

Selecting Prescription Drugs for Affordability Review: Aggregated Affordability Review Shortlists

Overview



Brief overview of RCW 70.405.040: Affordability Reviews



Data revisions



Data measures used for affordability review selection

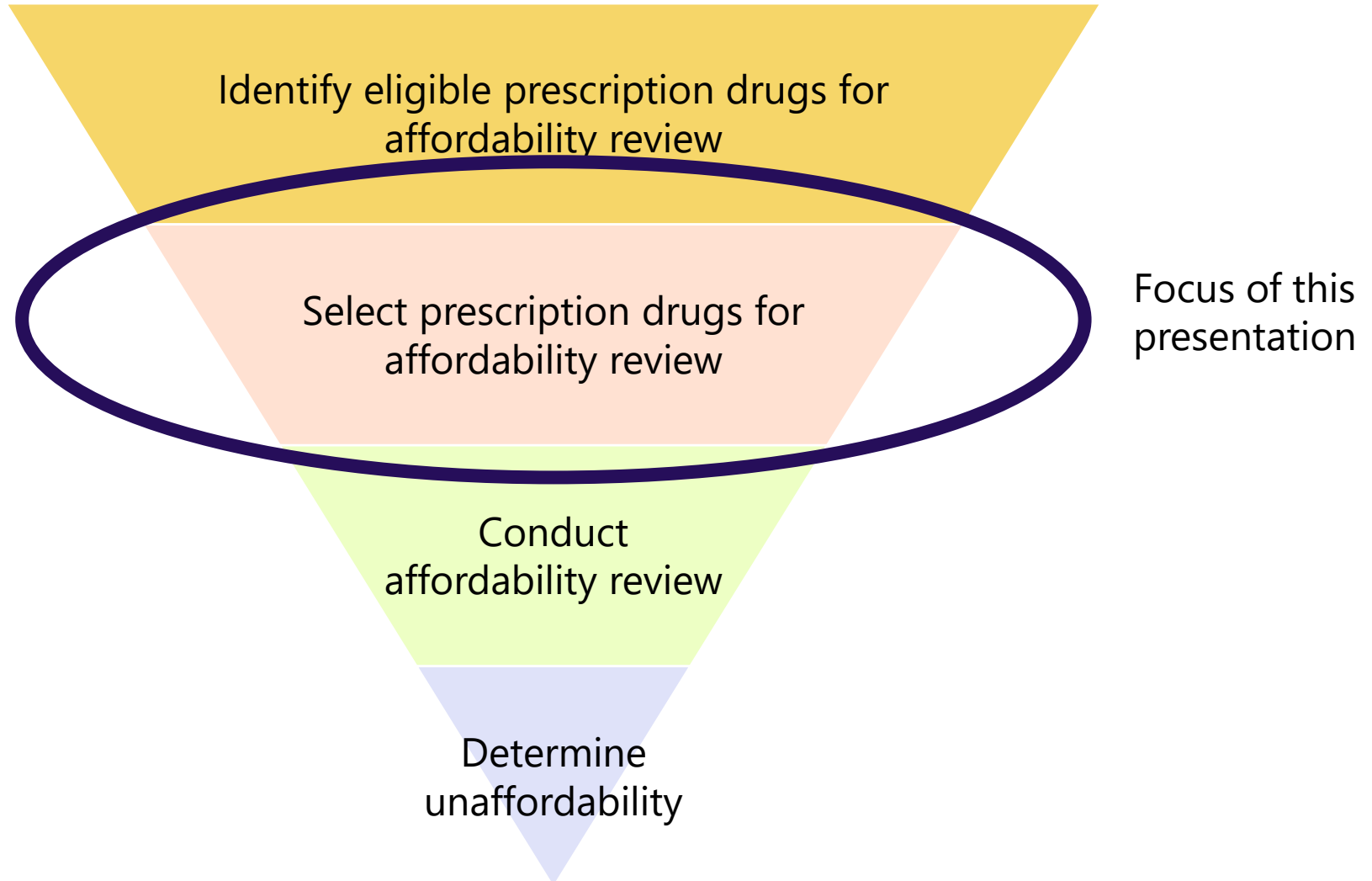


Creating aggregated shortlists for affordability review



Next steps and Q&A

Overview



Brief Overview of RCW 70.405.040: Affordability Reviews

Deciding Whether to Conduct a Review

- ▶ The Board shall consider:
 - ▶ The class of the prescription drug and whether any therapeutically equivalent prescription drugs are available for sale;
 - ▶ Input from relevant advisory groups established pursuant to RCW 70.405.020; and
 - ▶ The average patient's out-of-pocket cost for the drug.
- ▶ Board can choose up to 24 drugs per year

Data Revisions

Data Revisions

- ▶ Four NDCs were dropped from the list of eligible prescription drugs for affordability review due to being distributed by a repackager
 - ▶ Definition of manufacturer from Chapter 70.405 RCW:
""Manufacturer" does not include a private label distributor or retail pharmacy that sells a drug under the retail pharmacy's store, **or a prescription drug repackager.**"
- ▶ There are now 290 eligible prescription drugs for affordability review instead of 294

