PCN34 ESTIMATING OUTPATIENT PHARMACEUTICAL EXPENSE FOR CANCER TREATMENT IN GERMANY

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OBJECTIVES: To allow budget managers in Germany, we forecasted future outpatient pharmaceutical expenditure for cancer treatment from the perspective of the statutory health insurance (SHI) for 2016. Methods: Based on data of the Techniker Krankenkasse, a large German sickness fund with more than 8.2 million insured, we forecasted pharmaceutical expenditure for 12 cancer indications in 2016 (according to ICD-10: C16, C18-21, C22, C26.9/C49.9, C34, C43, C50, C56, C61, C73, C90, C91). To extrapolate results to whole Germany, we adjusted for differences in demographic and demographic and economical characteristics between TK and SHI using publicly available data, i.e. KM6 statistics. We also incorporated trends in membership to SHI. To assess the impact of new drugs, we obtained expert opinion regarding a) 0.47% increase in drug launches in the German market, b) the expected prices of new drugs and c) the extent to that new drugs will replace existing pharmaceuticals. For calculations, we assumed that newly launched drugs will reach on average a differ of 25% of their market potential until 2016. Results: According to our model, SHI outpatient pharmaceutical expenditure for these 12 cancer indications was million $2,780,212 in 2012, i.e. 9.5% of total outpatient pharmaceutical expenditure. In 2016, we expect annual pharmaceutical expenditure for these indications to increase by 17.2% million $3,258.6. The 26 new drugs identified to be launched until 2016,10 will at least partly replace existing pharmaceutical treatments. Thus, million $526 of our budget estimate will be due to new drugs, $2,650 million will be due to pharmaceuticals that were already launched in 2016. The 3.92 million $ will be due to 3.92 million $

PCN42 ESTIMATING THE ECONOMIC IMPACT OF SORAFENIB IN TREATMENT OF LOCALLY RECURRENT, METASTATIC, PROGRESSIVE, DITRIFERENTIATED THYROID CARCINOMA (DTC) THAT IS REFRACTORY TO RADIOACTIVE IODINE (RAI) TREATMENT

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OBJECTIVES: Sorafenib, a multitkine inhibitor, received Food and Drug Administration (FDA) approval in 2012 for treatment of patients with locally recurrent or metastatic, progressive, radioactive iodine-refractory (RAI-r) differentiated thyroid carcinoma (DTC). A budget impact model (BIM) was developed from a United States (US) payer perspective to estimate the costs of adding sorafenib to the set of available treatments in a hypothetical health plan in the RAI-r DTC population. METHODS: An Excel-based BIM evaluated costs of RAI-r DTC with other FDA-approved and combinded-recommended treatments using baseline and projected market shares. Clinical inputs included the prevalence of RAI-r, average monthly dosage, and average duration of sorafenib and other FDA-approved and combinded-recommended treatments. Economic inputs for each treatment included the wholesale acquisition cost (WAC) per dose and hospital administration costs per month. A net per-month cost to the payer for sorafenib was $6,872. Laboratory testing costs were derived from product-specific package inserts and the Centers for Medicare & Medicaid Services (CMS) Physician Fee Schedule (PFS) data. The drug was assumed to be cost-saving equivalent to 54% at 1 year, with shift from other treatments coming mostly (12%) from clinical trial/no treatment. The duration of sorafenib treatment was 11 months based on DECISION trial. RESULTS: An estimated 25 patients with RAI-r DTC were eligible for treatment with sorafenib. Costs increased by 25% ($282,467) or 0.02 per member per month (PPM) from baseline to 1 year post baseline. Sensitivity analyses, varying default inputs for duration of treatment (±2 months) and estimate of. RESULTS: $495,700; showed greater use of sorafenib in the sorafenib market share (incremental total costs: $180,812–$384,122). CONCLUSIONS: Our findings indicate that adding sorafenib to a hypothetical health plan’s formulary has a manageable budget impact of $282,467, or a PMPM increase of 0.02, given the small RAI-r DTC population.