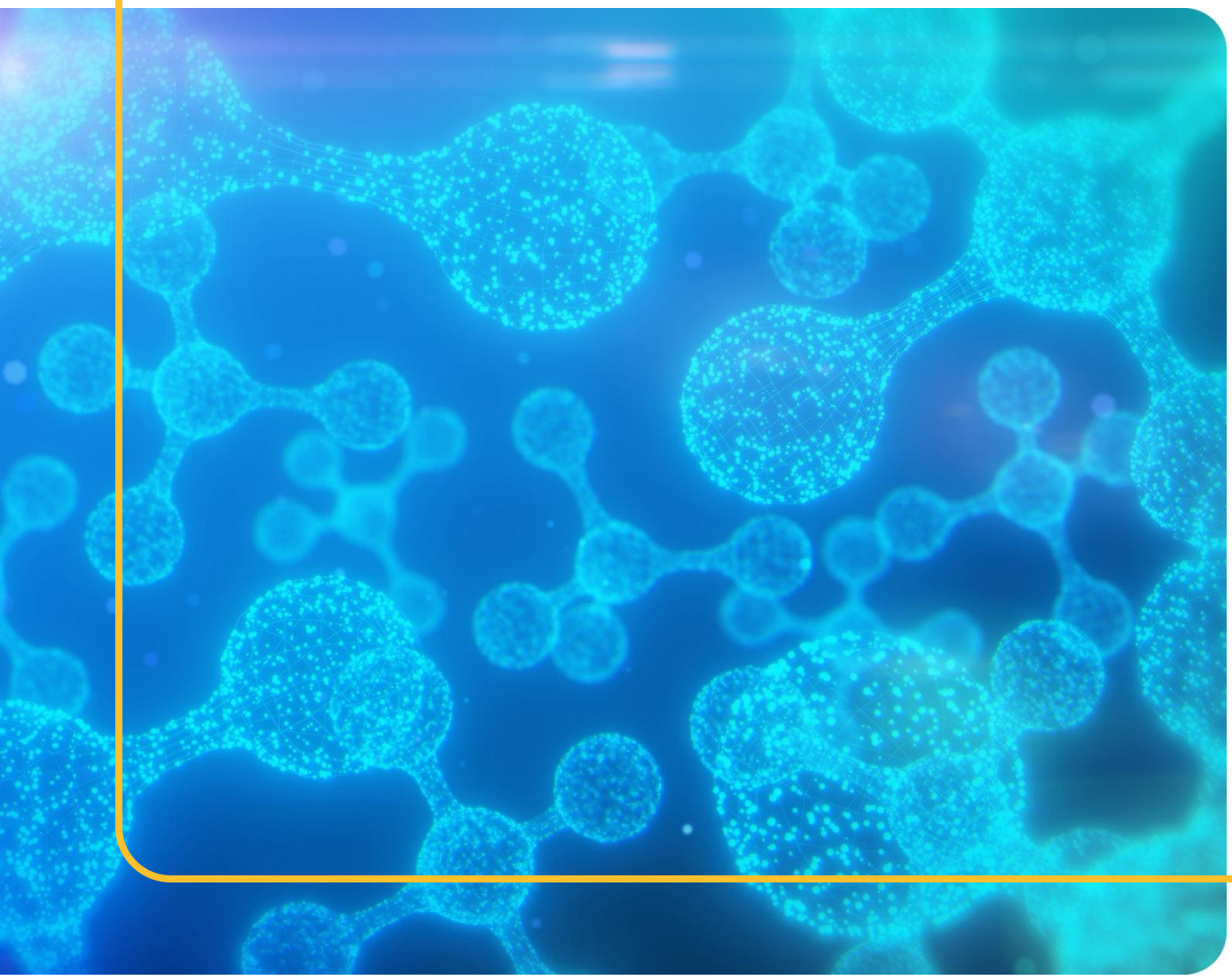
vizient®

2022 Vizient biosimilar survey

Adoption and planning for biosimilar conversion in 2023



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Introduction

The biosimilar experience is well into its second decade of existence in the U.S. At the time of writing of this report, 36 biosimilars have been approved and over 20 biosimilars are marketed. From 2014 through 2022, biosimilars accounted for $12.6 billion in savings in the U.S., fulfilling their stated role of providing savings for high-cost, biologic medications. Nine biologic molecules have at least one marketed biosimilar competitor and five biologics have at least three approved biosimilar competitors. In spite of this progress, the biggest test of the biosimilar paradigm remains.