Data Revisions

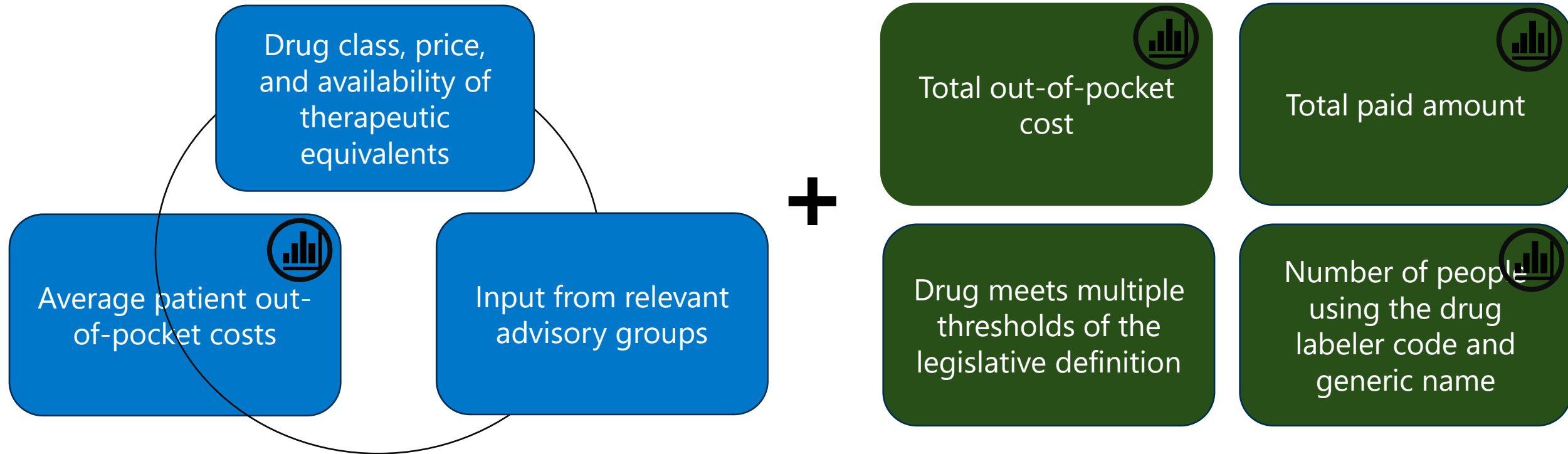
- ▶ Four NDCs dropped from eligibility list:

NDC	Label Name	Generic Name	Category
69263082201	BETA 1 KIT	betamethasone acetate/betamethasone sodium phosphate	Course of treatment \$60,000 or more
69263080501	BSP 0820 KIT	betamethasone acetate/betamethasone sodium phosphate	Course of treatment \$60,000 or more
76420076601	DOUBLEDEX KIT	dexamethasone sodium phosphate/PF	Course of treatment \$60,000 or more
82154045104	PEGASYS 180 MCG/0.5 ML SYRINGE	peginterferon alfa-2a	Course of treatment \$60,000 or more

Data Measures for Affordability Review Selection

Affordability Review Selection Criteria

The Board shall consider:



