Proactive Communications about Medical Products between Manufacturers and Payors

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The Payor Perspective on Proactive Communications from Manufacturers

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**Vision**
Managed care pharmacy - improving health care for all

**Mission**
To empower its members to serve society by using sound medication management principles and strategies to improve health care for all

**AMCP**
Nation’s leading professional association dedicated to increasing patient access to affordable medicines, improving health outcomes and ensuring the wise use of health care dollars
Who Are Health Care Decision Makers?

- Provider sponsored health plan
- Population health
- Risk-sharing
- Formulary Committee
- ACO & IDN
- PBM
- Payers
### Why The Renewed Interest?

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<tr>
<th>Post-Approval</th>
<th>Pre-Approval</th>
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<tr>
<td>• Shift from payment for volume to value</td>
<td>• Proper planning, budgeting, and forecasting</td>
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<td>• Comparative effectiveness research and real world evidence</td>
<td>• Value-based payment models</td>
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<td>• More “big data” so more observational studies</td>
<td>• FDA breakthrough designation</td>
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<td>• Sophisticated economic models</td>
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<td>• Commercial-free speech</td>
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Payor and Manufacturer Surveys on FDAMA 114

**OBJECTIVE**

To understand payor and manufacturer experiences, attitudes, and perceptions of FDAMA 114 and help shape future regulatory guidance on the proactive dissemination of HCEI

**Payor (31 questions, n=59)**

- Use and importance of HCEI in formulary decision making
- Unmet needs for HCEI
- Delivery, variation, and utility of HCEI from manufacturers
- Limitations of legislation and impact of AMCP-proposed changes

**Manufacturer (23 questions, n=81)**

- Processes for and consistency of approval of FDAMA 114 materials
- Types of HCEI approved
- Internal and external FDAMA 114 stakeholders
- Limitations of legislation and impact of AMCP-proposed changes
Payor Perceptions of Unmet Need for HCEI

73% of respondents receive some type of HCEI from manufacturers, but 64% still suggest there is a gap.

53% of respondents indicated that decision making would be very much or extremely improved if the gap between the HCEI a payer organization needs for formulary decision-making processes and information available in literature and/or supplied by the manufacturer were addressed.

1. Question: Do you receive HCEI from pharmaceutical manufacturers? (N=59)
2. Question: Is there a gap between the type of HCEI your organization needs for the formulary decision-making process and what is available in the literature and/or supplied by the manufacturer? (N=59)
3. If the gap between the HCEI your organization needs to support formulary decision making and what HCEI is available were closed, how much would it improve your formulary decision-making ability? (n=38)
Payor Perceptions of HCEI Received From Manufacturers

Most HCEI shared by manufacturers does not meet payers’ needs

- Question: Please rate, on average, the degree to which the information in the response to the unsolicited request typically meets your organization’s needs. (N=59)
Importance of Various Types of HCEI

Resource utilization in head-to-head trials, retrospective cost-effectiveness studies, and quality measurements based on comparators were ranked* as **most important** HCEI for formulary decision making.

- **Resource utilization** (head-to-head trials): 56%
- **Retrospective cost-effectiveness studies**: 39%
- **Quality measurements based on comparators**: 25%
- **Adherence/compliance**: 17%
- **Resource utilization (placebo-controlled trials)**: 17%
- **Burden of disease**: 15%
- **Cost-effectiveness model**: 15%
- **Budget impact model**: 12%

*Ranked 1 or 2

Question: Please rank order the following types of HCEI based on their level of importance to the formulary or medical policy decision within your organization. (N=59)
Manufacturer Difficulty With Approval of HCEI

A majority of respondents (91%) found gaining approval of HCEI materials under FDAMA 114 to be at least somewhat difficult.

