Seeing the Essential in an Environment In Flux

Avalere Health | An Inovalon Company
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Change Motivated from Many Quarters
## Areas of Focus for Patient Advocacy

1. Expansion of health coverage options
2. Patient protections in public programs
3. Improvement in benefit design
4. Meaningful product value assessment
5. Value-based payment models
6. Patient focus in use of information technology
7. Engagement of patient-reported outcomes
Improving Coverage Remains Key to Patient Interests

Proposals to Stabilize the Individual Market Could Help Lower Premiums

- **Reinsurance**: Fund federal reinsurance for $10B per year; impact to premiums by 2022: -7.7%; 5-year impact to federal spending (Millions): $28,390
- **Age Bands**: Implement a 5:1 age band; impact: -2.8%; 5-year impact: -$270
- **18-34 Subsidies**: Increase premium subsidies; impact: -0.9%; 5-year impact: $4,570
- **CSR Funded**: Fund Cost-Sharing Reductions (CSRs) permanently; impact: -15.3%; 5-year impact: -$1,330
- **Copper Plans**: Implement new metal level below bronze; impact: -0.3%; 5-year impact: -$60
Medicare Advantage Growth Demands Patient Focus

CBO Projections of Medicare Advantage Enrollment /
Medicaid Waivers Poised to Change Patient Experience

Eligibility
Reduce expansion eligibility

Enrollment
Time limits
Lockout periods

Cost Sharing
Higher premiums / cost sharing

Program Incentives
Work requirements
Wellness programs

Drug Coverage
Exclude / cover fewer drugs

Plan Design
Alter benefit package
Restrict networks

The federal government may also revisit per capita caps to limit spending and offer broader flexibility on Medicaid expansion rules (1115 Waivers).
Benefit Designs Increasingly Expose Patients with Chronic Illness to Drug Cost

Use of Coinsurance for Drugs Becomes More Common

Average Percent of Drugs on Coinsurance Tiers in Part D, 2015-2018 /
Product Value Assessment Needs Patient Voices

 Launch of New Value Frameworks 2015
• ASCO Value Framework
• ICER Value Assessment Framework
• Memorial Sloan Kettering Cancer Center DrugAbacus
• NCCN Evidence Blocks

 Stakeholder Responses 2016-2017
• NHC Patient-Centered Value Model Rubric
• Avalere/FasterCures Patient-Perspective Value Framework (PPVF)
• Advamed Value Framework
• BIO Principles
• NPC Guiding Practices
• PhRMA Principles
• Innovation & Value Initiative

 Enhancement and Application 2018 and beyond
• Improve patient centeredness of frameworks
• Increase the availability of patient-centered data for use in the frameworks
Health IT Platforms Promise Improvement in Patient Focus

Example: Value-Based Contracts for Drugs

Data Integration
Create holistic view of patients' experience across medical, pharmacy & lab

Advanced Analytics
Identify target patient populations & outcomes for measurement

Patient Interventions
Direct patient outreach to improve results, including medication adherence

Real-Time Monitoring
Track ongoing patient outcomes for contract adjudication

Value-Based Contracts

List-Price Rebates
Data solutions aim to merge disparate data sets to identify patient sub-populations for a treatment and to generate insights that can enhance patient-doctor communication.

Payers are expanding their applications of real-world data, while government is exploring its potential to expedite drug development.
Patient-Reported Outcomes Measures Hold Promise

6,000 quality measures are used by payers and clinicians today

Recent Government Initiatives /

1. CMS Meaningful Measures initiative

2. FDA publishes first report on PROs in medical device product applications

3. AHRQ issues IT challenge to develop PRO-collection tools
## Areas of Focus for Patient Advocacy

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