UNINTENDED CONSEQUENCES OF UTILIZATION MANAGEMENT

PBMI Pharmacy Benefit Management Institute

Should all drugs be treated equally when it comes to treatment protocols?

Avoid Unintended Consequences with Proactive UM Policy Discussion

Do you know the impact of utilization management (UM) policies to patients and plans? When assessing prior authorization (PA) and step therapy programs plan sponsors should consider:

- ☐ What are the objectives of your UM programs?
- ☐ What is the clinical decision making process for your UM programs?
- ☐ Is there value to prior authorization for all specialty conditions? Are there conditions that should be treated differently?
- ☐ Does the execution of the PAs and step therapy programs contribute to delays in treatment?
- ☐ Are you receiving any metrics from your PBM that show these timeframes?
- ☐ Could there be unintended medical costs associated with these UM techniques?

As important as it is to manage specialty therapies, patients, physicians and plans are impacted by delayed access to treatment. In some cases, delays in treatment may lead to negative health consequences.[1] UM programs may not always be the right solution for every drug.

Why Should Plan Sponsors Reevaluate UM Programs?

Our research showed that in 2018, more than three-quarters of employers reported utilizing these programs for therapies treating multiple sclerosis (MS)and rheumatoid arthritis.[2] They are generally seen as effective: 37% of employers indicated prior authorization was their most successful strategy to manage MS drugs.[3]

For most plans, these programs are understood as successful. But plan sponsors note challenges, including member dissatisfaction and physician complaints—and do not see a meaningful increase in long-term savings.

In another disease area, groups including the Community Oncology Alliance, which represents community-based oncology practices, have formally opposed the use of UM programs. They state "first fail" step therapy puts the health of patients in jeopardy by delaying treatment with the physician preferred therapy choice.[4]

50%+

In a survey of 1,400+ patients conducted in 2016 by the Arthritis Foundation, over half of rheumatoid arthritis patients have to try two or more different drugs prior to getting the one originally ordered.[5]

90%

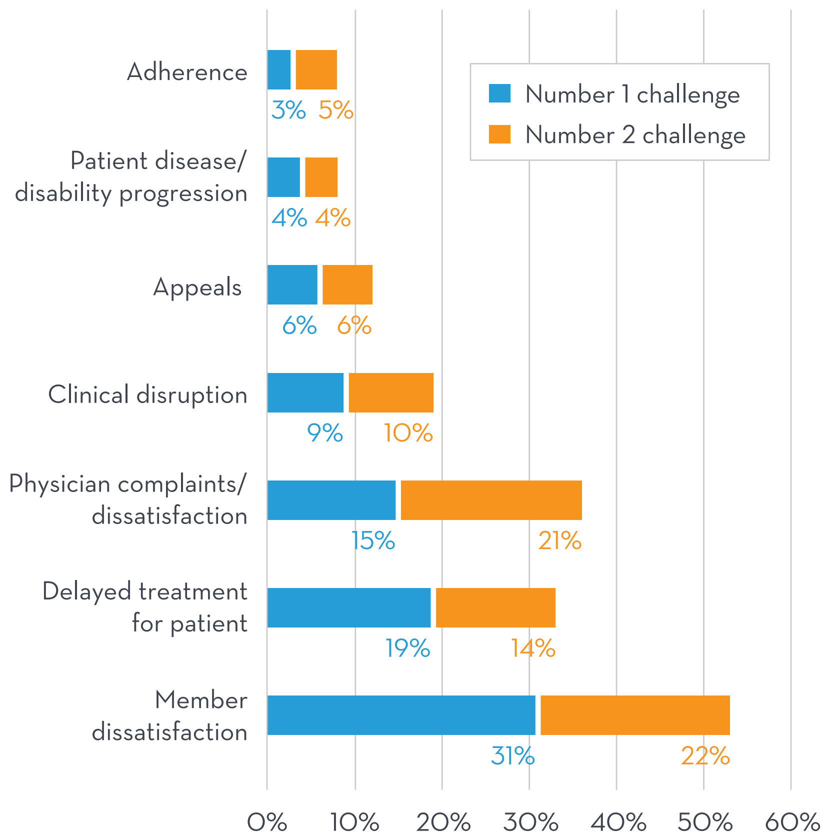
In a study of 1,000 practicing physicians conducted in 2017 by the American Medical Association, 90% of physicians report prior authorization has a negative effect on patient outcomes.[6]

14.6 hours

A study of 1,000 practicing physicians conducted in 2017 by the American Medical Association, found that on average 14.6 hours are spent by physicians every week completing UM requirements.[6]

Plan Sponsor-Reported Top Two Challenges of Prior Authorization and Step Therapy Programs

In a national PBMI survey conducted in 2018 of 344 plan sponsors, plan sponsors reported seeing the challenges of UM programs in the disease areas of multiple sclerosis and rheumatoid arthritis, reporting member dissatisfaction (53%), physician complaints/dissatisfaction (35%) and delayed treatment for the patient (33%).[3]



The Consequences for Patient Care

Studies have shown the necessity of timely action in response to a diagnosis.

> *A patient diagnosed with MS can experience physical and cognitive decline from early in the disease process, and physicians should aim to prevent disability progression before irreparable damage occurs.*[7]

In some cases, depending on plan design, UM policies may make it so it takes months or years for the patient to receive disease-modifying therapy.

UM programs can delay access to therapy and lead to irreversible disease progression.

UM Programs Are Not Blanket Solutions

Timely access to treatment is proven to provide positive outcomes for the health of patients and for the plan.[2]

Plan sponsors may want to consider whether their UM programs are aligned with patient needs and the goals of their organizations' benefit plan. It is recommended that sponsors discuss policies around prior authorization and step therapy and assess any unintended consequences.[2]

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3. Pharmacy Benefit Management Institute. 2019. Trends in Specialty Drug Benefits. Plano, TX: PBMI. Available from www.pbmi.com/SpecialtyReports.
4. Community Oncology Alliance. "Fail-first" Step Therapy, Community Oncology Alliance Position Statement. September 19, 2019. Available from https://www.communityoncology.org/coa-fail-first-step-therapy-position-statement/.
5. Arthritis Foundation. Step Therapy/Fail First. https://www.arthritis.org/advocate/our-legislative-position-statements/step-therapy.php.
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M-US-00003769 (v1.0)