

Can new healthcare and technology solutions for employees be integrated into private drug plan designs?



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Discussions pertaining to drug plan management trends and modernization of drug plan policies were on the table again at the 5th Annual Benefits Advisors' Drug Plan Outlook. Mapol Inc. brought together benefits advisors from across Canada with representatives of Canada's brand pharmaceutical manufacturers on December 4, 2018. The purpose of this meeting was to review key developments and trends that occurred in 2018 within the benefits industry as they pertain to drug plan policies. The discussions also looked at factors that might affect the design of drug plans in the months ahead. These considerations included:

- coverage of vaccines within private drug plan designs;
- public and private drug plan integration for coverage of cancer drugs;
- access to mental health drugs within private drug plans;
- emerging tools for chronic disease management with an emphasis on diabetes;
- the role of digital health solutions to better manage chronic conditions.

Awake at Night

In a pre-meeting survey, the benefits advisors were asked to rank the "Top 3 Things Keeping You Up at Night". The majority of the advisors were most concerned about the following topics:

- 1) The rate of pooling and stop-loss premium increases (27%)
- 2) Impact of high cost specialty drugs (20%)
- 3) Continued 'silo' thinking by private drug plans - no connection between drug plan costs, productivity, absenteeism and disability (13%)

As the meeting got underway, the Advisors discussed the various actions their clients are taking in response to year over year cost pressures.

Over the last 12 months, which plan management strategy have your plan sponsors requested the most to be implemented? (more than 1 response may be included)

Plan Maximums	22%
Tiered Managed Plans	17%
Prior Authorization	17%
Conversion to Health Care Spending Account Only	13%
Preferred Provider Networks	9%

[Top 5 responses are shown.]

Modernization of Drug Plan Policies

Over the last few years, insurers implemented increased levels of "due diligence" into their group benefits contracts. Some examples of mass contract amendments include Manulife's DrugWatch™ program, Canada Life's (formerly Great-West Life) SMART (Sustainable, Managed And Reasonable Treatment) drug plan and Sun Life's Drug Risk Management (DRM) program. These contractual changes allow these insurers and others to delay drug plan coverage decisions for new drugs and new indications approved by Health Canada until their internal drug plan review process is completed. While each program has different criteria for identifying which drugs will undergo this review process, often times new drugs that may be deemed high cost and/or potentially high utilization are targeted. The outcome of each review may result in coverage, coverage with claims management features, or exclusion from the insurer's plans. The time to listing decision will vary by drug but may take as long as 6 or 9 months after the drug is approved by Health Canada. In some cases, the insurer review process may rely on the outcome of the Canadian Agency for Drugs and Technologies in Health (CADTH) Common Drug Review (CDR), public provincial formularies or other international review organizations.

Do you feel a formulary review turnaround time of 6 to 9 months is reasonable for your plan sponsors?

Yes	40%
No	10%
Not Sure	50%

Rate your level of agreement with this statement "My clients have seen drug plan savings as a result of insurer due diligence drug review programs."

Strongly Agree	0%
Moderately Agree	20%
Not Sure	30%
Moderately Disagree	10%
Strongly Disagree	40%

Vaccines

We've come a long way since the introduction of childhood vaccines for smallpox and polio. Although childhood vaccines remain important within our healthcare system, the relevance of vaccines now pertains to the health maintenance and wellbeing of all individuals, many being adults. In 2016, those aged 55 and over accounted for 36% of the working-age population in Canada. By 2026, that proportion could reach 40%. Including vaccines for adults in private drug plans is a consideration that many payers and plan sponsors are addressing in their plan designs.

Michael Perron (Medical Science Liaison at GlaxoSmithKline) informed the advisors that there are currently 259 vaccines in development. Many of us may understand that there is a natural connection between vaccines and infectious diseases such as Hepatitis B and chickenpox, but there are other innovative areas currently being explored, including the development of vaccines for cancer, allergies, and other diseases such as Alzheimer's, diabetes, rheumatoid arthritis and psoriasis. From a payer perspective, are current drug plan policies aligned with current clinical practices and future medical advancements in treating these diseases? To this point, Perron presented a case example of the impact of a vaccine for shingles (varicella zoster virus) to the working population.

The data shows that 1 in 3 people develop shingles in their lifetime. The severity of a shingles episode can vary but pain and impact on productivity for an employee is very likely to have an impact on workplace performance. In 2017, 57.7% of those with an episode reported work-time loss, with an average of 9.1 days of work lost. Even after returning to work, 89.1% reported decreased work productivity.

