



U.S. Access and Reimbursement for Biosimilars Far from Guaranteed

With the recent approvals of biosimilars for Humira™ and Enbrel™, RG+A's Health Payer Council® foresees challenges for biosimilar manufacturers with U.S. payers.

New Hope, PA (25 August 2016) – According to members of RG+A's Health Payer Council® (HPC®), an online community of managed care pharmacy and medical directors, biosimilar products are likely to continue to face the same scrutiny and pricing pressure from payers as their innovator counterparts, as well as competition from other biosimilar products.

“All payers are considering new, harder-edged strategies when debating coverage and management for biosimilar agents,” says Enid McDonough, RG+A's Vice President for Market Access and Executive Director of the Health Payer Council. “This is particularly true of PBMs, which are drawing a hard line in the sand when determining coverage.”

With the Food and Drug Administration's July 2016 approval of Amgen's biosimilar Humira and Sandoz's biosimilar Enbrel, the pace of biosimilar approval in the U.S. is beginning to increase. Even though the U.S. biosimilar market is still early in development, U.S. payers report that the expected cost savings offered by biosimilar products have yet to materialize.

“It is critical to realize that biosimilars are likely to continue to under-impress in terms of pricing, for example Zarxio,” says one national pharmacy director. “The reality is that these products are rebated, so biosimilar manufacturers need to be more aggressive in pricing.”

McDonough points out the bumpy road that biosimilars have ahead, saying, “As your product comes to market you may face competition from agents that do not have an interchangeability designation.” She notes that these factors highlight the importance of strong go-to-market contracting strategies by biosimilar manufacturers, and that a manufacturer assuming that the old contracting strategies will be effective may backfire.

About RG+A

RG+A is a marketing research and business intelligence consultancy based in New Hope, PA. With nearly 25 years of experience in applying unique and creative methods to solve



complex problems, RG+A has earned a reputation as an innovator in primary research and consulting for the healthcare industry, advising pharmaceutical, biotechnology, and medical device companies on pricing, market valuation, and strategy formulation.

About Health Payer Council

The Health Payer Council (HPC), the only online marketing research community (MROC) comprised exclusively of managed care medical and pharmacy directors, was launched in April 2012 by RG+A to address biopharmaceutical companies' emerging and urgent need to access decision making payers for creative qualitative and quantitative marketing research. HPC provides access to fully vetted payer directors from across the US who have decision making authority and are engaged on a level not available from a traditional panel. By providing access to these payers, HPC gives stakeholders incomparable opportunities to conduct specialized research with this critical community.

For more information on RG+A or Health Payer Council, please visit us at www.thinkRGA.com or call 267-744-6400.

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