

Innovations in Drug and Medical Device Value Communications: Optimizing Local Payer Engagement



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If a new drug or medical device receives a positive evaluation from a national payer, that does not automatically mean that the product will be used locally. The product must be registered on a formulary or selected by a purchasing center first. Successful payer engagement at the local level requires effective value communication. This white paper will explain how recent innovations in digital tools can help pharmaceutical companies communicate the value of their products to payers.

As every hospital differs in terms of its size, capacity, budget, specialization/care focus, treatment pathways, and unique patient population, pharmaceutical companies need to tailor their evidence-based solutions for value communication.

Their target audience can be diverse as well. Local payers can be pharmacists, physicians, nurses, hospital administrators, or small plan administrators. These professionals have a role in the decision-making process and care about what happens in their hospital, clinic, or representative patient population.

The level of influence possessed by local payers also varies by country. For example, there are diabetes initiatives in the US and Germany where local groups and stakeholders provide incentives to doctors who care for patients with diabetes. In England, the Clinical Commissioning Groups are well established and responsible for purchasing products and services in a geographical area.

BUILDING A LOCAL PAYER ENGAGEMENT STRATEGY

Developing a successful payer engagement strategy starts with learning about the local market and identifying all the payers' needs and challenges specific to their unique patient population. First, study a familiar strategic account to determine the process followed to get a new drug included in that hospital. Then, work with the field salesforce and key account managers to map out the decision makers in that drug approval process. Who are the prescribers, brand advocates, guideline makers, decision makers (both on approvals and budgets) and advisers? Who influences who, and what drives the final decision?

Then, meet those decision makers either virtually or in person, not to sell them a product or solution, but to confirm the decision-making process, understand their needs and concerns, learn what influences their decisions, and how they define value.

The next step is to develop the product's value proposition based on that information, focusing on the attributes and outcomes relevant to that local payer. The value proposition must address the medical importance, therapeutic value, and patient benefit of the product in addition to the value it delivers for the payer and its financial impact overall.

Once the value proposition has been established, build a budget impact model, cost calculator, objection handler, value messages, and contracting tools (including product price, volume, and discounts) based on the payer archetype and profile developed.

Cost calculators and budget impact models are useful tools for all local payer meetings. If the payer is an expert in health economics, including cost effectiveness models is also recommended.

CUSTOMIZING MESSAGING

Consider Product X, which reduces complications in the intensive care unit (ICU) and has clinical trial data to prove it. Consider Payer A is a pharmacist or purchaser, who is primarily focused on reducing the ICU drug budget, while maintaining optimal care. Then the primary message for them would be not only that Product X reduces complications but also that using Product X results in fewer drugs being required in the ICU for optimal care.

Recap every payer meeting by reflecting on what went well, what could be improved, and noting any objections that need to be countered with new messages and data.

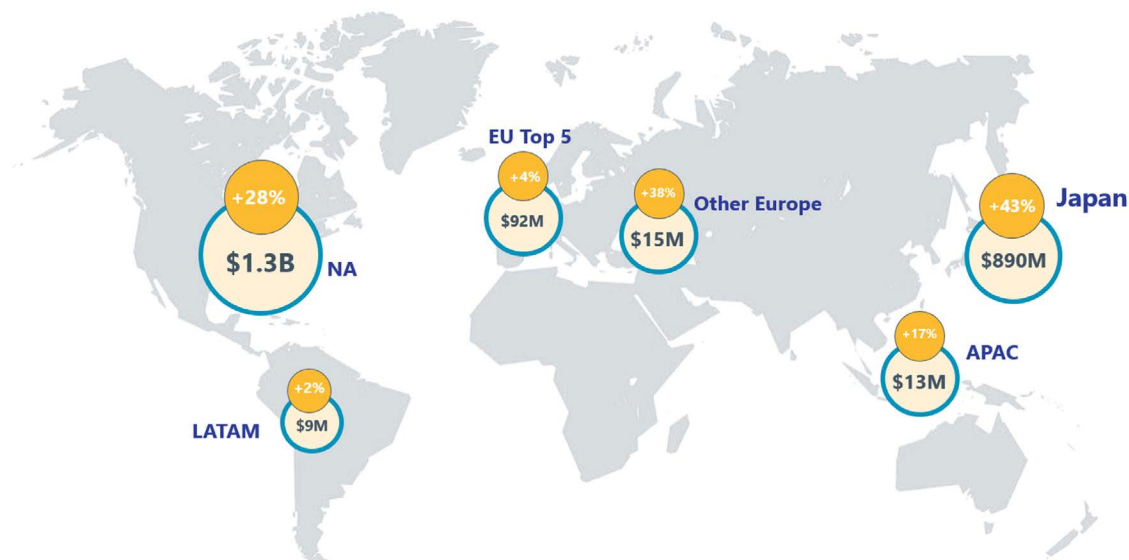
Using a centralized digital platform with powerful engagement analytics will allow the leadership and the field sales team to monitor key performance indicators and adapt and adjust digital tools quickly and easily to fit different payer profiles and their changing needs.