Beginning January 31 and continuing throughout 2023, numerous biosimilar versions of adalimumab (Humira) are expected to enter the market. At present, seven biosimilar versions of adalimumab have been approved and more are anticipated prior to these agents being launched. Given the size of spend associated with Humira, $1 billion+ alone for Vizient members, the introduction of biosimilars signals the greatest opportunity for savings and value realization in this new era of biologic competition. However, it also represents the greatest challenge to date. While the concept of biosimilars from a clinical acceptability perspective has largely been answered, the alignment between provider selection and payer coverage determination remains challenging.

Vizient continues to expand and evolve its strategies to support members in their evaluation and use of biosimilars. As part of its preparatory efforts, Vizient conducted a member survey to evaluate the current status of biosimilar adoption and the factors likely to guide utilization of Humira competition once such products become available. The Vizient biosimilar survey was conducted between March 30 and April 28, 2022. Of the pharmacy professionals and executives surveyed, 124 responses were obtained. This report summarizes those findings.

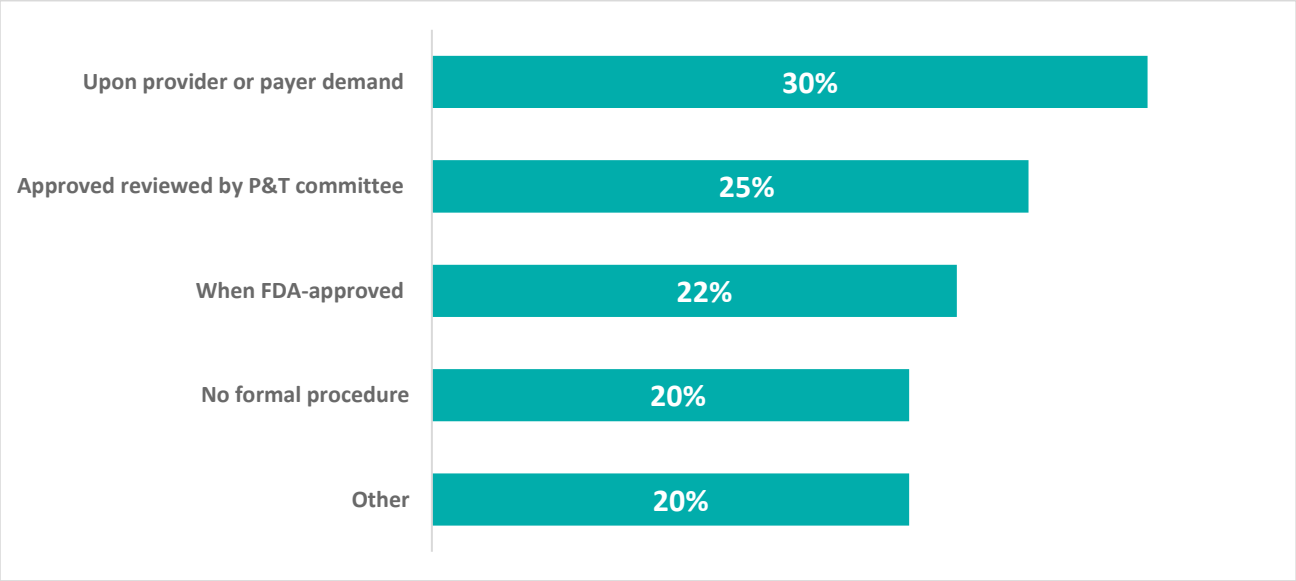
2022 biosimilar survey findings

In addition to assessing members' approach to biosimilars, the survey also attempted to evaluate the extent to which formulary decisions are made at a system level and how often the system formulary process covers both inpatient and outpatient medications. Most organizations (80%) have a system wide formulary process. In addition, the majority (66%) of respondents stated the system-level formulary process is for both the inpatient and outpatient medication formulary.