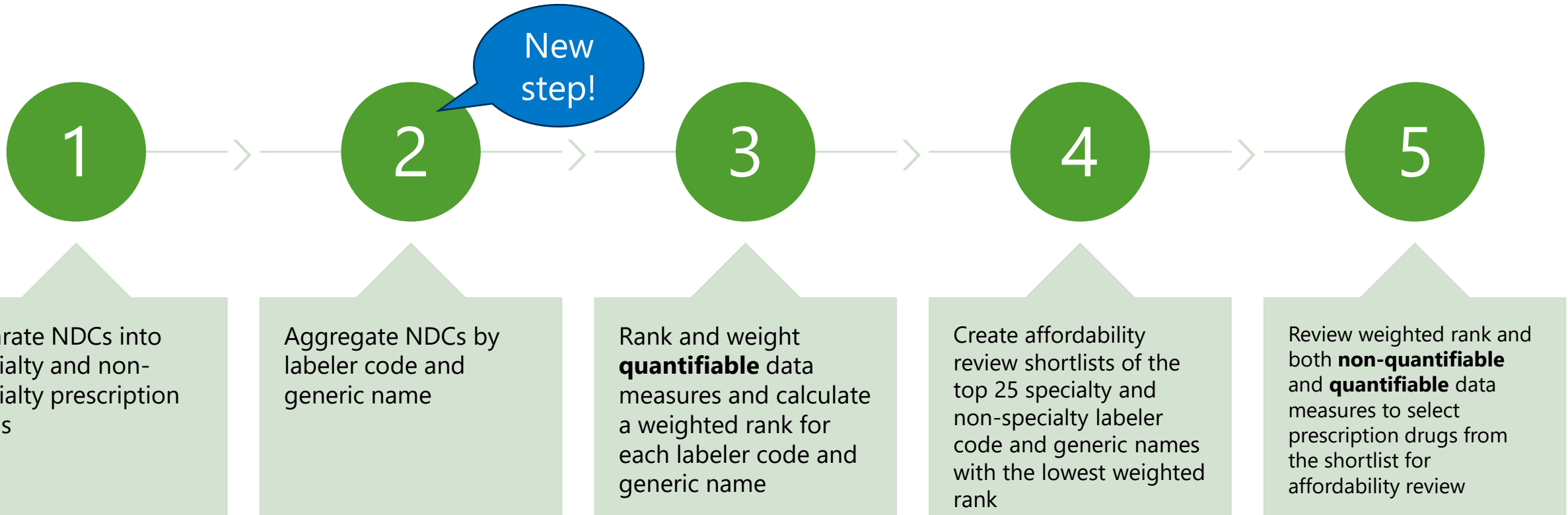
 = Criteria required in RCW 70.405.040

 = Criteria proposed by the PDAB

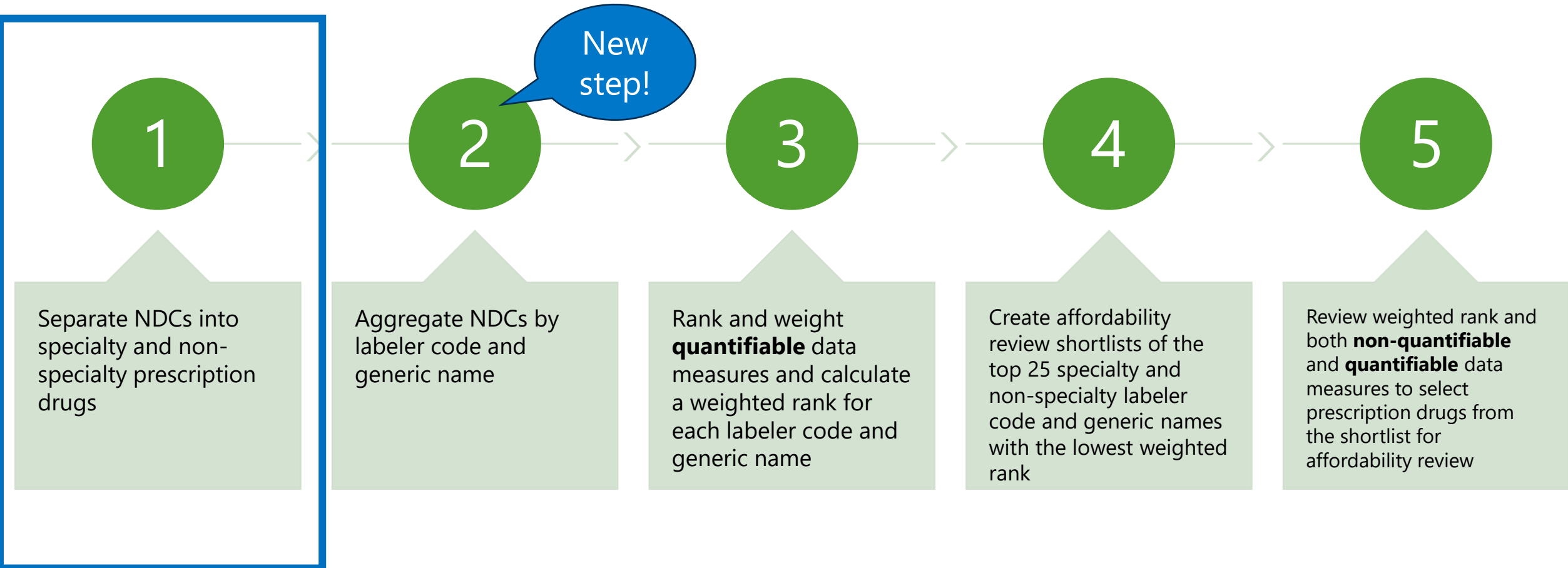
 = Quantitative data measures

Creating Aggregated Shortlists for Affordability Review

How Will Selection Criteria Be Used?



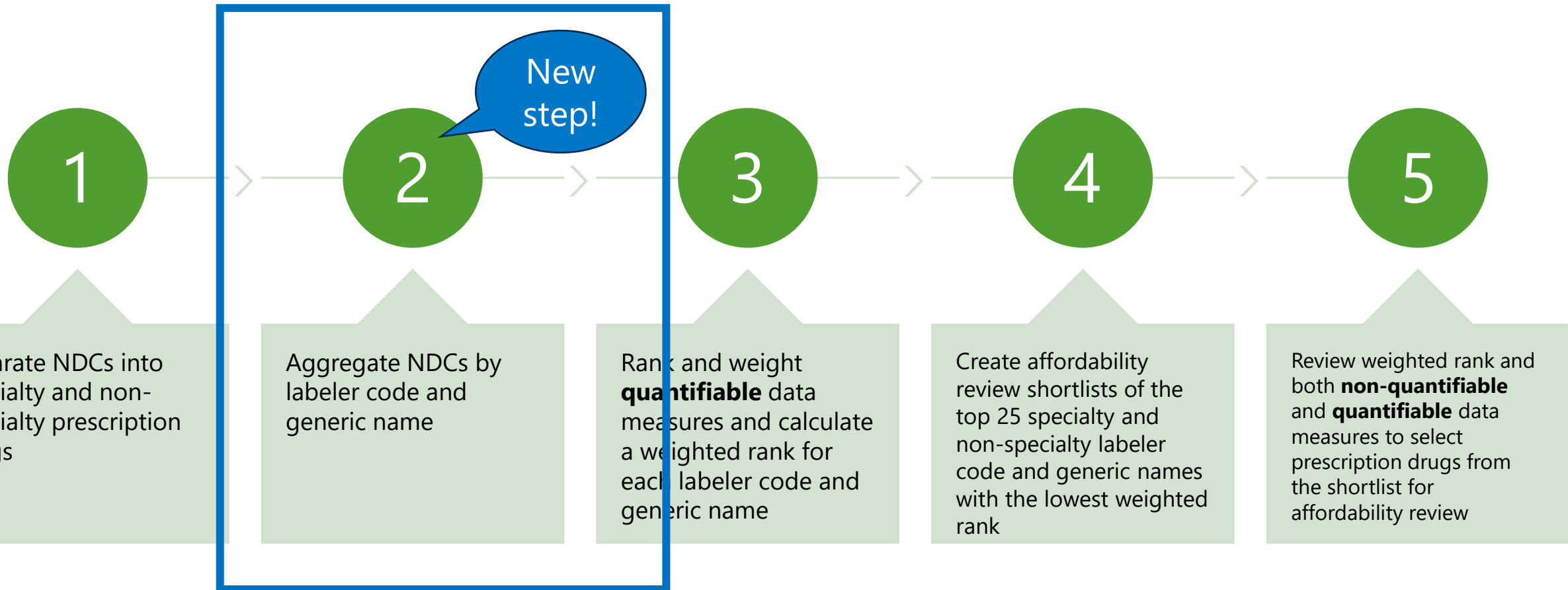
How Will Selection Criteria Be Used?



