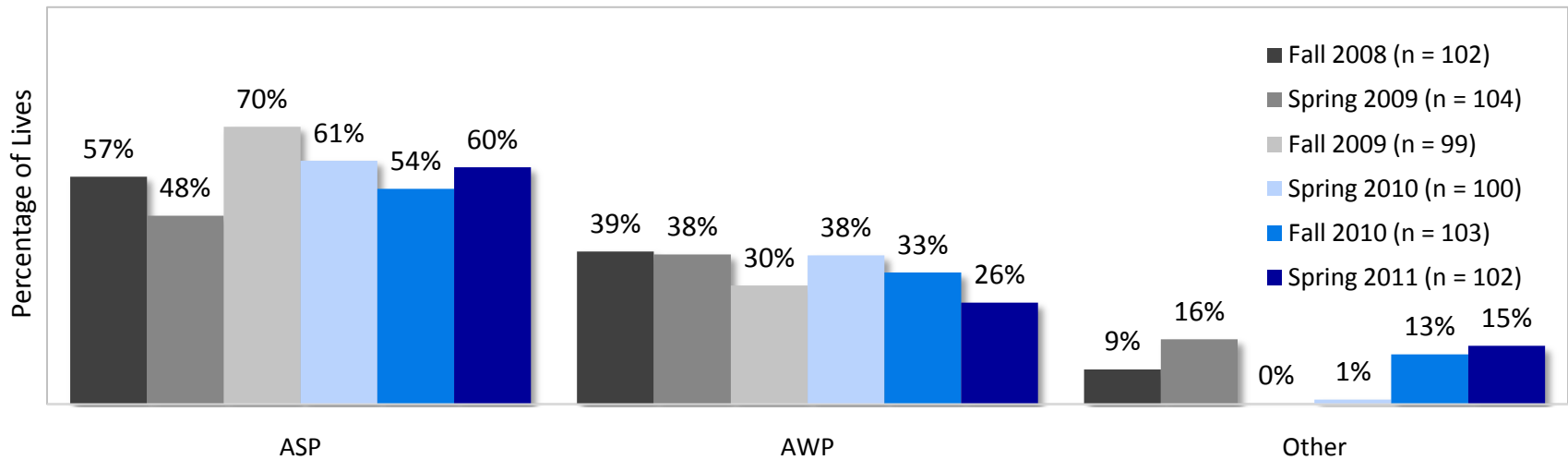
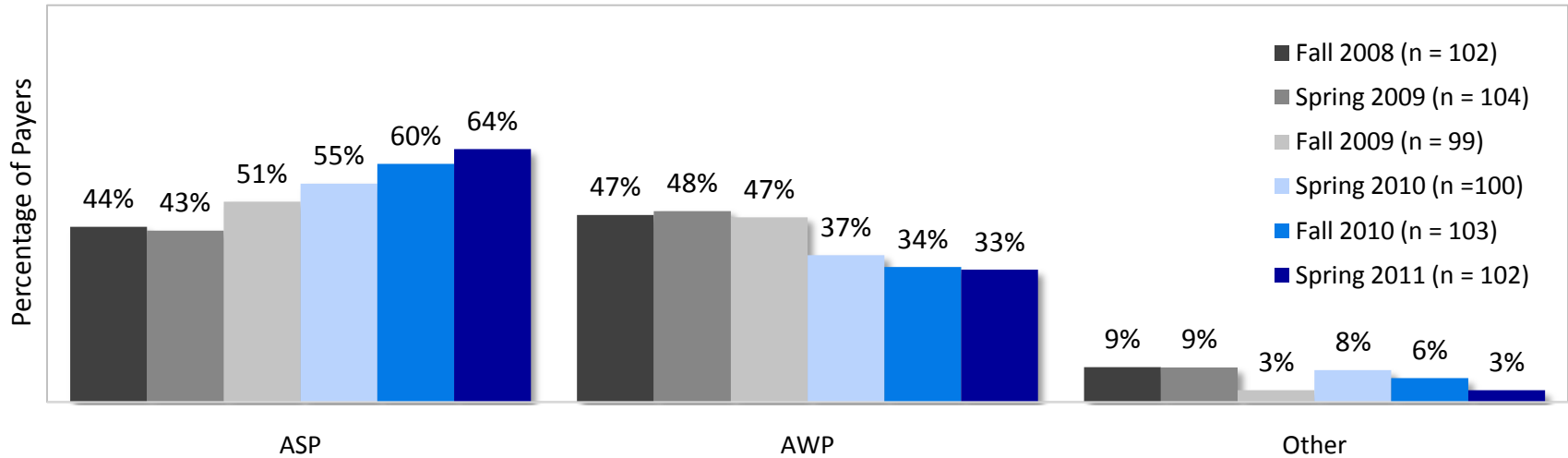


