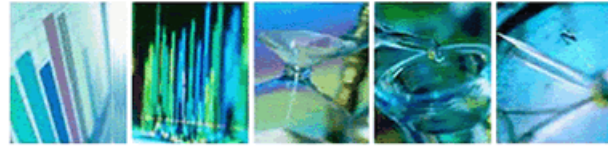




The  
Zitter  
Group



*Strategic Solutions for Managed Markets*

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## **Access and Reimbursement: Beyond Managed Care**

*By Mark Zitter, CEO*

A few years ago when we wanted to know how payers were affecting pharma products, we just asked them. But today, we at TZG believe that it's hard to get a complete access and reimbursement picture by speaking only to payers.

A case in point: For the past seven years, our Biologics and Injectables Index has surveyed payers on the current and prospective management of biotech therapies. They described their current practices and strongly predicted becoming more aggressive in the future. Two years later we looked at the changes and – guess what? – payers really hadn't become more restrictive! When asked why they hadn't, payers responded that they had tried, but plan sponsors hadn't selected the more aggressive approaches.

That's when TZG started publishing the Benefit Design Index, which surveys both employers and payers in order to get the real story on what's important to stakeholders and how benefit designs are most likely to change. And the two groups differ in some fundamental beliefs. 67% of payers, but only 46% of employers believe that "Increasing employee cost-sharing results in better health care purchasing decisions by employees." However, 52% of employers and only 36% of payers agree that "Increasing employee cost-sharing for prescription drugs negatively affects long-term health outcomes." These differing views are indicative of how the two parties collaborate on key benefit design decisions.

The point here is that many and perhaps most access and reimbursement factors are influenced by payers and other stakeholders. If you only ask payers what they are planning to do, you won't fully understand the dynamics.

This leads to TZG's approach with payer advisory programs. TZG's payer advisory programs typically include voices that go beyond managed care: physicians, PBMs, SPPs, employers, benefits consultants, practice managers, etc. Homogeneous advisory groups tend to overstate their influence. A more diverse group which includes the stakeholders that payers must deal with provides a more accurate picture of decision dynamics and future behavior.

So by all means, talk to payers about access and reimbursement. But your formal market research should include other key parties.

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