Formulary evaluation of biosimilars

In relation to biosimilars specifically, the majority of respondents have instituted a formulary review for these agents. However, the timing of review varies. In some cases, formulary addition is triggered once an approved biosimilar is marketed. In other cases, a provider request, payer coverage determination, or new contract award initiates the formulary process.

Conditions under which a formal procedure is implemented to add biosimilar agents to institutional formulary



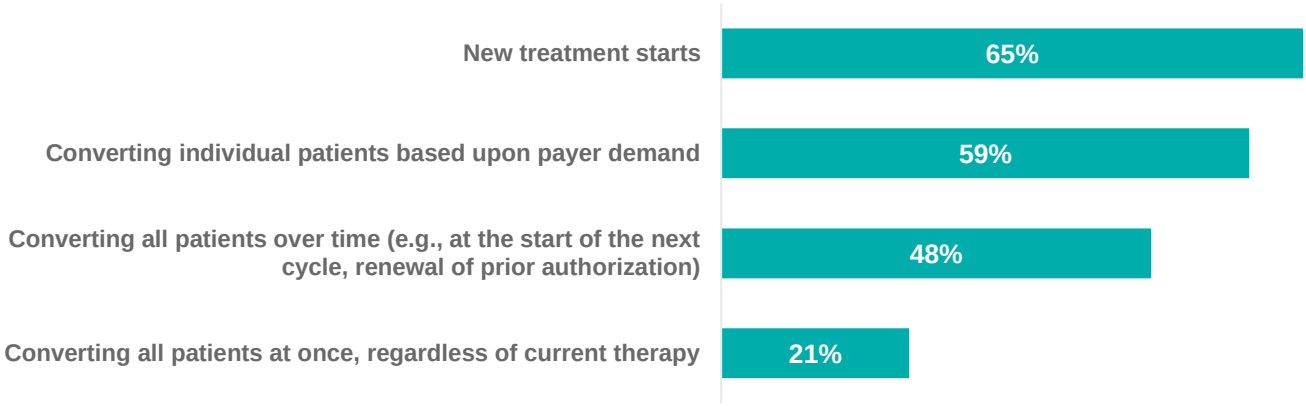
Notes: *n=111*

Of the nine biologics for which biosimilars have been approved, all have been added to member formularies to some degree. Based upon the responses, the longer biosimilar competition has been available, the more likely the product is to be on formulary. However, having biosimilars on formulary does not necessarily translate into high utilization or standardization for that molecule. For example, when asked for biosimilars added to formulary, the biosimilars that are presently utilized, and the most utilized biosimilar, infliximab was the predominant biosimilar selected. Yet as both national and Vizient information reveal, biosimilar infliximab tends to have a lower market share in relation to other biologic categories where biosimilars have captured a larger part of the market. Therefore, members have added infliximab and are using it, but not to a predominant degree.

For whom are biosimilars prescribed?

Members reported that the primary situations in which they use biosimilars are for new treatment starts followed by use based upon payer coverage for individual patients. However, a significant number also convert patients over time, such as at the start of the next treatment cycle.