Key Findings

- ASP reimbursement adoption continues to increase at the expense of AWP reimbursement

Payer Reimbursement Trends

Predominant Reimbursement Methodology

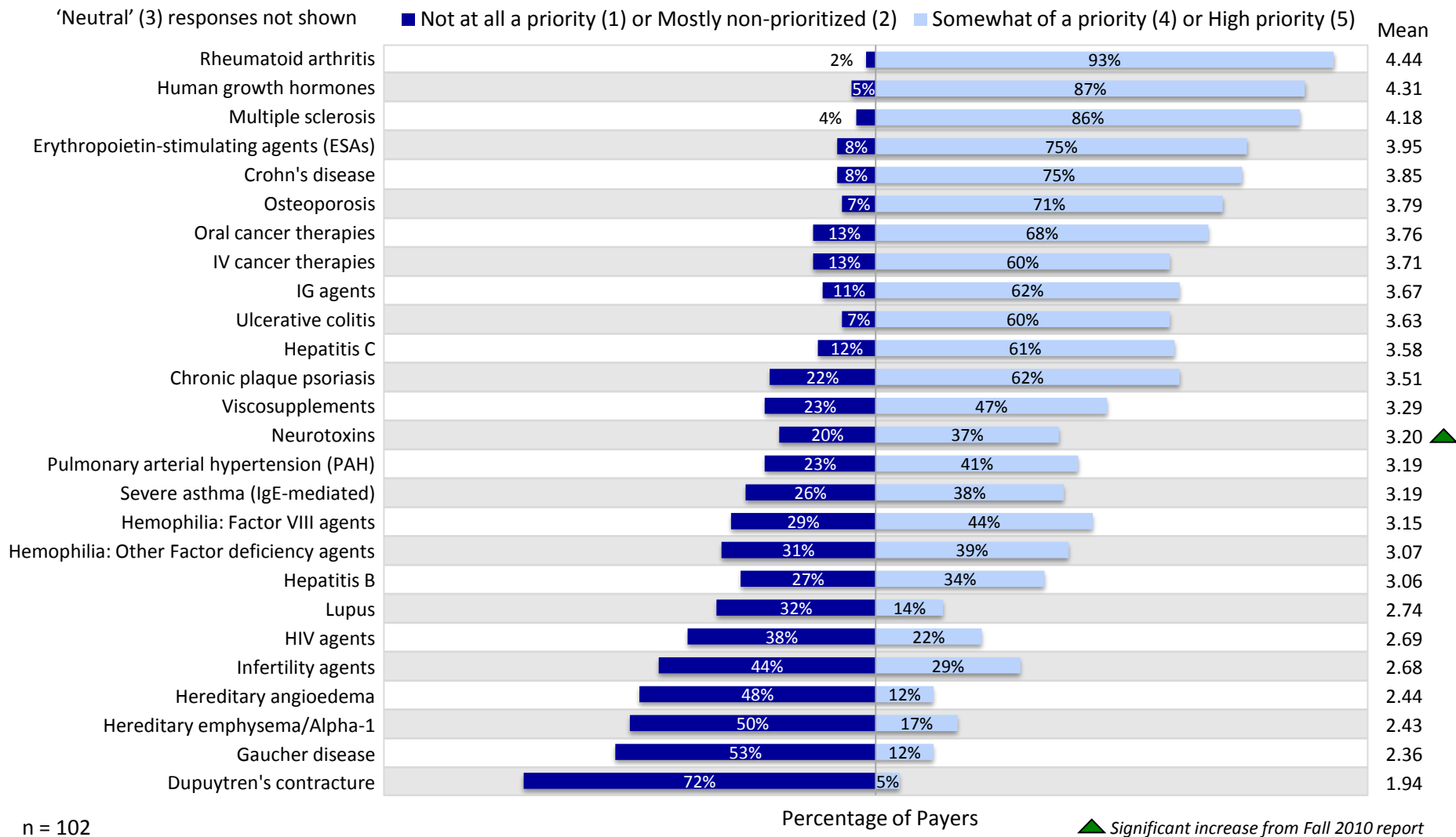


Key Findings

- Payers continue to prioritize high-cost, high-prevalence categories with multiple treatment options; neurotoxin priority has increased significantly from 6 months ago, likely due to Botox's new chronic migraine indication

Payer Specialty Category Management Priorities

To what degree are each of the following categories a management priority?



