HEOR NEWS

A diverse collection of news briefs from the global HEOR community.

The Contribution of New Product Entry Versus Existing **Product Inflation in the Rising Costs of Drugs**

(Health Affairs)

Academics from the University of Pittsburgh show in a new study published in the journal Health Affairs that even older drugs are seeing big price hikes, but these increases are driven by the newer drugs entering the market. Brand-name drug price increases are being driven by inflation. "Prices are increasing because the market is bearing it," study lead Inmaculada Hernandez, an assistant pharmacy professor at Pitt, told Vox. https://www.healthaffairs.org/doi/abs/10.1377/hlthaff.2018.05147?jour nalCode=hlthaff

What Can Pharma Expect in 2019? (eyeforpharma)

According to experts at eyeforpharma, drug pricing and the affordability of healthcare, centered in the United States but ranging across the globe, is the number 1 issue the pharmaceutical industry will be grappling with in 2019. Industry executives say money will be shifted away from acute care to social care, accompanied by a push for creative pricing models and a need to demonstrate the sustained value of pharma's products.

http://social.eyeforpharma.com/commercial/what-can-pharmaexpect-2019

Five Innovation Trends That Will Impact the Healthcare **Industry in 2019** (MedCity News)

The behavioral health epidemic (mostly about opioids but also including eating disorders, anxiety, and depression), artificial intelligence, and more procedures being done in outpatient settings are some of the key 2019 trends that will determine how decision makers purchase technology.

https://medcitynews.com/2018/12/five-innovation-trends-that-willimpact-the-healthcare-industry-in-2019/

Lilly to Disclose More Information About Drug Pricing

(Indianapolis Business Journal)

On January 8, Eli Lilly & Co started airing television ads touting the website lillypricinginfo.com, along with a toll-free telephone number. The site has information about drug list prices, patient assistance programs, and average patient cost for medicine. https://www.ibj.com/articles/71968-lilly-to-disclose-more-informationabout-drug-pricing

Value-Based Oncology Care Delivery Falls Short of **Addressing Patients' Psychosocial Needs**

(Oncology Nursing News)

Ellen Miller-Sonnet, chief strategy and policy officer for CancerCare, shares results of a study she and her colleagues did looking at the experiences, perceptions, and attitudes of more than 3000 people in the United States diagnosed with cancer. The findings highlight significant gaps in the delivery of psychosocial care from diagnosis through survivorship. "Most value-based care approaches underrepresent the long- and short-term interests of patients, for whom value includes but extends far beyond dollar costs," Miller-Sonnet says.

https://www.oncnursingnews.com/advocacy/cancercare/value-basedoncology-care-delivery-falls-short-of-addressing-patients-psychosocial-

Cost-Effectiveness of Alirocumab: A Just-in-Time Analysis Based on the ODYSSEY Outcomes Trial

(Annals of Internal Medicine)

Dhruv S. Kazi of Beth Deaconess Medical Center in Boston and coauthors from the University of California in San Francisco published a decision analysis of the ODYSSEY Outcomes (Evaluation of Cardiovascular Outcomes After an Acute Coronary Syndrome During Treatment with Alirocumab) trial in the Annals of Internal Medicine. Using the Cardiovascular Disease Policy Model and data from data sources representative of the United States combined with data from the ODYSSEY Outcomes trial, the authors concluded that "The price of alirocumab would have to be reduced considerably to be cost-effective." http://annals.org/aim/article-abstract/2719987/cost-effectivenessalirocumab-just-time-analysis-based-odyssey-outcomes-trial#

California Governor Signs Order to Tackle Drug Prices in First Act (Insurance Journal)

Reuters reports that the first action of California Governor Gavin Newsom on January 7 was to sign an executive order that could dramatically reshape the way prescription drugs are paid for and acquired in the most populous US state.

https://www.insurancejournal.com/news west/2019/01/08/ 514198.htm

The Demand for Real-World Evidence in a Changing **Oncology Landscape** (Aptitude Health Blog)

According to experts at Aptitude Health, oncologists in the United Kingdom are using "creative health-related activities to generate real-world data and make them available for research without conceding patient confidentiality." The alternate approach being developed is using a simulated data set that contains the same indicators and same data structure as the original set, but no actual patient data.

https://www.aptitude-health.com/blog/demand-real-world-evidenceoncology/

Medical Affairs: Future Custodians of Digital Health? (*Elevate* Magazine)

Alex Butler, cofounder of Foundry, says the future value of digital is going to be the use of technology to improve clinical outcomes and patient outcomes and to help healthcare professionals improve the provision of care. He contends that the future custodians of most of the high-level digital investment in health solutions will be pharma companies' medical affairs departments and says they must take an active interest in driving the strategy and the implementation of these programs. http://maps.instantmagazine.com/publications/elevate-magazineissue3/medical-affairs-future-custodians-of-digital-health/

10 Things You Should Know About Medicine Spending and Costs (PhRMA's Catalyst Blog)

While prices on many drugs went up on January 1, 2019, PhRMA's Holly Campbell reiterates the industry's commitment to "working with policymakers on solutions that enhance the competitive marketplace, lower costs for patients, and promote continued medical innovation," and provides some real statistics about medicine costs. For example, competition from generics and biosimilars is expected to reduce US brand sales by \$105 billion from 2018 to 2022, and hospitals mark up medication prices, on average, nearly 500%.

https://catalyst.phrma.org/10-things-you-should-know-about-medicinespending-and-costs

Impact of Prescription Drug Costs on Health Insurance Premiums (State of Vermont Green Mountain Care Board)

A report from the Green Mountain Care Board says prescriptions—with specialty drugs leading the way—were responsible for nearly 16% of premiums in 2018 for 3 of Vermont's insurers: Blue Cross and Blue Shield of Vermont, MVP Health Care, and the Vermont Health Plan. The study does not factor in rebates and discounts offered by drug manufacturers, and it examines only plans regulated by the care board. https://legislature.vermont.gov/assets/Legislative-Reports/Act-193-Report-Impact-of-Prescription-Drug-Costs-on-Health-Insurance-Premiums.pdf

Building a Real-World Evidence Platform on AWS (AWS Big Data Blog)

This post from Amazon Web Services (AWS) dates from 2017, but as the challenge of how to integrate real-world evidence grows, the information about how to construct a "data lake" is timely. "Data lakes allow organizations to store all their data, regardless of data type, in a centralized repository. Because data can be stored as-is, there's no need to convert it to a predefined schema. And you no longer need to know what questions you want to ask of your data beforehand. You can use data lakes for ad hoc analyses, so you can quickly explore and discover new insights without needing to structure the data first, as you would with a traditional data warehouse," says Aaron Friedman of AWS.

https://aws.amazon.com/blogs/big-data/building-a-real-world-evidenceplatform-on-aws/?_Irsc=dde351b1-6c12-4bd9-a058-b3ae8434bd3f