

BACKGROUND

➤ While research by the Institute for Clinical and Economic Review (ICER) has assessed whether payer coverage of drugs they deemed high value aligned with their fair access criteria,<sup>1</sup> little is known of how coverage varies among high-value drugs with respect to their cost-effectiveness.

OBJECTIVE

➤ To evaluate how a set of large US commercial health plans cover specialty drugs the Institute for Clinical and Economic Review (ICER) determined to be high value (have favorable cost-effectiveness ratios). We examine the relationship between a drug’s cost-effectiveness and the restrictiveness of health plan coverage.

METHODS

- We used the Tufts Medical Center Specialty Drug Evidence and Coverage (SPEC) Database,<sup>2</sup> which includes specialty drug coverage policies issued by 17 large US commercial health plans.
- We identified coverage policies for specialty drugs that ICER determined to be high value (i.e., incremental cost-effectiveness ratio ≤\$175,000 per QALY).
- We grouped drugs into five cost-effectiveness categories:
  1. Dominant (more effective and less expensive than study comparator)
  2. <\$50,000 per QALY
  3. \$50,000- \$100,000 per QALY
  4. \$100,000- \$150,000 per QALY
  5. \$150,000-\$175,000 per QALY
- We determined whether the health plan imposed any coverage restrictions (e.g., patient subgroup restrictions; step therapy protocols) in their coverage decisions.
- Data were current as of August 2020.

RESULTS

➤ Health plans imposed restrictions in 58% (217/371) of coverage policies for drugs ICER determined to be high value. (Figure 1)

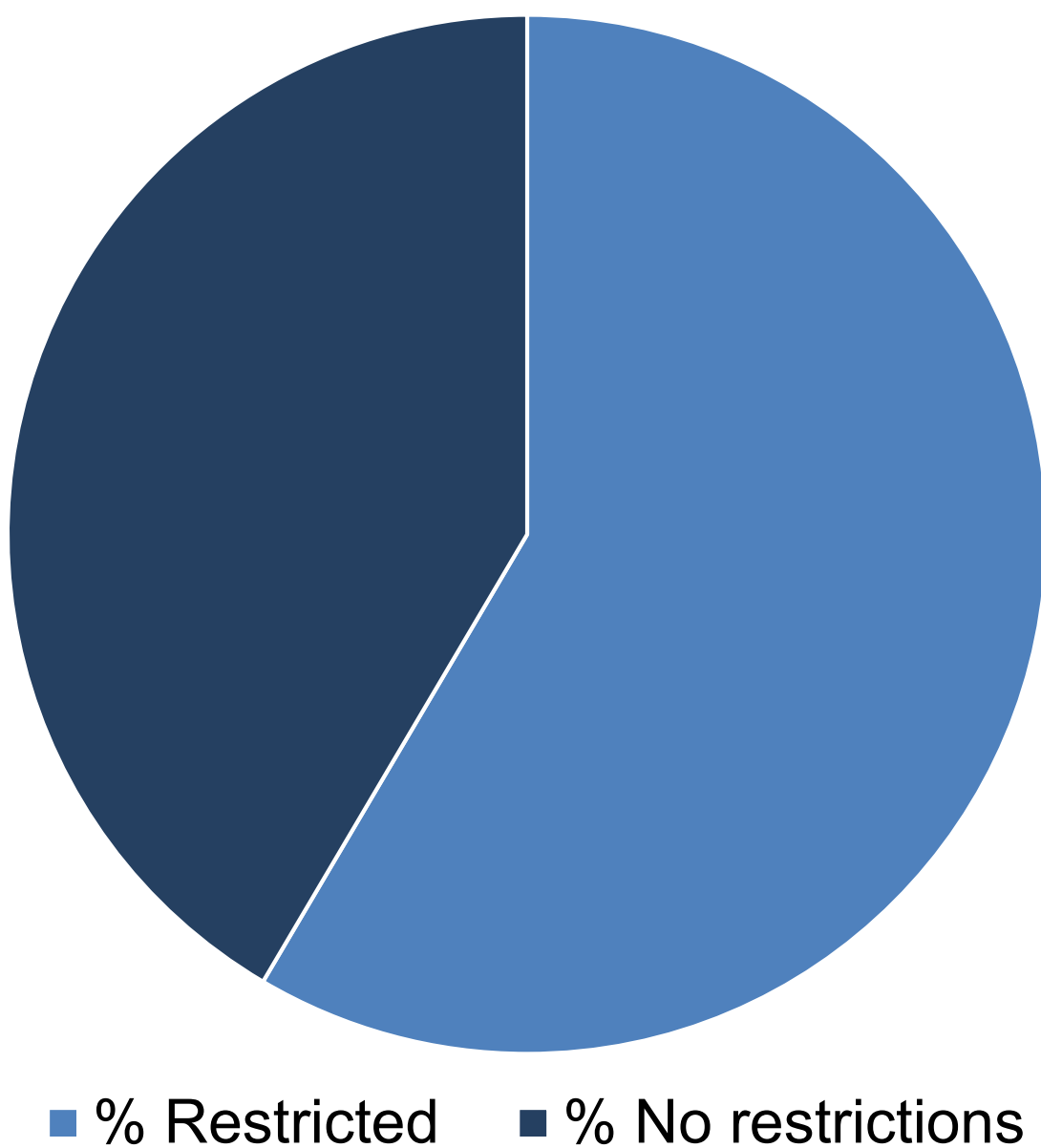


Figure 1. Health Plan Coverage Restrictiveness of High Value Drugs

- Coverage restrictiveness varied by cost-effectiveness category. (Figure 2)
- Health plans tended to more often impose coverage restrictions on drugs with less favorable cost-effectiveness ratios.
- Plans imposed restrictions in 29% (12/41) of coverage policies for dominant drugs, 39% (29/74) of policies for drugs with ratios less than \$50,000 per QALY, 32% (13/41) of policies for drugs with ratios in the range \$50,000-\$100,000 per QALY, 68% (112/164) of policies for drugs with ratios in the range \$100,000-\$150,000 per QALY, and 100% (51/51) of policies for drugs with ratios in the range \$150,000-\$175,000 per QALY.

