BACKGROUND

> U.S. healthcare spending has escalated over the past decade, such that healthcare costs are a greater proportion of Gross Domestic Product (GDP) in the United States than in almost any other country worldwide. 

> The Biologics Price Competition and Innovation (BPCI) Act has created a pathway for the approval of biosimilars in the United States, which will offer a major boost to the biopharmaceutical industry worldwide.

OBJECTIVES

> On average, respondents expect a discount of 25-28% for the first biosimilar of a reference biologic.

> Respondents indicate that for a biosimilar or non-originator biologic approved via the New Drug Application (NDA) pathway (e.g., insulins) are expected to be reimbursed by their MCO within 6-12 months. Only 2% of respondents do not expect their MCO to reimburse biosimilars.

> The majority of respondents report that their MCO is likely or very likely to conduct biosimilar educational campaigns targeted at physicians and patients.

> Payers expect to employ various supply- and demand-side strategies to promote biologic competition in which the biosimilar has been studied.

> Just over one-third of respondents expect patient advocacy groups to play a role (Figure D).2

CONCLUSION

> U.S. managed care organisations (MCOs) are likely to conduct biosimilar reimbursement strategies that payers use will be instrumental to biosimilar adoption.

> Larger discounts are, in-turn, expected to drive adoption and compete in the marketplace. Larger discounts are, in-turn, expected to drive adoption.

> It depends how clinically similar the indications are.

> It depends on the net cost of the biosimilar relative to the brand.

> The majority of respondents report that the FDA has not approved use in all indications (indication extrapolation).

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REFERENCES