Separating Specialty Prescription Drugs

- ▶ Specialty: medications that require special storage, handling, administration, or monitoring
- ▶ Biologic and biosimilar prescription drugs were flagged as specialty drugs, except those that were reclassified as biologics under the Biologics Price Competition and Innovation (BPCI) Act.
- ▶ Brand and generic prescription drugs were considered non-specialty drugs.

How Will Selection Criteria Be Used?



What is a National Drug Code (NDC)?¹

- ▶ A unique 11-digit number for identifying drug products maintained by the US Food and Drug Administration (FDA)
- ▶ A NDC contains three segments of identifying code:
 - ▶ Labeler
 - ▶ Product
 - ▶ Package Size

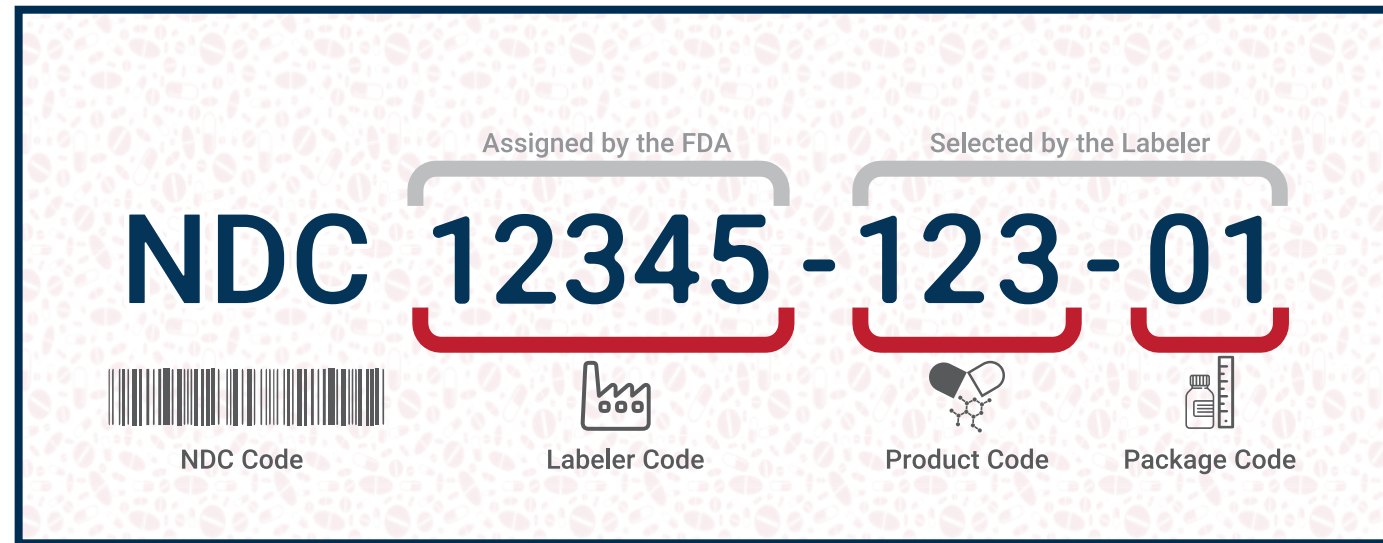


Image source: <https://fdalisting.com/page/112/fda-national-drug-code-ndc-labeler-code/>

Aggregating by Labeler Code and Generic Name

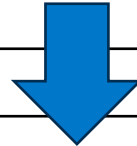
- ▶ Labeler Code: the first 5 digits of the prescription drug's NDC, which uniquely identifies the company who manufactures and/or distributes the prescription drug
- ▶ Generic Name: description of the drug ingredient names in the ingredient list

Aggregating by Labeler Code and Generic Name

- ▶ Selection criteria for NDCs within the same labeler code and generic name will be combined (for example, the total paid amount for NDCs within the same labeler code and generic name will be summed)
- ▶ People who had claims for multiple NDCs within the same labeler code and generic name will only be counted once towards the number of people using the labeler code and generic name

