BIO-SIMILAR or DIFFERENT? – UNDERSTANDING THE PAYER PERSPECTIVE
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Introduction
With healthcare markets increasingly under pressure due to escalating costs, optimising the pharmaceutical budget is a prime objective for healthcare planners. Against this financial pressure, payers are looking at all avenues to save costs. Boosting prescribing of generics and biosimilars as alternatives to branded medicines is a method that looks increasingly attractive. Although generic substitution has largely been accepted as desirable, the prescribing of biosimilars remains contentious. Biosimilar market penetration is expanding leading to a growing need to understand how this will affect global pharmaceutical markets. This study provides insights into (1) payers’ perceptions of biosimilar products and how the landscape will evolve in the coming years (2) payer expectations of the pricing of biosimilars and the impact on reference products (3) barriers to uptake and potential differences in attitudes between clinicians and payers.

Methods
We conducted a 10 question online semi-quantitative survey of 9 markets: the UK, Germany, France, Netherlands, Sweden, Spain, Poland, Russia, and the US, between June and July 2016. The online survey was hosted by SurveyMonkey® with multiple choice questions and the ability to add additional information in free text where possible. The questionnaire took approximately 30 minutes to complete. The participants selected for the survey hold or have held senior positions within their respective country payer organisations. Responses were anonymised in accordance with good market research principles.

Results (i)
What do you expect the market share for biosimilars to be in the next 5 years?

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% responses: 67% 56% 44% 11%

Most payers do not expect biosimilars to take significant market share in the next 5 years. The UK estimate may seem exceptionally high, but is not unrealistic:
- No mandatory INN prescribing or generic substitution in UK but physician training, cost controls and software (ScripSwitch) drive high generic uptake.
- Depends on the product e.g. the uptake of biosimilar G-CSF has been very high.

Results (ii)
The RJW & partners survey asked about the main obstacles for biosimilars in achieving market penetration

- Clinician advocacy was seen as the biggest barrier:
  - “Clinicians use issues of quality and batch problems, but they should know better.” Ex-Payer, NL
  - “Clinicians are wary and prefer to wait for studies showing equivalence.” Ex-Payer, UK
  - “I guess between 10-30%, depending on the disease area and amount of competitors.” Ex-Payer, NL
  - “Good Question – I would estimate this at 40%.” Ex-Payer, Spain

Payers estimate biosimilar discount levels to be 10 - 40% of the originator product price if defensive strategies are employed.
- Generics: 84%
- Biosimilars: 73%
- G-CSF biosimilar: 30%

Conclusion
The environment for biosimilars across the globe is changing; as the financial performance of countries begins to diverge, so do attitudes towards the funding of biosimilars. The study has demonstrated a wide variation in how payers across markets approach biosimilar products; however, there are clear signs of convergence in payer thinking as biosimilar usage expands. Respondents highlighted clinical advocacy and defensive approaches from reference product manufacturers as the main barriers to biosimilar uptake.

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