Level of Difficulty Experienced in Gaining Approval for HCEI Materials Under FDAMA 114

- Question: Please rate the level of difficulty experienced in gaining approval for use of HCEI materials under FDAMA 114. (N=81)
Types of HCEI Most Frequently Approved

- Economic model forecasting the potential budget impact of a therapy (70%)
- Retrospective database study showing the current direct costs and resource use of managing a patient population (54%)
- Economic model forecasting the anticipated cost-effectiveness of a product vs its competitors based on clinical trial data (52%)
- Retrospective study comparing the real-world effectiveness and associated costs between 2 or more competitive therapies (38%)
- Real-world observational study measuring adherence/compliance rates across competitive therapies (26%)
- Resource utilization data collected during a double-blind head-to-head comparative trial (26%)
- Retrospective study assessing the ability of comparator therapies to meet a quality measure (23%)
- Resource utilization data collected during a double-blind placebo-controlled clinical trial (23%)

Question: Which, if any, of the following types of healthcare economic information (HCEI) are approved in your organization for proactive use under FDAMA 114? (N=81)
Two Consensus Recommendations Offered by AMCP and Stakeholders

Clarification & Expansion of FDAMA Section 114

Creation of a Preapproval Safe Harbor
Clarification & Expansion of FDAMA Section 114

- Post-FDA approval
- Truthful and not misleading
- Transparent reproducible accurate
- Economic & clinical information
- Health care decision-makers and influencers
- Consistent format and process
- Leave-behind models
Creation of a Safe Harbor for Preapproval Information Exchange (PIE)

- Information, not evidence
- Pre-FDA approval
- New molecules and expanded indications
- 12-18 months in advance
- Health care decision-makers only
- Bidirectional
Manufacturer Communications with Payors

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Disclaimer

The views and opinions expressed in the following presentation are my own and should not be attributed to any organization with which I am employed or affiliated.
Draft FDA Guidance – Manufacturer Communications with Payors

Section 3037 of 21st Century Cures Act

• Modifies FDAMA Section 114

FDA subsequently issued draft guidance regarding communication with payors:

• Health care economic information (HCEI) for approved drugs
• Investigational products

Acknowledges importance of communications being truthful & non-misleading, as payor decisions affect many patients

Does not address communications with payors regarding unapproved uses of previously approved products
Communication of HCEI by Firms to Payors Regarding Approved Drugs
Communication of HCEI by Firms to Payors Regarding Approved Drugs

HCEI Definition:

- Any analysis (including the clinical data, inputs, clinical or other assumptions, methods, results, and other components underlying or comprising the analysis) that identifies, measures, or describes the economic consequences, which may be based on the separate or aggregated clinical consequences of the represented health outcomes, of the use of a drug.

- Such analysis may be comparative to the use of another drug, to another health care intervention, or to no intervention.

Inclusion of clinical data/inputs/assumptions in HCEI definition helps clarify where FDAMA 114 was previously ambiguous.
Communication of HCEI by Firms to Payors Regarding Approved Drugs

HCEI shall not be considered false or misleading if, among other things, it relates to an approved indication:

- Related to the disease/condition, its manifestation or symptoms, in the population described in approved labeling, such as:
  - Duration of Treatment
  - Practice Setting
  - Burden of Illness
  - Dosing
  - Patient Subgroups
  - Length of Hospital Stay
  - Validated Surrogate Endpoints
  - Clinical Outcome Assessments (or other health outcome measures)
  - Persistence
  - Comparisons

Modified 114 language (“...directly relates to an indication...”) and examples expand definition of acceptable HCEI.
Communication of HCEI by Firms to Payors Regarding Approved Drugs

HCEI shall not be considered false or misleading if, among other things, it relates to an approved indication

- Not considered HCEI within scope of the Cures Act and draft guidance if analysis relates only to an unapproved indication

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<th>Disease or Condition</th>
<th>Population</th>
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| Disease modifying ≠ symptomatic treatment  
  - Acute relief of angina symptoms vs treating CAD 
  - HF signs/symptoms vs improved CV survival | Broader patient population than indicated  
  - Approved to treat CF due to specific genetic mutation vs patient with any genetic mutation |

More examples of different conditions and populations in Consistent With Labeling Draft Guidance
Communication of HCEI by Firms to Payors Regarding Approved Drugs

