PCN165
INNOVATIVE PRICING MECHANISMS FOR THERAPIES FOR ADVANCED CANCERS
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OBJECTIVES: Despite advanced scientific advances, pricing for many cancer medicines remains based upon the content of the delivery form (e. g. infusional vial), and size of patient. This can cause uncertainty of budget impact & cost effectiveness, and is not easily related to the value delivered. New methods which bring greater certainty of budget impact, cost effectiveness, and can be evaluated in real-time, are needed. A range of 25 pricing schemes were researched, and two novel pricing models developed applicable to a range of countries were evaluated. The first approach is DRG-based pricing, DRG coding is used by most healthcare systems & is intervention specific. The second approach pays a licence fee for treatment, based on outcomes. RESULTS: Current pricing approaches are usually discounts or rebates, charged in the same manner as current pricing (e. g. mg/Kg). While associated with low service burden and lower costs, this does not reduce uncertainty or bring a closer relationship to value. Utilising new approaches, such as DRG pricing or licencing for medicines enables accurate prediction for budget impact, enables price to be disease specific & based on value. Both novel methods could be developed for metastatic melanoma, NSCLC & breast cancer. Both methods are outcomes based (e. g. per month of progression free survival or overall mean or median survival), and enable purchasers to utilise medicines at a fixed price irrespective of weight/size of the patient, or vial, size, priced according to value for the specific disease. Both methods would require a change in the coding and purchasing method for medicines by healthcare providers.
CONCLUSIONS: New approaches to pricing of oncology medications, both weighted per-dose and licence fee pricing, could be evaluated in real-time, and with improved accuracy of budget impact & value for specific illnesses. These methods should be piloted by healthcare systems to ensure practical application brings benefits, without high service burden.

PCN166
THE EVOLVING GLOBAL ROLE OF NONTRADITIONAL PAYERS AND REINSURANCE IN THE REIMBURSEMENT OF HIGH COST THERAPIES
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OBJECTIVES: Manufacturers are developing an increasing number of high cost therapies, often developed as a result of personalized medicine, for ultra-severely ill patients. In recent years there has also been an increase in the role of ‘nontraditional’ payers such as healthcare reinsurers, both in the US and globally, in biopharmaceutical funding and reimbursement. We assessed the global role of health care reinsurance as an alternate funding model for high cost treatments, including opportunities for manufacturers to partner with reinsurance to expand the market for innovative therapies. METHODS: We conducted a literature search, scanned secondary resources and conducted informal interviews with healthcare reinsurance executives and other internal experts to identify key trends in reinsurance, including case studies and funding mechanisms. RESULTS: In the US, reinsurance is prevalent in the market of stop-loss health insurance, which is typically purchased by employers self-funded health plans and small group first-dollar coverage insurers, which represent approximately 60% of the privately insured population. Stop-loss carriers (SLCs) play a role in reimbursing insurers when costs exceed pre-determined ‘thresholds’ or ‘attachment points’. In these cases, SLCs determine whether cover will be provided to a patient by examining FDA labeling, first-dollar insurer plan policies, and site of care (in-network vs. out-of-network providers). In Asia, reinsurance has emerged as a vehicle to expand the insurance market for biopharmaceutical products. In China for example, multinational manufacturers have partnered with reinsurance carriers to reimburse private health insurance carriers, in effect, expanding coverage for high cost therapies. CONCLUSIONS: In the US and globally, manufacturers of high-cost treatments must proactively recognize and plan for potential roles of reinsurance in reimbursement of their products, especially in certain scenarios where reinsurance could present a significant barrier to uptake or increases risk of non-payment, and where reinsurance may be leveraged to expand access high cost treatments.