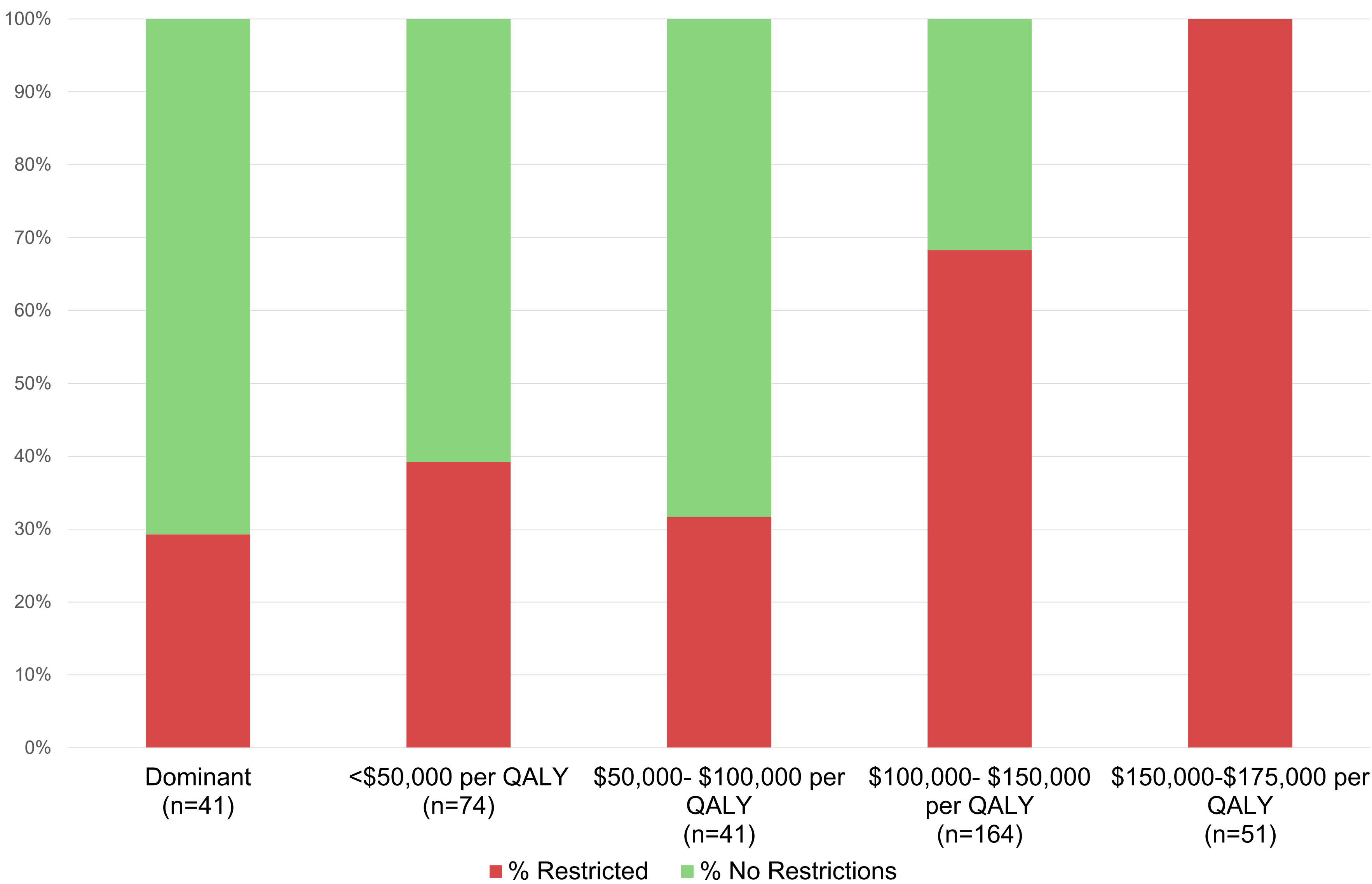


Figure 2. Health Plan Coverage Restrictiveness by Cost-Effectiveness Category

CONCLUSION

- For drugs ICER deemed high value, the included health plans imposed restrictions in the majority of their coverage policies. However, plans less often imposed coverage restrictions on drugs with more favorable cost-effectiveness ratios.

FUNDING

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REFERENCES

1. Pearson SD, Beinfeld M, Fluetsch N, O’Grady M, Shah K, Emond SK. Institute for Clinical and Economic Review (ICER). Assessment of Barriers to Fair Access: Final Report. December 1, 2021.
2. Chambers JD, Kim DD, Pope EF, Graff JS, Wilkinson CL, Neumann PJ. Specialty Drug Coverage Varies Across Commercial Health Plans In The US. *Health Aff (Millwood)*. 2018 Jul;37(7):1041-1047.