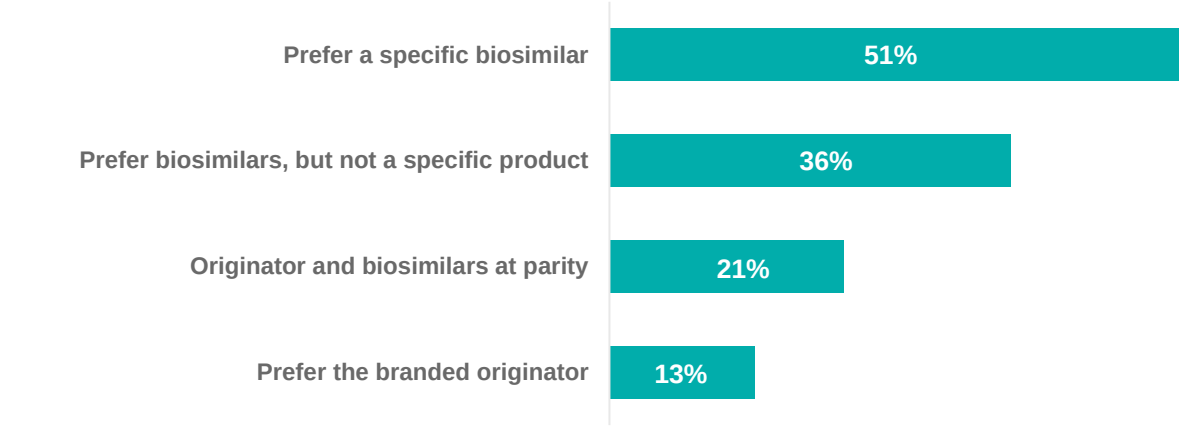
Please select the responses that best describe your institution's biosimilar conversion process



Notes: *n=82*

Speaking of payers, the influence of coverage determinations is high, which will likely significantly affect Humira biosimilar uptake. While only a small number of respondents report payers preferring the originator product, 51% stated that their payers prefer a specific biosimilar, which can create additional prescribing, inventory and management challenges.

Which of the following best represents your experience of payer coverage determinations related to biosimilars?