“52% of payers believe interactive content makes meetings more valuable.”

GLOBAL MARKET CONDITIONS

When you look at the global pharmaceutical market overall (Figure 1), North America is at the forefront of payer digital engagement, spending \$1.3 billion per year with a growth rate of 28%, followed by Japan at \$890 million and a growth rate of 43%, and the top five EU countries combined at \$92 million with a combined growth rate of 4%.¹

Figure 1.
Global overview- Total digital investment and change



Source: IMS Health
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Even though there is about a 32% increase in global digital channel investment overall, that equates to only about \$2.3 billion of the \$71 billion total promotional spend worldwide. Furthermore, 80% of that pharma spend is on prescriber sales and marketing and less than 7% of it is on payers directly.²

WHAT DOES THIS MEAN?

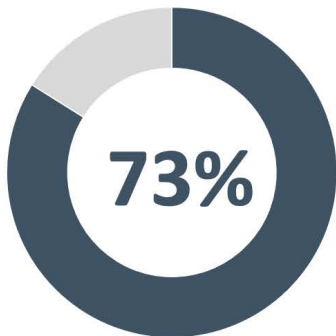
The rest of the world is still focused predominantly on traditional promotional channels with little digital share and multi-channel sophistication. This is especially true as it pertains to payer engagement and even more so for local payer engagement. This is where engaging digital content can substantially impact the decision making of local payers, particularly in “white space” where many local payers find themselves due to pharma or biotech manufacturer resource limitations.

BARRIERS TO DIGITAL ENGAGEMENT

What deters pharmaceutical companies from applying digital technology to market access?

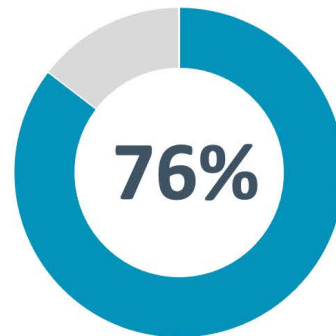
An eyeforpharma survey revealed that 73% of respondents were unaware of the opportunity or unclear how to apply digital technology.² When asked about their biggest barrier to successful payer engagement, 76% of them responded that it was the lack of a message that resonated with the payer.² This finding underscores the importance of having tailored and refined messages for local, regional, and national payer’s needs, challenges, and unique patient populations.

What is stopping you from further applying digital technology in market access?



Unaware of the opportunity or unclear how to apply digital

What is your biggest barrier when it comes to successful payer engagement?



Lack of a message resonating with a payer

But payers are open to digital engagement. Research has shown that 74% of payers want to work with pharmaceutical companies to improve outcomes, and 52% of them believe interactive content makes meetings more valuable.³ This is especially important from a remote engagement perspective because payers spend three hours out of their eight-hour workday using digital resources.⁴

In addition, 83% of U.S. hospital, 74% of pharmacy benefit manager, and 95% of payer formulary decision makers (FDMs) rely on digital resources for their committee work and decisions.⁵ In fact, the average FDM spends four times as much time online during their workday than the average physician.⁵

HOW TO ENGAGE PAYERS DIGITALLY

There are many untapped opportunities to digitally engage with payers globally using both face-to-face (either in person or via teleconference) and interactive remote engagement tools. Pharmaceutical companies can use interactive digital content to create a collaborative experience, and deliver clearer, simpler messaging, and tailored value statements. The key is to closely track the resulting analytics to target messages better and more closely reflect a product's impact on payers' specific patient populations.

