

Managed Care Approaches to Oncology More Stringent; Novel Tactics Emerging

HRA's Newest Study Explores Current and Future Payor Management Strategies for Oncology, Oncologists' Response

Parsippany, New Jersey (June 25, 2012) – Rapid clinical development and high costs are forcing managed care payors to revise their traditional “hands off” approach to oncology, and Oncologists are feeling the effects of this shifting paradigm, according to a recent study by HRA – Healthcare Research & Analytics.

Unprecedented growth in available therapies, as well as an expected 4% to 5% average increase in pharmacy budgets for oncology over the next two to three years, is inspiring change. Prior authorization frequently is required for oncology therapies – and while it is currently based on FDA guidelines or compendia requirements, the future may entail more stringent, performance-based requirements. Clinical pathways for oncology, while not yet widespread, are expected to take hold as well among a majority of payors represented in the research.

“At the end of the day, [payors] have to pay for [the oncology therapy], and we have to figure out what we can pay for,” stated a Key Opinion Leader featured in this research who contributed on the condition of anonymity. “Our system is unsustainable and needs to base care on real evidence-based choices; it will become very important to show our choices make sense, especially if we have many possible pathways. We need to pay doctors to practice medicine, not churn out services. And ... patients need to have some real skin in the game.”

HRA's research also reveals that Oncologists, as well as Oncology Nurse Navigators, view payors as increasingly hands-on in their management of oncology and acknowledge challenges to patient compliance with therapies as a result.

“I think what's changed dramatically... is every kind of procedure or intervention has to ... go through some approval network, go through approval process,” stated an Oncologist participating in the research. “So it has burdened or added more employees to the system to take on this added burden.”

HRA's newest study, **Changing Paradigms in Managed Care: Oncology Management**, explores the changing dynamics of managed care in the oncology space. Methodologically, the research pairs extensive desk research with primary qualitative and quantitative research among managed care Directors of Pharmacy and Medical Directors, Oncologists, Oncology Nurse Navigators, and patients. It also includes perspectives from key opinion leaders (KOLs) in the payor space who serve as experts in the issues surrounding oncology management. The research covers a variety of topics including the tumor types that are most closely managed; current and novel techniques used in the oncology space; the response of physicians and Oncology Nurse Navigators to more stringent controls on oncology treatments; and expected changes for the future, among other issues.

“The availability of very expensive, novel oncology therapies, changes to the healthcare system and the oncologists' practice as we know it, and pressures placed on payors are providing the perfect storm for changing the way in which oncology is managed,” said John Maglione, President and General Manager of HRA. “Five or six years ago it would have been almost unheard of for a payor to acknowledge true management approaches in the oncology space. The world has changed since then. Our newest study is designed to help decision-makers in the pharmaceutical and biotech industries better understand this changing dynamic and how to react.”

HRA – Healthcare Research & Analytics is a consultative healthcare market research practice leveraging a flexible spectrum of solutions to support decision-making and strategy development across healthcare channels with expertise in the hospital channel. HRA's team of highly-experienced market researchers combines deep domain expertise in healthcare, science, business, and statistics with a passion for uncovering insights. HRA's portfolio of offerings encompasses quantitative and qualitative, custom and syndicated market research services to support the business needs of the pharmaceutical, biotech, and medical device markets. HRA's people and its products provide the healthcare market with actionable intelligence – facilitating better business decisions.

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