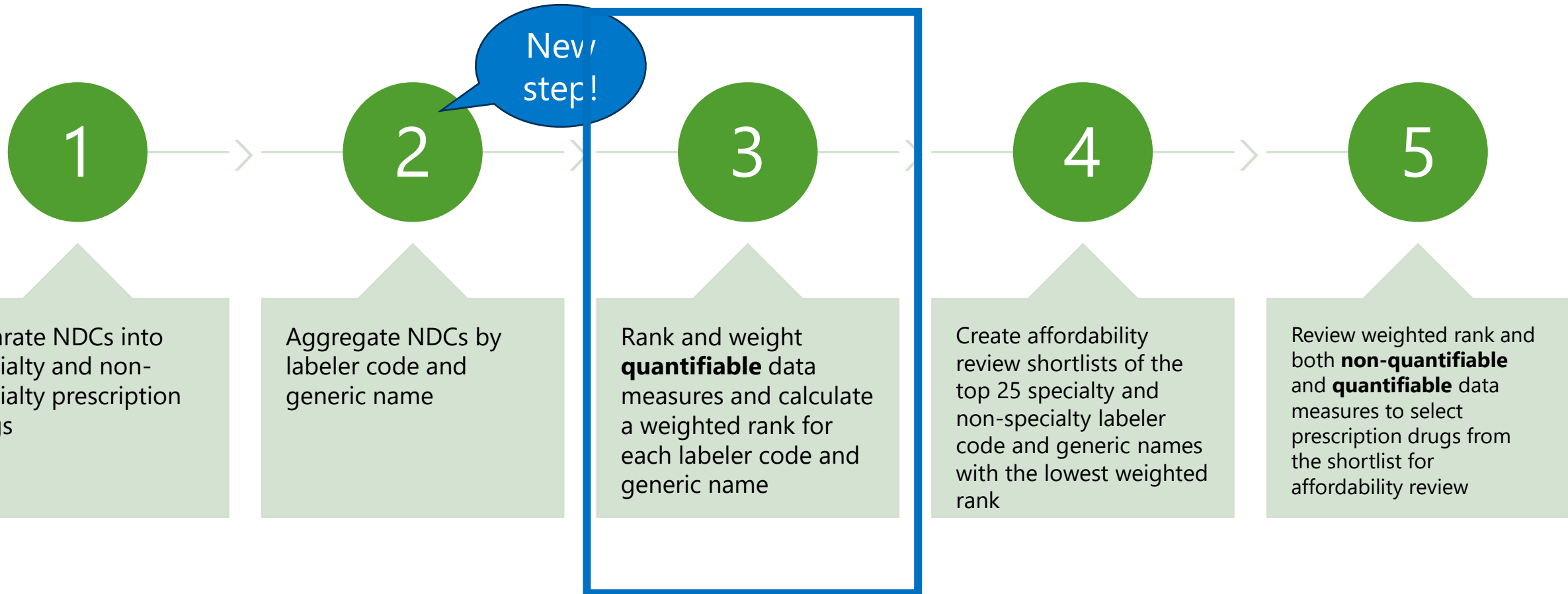
Aggregating by Labeler Code and Generic Name Example

NDC	Label Name	Generic Name	No. of People Using the Drug	Total OOP Cost	Avg OOP Cost	Total Paid Amt
00003218811	ORENCIA 125 MG/ML SYRINGE	abatacept	520	\$560,124.71	\$1,077.16	\$19,344,439.42
00003218851	ORENCIA CLICKJECT 125 MG/ML	abatacept	1,109	\$1,052,105.24	\$948.70	\$38,890,351.75



Labeler Code	Generic Name	No. of People Using the Labeler Code and Generic Name	Total OOP Cost	Avg OOP Cost	Total Paid Amt
00003	abatacept	1,585	\$1,612,229.95	\$1,017.18	\$58,234,791.17

How Will Selection Criteria Be Used?



Data Measure Ranking

- ▶ Each quantitative data measure is sorted in descending order and assigned rankings

Data Measure Ranking Example

Labeler Code and Generic Name	Average OOP Cost	Average OOP Cost Rank	Total OOP Cost	Total OOP Cost Rank	Total Paid Amount	Total Paid Amount Rank	Total # of People Using the Labeler Code and Generic Name	Total # of People Using the Labeler Code and Generic Name Rank
00001 A	\$427	1	\$5,000	2	\$10,000	5	356	2
00002 B	\$426	2	\$3,000	4	\$15,000	4	123	4
00003 C	\$384	3	\$2,500	5	\$40,000	2	84	5
00004 D	\$200	4	\$7,000	1	\$30,000	3	472	1
00005 E	\$104	5	\$4,500	3	\$60,000	1	210	3

Breaking Tied Rankings

- ▶ For tied rankings, the average ranking is assigned to each tied rank.
- ▶ Example:

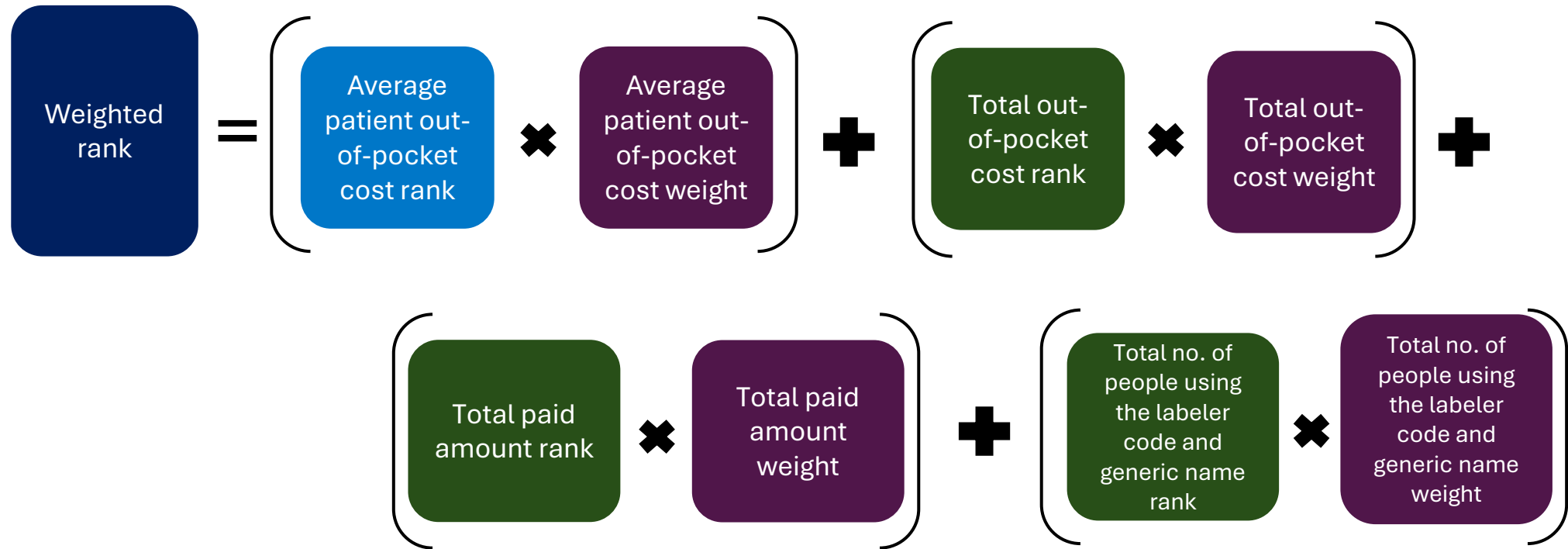
Labeler Code and Generic Name	Total Paid Amount	Total Paid Amount Rank
00001 A	\$4	1.0
00002 B	\$7	2.0
00003 C	\$12	3.5
00004 D	\$12	3.5
00005 E	\$19	5.0