Interactive digital engagement also provides significant opportunities to increase remote payer contact. This is especially important for companies with smaller market access and health economics and outcomes research (HEOR) field teams.

To determine how well these strategies are working, pharmaceutical companies need a platform and applications that allow them to see what the payer is looking at and what data they are interacting with. They need to go beyond just tracking PDF downloads and the time a payer spent on specific web pages. Pharma companies should investigate how payers are interacting with different datasets to determine the impact of their tools and messages. Payer engagements are high stakes. Pharma and biotech companies need digital content that permits them to interact with the payer in a customized fashion to maximize the potential for success and ROI.

Local payers can be engaged remotely through emails, social media, and LinkedIn. However, the most profound engagement is through customized workspaces that can be tiered for different payer segments and provide value dossiers, insights, surveys, and educational and scientific materials. By providing a forum for two-way communication and collaboration, these workspaces generate analytics that show how messages resonate and provide an opportunity to increase their impact. For example, a heatmap on each data slide or page will show where payers are spending their time. In addition, built in direct feedback mechanisms will help to determine whether the data are having the desired result.

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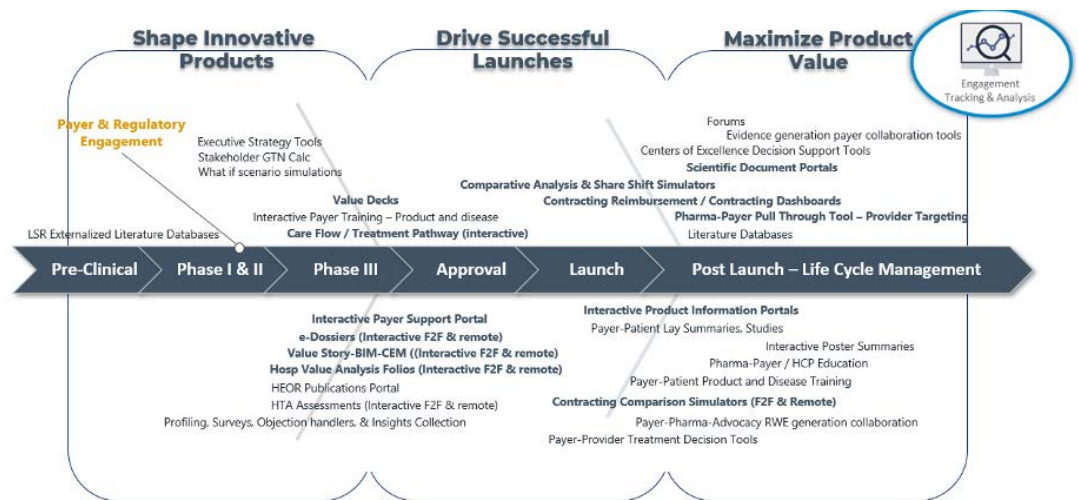
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CHOOSING THE RIGHT TOOLS

Many different digital communication tools can be used to engage payers at different stages in a product’s lifecycle (see Figure 2). Initially, these include interactive value decks, care flow (how patients are cared for and treated), and treatment pathway tools, which usually contain the health economics and outcomes research repositories.

Later in the product lifecycle, there is greater use of scientific document portals, comparative analysis and share shift simulators, which can show the impact of shifting patients from one drug to another, and contract reimbursement and contracting dashboards. Interactive product information portals and contract comparison simulators can also be employed to communicate why one type of contract might be more advantageous to a payer than another.