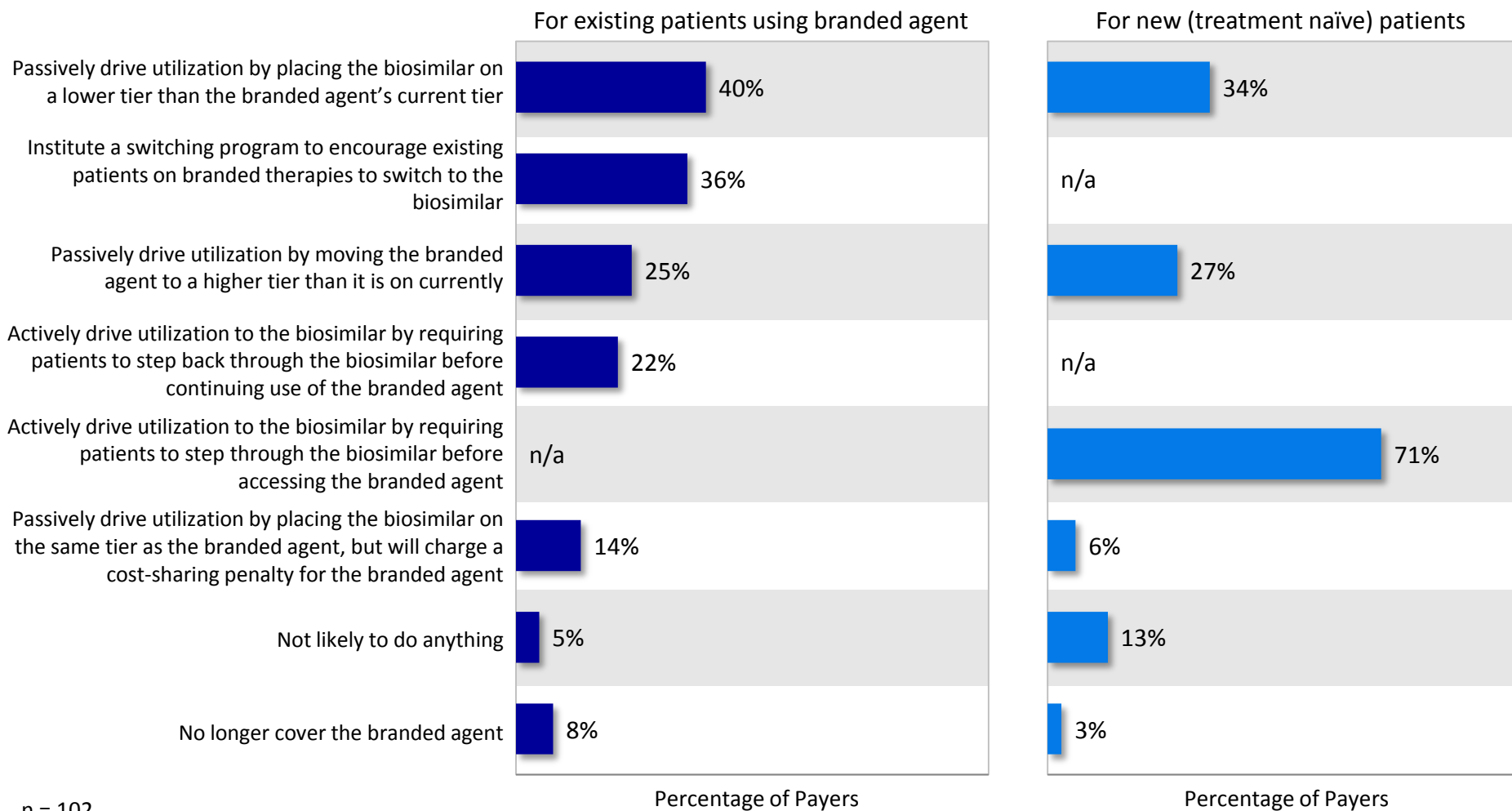
n = 102

Key Findings

- Twenty-two percent of payers will actively drive existing patients to a biosimilar by requiring them to step back through the biosimilar; 71% of payers plan to implement step edits for those who are treatment naïve

Biosimilar-Triggered Management Changes

What management changes is your organization likely to implement in response to the availability of biosimilar alternatives to branded agents?



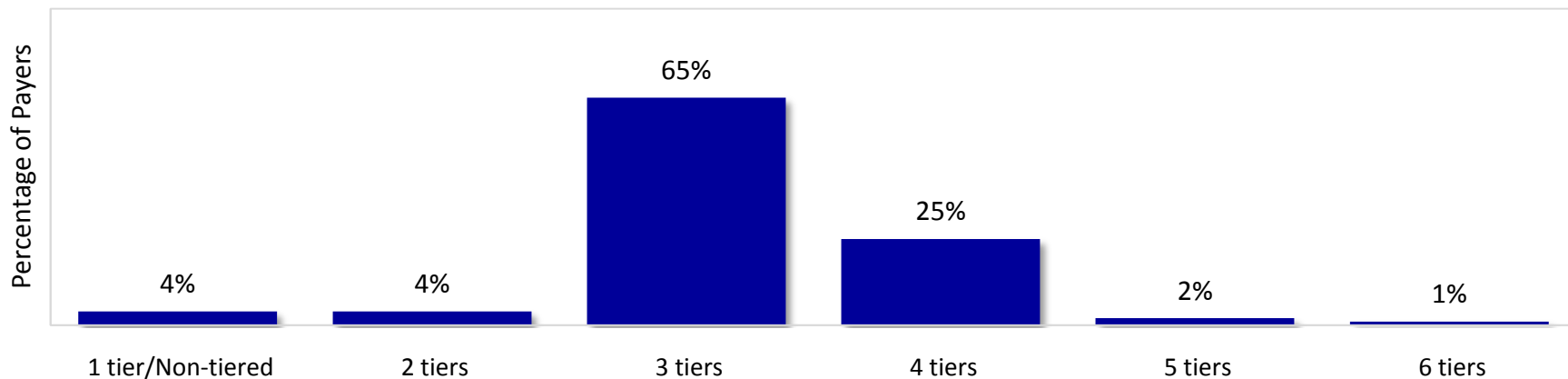
n = 102

Key Findings

- A majority of payers utilizes traditional 3-tiered formulary designs, while 25% employs 4-tiered designs; 68% of payers with a 4-tiered design enforce a drug coinsurance

Cost-Sharing Burdens by Reported Tier Position

How many tiers are there in your most representative formulary design used with specialty and biologic therapies?



Please indicate the cost-sharing for each of the tiers of your most popular benefit offering.

		Tier 1	Tier 2	Tier 3	Tier 4
Copayment	% with Copay	98%	97%	93%	32%
	Average Copay	\$13.87	\$28.75	\$50.67	\$99.44
	Median Copay	\$10	\$25	\$50	\$80
Coinsurance	% with Coinsurance	2%	3%	7%	68%
	Average Coinsurance	25%	25%	52%	24%
	Median Coinsurance	25%	25%	50%	20%
	Median Max. Coinsurance	--	\$120	\$150	\$250

n = 103