As with other adult diseases that may be avoided or mitigated through the use of vaccines, the shingles example illustrates how vaccinating upfront can prevent absenteeism, loss in productivity and the treatment costs associated with managing the illness.

Are you aware of the gaps in coverage that currently exist for vaccines?

	2017	2018
Yes	80%	90%
No	10%	0%
Not sure	10%	10%

Do you or your plan sponsor clients differentiate between childhood vaccines/seasonal flu vaccines and the new vaccines in development (i.e. adult, allergy, cancer, therapeutic)?

	2017	2018
Yes	30%	40%
No	20%	50%
Not sure	50%	10%

Given the value vaccines can/will offer, would you support the evaluation of vaccines like drugs, for inclusion on standard formularies?

	2018
Yes	60%
No	30%
Not sure	10%

"Immunotherapy: a game-changing treatment option for cancer"

Immunotherapy allows the body's own immune system to help fight cancer. There is a long history of using chemotherapy and radiation for cancer treatments before immunotherapies were discovered. These still represent key tools in the treatment of cancer due to their historical experience, but targeted immunotherapies offer patients improved outcomes with less toxic side effects. Not only does this represent an effective way to preserve the body's overall health during treatments, it also allows physicians to treat cancers in earlier stages and allow patients to possibly remain in the workplace. To illustrate the effectiveness of immunotherapy, Dr. Rothenstein, medical oncologist in the RS McLaughlin Durham Regional Cancer Centre at Lakeridge Health, presented overall survival rates for patients with metastatic melanoma (skin cancer). One-year survival rates from 1990 fell within the range of 25% to 35%. After the introduction of immunosuppressants (from 2010 onwards), the survival rates were above 70% in 2015.

Immunotherapies have demonstrated positive clinical outcomes for many Canadians with various types of cancers but patients' accessibility to these therapies varies greatly. In Canada, access to cancer drugs is complicated by provincial variations in funding that can lead to gaps, particularly when private drug plans are not modernized to meet the needs of patients seeking coverage. Some private payers offer access to immunotherapies while others believe they should be paid for by hospital budgets because they perceive IV therapies as hospital-based drugs. This holds true once public access is achieved, but prior to this, from the period between Health Canada approval up until provincial public access, most immunotherapies are administered in clinics run by Patient Support Programs. Patients with private drug insurance should have access to immunotherapies rather than wait for public access as it can take an estimated 18 months or more post Health Canada approval until they can access treatment. No patient should have to wait for access to a potentially life-saving treatment.

As Dr. Rothenstein indicated, "In the world of cancer treatment, immunotherapy is a 'game changer'. For patients, it provides new found hope and an expectation that cancer treatments can be better managed within their daily lifestyles." When we say 'game changer', we aren't just talking about utilization and costs. We are also talking about efficacy, life extension and possibly curing cancer. Ensuring drug coverage is available in a timely manner is of utmost importance in these situations.

Should the drug format (oral, injectable) determine drug plan coverage?

	2016	2018
Yes	0%	0%
No	90%	80%
Not sure	10%	20%

Have you experienced issues with insurer public/private integration programs for cancer drugs?

	2017	2018
Yes	20%	20%
No	50%	60%
Not sure	30%	20%



Priscilla Nykoliati,
AstraZeneca Canada

How would you rate your level of comfort helping your clients when cancer drugs are declined based on insurer public / private integration programs?

	2017	2018
Very comfortable	0%	0%
Moderately comfortable	20%	50%
Unsure	20%	50%
Moderately uncomfortable	50%	0%
Very uncomfortable	10%	0%

How health technology assessments (HTA) and public drug plan decisions impact private drug plans

Health technology assessments (HTA) essentially refer to the review processes that are utilized by publicly funded drug plans. Each of the provincial government drug plans refer to the review recommendations issued by Common Drug Review (CDR) as administered by CADTH. Similarly, more private insurers are starting to look at CDR recommendations to determine if and how a new drug should be covered under plan sponsor drug plans.

