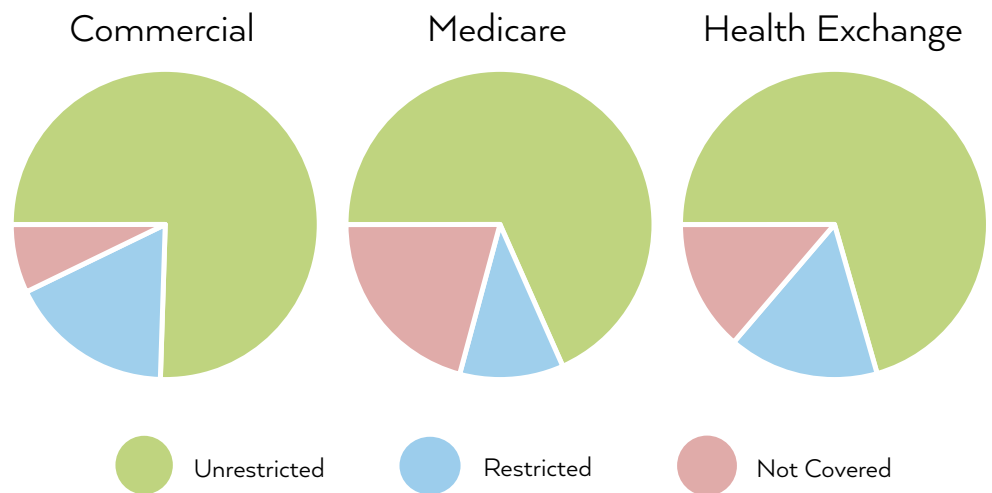


Reality Check: Respiratory

Coverage

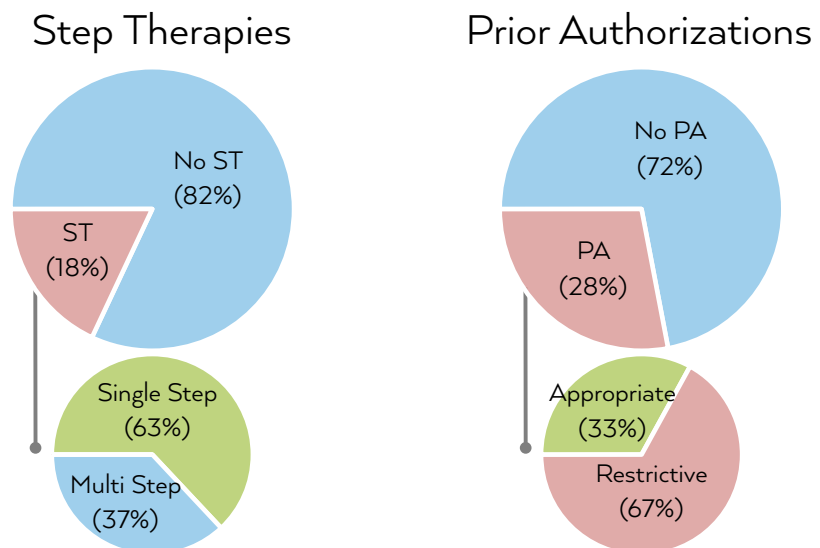
Drugs

A review of market access for asthma and COPD treatments reveals that payer pharmacy benefit coverage varies by channel. Over the past 6 months, commercial formularies became slightly more restrictive, while Medicare and HIX formulary access slightly improved on average for respiratory drugs.



Payers

Payers implement a variety of reimbursement restrictions for respiratory products. The overall percentage of multiple product step therapies (10 pts) and restrictive PAs (20 pts) increased over the past 6 months.



Key Players



Reality Check: **Respiratory**

Trends

Prescribers Prescribe Economic Solutions

Earlier in the year, a major spotlight was positioned on the pharmaceutical industry for rising cost of prescription medications. Prescribers, academics and other industry thought leaders band together to discuss potential solutions for greater pricing transparency.

[Via MedPage Today](#)



Pay for Performance Implications

Organizations, like the COPD Foundation, find recent success in programs intended to educate patients and providers on respiratory conditions and relevant treatments. These programs help to identify gaps in coverage for certain populations as well as educate the two groups on preventing additional health issues.

[Via HealthAffairs.org](#)



Prescribing Restrictions

“Doctors can’t always prescribe the asthma/COPD drugs they want to prescribe. The reason: market barriers—things like pricing, reimbursement, guidelines, patient preferences, etc.”

[Via PR Newswire](#)



Reality Check: **Respiratory**

Key Findings

Utilization Management Complexity

Over the past 6 months, the percentage of covered lives with prior authorization and/or step therapy restrictions has increased greatly. The prevalence of prior authorizations and step therapies forge a complex market access landscape for the respiratory market basket. A significant percentage of top payers implement utilization management approaches to control costs and manage patient populations for biological therapies. Over the past 6 months, the percentage of restrictive prior authorizations has increased by roughly 10% for certain product groupings in the respiratory market.

An Evolving Market Access Landscape

Respiratory treatments pivot to include day-to-day symptom control and quality of life in addition to severe case management. The product landscape is complex, with dozens of products falling into segments within the overarching asthma and COPD indications. Product delivery greatly influences direct competition within the respiratory market basket,

Novel Therapies to Seize Market Share

Novel therapies, targeting components of the anti-inflammatory pathway, will likely have well-defined roles in asthma management. The pipeline for the respiratory area includes many new treatments from pharmaceutical manufacturers who are looking to break into the class.

Characteristics

Indications



Step Therapy Policies

Payer formularies, representing nearly 20% of U.S. covered lives, require a step therapy policy in order to obtain coverage

PA Policies

Payer formularies, representing nearly 30% of U.S. covered lives, require a prior authorization policy in order to obtain coverage