY CHAIN

A circuitous route from drug manufacturer to patient



Data adapted from Janssen Global Services, LLC, 2018 Janssen U.S. Transparency Report (Janssen, March 2019), 21.