

The shifting tides of patient medication price transparency

Are you prepared for Real Time Benefit Check?

Key findings

- 1. Real Time Benefit Check (RTBC) creates a fundamentally new kind of dialogue between provider and patient as they select drug therapy**
- 2. Prescribers view the pricing information made available in RTBC at face value, with many reporting they will not consider that the patient's cost will go down once their deductible is met**
- 3. The ability to see brand savings options in the EHR helps providers successfully prescribe their first choice medications**

Patient medication price transparency in the EHR has changed the way providers communicate with patients and choose medications. With an eye towards ensuring adherence, providers understand that cost concerns must be taken into account in order to help their patients get on and stay on therapy. As a result, patients are becoming more involved in the decision-making process, with providers giving their recommendations on one or more medications and allowing patients to influence brand choice based on personal economic factors.

For this research, ConnectiveRx surveyed 144 prescribers of oral Type 2 diabetes medications about their reactions to seeing patient-specific prices in their EHR in general and the potential impact on a popular medication ("Brand X" for purposes of this white paper). Real patient prices for Brand X were displayed for both standard and high deductible insurance plans and compared to other common type 2 diabetes medications.

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Are you prepared for Real Time Benefit Check?

Key finding #1: Real Time Benefit Check (RTBC) creates a fundamentally new kind of dialogue between provider and patient as they select drug therapy

Prescribers choose a medication for their patient based on a number of clinical and practical considerations. Providers also understand that patients will struggle to adhere to a medication long term when cost is a factor. This is especially true when adherence requires a long term commitment, as is the case in this survey, wherein Brand X and its competitors are clinically approved for the treatment of type 2 diabetes. As a result, 72% of prescribers report that they would discuss drug prices with their patients after viewing out of pocket costs (Figure 1).

FIGURE 1

Reported provider behavior

Would you discuss drug cost with your patient?



Would you switch to an alternative after seeing patient out of pocket costs when Brand X is modestly higher than alternatives?



HIGH DEDUCTIBLE



STANDARD COMMERCIAL

Source: ConnectiveRx, Patient price transparency research, Nov 2019, n = 74 prescribers exposed to high deductible insurance scenario (\$550 patient out of pocket cost for BRAND X)

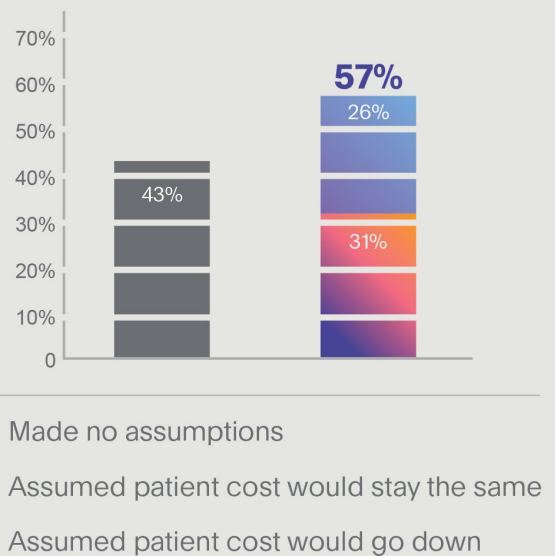
When presented with real-time costs in the EHR via RTBC in which Brand X is the first choice, providers are willing to compromise with patients and select another brand. In fact, 56% of prescribers report that they would switch to an alternative medication when viewing high deductible out of pocket costs. This number increases to 64% for those patients with standard insurance plans (see Figure 1).

Key finding #2: Prescribers view the pricing information made available in RTBC at face value, with many reporting they will not consider that the patient's cost will go down once their deductible is met

It is clear from the research that providers underwhelmingly consider future costs to be incurred by patients once deductibles are met. As we see in Figure 2, 57% of prescribers did not consider a decrease in future out of pocket costs in relation to high deductible plans. 31% assumed patient costs would stay the same, and 26% made no assumptions about future costs. With more than half of those surveyed

FIGURE 2

Prescriber assumptions about patient cost after deductible is met: **high deductible insurance**



Source: ConnectiveRx, Patient price transparency research, Nov 2019, n = 74 prescribers exposed to high deductible insurance scenario (\$550 patient out of pocket cost for BRAND X)
Q: When answering the previous question which of the following did you assume?

holding an inaccurate and/or incomplete view on out of pocket costs after a deductible is met, it is reasonable to assume that conversations around this information are not happening between patients and providers. It would appear that providers are not taking the time to consider this additional cost factor and likely not giving the patient this added information to help everyone make fully informed decisions.

