NEWS RELEASE
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Multidisciplinary Roundtable Explores Challenges in Managing Innovation and Cost of Specialty Pharmaceuticals for Progressive and Chronic Diseases

- Timely evaluation and integration of medical and pharmacy data can help lead to more appropriate utilization of specialty drugs, improved outcomes and less cost
- Greater use of coordination and adherence programs show promise in improving health outcomes for patients and reducing costs
- UnitedHealth Group research demonstrated that specialty pharmacy and synchronized medical and pharmacy services yielded 13% cost savings for cancer and transplant services and better compliance for patients with cancer, multiple sclerosis and rheumatoid arthritis

New York – April 29, 2014 – A panel of multidisciplinary experts from academia, clinical practice, policymaking, patient advocacy, the pharmaceutical industry and pharmacy benefit management convened today to discuss and debate the growth of specialty pharmaceuticals and their clinical, economic and industry impact on the U.S. health care system.

The event, “Perspectives on Specialty Pharmaceuticals: Managing Innovation and Cost,” coincided with the publication of an issue brief on specialty pharmacy by the UnitedHealth Center for Health Reform & Modernization called The Growth of Specialty Pharmacy: Current Trends and Future Opportunities. The issue brief offers new data and insights from UnitedHealth Group on the challenges of managing specialty pharmacy as well as practical solutions in five areas.

Panelists who participated in the roundtable discussion included: Lauren Barnes, senior vice president, Avalere Health; Bill Crown, Ph.D., chief scientific officer, Optum Labs; Dirk McMahon, CEO, OptumRx; Lee N. Newcomer, M.D., senior vice president of Oncology, UnitedHealthcare; Eleanor Perfetto, Ph.D., professor of Pharmaceutical Health Services Research, University of Maryland School of Pharmacy; Brian Rosen, senior vice president, Public Policy, The Leukemia & Lymphoma Society; and Laurel Todd, managing director, Reimbursement & Health Policy, Biotechnology Industry Organization (BIO).

Specialty pharmaceuticals are a relatively new class of drugs that have important treatment implications for people with chronic and progressive diseases such as multiple sclerosis, hepatitis C, hemophilia, rheumatoid arthritis and certain types of cancer. In 2012, specialty pharmaceuticals accounted for 65 percent of spending on new drugs (those introduced in the past two years), according to IMS Health. Specialty pharmaceuticals represent the fastest growing prescription medications market...
in terms of growth and cost, with spending increasing at about 20 percent a year — much higher than for any other health care benefit.

During the roundtable, panelists discussed future growth trends, challenges in managing costs, information and data needs, clinical models to better serve patients and how to ensure that patients understand and use these drugs correctly to achieve better health outcomes, and which best practices can be leveraged for cost savings in the health care system.

Consensus emerged from the diverse group of panelists around the need to better define the value to all health system participants of specialty pharmaceuticals and the complexity in reaching a definition; the growing importance of collaboration and partnerships to drive innovation and modernize the health care delivery system; the health and cost benefits of more fully integrating medical and pharmacy data; and the critical need to better engage and educate patients throughout the research, development and care decision-making process.

“The growth of specialty drugs has the potential to significantly improve the health outcomes, productivity and lives of patients with chronic and progressive diseases,” said Dirk McMahon of OptumRx, a pharmacy benefits management company. “In order to best manage the development, usage, effectiveness and cost of specialty drugs and their broad impact on the health system, it is critical for PBMs, payers, manufacturers and policymakers to work together to address the needs of all stakeholders. Beyond industry collaboration, it is important to manage specialty drugs in the context of overall health outcomes and costs.”

Millions of working-age Americans live with diabetes, asthma, hepatitis C, rheumatoid arthritis, cancer, HIV and other serious diseases. Many of these individuals are able to continue working and have improved quality of life due, in large part, to the introduction of highly effective specialty pharmaceuticals. However, the high cost and complexity of these treatments are having a significant cost and management impact on patients and payers.

“Innovative specialty medications, such as targeted therapies and immunotherapies, are leading to breathtaking progress in survival rates for many blood cancer patients,” said Brian Rosen of The Leukemia & Lymphoma Society (LLS). “The challenge – one that LLS is committed to – is advocating for enlightened public policies that provide sustainable patient access to lifesaving specialty medications while encouraging advancement in medical innovation.”

“While there are accepted guidelines for conditions such as rheumatoid arthritis and multiple sclerosis, care providers have much less evidence to guide them in selecting medications, treatment duration and dosage for patients with other diseases. The rapid emergence of new treatments further compounds this challenge,” said Lee Newcomer of UnitedHealthcare. “As a result, patients may continue to take complex medications that are minimally or no longer effective, incurring the costs of these drugs as well as enduring their side effects.”

All panelists agreed that there is a pressing need for more evidence-based guidelines for usage of specialty drugs across a broad range of diseases. With improved information, stakeholders would be better positioned to guide treatment decisions or develop outcomes-based approaches to contracting. Advances in comparative effectiveness research also would help to inform those discussions.
The roundtable was sponsored by OptumRx and the UnitedHealth Center for Health Reform & Modernization.

About OptumRx
OptumRx is an innovative pharmacy benefit management business managing the prescription drug benefits of commercial, Medicare, Medicaid and other governmental health plans, as well as those of employers and unions through a national network of 66,000 community pharmacies and state-of-the-art mail service pharmacies in California and Kansas, both of which have earned the prestigious Verified Internet Pharmacy Practice Sites™ (VIPPS) accreditation by the National Association of Boards of Pharmacy. OptumRx is part of Optum, a leading information and technology-enabled health services business dedicated to making the health system work better for everyone. Visit www.optum.com for more information.

About UnitedHealth Center for Health Reform & Modernization
The UnitedHealth Center for Health Reform & Modernization assesses and develops innovative policies and practical solutions for the health care challenges facing the nation. Drawing on UnitedHealth Group’s internal expertise and extensive external partnerships, its work falls into six priority areas:

- Developing innovative approaches to universal coverage and health benefits, grounded in evidence-based care and consumer engagement
- Reducing health disparities, particularly in underserved communities
- Modernizing the care delivery system, including strengthening primary care
- Designing payment reform strategies that better support physicians, hospitals, and other providers in delivering high quality patient-centered care
- Modernizing Medicare, including chronic disease management
- Developing practical cost-containment strategies to slow the growth of U.S. health care costs

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