



Mediscor's Pharmaceutical and
Therapeutics Committee
29 August 2006

▶ Agenda

- What is a P&T Committee?
- Why do we need a P&T Committee?
- Mediscor's new P&T Committee:
 - Composition
 - Responsibilities
 - Decision making process
 - Schedule



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▶ What is the Mediscor P&T Committee?

This Pharmaceutical and Therapeutics Committee has been established to provide Mediscor PBM and its clinical leadership with **information and advice** in the delivery of affordable, safe quality and **proper** medical care for its medical scheme - and other clients.



▶ Why do we need a P&T Committee?

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- Eliminate bias
- Validate best practice
- Ensure quality of care



“We can contain health insurance costs if you’re willing to let your coworkers diagnose you with information they find on the Internet.”

▶ P&T Committee's Composition

Currently:

- Mediscor clinical staff

Future:

- Mediscor clinical staff (4)
- Non-Mediscor members
 - Medical Scheme Representatives
 - Academics - clinical and financial

▶ P&T Committee's Responsibilities

- Approve product listings on our formularies
- Approve funding guidelines for non-formulary products
- Approve treatment guidelines for medicine therapies
- Approve treatment guidelines for specific conditions
- Approve policies for managing medicine utilisation
- Validate Mediscor reference pricing models
- Approve patient education material

P&T Committee's Decision Making Process

- Evidence Based Medicine
 - Assess clinical benefit
 - Access to medically necessary medicines should be allowed
 - CDL Formulary and CMS algorithms
- Consider cost
 - Balance emotional needs and budgetary restraints
 - Cost-effectiveness \neq Affordability

▶ Assessing Clinical Benefits

- Assess medicines in each therapeutic class according to clinical factors, such as:
 - Relative abilities to achieve the goal of therapy
viz. Evidence Based Medicine and common-sense
 - Side-effect profiles
 - Potential toxicities
 - Interactions with other medicines and food



A note on 'Evidence Based Medicine'

- Formulary decision making relies primary on RCC trials for proof of efficacy
- Not always in the best interest of patients
 - Many conditions do not have clinical trials at all
 - Clinical trials done on a homogenous patient group may not reflect the results when medicine is used in the 'normal' population
 - Availability of funds and not need determine research
 - Results of various studies can and often do conflict
 - When two medicines in the same class on the formulary are found to be clinically equivalent, price determines inclusion
 - Not easy to determine the 'best' therapy
- Off-label prescribing should be allowed on generally accepted standards of medical practice

▶ Prioritisation: Evidence-Based Medicine

Best



- Systematic review of randomised, controlled trials

- At least one good quality randomised, controlled trial

- Observational studies

- Opinions of respected authorities, based on clinical evidence, descriptive studies or reports of expert committees

- Someone once told me

Worst

▶ A Note on 'Formularies'

- Formularies are not static, but rather living entities that evolve with time
- Not a stand alone tool
- Pre-authorization
 - Very expensive products
 - Comply with REF entry criteria
 - Step therapy (e.g. ARBs)
- Reference price limits exposure (e.g. MRP)
- All other utilisation and clinical edits applied

▶ A Note on 'Formulary Design'

Passive approach

- Include all medicines

Active approach

- Include some, but not all medicines

Low-cost approach

- Include only generics and low cost original medicines

Products not on formulary could:

- Attract a co-payment (open formulary)
- Be rejected (closed formulary)

(Only recommended for low cost options with a restricted formulary)

▶ Management of non-formulary products

- Motivations using EBM principles
- Appeals process

Challenges include:

- Conflicting value judgement of non-formulary products
- Conflicting legal interpretation of non-formulary products and products not on algorithms

▶ A Note on 'Utilisation Management Edits'

The P&T committee should review the appropriateness of:

- Limitations on
 - Quantities allowed
 - Frequency of repeat prescriptions
 - Gender & age
- Pre-authorisation procedures
- Step Therapy

▶ Striking the Balance

The P&T Committee decisions should strike a balance between

Risk Management



Satisfied Member
& Prescriber



Balance

P&T Committee's Schedule

- Meetings 2-3 times per year
- E-mail discussion groups



▶ In closing

The Mediscor P&T Committee must ensure that the cost containment and other managed care initiatives implemented by Mediscor PBM do not compromise the **quality** of patient care.





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