Key finding #3: The ability to see brand savings options in the EHR helps providers successfully prescribe their first choice medications

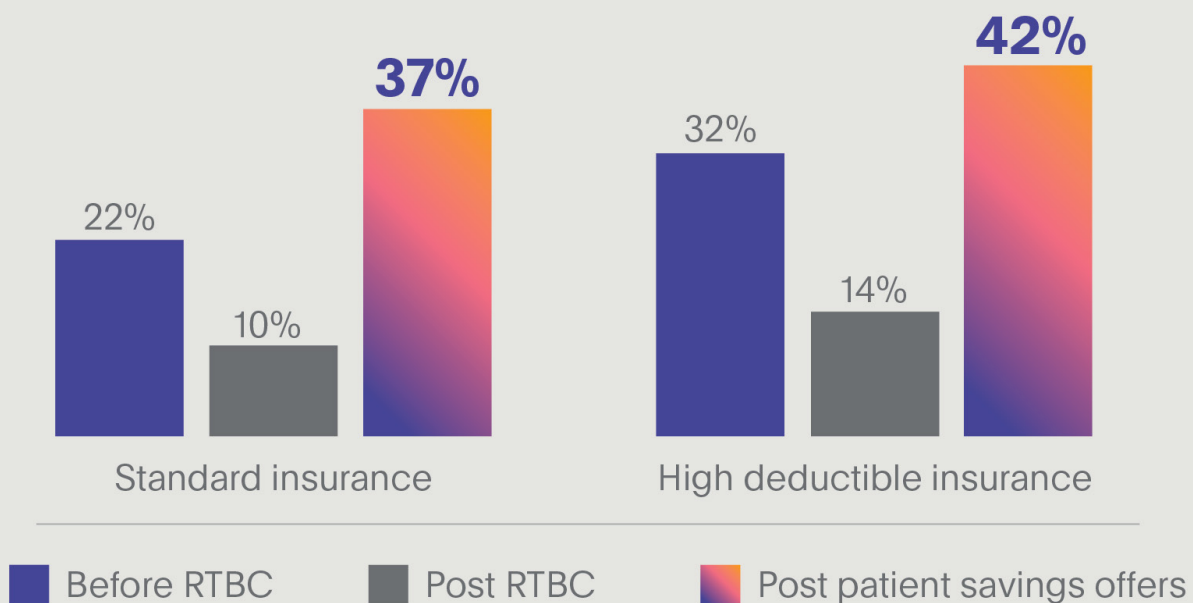
During the survey, it was discovered that our sample of providers would choose Brand X as their first choice medication to treat type 2 diabetes most often out of a listing of nine options. Patient out of pocket costs, however, were not visible at this point in the study.

Breaking this information down to gain more specific insights, we see in Figure 3 that, of those providers choosing Brand X as the first choice for a patient with standard insurance, that particular drug would only be prescribed to 10% of their eligible patients under a standard health insurance plan. This number is slightly higher at 14% for those with a high deductible plan.

It is clear, however, that access to patient savings offers changes the dialogue around first choice medications, and actually helps make up for the drop in market share after viewing patient prices in RTBC. After viewing patient savings information, providers report that they would prescribe Brand X 37% of the time to eligible patients with standard insurance. This number increases to 42% for high deductible plans.

FIGURE 3

Patient price impact on BRAND X market share: **standard vs. high deductible insurance**



Source: ConnectiveRx, Patient price transparency research, Nov 2019. n = 70 prescribers exposed to standard insurance scenario and 74, to high deductible (\$80 and \$550 patient out of pocket cost for Brand X) [...] Thinking of your last 100 Type 2 diabetes patients with commercial insurance, for whom you decided that a DPP-4 or SGLT-2 was appropriate, please allocate your prescriptions among the following medications. Q: Given this information, how would you likely allocate your prescribing among the following DPP-4s and SGLT-2s for your next 100 Type 2 diabetes patients with standard commercial insurance? Total should add to 100.

KEY RECOMMENDATIONS

Patients are more involved in the prescription decision-making process, making it imperative that brands provide easily accessible patient savings information in the EHR workflow.

Providers are becoming increasingly realistic about the fact that their patients will simply not adhere to medications that are beyond their financial means. Insurance deductibles and higher out of pocket costs are powerful deterrents that providers know they can't ignore. Ensuring patient savings information is easily accessible for providers when in the EHR will help keep the conversation focused on first choice brands, rather than cost concerns.

Offering patient medication savings options via multiple delivery points helps support first choice brand prescriptions

While patients are increasingly becoming more hands on in the decision making process, that dialogue shifts when brand savings information is made available at multiple points in the prescribing process. Beyond the EHR workflow, brands should remember to share savings information at the pharmacy level as well.

Don't assume that providers will encourage first choice brand prescriptions just because costs will go down once the patient's deductible is met

Our market research has shown that providers are not diving deep into the big picture when it comes to drug prices. Although it may be true that brands may become less expensive for patients once deductibles are met, those conversations are not happening at the point of prescribing. Provide readily available savings information via multiple channels year round to ensure a clear vision of true out of pocket costs regardless of the patient's deductible status.

For more information, visit [ConnectiveRx.com](https://www.connectiverx.com)



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