KASPER implementation. Those who perceive a change are nearly equally divided between an increase and decrease in dispensing. Overall, the majority of respondents believe that KASPER is an effective tool to reduce drug abuse, diversion, and doctor shopping. Further research is necessary to assess the full effectiveness of FDMPs.

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OBJECTIVES: To encourage the development of orphan drug (OD) products, the European Union (EU) approved OD legislation in 2000, mirroring the US legislation passed in 1983. For the first time in history, these products were recognized as different from other drug products on a global level. Given this new global incentive for OD development, an increased focus on developing these products was expected. The primary research tool to measure change in the rate of global OD development as measured by the rate of US Food & Drugs Administration (FDA) OD designations. METHODS: All history within the OD database from the FDA website was included. The OD status, designation date, and contact company fields were analyzed to evaluate the OD designation rate and locations of developers (US or non-US categories). RESULTS: There was a sharp increase in the number of FDA OD designations after the year 2000, with the rate of OD designations increasing by 475% compared to the prior period. From 1983 until 2000, 516 products received an FDA OD designation and the average increase in OD designation was 2.5 per year. From 2001 through 2010, the number of designations was 1746 and average increase in OD designation was 14.7 per year. After 2000, the proportion of OD designations from non-US countries increased until 2009 when nearly one-third of products with a new FDA OD designation were from non-US companies.

CONCLUSIONS: The implementation of EU OD legislation may have contributed to a change in the number of FDA OD designations per year and the types of companies developing ODs for the US. With developing markets preparing OD legislation, these policy changes may further stimulate the growth of the OD industry around the world.

PHP95 PRESCRIPTION MONITORING PROGRAM EFFECTIVENESS: PERCEPTIONS OF DRUG DIVERSION INVESTIGATORS
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OBJECTIVES: Most states have implemented prescription drug monitoring programs (PMPs) to reduce prescription controlled substance (CS) abuse and diversion. Relative to federal law, these programs establish new objectives, as well as specific strategies to achieve them. The purpose of this project was to assess the perceived impact of the Kentucky All Schedule Prescription Electronic Reporting program (KASPER) on CS abuse, diversion and doctor shopping. METHODS: All law enforcement officials in Kentucky with an active KASPER account (1119) were surveyed via email. Three hundred forty (340) responses were received yielding a response rate of 30%. RESULTS: Of those surveyed, 99% of law enforcement officials indicated that KASPER reports were a valuable tool when conducting investigations. Overall, the vast majority of respondents perceive KASPER as an effective tool to reduce drug abuse, diversion and doctor shopping. Further research is needed to directly assess the effectiveness of PMPs.

HEALTH CARE USE & POLICY STUDIES – Risk Sharing/Performance-Based Agreements

PHP96 EXAMINATION OF VALUE DRIVERS IN THE ADOPTION OF WELLNESS PROGRAMS FOR CHRONIC DISEASES
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OBJECTIVES: A growing global concern is the substantial prevalence of avoidable chronic disease states, which account for more than 75% of US health care expenditures (CDC, 2010). In response, the utilization of wellness programs by stakeholder groups to address modifiable risk factors for chronic disease states has increased. However, the broad variation in perceived value drivers by stakeholders has influenced widespread wellness program adoption. This study was undertaken to identify and evaluate critical clinical and economic drivers of wellness technology and program adoption. METHODS: A comprehensive review of wellness program design, utilization, and adoption drivers was conducted. Subsequently, an in-depth interview program of US stakeholders including payers, clinicians, employers and wellness program providers was performed. The interviews were designed to evaluate stakeholder perceptions of value drivers and measurements of wellness program adoption. RESULTS: Our data suggest that effective drivers of wellness program adoption are measurable with defined clinical or economic benefit(s). Optimizing technology utilization, altering negative patient behaviors and incentivizing patient adherence are key factors in this regard. However, stakeholder perceptions regarding the identification and evaluation of wellness program success measurement tools have varied substantially. Moreover, stakeholders generally recognize these measurements may be a key driver of program adoption. CONCLUSIONS: This study suggests that the demonstrated clinical and economic impact of wellness programs influence perceptions of value. Despite wellness programs trending toward evidence-based practice, stakeholders remain cautious about defining value. Further research is necessary to assess the full impact of wellness programs on payer sentiment.

PHP97 PERCEPTIONS ON PAYER-INDUSTRY PARTNERSHIPS IN INFLUENCE COUNTRIES
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OBJECTIVES: This study sought to understand the current use of payer-industry partnerships in key influence markets and to gain insight into regional perspectives on the current and future use of payer-industry partnerships. METHODS: Primary research was conducted through 57, 30–60 minute interviews of key stakeholders (influence countries). RESULTS: The trends of partnerships in key influence countries are increasing. Partnerships are making the transition from being experimental options to practical partnerships in the market. However, there is a lack of internal alignment, which will be most beneficial in the future.

PHP98 THE FUTURE OF ALTERNATIVE PRICING/RISK-SHARING AGREEMENTS IN THE UNITED STATES
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OBJECTIVES: Due to the rising cost of health care in the United States, payers have begun to place an increased emphasis on cost when evaluating new submissions for formulary access. Our objective was to evaluate the US payer perception of alternative pricing/risk-sharing (AP/RS) agreements focusing on: 1) assessing the success of previously implemented AP/RS agreements in the United States, and 2) evaluating novel conceptual AP/RS structures with payers to assess preference of concept. METHODS: An online survey, containing 16 questions, was critical of perceptions of a broad spectrum of US payers on AP/RS agreements (n=19). Following the survey, in-depth interviews (n=5) were conducted with US national and regional payers to gain additional insight. RESULTS: More than 90% of US payers were interested in AP/RS agreements. Payers believed that these types of agreements could be implemented for both their pharmacy (84% of payers) and medical (42% of payers) benefits. Over half the payers (52%) believed that AP/RS agreements should be considered for orphan diseases, 68% believed that they should be considered for other rare diseases, and 73% believed that they should be considered for chronic high-list priced chronic diseases. Payers expressed concerns that previous AP/RS agreements were not successful due to a lack of independent data reporting and an imbalance in risk-sharing. Payers (73%) showed a preference for “pay-for-performance” schemes that offered predictable cost outcomes and mutually beneficial risk agreements with clearly-defined and independently-verified success markers. CONCLUSIONS: US payers are keenly aware of alternative pricing/risk-sharing agreements and foresee them playing a larger role in future US negotiations if clear cost and risk benchmarks are established.