Brett Skinner (Founder and CEO of Canadian Health Policy Institute) presented information pertaining to HTA decisions and access to mental health treatments in Canada's public drug plans. From 2004 to 2015, a higher percentage of non-mental health drugs compared to mental health drugs were recommended positively for public drug plan coverage by the CDR. The CDR took less time to provide recommendations for non-mental health drugs compared to mental health drugs. Schizophrenia and bipolar disorder are the only two mental health indications that received any positive (with or without conditions) recommendations from the CDR over this period. In contrast, 100% of the drugs for attention deficit hyperactivity disorder (5), dementia/Alzheimer's disease (2), major depressive disorder (4) received negative CDR recommendations for listing.



Rita Bergevin,
Coughlin & Associates

The issue for plan sponsors and employees is even worse if private insurers are trying to rely upon HTA decisions intended for publicly funded drug plans when the data has little to no evidence relating to workplace productivity and absenteeism. If a private drug plan mimics a provincial drug plan, there can be significant gaps in treatment options – once again, an important consideration for mental health treatments.

Do you think waiting for the CADTH CDR/pCODR* decision is an appropriate way to manage a private drug plan?

	2015	2016	2017	2018
Yes	20%	18%	30%	20%
No	60%	73%	40%	70%
Don't Know	20%	9%	30%	10%

* also includes the pan-Canadian Oncology Drug Review process for cancer drugs (as administered by CADTH)

Value Through Pharmaceutical Innovation

One of the pharmaceutical manufacturers at the meeting, Boehringer Ingelheim, illustrated how research and innovation provides better health outcomes for patients/employees. Dr. Uli Broedl (Medical Director and Vice President of Medical and Regulatory Affairs) used type

2 diabetes and cardiovascular health as an example of how innovation can lead to improved value for drug plans. It has been shown that diabetes can reduce one's life expectancy by up to 6 years; however, having diabetes in addition to a heart attack or a stroke can reduce one's life expectancy by 12 years. If we back up a little, we need to recognize that diabetes increases the risk of developing cardiovascular disease in the first place. As such, 50% of patients with diabetes will eventually die from heart disease.

A recent survey was conducted by Environics Research in September 2018 with 1650 healthy Canadians or with diabetes: it was designed to assess how well people with type 2 diabetes, as well with people without diabetes understand the connection between diabetes and heart disease. Key findings were that 58% Canadian are unaware that T2D significantly increases the risk of CV disease. Furthermore, while 94% of T2D patients feel they are knowledgeable about Diabetes management, 60% of respondents do not realize that heart disease is the #1 cause of death in adults with T2D and 67% view a heart attack as an isolated incident.

From a plan sponsor perspective, the prevention of heart failure is a legitimate objective given the demographics of today's workforce. In its goal to improve patient care, Boehringer Ingelheim is striving to reduce hospital admissions and optimize transitions from acute care to community-based settings. Rather than have employees admitted into hospitals, it's an objective to treat them in ways that keep them on the job as much as possible at a high-performance level.

To illustrate that multi-stakeholder partnerships can exist and provide benefits to patients and providers, Boehringer Ingelheim has established programs with a variety of groups. This includes the INSPIRED COPD Outreach Program™ for reducing hospitalization of patients with COPD (Chronic Obstructive Pulmonary Disease). Also, a long-term care diabetes program has been established with the Ontario Long-term Care Association to improve diabetes control and to reduce the amount of nursing support for patients. At the government level, the Alberta Boehringer Ingelheim Collaboration is a partnership with the Alberta Ministry of Economic Development & Trade and the University Hospital Foundation to foster and accelerate innovative industry driven technology commercialization in Alberta's science sector.



Francois Campeau,
Boehringer Ingelheim

How often would disability management be raised with plan sponsors in relation to claims data/analysis for Type 2 Diabetes – Cardiovascular disease?

Rarely (less than 20 – 30%)	80%
Occasionally (30 – 50%)	0%
Regularly (60 – 80%)	20%
All the time (more than 80%)	0%

Which of the following do you find, as a benefits advisor, more challenging in discussing / implementing a Chronic Disease Management Program?