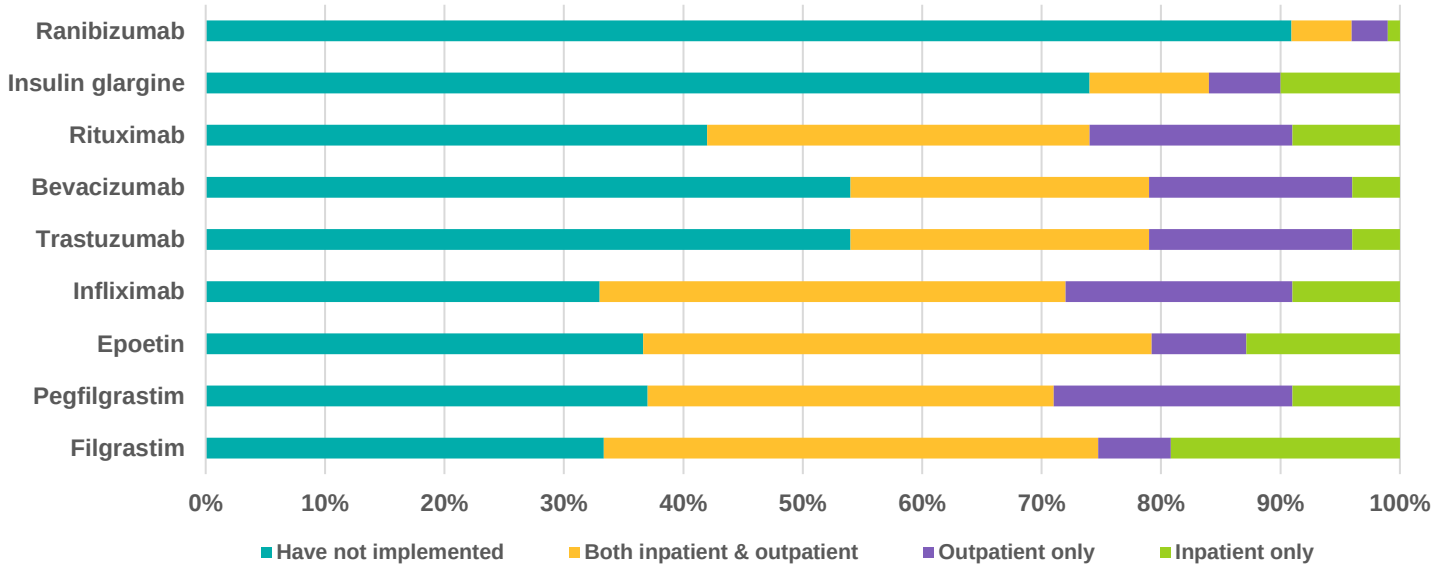


Notes: *n=98*

Interchangeability and substitution

While biosimilars are not new, those possessing the interchangeability designation remain limited. Still, given Humira's use in the retail/pharmacy benefit setting, the potential for greater relevance of this designation exists. Therefore, we asked members both about the importance of interchangeability attributes as well as the extent to which therapeutic substitution is taking place within their organizations.

Setting(s) in which the institution has implemented automatic therapeutic substitution for the following medications



Notes: *n=93*

Not surprisingly, the two molecules for which therapeutic substitution in the inpatient and outpatient setting were highest were epoetin and filgrastim, biologics with heavy health system presence. However, even though the presence of interchangeability is currently limited to one approved and marketed biosimilar, 79% of respondents stated this standard was either very or extremely important to the biosimilar approval process. As we approach Humira competition, we will monitor closely the need and function of the interchangeability designation.

Preparing for biosimilar Humira

Specifically in relation to competition for Humira, we asked members to rank the top three barriers to biosimilar adoption once such products are launched. The top three items were payer placement, acquisition price and interchangeability.

Top attributes for selecting a biosimilar adalimumab (Humira) preferred agent

Mean	Attributes
1.7	Payer placement
1.8	Acquisition price
2.0	Interchangeability
2.1	Ease of use of autoinjector
2.3	Absence of citric acid
2.3	Strength (preference for higher concentration)
2.6	Autoinjector ease of use
2.7	Quality and extent of patient assistance program

Note: The lower the mean level, the more important the attribute

Presently, there is significant conversation regarding originator Humira and the pending biosimilars as it relates to the presence of citric acid and the concentration of the formulation. Neither of those attributes were prioritized as key decision points when considering biosimilar competition for this agent.

Summary

This survey provided great insight regarding the current landscape of biosimilars and what is anticipated as we get closer to 2023. Vizient is continuing to expand its sourcing services, including network aggregation strategies, analytics and consulting capabilities, and clinical information to assist members with this market, which will continue to change throughout the next 18 months. The biosimilar adoption that has occurred to date is significant. However, Humira will represent the greatest test of the biosimilar paradigm. To learn more about all the survey results, access this link and to learn more about changes with biosimilars, view the latest edition of Pharmacy Market Outlook.

Additional pharmacy resources

Vizient provides resources to help health systems with the adoption of biosimilars. Please see resources below.

Pharmacy resources

From inpatient to outpatient care, we deliver solutions that optimize your pharmacy for high-quality patient care and financial growth.

Biosimilar resources

With a comprehensive portfolio of contracted biosimilars as well as resources and templates to manage biosimilar uptake, education and market insights, Vizient is committed to helping members through the successful adoption of biosimilars.

Pharmacy consulting

Our Vizient pharmacy advisory experts utilize analytic insights to benchmark your biosimilar conversion progress and deliver formulary management through contract maximization and standardized utilization of biosimilars of high-cost biologic agents. Capture quantifiable savings through cost reduction, revenue enhancement, and reimbursement optimization.

Pharmacy analytics

With real-time visibility into expense management across all care settings, organizations rely on Vizient Pharmacy Analytics to redefine pharmacy as a strategic contributor in a hospital's ability to reduce pharmaceutical spend while improving outcomes. Utilize Vizient Savings Actualyzer to access biosimilar tracker analytics to help you maximize and track opportunities specific to your organization.

Biosimilar calculator (login required)

Compare savings for multiple products.

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