- ▶ Labeler code and generic name 00003 C and 00004 D have the same total paid amount and were ranked in positions 3 and 4.
- ▶ The tied labeler code and generic names' final total paid amount rank is the average of their rankings: $(3+4)/2=3.5$

Board Member Points Allocations

Board Member	Average Out-of-Pocket Cost	Total Out-of-Pocket Cost	Total Paid Amount	Total Number of People Using the Drug	Total
1	7	13	0	0	20
2	5	7	5	3	20
3	2	5	8	5	20
4	5	0	10	5	20
5	0	10	10	0	20
Total	19	35	33	13	100
Weight (Total/100)	0.19	0.35	0.33	0.13	

Calculating Weighted Rank



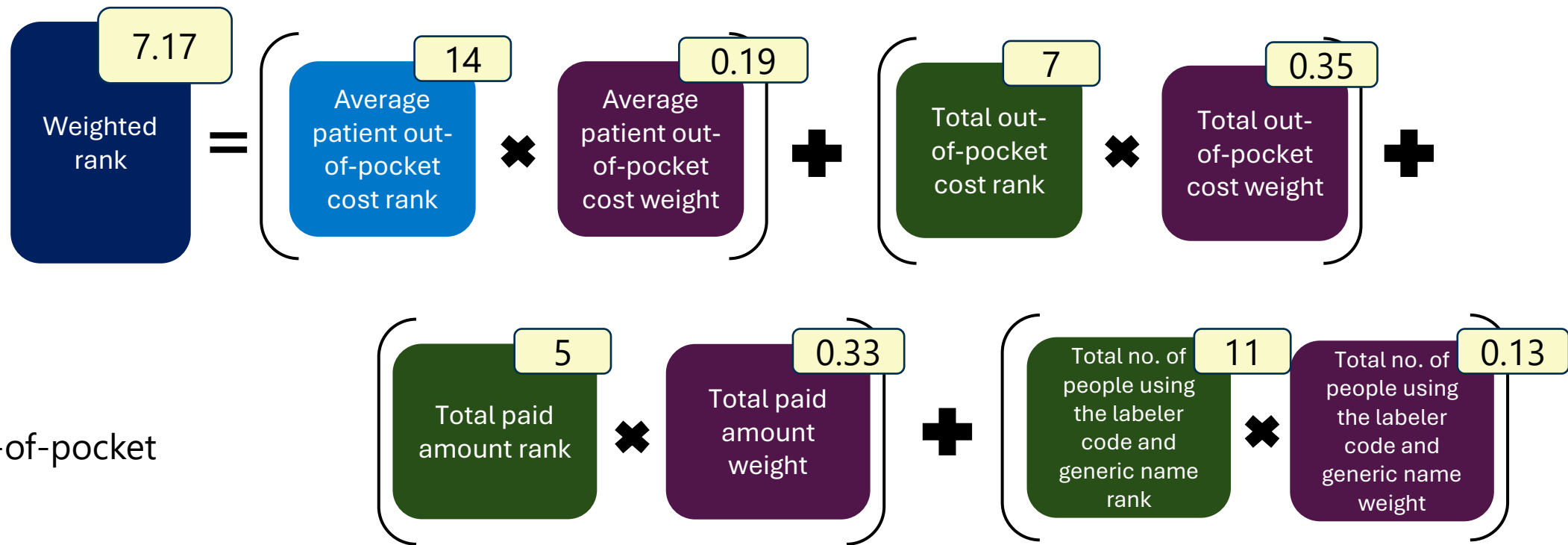
Calculating Weighted Rank

$$\text{Weighted rank} = \left(\text{Average patient out-of-pocket cost rank} \times .19 \right) + \left(\text{Total out-of-pocket cost rank} \times 0.35 \right) + \left(\text{Total paid amount rank} \times 0.33 \right) + \left(\text{Total no. of people using the labeler code and generic name rank} \times 0.13 \right)$$