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<th>Appropriate Audiences for HCEI Communication</th>
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<td>Payors</td>
<td>third-party payers, health plan sponsors</td>
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<td>Formulary Committees</td>
<td>multidisciplinary committees responsible for drug formulary management (P&amp;T committee)</td>
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<tr>
<td>Other similar entity w/knowledge &amp; expertise in health care economic analysis responsible for determining drug coverage or reimbursement</td>
<td>drug information centers, tech assessment panels, PBMs, integrated health care delivery networks, hospitals, and hospital systems</td>
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- Does not apply to dissemination of HCEI to other audiences, such as health care professionals who are making individual patient prescribing decisions or consumers
- Intended to limit communication to entities “with knowledge and expertise in the area of health care economic analysis, carrying out its responsibilities for the selection of drugs for coverage or reimbursement.”
Communication of HCEI by Firms to Payors Regarding Approved Drugs

HCEI (all components) must be based on **competent and reliable scientific evidence (CARSE):**

- Developed using generally-accepted scientific standards, appropriate for the information being conveyed, that yield accurate and reliable results
- FDA will consider the merits of existing current good research practices for substantiation developed by authoritative bodies (e.g., International Society for Pharmacoeconomic and Outcomes Research (ISPOR), Patient-Centered Outcomes Research Institute)

**Example:** Indirect treatment comparisons without head-to-head clinical trial data may be evaluated against expert guidelines regarding methods and best practices for such comparisons (e.g., network meta-analyses)

- Published network meta-analyses guidelines (ISPOR, PRISMA) outline methods for data synthesis (assumptions, analysis) and review (assessing validity, reporting, interpretation) that firms would need to consider if developing HCEI with indirect treatment comparisons

Subject matter expert participation in both creation and review/approval of HCEI is critical given FDA’s reference to external guidelines for evaluation of CARSE
Communication of HCEI by Firms to Payors Regarding Approved Drugs

Background and contextual information to be included in HCEI to inform payor decisions and avoid false/misleading presentation:

**Generalizability**
Disclose any factors which may limit ability to apply the economic analysis to various healthcare settings or patient population

**Limitations**
Explicitly state factors which may affect interpretation and reliability of economic analysis (e.g., design, data inputs, assumptions, comparators, outcomes)

**Sensitivity analysis**
Should be performed to address possibility of uncertainties affecting conclusions of HCEI, along with disclosure of rationale and methods for the analysis

**Additional Material Information for a Balanced and Complete Presentation**
Conspicuous and Prominent Statement Describing Material Differences (compared with FDA-approved labeling) | FDA-Approved Indications/FDA-Approved Labeling | Disclosure of Omitted Studies or Data Sources | Risk Information | Financial/Affiliation Biases

**Study design and methodology overview:**
- objectives, hypothesis, limitations
  - Type of analysis | Modeling | Patient population | Perspective/viewpoint | Treatment comparator | Time horizon | Outcome measures | Cost estimates | Assumptions
Communication of HCEI by Firms to Payors
Regarding Approved Drugs

Use of COAs or other health outcome measures as the basis for HCEI warrants inclusion of validity and reliability information of measures

- COAs: measure a patient’s symptoms, overall mental state, or the effects of a disease or condition on how the patient functions (see FDA Guidance on PRO measures to support labeling claims)

Patient-reported outcome (PRO) measures (e.g., compliance/adherence, productivity, ADLs)

Clinician-reported outcome (ClinRO) measures (e.g., skin lesion area, hospitalizations)

Observer-reported outcome (ObsRO) measures (e.g., cough, activity level, sleep)

Performance outcome (PerfO) measures (e.g., visual acuity, memory recall, walk test)

- Additional recommendations for health outcome measures, such as QALYs, including methods and rationale to facilitate interpretation and comprehensibility
Communication of HCEI by Firms to Payors Regarding Approved Drugs

Additional points of clarification:

