
DRUG BENEFIT NEWS

Enhanced Generic Drug Sampling Aims to Counter Pharma's Influence in MD Offices

Under the pharmaceutical industry's revised marketing code of ethics, unveiled in July, drug sales representatives will have to stop providing doctors' offices with free coffee mugs, pens and other trinkets emblazoned with the latest brand-drug logo. The reps will, however, still be able to provide something that is perhaps even more effective — and controversial with health plans — in getting their message across: free drug samples.

Today, billions of dollars worth of free brand Rx samples flow through doctors' offices. Advocates say the samples help patients access needed drugs, while critics claim they are a mere marketing tool that ultimately boosts utilization of costly brand drugs at the expense of generic alternatives (*DBN 2/1/08, p. 5*).

While the issue remains open to debate, health plans contacted by *DBN* say they are taking steps to counter the influence of brand pharma on physicians (and thus their bottom lines), including through aggressive generic drug awareness programs and generic Rx sampling initiatives in doctors' offices. One Rx sampling vendor, meanwhile, sees an opportunity to change the sampling model to better track patient outcomes, enhance Rx compliance, boost generic utilization and, perhaps, establish a new drug channel that supplies pharmaceuticals from point of care through home delivery.

The doctors' Rx sample closet is the "last non-managed pharmaceutical channel," according to MedVantx, Inc., one of the largest vendors operating in the sampling arena.

The firm has contracts with 18 health plans to provide generic Rx sampling kiosks in physicians' offices in eight states. Patient information is scanned into the machine, which sends an invoice for the drugs dispensed to the appropriate health plan. Insurers that use the system say the machines boost generic utilization by more than a percentage point and generate up to a 4-to-1 return on investment (*DBN 8/31/07, p. 4*).

MedVantx recently added certain brand drug samples to the mix of products it offers in the ATM-sized machines, says co-founder and CEO Robert Feeney.

"The idea is to offer physicians a total solution," Feeney tells *DBN*. The existing sampling model doesn't work, he asserts. In most doctors' offices, drug samples are not well controlled or tracked, and not all of the drugs meet appropriate clinical profiles and financial reimbursement models, he adds.

"What we're doing is working with physicians, payers and manufacturers to expand the scope of the program from generics to OTCs [i.e., over-the-counter drugs] to certain brands, and by doing so, giving the physician a single solution to managing samples in their offices," Feeney says.

Seeking Integrated Rx Channel

Under MedVantx's "InSequenceRx" program, drugs are provided under a three-step program:

- (1) *Free initial course of medication prescribed and obtained in the doctor's office;*
- (2) *Free help line with pharmacists and reimbursement specialists to answer medication-related questions and help consumers obtain the lowest-cost refills; and*
- (3) *Home delivery of 90-day supplies of more than 1,300 generic drugs.*

The program, Feeney says, is the industry's "first fully integrated, point-of-care, care-management, home-delivery program."

Feeney says his company aims to position itself for the growing consumerism movement in health care, as well as a pharmaceutical market that will be dominated by generic options. Recent shifts toward consumerism in the pharmacy market, he explains, include Wal-Mart Stores, Inc.'s \$4 generics, retailers offering 90-day Rx supplies, consumer-directed health plans requiring consumers to make complex Rx purchasing decisions, and the merger of drug retailer CVS Corp. and PBM Caremark Rx, Inc. This high-profile merger, Feeney says, was designed to get the PBM closer to the consumer.

"There is a belief, as this business goes 70% generic, that it's going to be a consumer pharmacy marketplace," Feeney says. "We're building a framework."

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Under this framework, he asserts, consumers will prefer to get their initial supply of drugs from the physician, and then have access to resources regarding clinical and financial questions. The point-of-service model also could address the chronic problem of patients who fail to pick up their first prescription. Depending on the therapeutic class, 20% to 30% of prescriptions don't get filled, Feeney says.

"The physician can say, 'Take this.'" he says as an example. "Then we're giving the patient clinical information that they can take home. The first week is critical in terms of getting the patient to adopt [therapy]."

Another vendor operating in the drug sampling arena is MedManage Systems Inc., which provides online tools for physicians to request brand samples from multiple manufacturers.

Meanwhile, the Pharmaceutical Research and Manufacturers of America (PhRMA) is evolving with changes in the health care industry. PhRMA on July 10 released a revised marketing code of conduct with physicians.

The code, which goes into effect in January 2009, aims to ensure that interactions between reps and physicians focus on "informing health care professionals about products, providing scientific and educational information, and supporting medical research and education," according to PhRMA, the brand drug industry's largest trade group.

Feeney says that sales reps in general have less access to physicians than in the past. "The way they interact with physicians is much more of the clinical and less of the promotional," he adds. "We fit that model. It's all about control [and] the pharmacy-practice model. We can give them access to the drug in a highly controlled and data-rich way. They can decide how they want to interact with the rep."

Countering Brand Pharma's Influence

While the relationships may be changing, big pharma's ability to drive brand utilization at the phy-

sician level is still formidable. Some health plans are taking measures to counter this influence.

Blue Cross & Blue Shield of Rhode Island (BCBSRI), for one, informs its network physicians about the availability of generic options.

The insurer also has placed MedVantx's generic sampling machines in 37 practice sites, where they can be accessed by roughly 300 physicians. "We are still looking to expand the program," says Dan Curran, pharmacy manager at BCBSRI. The program so far generates roughly \$1.2 million in annual savings to the plan, he tells *DBN*.

UnitedHealth Group PBM unit Prescription Solutions is another plan that focuses on promoting the value of generics to physicians.

"Prescription Solutions is very successful with our proactive educational programs to inform and encourage physicians and patients to take advantage of cost savings offered by generics," says Brian Solow, M.D., vice president and medical director for clinical programs at the PBM. As evidence, he points to Prescription Solutions' overall generic substitution rate in 2007 of 96.63% for the commercial business and 96.16% for the Medicare business.

But Curran says doctors in general are not adequately aware of existing generic options.

"Plans can help provide consistent updates to providers regarding generic alternatives within common therapeutic classes to promote a change in their prescribing patterns," he says. BCBSRI's outreach effort includes notifications through a monthly provider newsletter and member-directed programs, in which patients are encouraged to ask their physicians about using a generic alternative when available.

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