Figure 2.
Digital Communication Tools Across the Payer Engagement Continuum



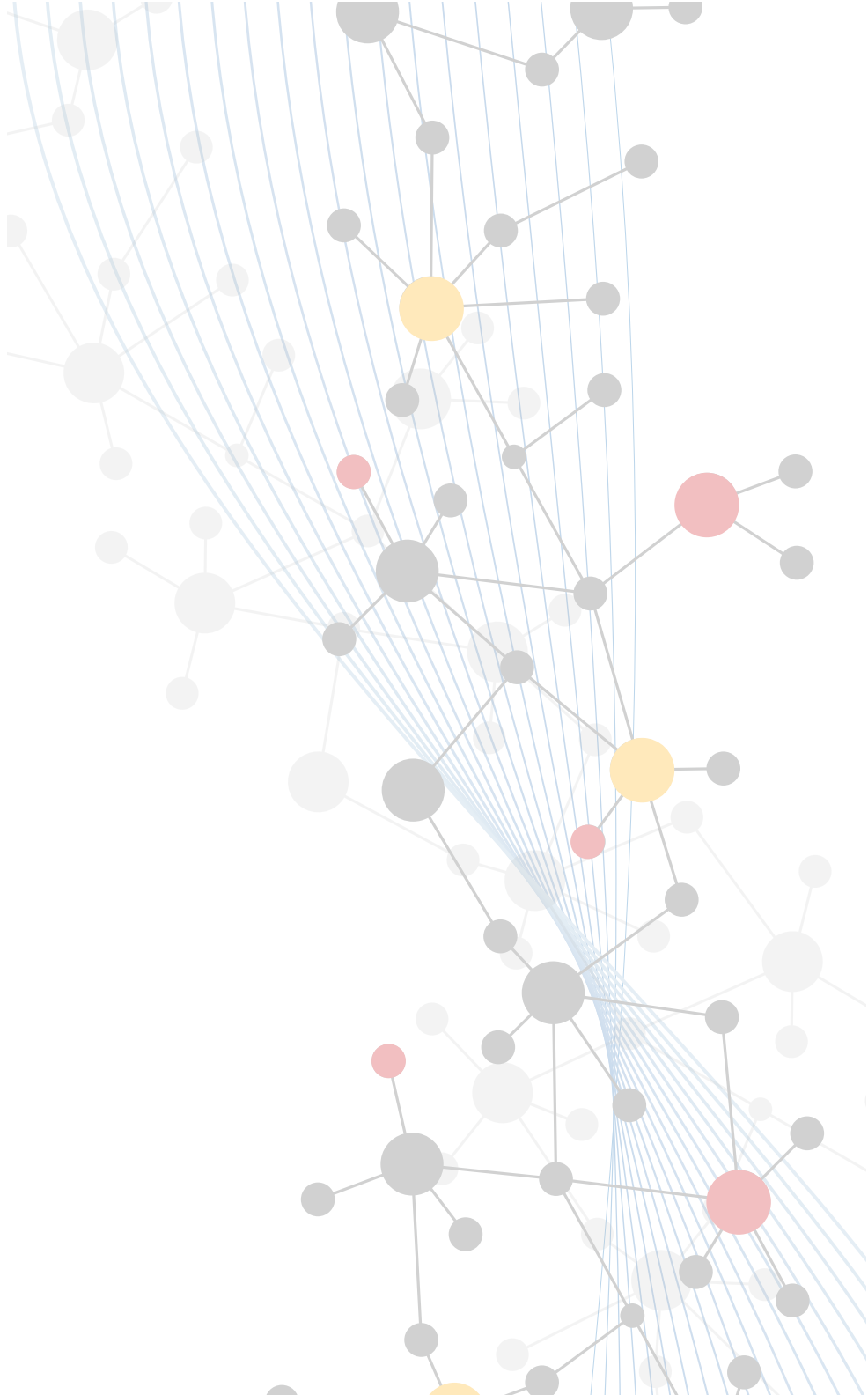
CONCLUSION

Digital tools can convey product value to payers in an accessible, interactive, and impactful manner. As the pandemic is limiting in-person interactions, interactive digital engagement provides a necessary resource to establish relationships and build acceptance for new products.

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