Getting the buy-in / support from plan sponsors	10%
Getting the buy-in / support from plan members	20%
Having access to Rx Claims / disability / EAP data	20%
All of the above	20%
Other	20%

Do you believe there is a role for a pharmaceutical company in partnering with you on? (more than one choice may be selected)

Getting the buy-in / support from plan sponsors	50%
Getting the buy-in / support from plan members	10%
Other	20%
No	20%

Value Through Digital Health Solutions

In the quest for innovative solutions for better management of patient health, Amos Adler (CEO/President of MEMOTEXT®) gave an overview of a joint venture project between the Centre for Addiction and Mental Health in Toronto with MEMOTEXT, a leading digital health technology innovator. As a telephone-based app, App for Independence, known as A4i™, supports patients and providers in the schizophrenia recovery process. The app is designed to provide:

- Personalized patient support & isolation reduction
- Improved care coordination
- Machine learning predictive insights (readmission risk)

To achieve this, the app gathers data inputs such as social activation (how patients interact with others); day to day self-reported feelings/emotions including stress and anxiety as well as motivation and cognition; reported activities of daily living; and peer-peer content. These inputs, including sleep data and digital phenotyping (usage), allow the app to 'adapt' and 'escalate' for medicine adherence notifications and for care coordination protocols – both through e-messaging.

Through A4i, caregivers have real-time online summaries and displays that show (for each patient):

- Self-reported / Claims Adherence
- Brief Symptom Inventory
 - Anxiety
 - Obsessive Compulsive
- Content Engagement
- Interactivity
- Readmission Propensity

As a program tool for healthcare providers, A4i is innovative because it combines evidence, support, and isolation reduction. For severe mental illness it offers flexible intervention (without delay) and it is predictive by design. A corollary benefit is enhanced self-care by patients. Providers can be more involved with patient care without expending additional resources and it reduces the dependence on formal services. More importantly, the care model supports prevention-oriented services, while giving patients a better quality of life and serves as a great example of an innovative private/public healthcare collaboration model.

Rate your level of agreement with this statement: "Digital health apps will improve patient outcomes."

Strongly Agree	80%
Moderately Agree	20%
Not Sure	0%
Moderately Disagree	0%
Strongly Disagree	0%

Rate your level of agreement with this statement: "Plan sponsors are ready to adopt digital health solutions within their benefits plans."

Strongly Agree	30%
Moderately Agree	40%
Not Sure	10%
Moderately Disagree	20%
Strongly Disagree	0%

Going Forward

This year's meeting explored in more detail how pharmaceutical manufacturers and other stakeholders such as advisors and plan sponsors might be able to collaborate through the use of workplace interventions and technology solutions. That said, the issues that are top of mind with private payers continue to focus on drug plan costs.

The Advisors were asked (based upon their client base), **"Which of the following would you say are the top three employee health benefits priorities for 2019?"**

Rate of pooling and stop-loss premium increases	27%
Impact of high cost specialty drugs on plans	20%
Continued 'silo' thinking by private plans	13%
<i>(no connection between drug plan costs, productivity, absenteeism, disability)</i>	
Helping employees make more informed benefits decisions	13%
Implementing new benefits technology	7%
Implementing a disease management program	7%
Implementing digital health solutions or mobile applications	7%
Complying with contract rules of administering an employee benefits plans	3%
Improving existing benefits technology	3%
Scaling back benefits offering	3%
Other	7%

These poll results show that alternate solutions to address health benefits priorities, including digital health solutions, are moving onto the radar screen for advisors and their clients. Going forward, private payers will continue to seek out value propositions within health benefit offerings that address both costs and better employee health.

In terms of the top three issues to address over the year, the advisors felt the following needs attention:

1. The advisors noted the continuing need for transparency from insurers when new programs and policies are implemented that may impact plan member health.
2. Integration between public and private drug plans may become more complicated with a potential national Pharmacare program. With or without Pharmacare, advisors are seeking pooling solutions as current model is reaching its limit.
3. Drug spend is important but cost of disability is even more important. Solutions need to address this cost centre for all sizes of employers.

This article is produced by Mapol Inc. and was made possible through the support of AstraZeneca Canada Inc., Boehringer Ingelheim (Canada) Ltd., GlaxoSmithKline Inc., Lundbeck Canada Inc., and Takeda Canada Inc. The opinions expressed in this material are those of the authors and do not necessarily reflect the views of the sponsors.

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¹ Statistics Canada: The impact of aging on labour market participation rates (July 14, 2017) Available from: <https://www150.statcan.gc.ca/n1/pub/75-006-x/2017001/article/14826-eng.htm>

² 2016 reference is updated with 2017 information (264 vaccines in development): Medicines in Development for Vaccines 2017 update, PhRMA http://phrma-docs.phrma.org/files/dmfile/MID_Vaccines_2017.PDF

³ Harpaz R. et al MMWO RecommRep 2006;57:1-30

⁴ The Emerging Risk Factors Collaboration. JAMA. 2015;314:52-60