NAVIGANT

LIFE SCIENCES

NAVIGANT'S PROPRIETARY APPROACH RESETS THE TRUE OPPORTUNITY SIZE FOR A BLOCKBUSTER DRUG'S NEW INDICATION

CHALLENGE

When a new marketing lead took over a biologics brand for a leading global pharmaceutical company, she knew something was amiss. The company's reports showed the drug performed strongly in its primary market, but lagged far behind expectations in its secondary indication.

She began asking questions: How big was the true market? Do we understand where we are successful and where we aren't? What can we do to sustain and increase growth? And, why did it appear patients were dropping off due to cost-related factors when the company provided assistance programs?

To investigate, she led the company to hire Navigant to provide an objective, third-party analysis of the drug's true market potential for the secondary indication.

SOLUTION

Using a proprietary assessment methodology and specially programmed computational models, Navigant initiated a series of analyses to ascertain the U.S. market size and segment the patients based on their likelihood of seeking, getting, and affording treatment.

First step: an examination of over 150 peer-reviewed journal articles, including population-based studies, to determine the real market size. Initial research found the company's original estimate of 1.3 million patients came from one data point in a single study.

The team synthesized data from multiple high-quality clinical papers, built an epidemiology model of the patient population, and found there were 735,000 indicated patients before applying any exclusion factors such as contra-indications.

Next, a comprehensive assessment of all insurance types and the uninsured population was conducted to understand the true number of diagnosed patients. To do this, the team designed a longitudinal patient claims and healthcare utilization analysis to mine commercial and government-sponsored claims datasets and apply exclusions. Factoring in the drug's age restriction, status as a third-line option (only given when initial and subsequent treatment options do not work) and other exclusions reduced the net eligible pool to 166,000.

Of those, the team applied a validated scale measuring the severity of patient symptoms to group the candidates into high, medium, and low bother categories along with condition severity rates, which stratify those patients likely to seek treatment. This process found 82,000 patients experienced high bother, with another 74,000 the next best opportunity for the global company.

Then patients were divided into provider groups. While allergists, dermatologists, and primary care physicians can prescribe the drug, the global pharmaceutical company wanted to target allergists. These specialists tended to be the most knowledgeable of the condition, so were most likely to diagnose and treat it. Claims-based patient journey mapping analysis found that allergists cared for about 80 percent of the high bother patients.

Further analysis showed that allergists already treated about 57 percent of those high bother patients with the drug. That signaled the global company already was fairly well penetrated in its target market of high bother patients under the care of allergists. So, its best growth opportunity rested with medium bother patients in the care of allergists, and high bother patients in the care of dermatologists.

Now the pharmaceutical company knew where to focus its commercialization and growth strategies, but it still needed to understand how to keep patients in treatment.

Because the drug resulted in very few side effects and achieved strong treatment results for most patients, the company leadership team believed economics likely were a discriminating factor. To determine the potential for prohibitive financial burden, the team analyzed the distribution of eligible patients based on how much they paid out of pocket. Significantly, 21 percent of commercially insured and 12 percent of Medicare patients had to pay over $1,500 per year out of pocket, including drug costs, office visits, and physician fees.

Then, a cross-analysis of the level of patient bother against income and insurance coverage found the majority of patients (59 percent) have a medium to high risk of discontinuing therapy for economic reasons. On the other hand, about 68,000 patients have a low discontinuation risk because they are both highly bothered and able to afford to stay on the therapy. This additional granularity helped to clarify what the leadership team had observed about the role of drug cost in long-term therapy adherence.

RESULTS

Based on the strategic market assessment, the global company came to understand:

- While its secondary indication target audience was far smaller than it originally estimated, the drug itself was doing well within the true market, and potential for expansion existed among indicated patients.
- In order to expand, better awareness needed to be built among prescribing allergists and dermatologists to compel patients to seek and adhere to treatment.
- The financial burden that dissuaded some patients from trying the treatment or continuing its use needed to be overcome.
- While a comprehensive program already was in place to provide financial assistance for patients, it was not sufficient to solve the discontinuation issue. Raising patient awareness and adapting the program to additional areas of cost burden would be needed to significantly impact adherence.

With these critical market insights, the global pharmaceutical's leadership team finally understood the drug's secondary indication opportunity. Informed and now fully aligned, they reset expectations internally and revised their investment and commercialization strategies to drive higher market adoption.

navigant.com

About Navigant

Navigant Consulting, Inc. (NYSE: NCI) is a specialized, global professional services firm that helps clients take control of their future. Navigant's professionals apply deep industry knowledge, substantive technical expertise, and an enterprising approach to help clients build, manage, and/or protect their business interests. With a focus on markets and clients facing transformational change and significant regulatory or legal pressures, the firm primarily serves clients in the healthcare, energy, and financial services industries. Across a range of advisory, consulting, outsourcing, and technology/analytics services, Navigant's practitioners bring sharp insight that pinpoints opportunities and delivers powerful results. More information about Navigant can be found at navigant.com.

linkedin.com/company/navigant twitter.com/navigant