

# SWITCHING FOR SAVINGS:

*Is nudging biologic patients  
towards biosimilars a good choice  
for plan sponsors?*



**T**he introduction of biosimilars for key biologic drugs offers an opportunity to generate savings for private drug plans. The list prices of biosimilars for Remicade and Enbrel, for example, offer discounts of 46 per cent and 37 per cent, respectively.

A recent study examining the potential savings determined that, based on the uptake of available biosimilars in Organisation for Economic Co-operation and Development countries, Canada could save between eight per cent and 43 per cent.

Although Health Canada approved Inflectra, the first biosimilar for Remicade, in 2014 to treat a number of conditions, the drug has had a limited impact on private drug plans so far. According to Telus Health, Inflectra represented about 1.5 per cent of total eligible costs and almost four per cent of new claimants in 2017 for the conditions both it and Remicade treat.

In order to generate savings, some plans require new biologic patients to take a biosimilar. Others have entered into a product listing agreement with the biologic manufacturer in order to reduce the price, generate equivalent savings and let patients choose which drug to take. For plans to save even more, existing biologic patients would need to switch to a biosimilar, which is a hotly debated topic.

## **The debate around switching**

Due to the size, complexity and variability involved in manufacturing biologic drugs, a biosimilar and its

reference biologic will be similar but not identical.

As part of so-called medical switching, physicians frequently switch patients from one medication to another when they no longer respond. Non-medical switching occurs when the design of a benefits plan encourages patients to switch in order to generate savings. In Canada, the first payer to recommend non-medical biosimilar switching was Green Shield Canada, which introduced its biosimilar transition program earlier this year. Its pilot program targets patients taking Remicade and Enbrel for three rheumatic conditions — rheumatoid arthritis, ankylosing spondylitis and psoriatic arthritis — and reduces reimbursement to the biosimilar price. The patient can switch to the biosimilar or remain on the biologic and pay the cost difference.

Green Shield Canada has monitored European studies on the issue since it introduced a policy to start new patients on biosimilars in 2016.

“We believe that biosimilars are the key to sustainability of drug plans,” says Ned Pojskic, leader of pharmacy and health provider relations at Green Shield Canada.

“There is a growing amount of new evidence on biosimilar switching — 90 studies and 14,000 patients — which is more evidence than any new drug coming to market.”

What does a Canadian medical expert have to say about the issue? “The angst around biosimilar switching is the fear that the biosimilar will not maintain the benefit the patient experienced with the biologic. In general, patients have failed many treatments prior to being on their current biologic, so they likely want to remain on the same drug and not rock the boat,” says Dr. Janet Pope, a professor of medicine in the division of rheumatology at Western University.

“However, the evidence strongly shows that the risks and benefits are the same on a biosimilar compared to the originator biologic.”

*By Suzanne  
Lepage*

## THE MARKET FOR BIOLOGIC DRUGS

**\$3.6 billion**

2016 Canadian sales of 13 select biologic drugs with recent or upcoming launches of biosimilars, up from **\$800 million** in 2006

**15.9%**

2016 Canadian market share for the 13 select biologic drugs

**11.4%**

Share of Canadian pharmaceutical sales of the five top-selling biologic drugs in 2016

**12.6%**

Market share of the 13 select biologic drugs in the United States in 2016, versus **6.9%** for other Organisation for Economic Co-operation and Development countries

Source: Patented Medicine Prices Review Board, 2018

Commenting on Green Shield Canada's biosimilar transition program, Pope says: "If a switch is not mandated, it is unlikely the uptake of biosimilars will be high. It is easier in a busy clinic to leave a patient's biologic treatment as is."

Of concern to many patients, however, is the potential risk of adverse events or a specific impact on health outcomes. "While the evidence suggests that a switch from the originator biologic to the biosimilar might not carry significant risk, the majority of studies have not been set up to determine patient health outcomes in specific diseases, and the

measures of success used in the studies might not be the right ones," says Gail Attara, chief executive officer of the Gastrointestinal Society and co-author of a recent Canadian paper on non-medical switching policies.

She cites a 2017 study conducted in Norway that found switching to Inflectra from Remicade wasn't inferior to staying on the reference biologic in regards to five different diseases. "Unfortunately, in this study, the number of patients represented in each disease were not enough to show that a switch was appropriate within the individual diseases," says Attara, noting that while European studies may examine adverse drug reactions, most don't capture post-switch health outcomes and rates of patient discontinuation.

### The role of perception

There's also a risk of the nocebo effect, which occurs when a patient's negative expectation can result in a suboptimal response. The issue is particularly important in assessing treatments for rheumatoid arthritis, because patient-reported outcomes are at the core of evaluating the response. With biosimilars, the nocebo effect could reflect negative suggestions from the patient's health-care providers, which does appear to be an issue given a recent study that found 64 per cent of Canadian biologic prescribers aren't comfortable with payer-induced non-medical switching to biosimilars.

According to Dr. Jane Purvis, a Peterborough, Ont., rheumatologist, patients who switch to a biosimilar may notice a difference in the pen injector used to deliver the medication or the impact of changing to a new infusion clinic. “In Canada, we have a unique situation where infused medications are delivered in private infusion clinics supported by the pharmaceutical company patient support programs. If a patient was switched to a biosimilar, they would also be required to switch clinics and deal with different health-care professionals,” she says.

Pope, however, points to a recent study that showed patients are more likely to do well if there has been a positive discussion about switching.

“So the important issue is that the health-care team needs to have buy-in with a switch to help the patients’ transition,” she says.

When it comes to Green Shield Canada’s recent move, a national arthritis organization, Arthritis Consumer Experts, advised the insurer on its transition program. “It is important that there be a good discussion between the patient and the doctor about the reason for the transition so that the patient feels well-informed about both the safety and efficacy of their medication and feels comfortable with the decision,” says Cheryl Koehn, president of the organization.

“We want to ensure that when reimbursement policy transition occurs, patients have the information they need to feel well-supported,” she adds.


## Supporting plan sponsors

In the case of Green Shield Canada’s transition program, plan sponsors will choose whether to participate in it.

Joanne Jung, Willis Towers Watson’s Canadian pharmacy practice leader, feels a switching program is a great opportunity for savings. “As a pharmacist, when I look at the data [on switching], the evidence is quite strong,” she says.

Noel MacKay, director of national benefits consulting at Cowan Insurance Group Ltd., doesn’t think he can make a recommendation one way or another on a biosimilar switching program. “With the Green Shield program, I have to assume that they have done their due diligence to make sure no one’s health would be at risk. My role would be to examine the potential impact of the program on my client’s plan and how it would be implemented.”

Prior to implementation, he would examine the potential savings, plan member communication and the possibility of increased out-of-pocket costs for those who choose not to switch.

Sandra Ventin, associate vice-president at Accompass Inc., concurs. “Some plan sponsors would not be comfortable with their employees having to pay a significant out-of-pocket cost. In the absence of other insurance or patient assistance, employees’ portion of claims can be as much as a mortgage payment.” 

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