Weighted Rank Example

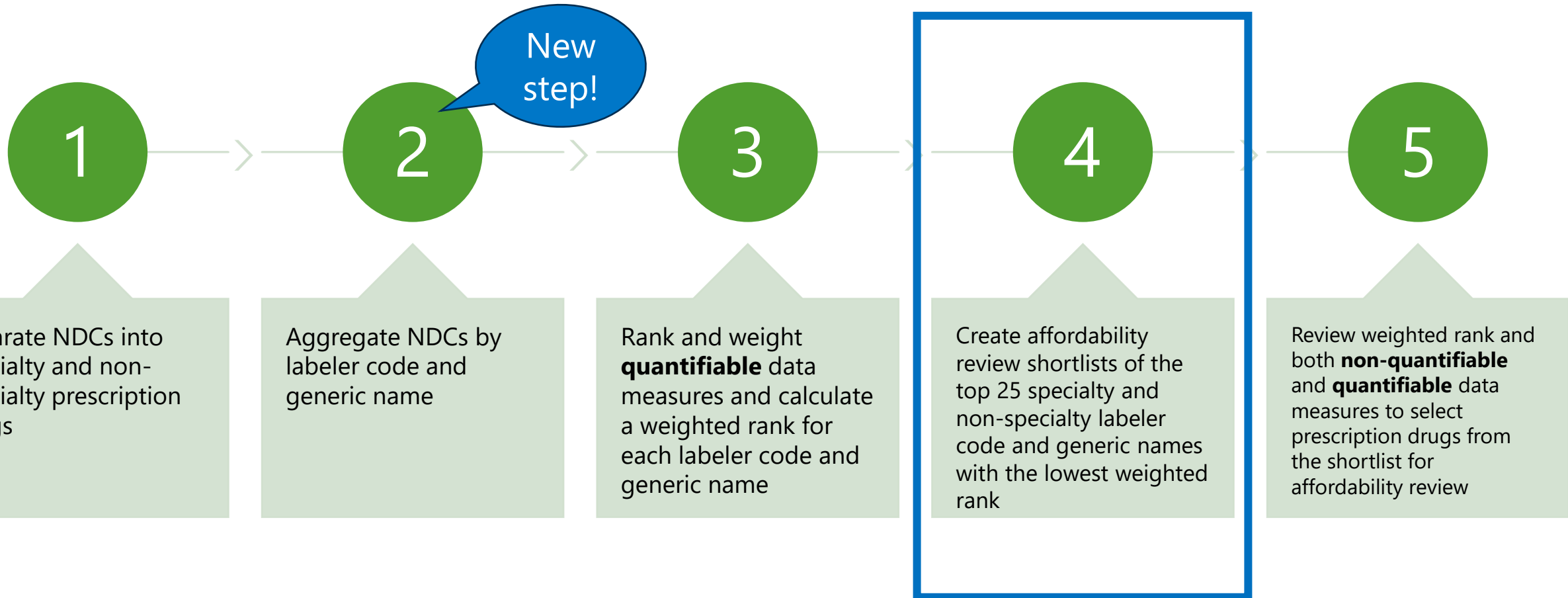
Labeler Code: 00078 Generic Name: fingolimod HCL

Average OOP Cost	Average OOP Cost Rank	Total OOP Cost	Total OOP Cost Rank	Total Paid Amount	Total Paid Amount Rank	Total # of People Using the Labeler Code and Generic Name	Total # of People Using the Labeler Code and Generic Name Rank
\$1,775.84	14	\$1,450,857.74	7	\$69,028,893.58	5	817	11



OOP: out-of-pocket

How Will Selection Criteria Be Used?



Preliminary Affordability Review Shortlists

Non-Specialty

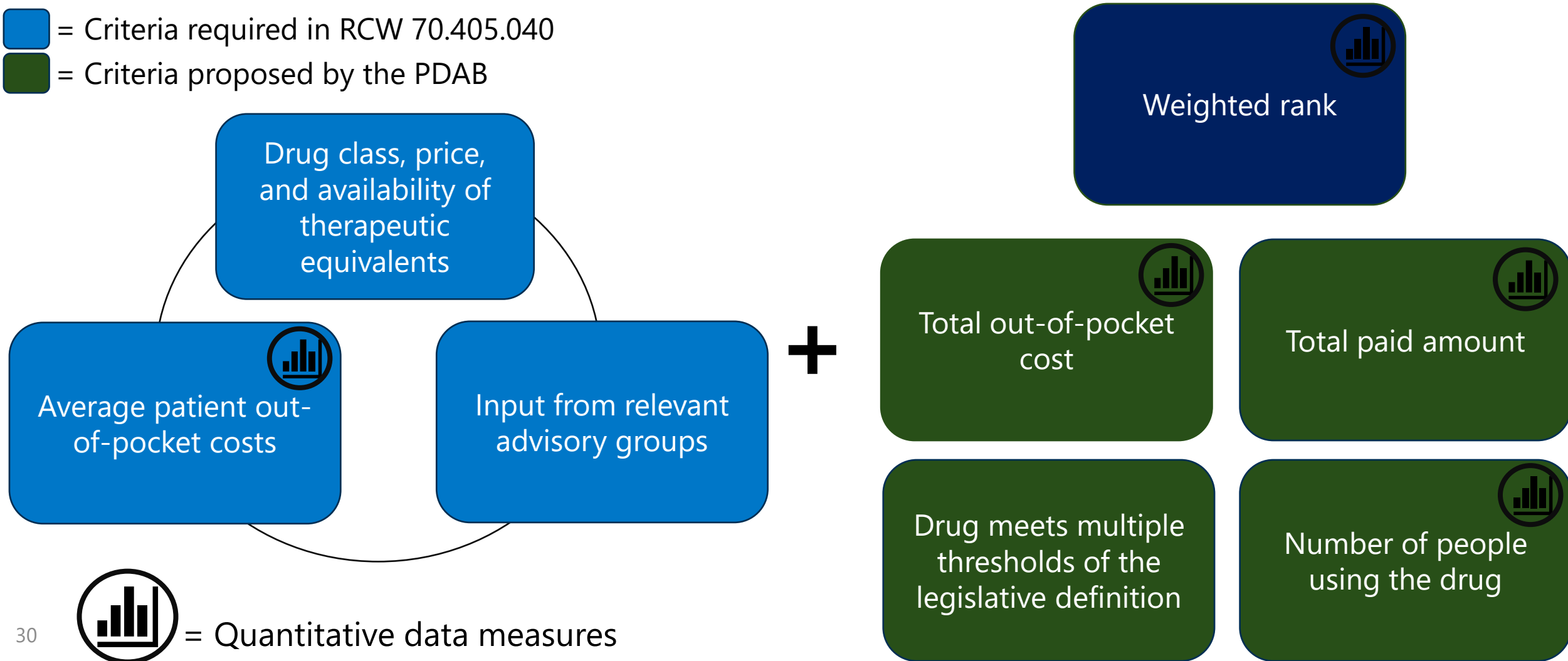
Rank	Labeler Code	Generic Name	Brand Name
1	00469	enzalutamide	XTANDI
2	42388	cabozantinib s-malate	CABOMETYX
3	00069	tofacitinib citrate	XELJANZ
4	61958	sofosbuvir/velpatasvir	EPCLUSA
5	62856	lenvatinib mesylate	LENVIMA
6	00078	fingolimod HCl	GILENYA
7	00069	axitinib	INLYTA
8	58468	teriflunomide	AUBAGIO
9	00078	eltrombopag olamine	PROMACTA
10	64406	dimethyl fumarate	TECFIDERA
11	00078	dabrafenib mesylate	TAFINLAR
12	24510	tapentadol HCl	NUCYNTA
13	63004	corticotropin	ACTHAR
14	50242	vismodegib	ERIVEDGE
15	43386	peg 3350/sod sulf/sod bicarb/sod ...	GAVILYTE
16	61958	ledipasvir/sofosbuvir	HARVONI
17	49502	insulin glargine-yfgn	SEMGLEE (YFGN)
18	00078	everolimus	AFINITOR
19	00078	pazopanib HCl	VOTRIENT
20	15054	lanreotide acetate	SOMATULINE DEPOT
21	46287	sodium polystyrene sulfonate/sor...	SPS
22	71090	dichlorphenamide	KEVEYIS
23	00310	acridinium bromide	TUDORZA PRESSAIR
24	63481	oxycodone HCl/acetaminophen	PERCOCET
25	00187	bupropion HBr	APLENZIN