- Dissemination of HCEI consistent with 502(a) is considered promotion, and therefore 2253 and accelerated pre-dissemination submission approval requirements apply
  - FDA may request substantiation information, which firms must provide per 502(a)
- Refer to previous guidance regarding unapproved uses of approved products:
  - Responding to Unsolicited Requests for Off-Label Information About Prescription Drugs and Medical Devices.
  - Good Reprint Practices for the Distribution of Medical Journal Articles and Medical or Scientific Reference Publications on Unapproved New Uses of Approved Drugs and Approved or Cleared Medical Devices
  - Distributing Scientific and Medical Publications on Unapproved New Uses – Recommended Practices
- While discussions between firms and payors related to risk-sharing and other value-based contracts may occur in proximity to HCEI communications, FDA does not regulate terms of contracts
Communication of HCEI by Firms to Payors Regarding Approved Drugs

Role of regulatory ad/promo (in coordination with legal counsel)

- Ensure overall consistency with guidance by facilitate multidisciplinary SME approach to development of HCEI
  - Withstand CARSE standard?
  - Inclusive of all necessary background and contextual information?
- Assume responsibility for
  - Evaluating HCEI against approved product labeling (i.e., related to approved indication)
  - Description of material differences vs approved labeling, inclusion of approved indications & labeling, risk information
  - Fulfillment of post marketing submission requirements
  - Presented to appropriate audience per HCEI definition
Communications by Firms to Payors Regarding Investigational Drugs and Devices
Communications by Firms to Payors Regarding Investigational Drugs and Devices

Historically, 21 CFR 312.7(a) limited how firms could communicate information regarding investigational new drugs, including to payors

(a) Promotion of an investigational new drug. A sponsor or investigator, or any person acting on behalf of a sponsor or investigator, shall not represent in a promotional context that an investigational new drug is safe or effective for the purposes for which it is under investigation or otherwise promote the drug. This provision is not intended to restrict the full exchange of scientific information concerning the drug, including dissemination of scientific findings in scientific or lay media. Rather, its intent is to restrict promotional claims of safety or effectiveness of the drug for a use for which it is under investigation and to preclude commercialization of the drug before it is approved for commercial distribution.

FDA draft guidance creates new “safe harbor” for sponsors in communicating limited information about investigational new drugs.
Communications by Firms to Payors Regarding Investigational Drugs and Devices

Types of information firms may communicate to payors about investigational products

- Product information (e.g., drug class, device, design)
- Indication sought; study protocol, endpoints and population data
- Factual presentation of results (i.e., no safety/efficacy characterization or conclusions)
- Anticipated timeline for possible FDA approval/clearance
- Pricing information
- Marketing strategies
- Product-related programs or services (e.g., patient support programs)

Does not address communications with payors regarding unapproved uses of previously approved products
Communications by Firms to Payors Regarding Investigational Drugs and Devices

FDA also recommends including the following information to payors when communicating about investigational products:

- A clear statement that the product is under investigation and that the safety or effectiveness of the product has not been established
- Information related to the stage of product development (e.g., the phase of clinical trial in which a product is being studied and how it relates to the overall product development plan)
- Suggests firms update payors when previously communicated information becomes outdated
  - A change occurs or new information is available (e.g., failure to meet primary endpoint in phase 3 trial)
  - Regulatory status updates (e.g., receipt of CRL, study placed on clinical hold)
Communications by Firms to Payors Regarding Investigational Drugs and Devices

Additional Perspective Beyond the Draft Guidance

Communicating consistent with guidance is positively received by payors, especially for investigational products with unique coverage or reimbursement considerations

- May be particularly useful for companies introducing novel therapies
- Payors receive information that previously would require unsolicited inquiries via Medical Information or AMCP dossier submissions

Critical for training of representatives delivering information to emphasize key differences from traditional product promotion (e.g., no characterization or conclusions of efficacy/safety, prominent mention of investigational status)

- Must resist temptation for firms to answer “So what?” question by payor after hearing all about data

Novel considerations by firms engaging in this communication

- Providing recommended data and status updates: mode of dissemination, optional vs necessary updates
- Discontinue use of tactics upon FDA approval
The Legal Perspective

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Questions & Answers
Thank You!