PCN167
PERCEPTION OF VALUE OF NEW CANCER DRUGS: A SURVEY OF ONCOLOGISTS IN THE UNITED STATES (US)
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OBJECTIVES: To assess the perception of value of cancer drugs among oncologists in the U.S. METHODS: A cross-sectional survey of oncologists was conducted online in August-September 2014 using a large panel of physicians in the US, specifically, medical oncologists and radiation oncologists currently managing >20 patients in their practice and had >2 years of practice experience were randomly selected for survey participation to be geographically representative. The survey assessed oncologists' perception of "value of new cancer drugs", the factors influencing their recommendation of cancer treatments to patients in clinical practice and other elements such as payment reforms and practice characteristics. Descriptive statistics are reported. RESULTS: 231 oncologists participated in the survey (medical oncologists: 66%, radiation oncologists: 34%). Geographical distribution was 25% Midwest-23%/South-32%/West-16%, 53% and 47% were from hospital and private-practice settings respectively. Oncologist ranking of product attributes concerning "value of new cancer drug" (most important)-(least important) was (mean scores): clinical efficacy (4), Safety/tolerability (2.7), impact on quality of life (2.7), cost-effectiveness (3.3). Majority of oncologists noted cost of cancer drugs (63%) and patient's out-of-pocket drug costs (79%) as somewhat/quite-a-bit/a lot influencing their cancer treatment recommendations; 90% reported (as somewhat/quite-a-bit/a lot) that cost of cancer drugs is expected to play a more significant role in influencing their treatment recommendations, over the next five years; 78% reported (as somewhat/quite-a-bit/a lot) that payer reimbursement policy limited their ability to offer certain cancer therapy to patients; 27% noted the increased use of cost-effectiveness data among payers when deciding reimbursement as neither-positive-nor-negative/somewhat negative/very negative.
CONCLUSIONS: In this cohort of oncologists across the US, a significant proportion identified cancer drug cost and patient out-of-pocket costs as factors influencing their treatment recommendations. The respondents concurrently ranked drug cost-effectiveness lower than drug efficacy, safety/tolerability and impact on quality of life over five years but not among women 55-64 years old but not among women 55-64 years old.

PCN168
AMERICAN CANCER INFORMATION (CI) SEEKING EXPERIENCES AND SELF-EFFICACY (SE) IN SEEKING CANCER INFORMATION (CI): A CHARACTERISTIC SNAPSHOT USING 2012-13 HEALTH INFORMATION NATIONAL TRENDS SURVEY
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OBJECTIVES: To compare cancer information (CI) seekers': 1) most recent CI-seeking experiences, and b) self-efficacy (SE) in seeking CI across demographics, healthcare access, and health status. METHODS: Cross-sectional, retrospective study was conducted on a representative, non-institutionalized sample of the U.S. population using NHIS-2012-2013. Data obtained from individuals who had a diagnosis of cancer from any source (N=1097). Response categories for all CI-seeking experience except for 'concern about quality of information' were dichotomized as yes' and 'no'. Similarly, 'rationality of concerns' for several CI-seeking CI was rated as 'very important', 'moderate SE', and 'high SE'. Chi-square goodness-of-fit test was applied to all variables with significance level of 0.05. Cross tabulations, Chi-square analyses were conducted, and p values corrected using Bonferroni version 3. Results with p<0.05 were considered statistically significant. RESULTS: Greater proportion of CI seekers had characteristics as being female, Non-Hispanic White, some college degree, higher annual income, married, employed, having insurance, having a regular primary care physician, having a personal cancer history, feeling frustrated while seeking CI, and greater SE. CONCLUSIONS: Generally, CI-seeking experiences are likely to vary with age, race/ethnicity, education, annual income, marital status, occupation, and personal cancer history. Feeling frustrated while seeking CI differed significantly across age, annual income, marital status, and personal cancer history. CI seekers' concern about quality of information differed significantly across annual income, insurance, and personal cancer history. Difficulty in understanding information differed if/did not differ significantly across any study variables. CONCLUSIONS: Generally, CI-seeking experiences are likely to vary with age, race/ethnicity, education, annual income, marital status, occupation, and personal cancer history. Feelings frustrated while seeking CI differed significantly across age, annual income, marital status, and personal cancer history. CI seekers' concern about quality of information differed significantly across annual income, insurance, and personal cancer history. Difficulty in understanding information differed if/did not differ significantly across any study variables. CONCLUSIONS: Generally, CI-seeking experiences are likely to vary with age, race/ethnicity, education, annual income, marital status, occupation, and personal cancer history. Feelings frustrated while seeking CI differed significantly across age, annual income, marital status, and personal cancer history. CI seekers' concern about quality of information differed significantly across annual income, insurance, and personal cancer history. Difficulty in understanding information differed if/did not differ significantly across any study variables.