Specialty

Rank	Labeler Code	Generic Name	Brand Name
1	58406	etanercept	ENBREL
2	00074	adalimumab	HUMIRA
3	00002	ixekizumab	TALTZ
4	00003	abatacept	ORENCIA
5	50474	certolizumab pegol	CIMZIA
6	57894	golimumab	SIMPONI
7	50242	tocilizumab	ACTEMRA
8	66658	anakinra	KINERET
9	64406	peginterferon beta-1a	PLEGRIDY
10	00173	mepolizumab	NUCALA
11	55513	pegfilgrastim	NEULASTA ONPRO
12	73604	rilonacept	ARCALYST
13	00004	peginterferon alfa-2a	PEGASYS
14	00003	abatacept/maltose	ORENCIA
15	61755	aflibercept	EYLEA
16	00003	ipilimumab	YERVOY
17	63459	rituximab-abbs	TRUXIMA

Reviewing the Preliminary Affordability Review Shortlists

-  = Criteria required in RCW 70.405.040
-  = Criteria proposed by the PDAB



Drugs Selected for Affordability Reviews By Other PDABs

	<u>Colorado</u>	<u>Maryland</u>	<u>Oregon</u>
1	Cosentyx (secukinumab)	Dupixent (dupilumab)	Cosentyx (secukinumab)
2	Enbrel (etanercept) ★	Farxiga (dapagliflozin)	Entyvio (vedolizumab)
3	Genvoya (elvitegravir, cobicistat, emtricitabine, and tenofovir alafenamide)	Jardiance (empagliflozin)	Genvoya (elvitegravir, cobicistat, emtricitabine, and tenofovir alafenamide)
4	Stelara (ustekinumab)	Ozempic (semaglutide)	Inflectra (infliximab-dyyb)
5	Trikafta (elexacaftor/tezacaftor/ivacaftor; ivacaftor)	Skyrizi (risankizumab)	Ocrevus (ocrelizumab)
6		Trulicity (dulaglutide)	Rybelsus/Ozempic (semaglutide)
7			Shingrix Zoster Vaccine Recombinant Adjuvanted
8			Skyrizi/Skyrizi Pen (risankizumab)
9			Tremfya (guselkumab)
10	 = On WA PDAB's affordability review shortlist		Triumeq/Triumeq PD (abacavir/dolutegravir/lamivudine)
11			Trulicity (dulaglutide)
12			Vyvanse (lisdexamfetamine dimesylate)

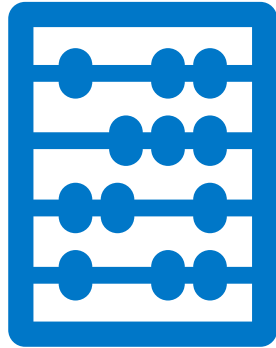


= On WA PDAB's
affordability review shortlist

Drugs Selected for Affordability Reviews by Other PDABs (Cont'd)

	<u>Colorado</u>	<u>Maryland</u>	<u>Oregon</u>
13			Tresiba (insulin degludec)
14			Tresiba FlexTouch (insulin degludec)
15			Humulin R U-500 KwikPen (insulin regular)

Next Steps



Review specialty and non-specialty shortlists of the top 25 labeler code and generic names eligible for affordability review



Select labeler code and generic names for review from shortlists

Discussion and Questions