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PHARMACEUTICAL CONSULTANTS

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In this issue of Pharmacy Benefit News we are presenting a some interesting ways of looking at data.
This is keeping with our background and emphasis on analytics and what it means to apply math to healthcare problems.

How Does the Medical Community Decide
What is High Blood Pressure?

The New England Journal recently published an article addressing the goals of blood pressure treatment. In analytics the question is often, how many patients reached the target? The authors' discussion addresses the fundamental issues and the sources of the disagreements.

"Setting blood pressure (BP) goals is not an exact science. Such goals have generally relied on findings from clinical trials that typically have differed in such important variables as age of participants, entry and exclusion criteria, presence or absence of concomitant illnesses, severity of hypertension, treatment regimens, and therapeutic goals. Furthermore, few previous trials have been designed to compare the effects of lowering BP to different targets."

Controversy exists currently on BP goals. Examples are:
1.   The last national report on blood pressure (JNC 7) published a consensus regarding a goal BP of less than 140/90 mm Hg for most persons with hypertension, irrespective of age, and levels of less than 130/80 mm Hg for those with diabetes, chronic renal diseases, and certain cardiovascular conditions.
2.   Subsequently, 3 major groups have since made new and differing recommendations regarding BP goals, particularly in older persons, and the results of new trials that have become available.
    a.   The latest national guidelines (JNC 8) raised the systolic BP (SBP) goal for those aged 60 years or older to less than 150 mm Hg.
    b.   The European Society of Hypertension/European Society of Cardiology joint committee advocated a goal of less than 140 to 150 mm Hg for those aged 80 years or older.
    c.   A joint committee representing the American Society of Hypertension and the International Society of Hypertension recommended a target of less than 150/90 mm Hg for those aged 80 years or older.

Source: *JAMA*. 2017;317(6):579-580. doi:10.1001/jama.2017.0105

Commentary:

Many therapeutic goals are averages that display a range of values around the peak, or average, of a bell-shaped curve. The numbers quoted above are generally averages. Individuals may have blood pressures that vary from the goal. When the distribution of blood pressures is plotted, it is important to see how sharp or rounded is the "bell". Then it is important to identify how many people fall within ranges from the target. The bottom line is that as the averages change, everyone must be evaluated as to their difference from the target. Far away is a problem, while closer may be acceptable.

Analytics at Work: A Real World Example

Anything but Generic

Several clients have asked what to do about generic pricing in the face of new generics and many generics priced as brands. The consideration is how can the generic MAC pricing act as an anchor to the fast rising brand pricing? Further, since MAC spread is often a significant source of revenue for PBMs, the problem was how to keep some of these margins.

Problem: A Health Plan client asked Pro Pharma and Pro Data to provide a custom MAC that conferred generic pricing on all generics including true generics, over-the-counter medications, drug store private label and store brands, extended release products, diagnostics, and medications coded as brand by the data sources, but that the client considered generic.

Solution: Pro Pharma in conjunction with Pro Data formulated a custom MAC that met all of the requirements of the problem. Pricing was set at wholesale acquisition cost (WAC) or below. The MAC is publicly available to the network pharmacies, updated weekly, and subject to change when necessary. Consideration was given to pricing at a State MAC and FUL, but was not implemented in the first round due to dispensing fee contracts.

Outcome: The Plan achieved over 23% savings over the prior MAC provided by the PBM. The MAC has been in operation for several years. Trend has been consistently at minus 10%-12% and has never been lower than a minus 2% on any month.

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Commentary: Is 5 times higher really 5x higher?

Problem: Suppose that a patient group is identified to have hypertension five times more prevalent than another group. The mathematical problem is whether this comparison is in fact relevant.

We could address the issue as the difference between rate and burden. The statistical issue is that 5x higher has meaning if the populations are the same size. If they are the same size, then this comparison has meaning. If the populations are different sizes, then an adjustment must be made to multiply the scale (5x higher) with the fractional difference in the populations.

Why does this matter? It is very common to see comparisons in the media with sensational titles about large comparisons like 5x or x% higher. **Yet, in a world with so much exaggerated**

information, it is important to ask the question – Is this a relevant comparison?

Source: JAMA. 2017;317(5):467-468. doi:10.1001/jama.2016.19435

Commentary: How Do We Predict the Progression of Diabetes Severity Over Time?

A study group in the United Kingdom addressed the problem of predicting the progression of the diabetes metric hemoglobin A1c (HbA1c). This is important because patients require additional therapy and interventions as diabetes progresses. This information is also necessary to build economic models to determine the costs of patients as they become more severe.

This study group attempted to build models for predicting the progression of HbA1c in Type 2 diabetes mellitus (T2DM). Current approaches may not accurately predict HbA1c progression in patients who do not conform to the demographic profile of the original studies. This study aimed to develop an

alternative mathematical model (MM) to simulate HbA1c progression in T2DM.

Without getting too technical, the approach was to review the literature to use for the modeling. Sixty-eight studies were eligible. HbA1c progression was variable due to the beginning baseline HbA1c, the treatment group and patient age. Due to these shortcomings, the results of the modeling were not conclusive.

results of modeling compare to prior, and standard, models? If they are in the same range, then results may be useful. If the results vary widely from standard models, then focus on methodology.

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MAC

**Maximum Allowable Cost
Customizable Fee Schedules**

Generic pricing should provide normative (cost plus) pricing for both Plans and Pharmacies. MAC fee schedules should pass all savings to Health Plans and patients. To satisfy pharmacists and Plans the MAC fee schedules should be transparent, updated frequently, and based on customizable criteria. Pro Pharma MAC™ lists can be available on the cloud for all applicable pharmacists to review.

The Pro Pharma MAC™ is customizable by clients using approximately fifty criteria. Criteria include manufacturers, drug classifications, benchmark pricing standards, cost plus formulae, discounting, data sources for bases of cost, benefit design parameters, etc. Changes are made based on access

Important client benefits are:

- Anchoring overall trend by reducing generic trend
- Pharmacists can buy better when they know what they will be reimbursed
- Comply with State laws for transparency
- Improve relationships with pharmacy networks

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