Getting UK market access right
The importance of a local value story in the new NHS

Janice Haigh, Practice Leader for Market Access, Europe, Quintiles
Gareth Williams, Director, Market Access, Europe, Quintiles

Executive summary

On April 1, 2013, the biggest changes in the 60 year history of the National Health Service (NHS) came into force. The complete redesign of the English NHS created 211 local purchasers of healthcare products and services. Each of these bodies is now a potential partner for the pharmaceutical industry as it tries to deliver solutions to local healthcare problems.

This presents a new and evolving challenge to market access teams operating in England. In the old model of healthcare delivery, drugmakers took submission dossiers to a single national body, sometimes negotiated on price, and then received an acceptance or rejection. The focus was on convincing a single market access gatekeeper they were getting a clinically effective intervention for a fair price.
Executive summary, continued

Some Eastern European countries still follow this model, and decision making is largely national in France and Germany too. The NHS is different. England, like Italy and Spain has devolved decision making power and budgets to local bodies, each of which has unique unmet needs and definitions of value. The changes put England at the forefront of the Europe-wide fragmentation of the payer landscape. Across Europe, pharmaceutical market access teams now face multiple local, regional and national decision-makers.

Each of these bodies has their own priorities, but ultimately all healthcare stakeholders share the same triple aim: better patient population outcomes, enhanced healthcare quality and lower per capita costs. An understanding of how local priorities shape the best way to achieve the triple aim in each area is the basis of successful introductions of healthcare solutions.
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Navigating Europe’s local decision makers

As in the past, national bodies, such as AIFA in Italy, hold considerable power. By setting prices, conditions of reimbursement and doing health technology assessments (HTAs), national bodies design healthcare strategies for the whole country. Implementation of the strategies falls upon a range of regional bodies though. These organisations, such as sick funds in Germany, often hold budgets, and spend them on healthcare interventions that offer the best value in their own patient population(s).

Figure 1 Payers are diverse and have different needs

Local groups also have budgets. In each country, hospital formularies make spending decisions at a very local level. Like regional payers, these groups are looking for products that deliver real value in their unique healthcare setting. Some countries also have therapeutic networks working at the local level. In Germany, for example, a diabetes initiative gives funding to motivate doctors to care for patients more proactively. Again, the decision makers in this initiative have their own unmet needs and definitions of value the pharmaceutical industry must fulfill.

England has therapeutic networks and hospital formularies too, but has taken the localisation of healthcare budgets further still. Two-thirds of the healthcare budget in England is now spread among 211 clinical commissioning groups (CCGs). Each CCG is responsible for a geographic area, and purchases products and services for long-term conditions and common diseases. The new NHS also has Commissioning Support Units to guide and advise CCGs, and networks to show clinicians and payers what best practice looks like in certain therapeutic areas.

Each of these stakeholders is a group the pharmaceutical industry can potentially engage with to embed change within medicine decisions at a local level. The single market access gatekeeper of the old model has gone. Companies must now work with hundreds of local groups, each of which has different unmet needs and definitions of value. The challenge is to understand the needs of stakeholders, and then work with them to deliver healthcare solutions tailored to the local population. Payers want biopharma to show the value of its products through measurable improvements in local health outcomes. Building locally relevant value propositions
Building locally relevant value propositions

Developing a locally relevant value proposition requires a slightly different outlook than the other steps in market access. Earlier work on defining unmet need and the brand underpin everything, but when we get to this stage the focus is on how value is delivered in the local health economy. England is now made up of hundreds of such local health economies following the devolution of budgets to CCGs in the NHS revamp.

The number and diversity of stakeholders means companies must craft multiple locally relevant value propositions for every product. Each CCG works towards shared, nationally set targets created by the coalition government, but has autonomy in how they deliver against these goals. Similarly, while adoption of National Institute for Health and Clinical Excellence (NICE) guidelines is a statutory requirement, local interpretations of the texts vary. A CCG in London and rural Cornwall will both follow NICE quality standards for diabetes, but their care pathways will look fundamentally different. Medicines decision making and budget allocation is done at a regional level so each area has a locally tailored interpretation of a national standard.

Successful pre-launch market access campaigns take the time to understand these differences. The flow of money and movement of patients through the standard of care varies from one local healthcare system to another. Similarly, decision making pathways vary by geography too. Once a company understands the nuances of a local healthcare system and the value of its product, it can begin to figure out how a medicine fits into the process, and how it can improve outcomes.

Upheaval in the NHS makes this more complicated than before. The structure of the NHS means five or six different providers could work in a single care pathway, such as for diabetes. To date, there is a lack of a group with the power to integrate performance of the overall care pathway, so there are multiple stakeholders each with different definitions of success. The role of the drug is at risk of being lost with many different groups providing services. A considered market access plan can prevent this from happening.

