

INNOVATIVE PRICING MODELS / MANAGED ENTRY AGREEMENTS FOR IMPROVING ACCESS

With increasing payer scrutiny on the additional therapeutic value and pricing potentials of new therapies, and increasing payer openness to alternative payment models, it is important for pharmaceutical, biotechnology and medical device companies to consider innovative pricing models / managed entry agreements as part of their reimbursement and access strategies.

Navigant has extensive experience in developing tailored financial and outcomes-based innovative pricing models to inform internal decision making as well as external negotiations with payers. With internal knowledge across a wide range of agreements and indication areas, Navigant can support companies in developing the most appropriate agreements that address payer concerns to gain access at optimal price points.

APPROACH

- Navigant’s models take into account detailed volume, pricing and cost assumptions that are tailored for each individual indication / product.
- The models are built with dynamic inputs on key criteria, allowing the Manufacturers to test the robustness of their assumptions and potential outcomes; multiple agreements can also be incorporated into one model with options to add to subtract individual agreements, and test the impact on P&L.
- Our approach comprises of three core phases:



MODEL DEVELOPMENT:

- Synthesize payer objections / business challenges to be addressed
- Align on appropriate models to be developed
- List key variables
- Define functionality and output of the models

DATA & REPORTING:

- Align on input data
- Validate with external sources

MODEL DEVELOPMENT:

- Build model and refine assumptions
- Test different scenarios by altering inputs
- Validate and review with client
- Further refine model if necessary

DATA & REPORTING:

- Documentation of outcomes based on different assumptions

MODEL DEVELOPMENT:

- Document potential outcomes of model
- Run simulations and test logic and functionality

DATA & REPORTING:

- Scenario testing workshop
- Provide training to stakeholders for internal analysis as well as negotiations with payers



NAVIGANT VALUE-ADD IMPACT

- Navigant can draw on extensive internal knowledge to support manufacturers in applying the most appropriate models to address their reimbursement and access challenges.
- Outputs, especially revenue and P&L, can be used to triangulate the appropriateness of individual financial or outcomes-based agreements, to ensure that different scenarios and risks have been accounted for, and that contracting terms are robust.
- In concert with model development, Navigant also supports manufacturers on articulating the value of their products to payers, to ensure that the full potential of the product is captured.
- Successful financial and outcomes-based agreements also allows for the preservation of list prices, which combined with an optimal launch sequencing / international price referencing model, supports the manufacturer in maximizing opportunities on each individual asset.

LIFE SCIENCES GLOBAL MARKET ACCESS CENTER OF EXCELLENCE:

ENVIRONMENT:

- Payer / stakeholder mapping
- Unmet needs & value driver assessment
- TPP Assessment & evidence requirements
- Payer funds flow / care re-design & pathway implementation
- Coding/Billing & Reimbursement Analysis

VALUE:

- Value Proposition Optimization
- Key Value Message Testing by stakeholder group
- Value story development
- Objection handling
- Roadmap for launch
- BD&L Assessments

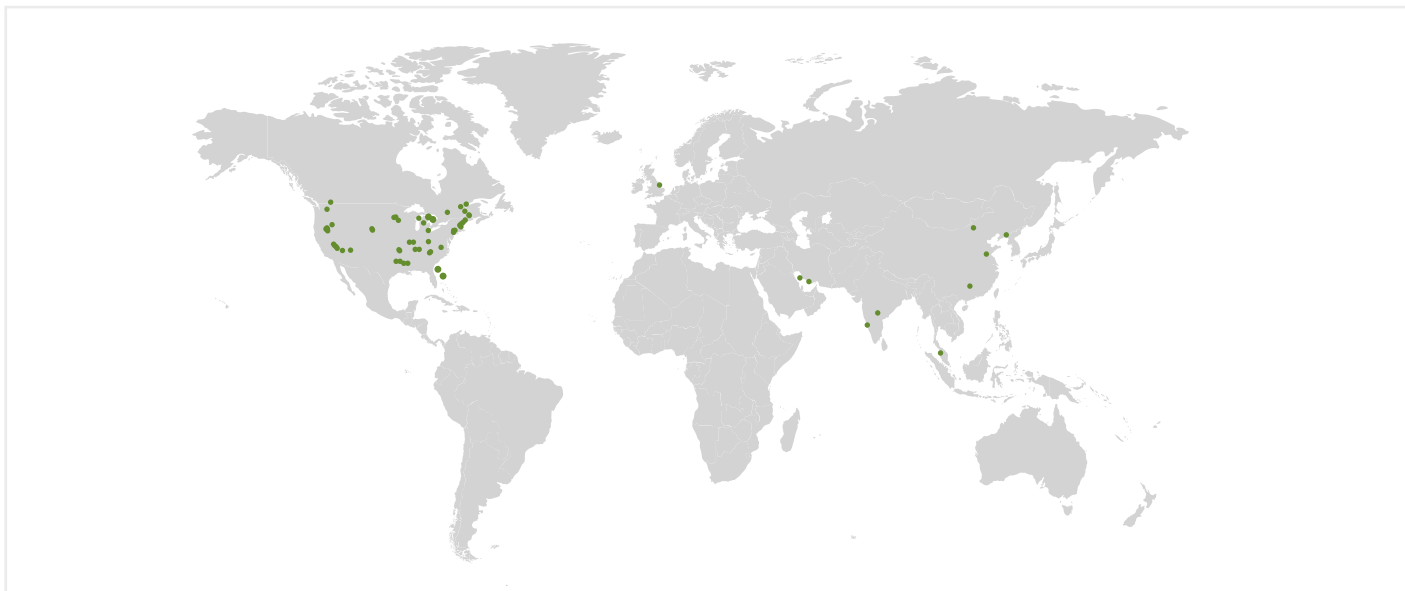
PRICING & REIMBURSEMENT:

- Qualitative Price Assessment
- Quantitative Price Finding & Access Studies
- Price build-up models
- Innovative pricing, contracting & managed entry agreements
- International Reference Pricing & Launch Sequence Modeling
- Mock Negotiations

EVIDENCE & Non-Interventional Studies:

- Clinical trial design & evidence requirements
- Retrospective Chart Reviews
- Pharmaco-epidemiological studies
- Patient / caregiver reported outcomes
- Registries
- Data mining

NAVIGANT'S GLOBAL OFFICES



- **Expertise in Pricing, Reimbursement & Access:** A dedicated global team with deep expertise in pricing, reimbursement and market access across product development and lifecycles
- **Global Network of Stakeholders:** Access to a broad range of stakeholders including national, regional and local payers, pharmacists, key opinion leaders (KOLs), physicians and patients
- **Rich Knowledge of Major Therapeutic areas:** Oncology, immunology, pain, cardiovascular, metabolics, antibiotics and vaccines
- **Rigorous Analysis to Deliver Tailored Actionable Insights:** Advanced analytics, innovative methodologies, and qualitative and quantitative research techniques designed to bring actionable insights
- **Industry Experience:** Extensive pharmaceuticals, biotech and medical devices experience in both commercial and clinical development
- **Global & Regional Perspectives:** We have the ability to deliver global, local and affiliate engagements through our global capabilities and resources

NAVIGANT'S LIFE SCIENCES EXPERTS

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