

Using Payer and Age Mix as the Basis for Developing a Go-to-Market Strategy for a Prelaunch Drug

A biopharma company engaged Magnolia to determine payer segments and patient age demographics for a soon-to-launch biosimilar.

- We started with patient claims data for reference products to understand the likely payer and age mix for the biosimilar at launch
- We used current data to extrapolate future payer mix trends to estimate prospective product utilization given an ever-changing insurance market



Assembling and Assessing the Data

Magnolia analyzed the 3 most recent years of prescription drug data for 2 reference products from

- 90% of retail pharmacies
- 65% of mail-order pharmacies
- 65% of specialty pharmacies (United States only)

Payer channels included commercial plans, both employer and individual; Medicare prescription drug plans (PDP) and Medicare Advantage prescription drug plans (MA-PD); managed and fee-for-service Medicaid; self-pay/uninsured data; and patient assistance programs.



Mapping the Competitor Reimbursement Landscape

Magnolia assessed the Medicare and commercial segments for 2 reference products, Products A and B.

Product A:

- Commercial was slightly larger than Medicare
- One-fourth of scripts were filled for patients aged <21 years
- 50% of combined segments covered patients aged ≤60 years
- There were 3× as many uninsured patients aged <21 years as uninsured older patients

Product B:

- Medicare was predominant over commercial
- 75% of scripts were for patients aged ≥61 years

For both Product A and B:

- Medicare and managed Medicaid segments increased annually
- Commercial and self-pay segments decreased annually

Having identified key payers, **Magnolia** then conducted interviews with decision makers at these plans to understand considerations that would drive coverage of biosimilars, such as list price and rebates.



Recommendations, Actions, Outcomes

Based on their research, **Magnolia** identified key value drivers and product attributes, and created a value proposition for this biosimilar product with the goal of driving uptake and maximizing product access in the Medicare and commercial channels.

Magnolia created an appropriate payer strategy, adjusting the client's perceived payer mix for accurate assessment of patient out-of-pocket costs per payer as well as reexamining the anticipated level of patient assistance needed for uninsured patients, particularly those aged <20 years.

Magnolia created patient education, caregiver, and field team support resources with different demographic considerations in mind.