An effective approach is to link the brand value proposition to CCG performance measurements, while also showing how the product is applicable locally. Done well, this approach articulates the value of a product in a particular healthcare setting by showing the CCG how the drug will help it meet its outcomes targets. The strategy is predicated on a clear understanding of the local healthcare environment and the value of a product in terms of outcomes. This level of knowledge is only attainable through rigorous pre-launch market access activities. There is no quick tick list for success.
Engagement with stakeholders has to be locally adapted, really flexible and focused on working with a system to produce an evidence-based solution. This goes beyond building and delivering a product value message. It is about bringing together skills in epidemiology, timely real-world data capture and other areas in collaboration with local stakeholders to deliver against the triple aim. This will require different skills, many of which are new to biopharma, but it is all based on a sound understanding of local stakeholder needs.

Making the most of pre-launch market access

Under the ABPI code, market access teams can begin engaging with healthcare budget holders three years before launch. This gives plenty of time to understand their needs, but at this stage it is hard for a company to see how its product can help. The Phase III data that will come to define the value of the drug is still being generated. Until this information is available, the value of market access activities is limited. Starting work late is even worse though, as it leaves too little time to develop locally relevant value propositions.

Having helped clients with 12 UK launches in the past year, Quintiles believes the sweetspot for starting local market access activities is two years ahead of a drug going on sale. Starting at this stage means Phase III data has begun to shape the value proposition of a brand. Market access teams then have two years to talk to CCGs to refine their understanding of how the medicine fits into local healthcare delivery, and how they can collaborate with local stakeholders to deliver against the triple aim.

This pre-launch window is vital to the commercial success of a medicine. Done right, pre-launch market access activities deliver a lot of insight into what else a product needs wrapped around it to show true value in the local NHS. Feedback informs everything from the rightsized sales force to whether packaging the drug with a homecare service would make it more valuable. Sending a sales team out without this feedback could severely limit their ability to show how a drug delivers value to a local healthcare service.

Polling Q 1  At what stage in the product lifecycle do you currently initiate Market Access activities?

Total 47
- 21 – two years before launch
- 14 – one year before launch
- 2 – six months before launch
- 3 – at launch
- 7 – other

Response rate 55.95%

Continuing market access post-launch

In earlier iterations of healthcare this would mark the end of market access activities. The drug is put on sale and market access teams move to the next product. This has changed. At Quintiles, we define market access as activities that make payers the focal point of negotiations throughout the lifecycle of a brand. Pre-launch activities are an important component, laying the foundations for what comes later, but in the current environment market access work continues long after a product reaches the market.
Companies will increasingly face ongoing, continuous assessment of their products’ outcomes and value in local healthcare settings. In preparation, it is wise to use the adoption of a product by local healthcare services as a platform for showing it is effective in the real-world. Payers, particularly in the UK, want to see evidence a treatment is associated with long-term, real-world positive health outcomes. In pre-launch development there are limited opportunities to generate such evidence, so it is vital to make the most of the data gathering possibilities presented by the commercialisation of a drug.

Polling Q 2  How have the changes in the NHS impacted your business?

Total 30
- 8 – caused major changes
- 3 – previous model still works after minor adjustments
- 16 – some changes to how we work
- 3 – not at all

Response rate 35.71%

As well as preparing a product for possible reassessment by a payer, the gathering of outcomes data can support a company’s push to expand use. Tracking patients through the care pathway generates evidence of a drug’s financial impact and its effect on quality of life outcomes. Positive financial and health outcomes could convince a local healthcare provider to increase expenditure on the product. Alternatively, a company could submit the data to NICE to seek a patient access scheme.

The industry is adapting to the move toward continuous assessment, and the implications of the changes to the NHS are still sinking in as well. A Quintiles webinar poll found one in five respondents made no changes or just minor adjustments to their businesses in response to the reshaping of the NHS. A further 50 percent made ‘some changes.’ These results suggest a sizable proportion of the industry believes maintenance of the status quo is enough to succeed in negotiations with the new NHS.

Yet the customer has fundamentally changed. Devolution of budgets means companies will be best placed to succeed when they understand care pathways and decision making at a local level. Equipped with these insights, companies can partner with local stakeholders to improve patient outcomes and quality while cutting costs – the triple aim of healthcare systems. Over time, the 25% of respondents who made major changes may prove to be the most prescient.
About the authors

Gareth Williams
Quintiles
Gareth is Director, Market Access, Europe at Quintiles. In this role, he is responsible for driving best practice across key markets in Europe, developing innovative solutions and supporting the practical implementation of international projects. Previously, Gareth was UK Market Access Director, leading a team of experts dedicated to helping biopharma demonstrate the value of their drug in meeting the health care needs of local populations. He joined Quintiles in 2010 and has more than ten years experience in driving commercial strategy across the product life cycle, working with NHS payers, and adapting the promotional mix to suit local health care priorities.

Janice Haigh
Quintiles
Janice is Practice Leader for Market Access, Europe within the Consulting division at Quintiles. In this role she is responsible for leading a team of consultants who undertake payer and pricing research, health economics analysis and value development for clients. Before joining Quintiles, Janice was the Head of Pricing and Market Access for Astellas Pharma Europe where she was responsible for developing and implementing pricing and market access strategy for new and in-market products, working closely with brand teams and affiliates. Janice has almost 25 years’ experience in healthcare across Europe and is a Fellow of the Chartered Institute of Marketing. She holds an MSc in Management Science from Imperial College and a BSc in Mathematics from Royal Holloway College, University of London.