



valuecentric
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Specialty Pharmacy

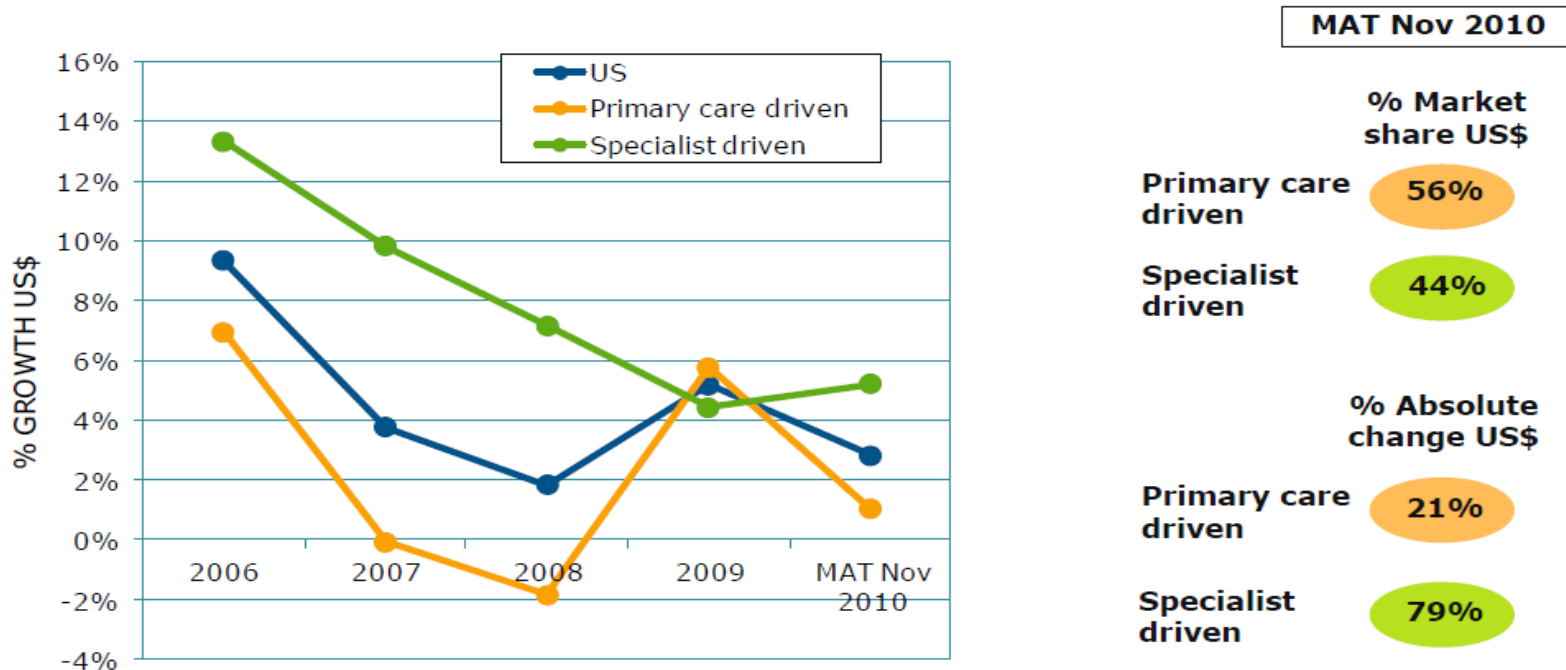
Stephen Lagano
Principal - Altometrix

Session Overview



- Specialty Markets Overview
- Specialty Pharmacy Value Chain Model
- Business Challenges and Opportunities
Interactive Discussion
- Summarize and Next Steps

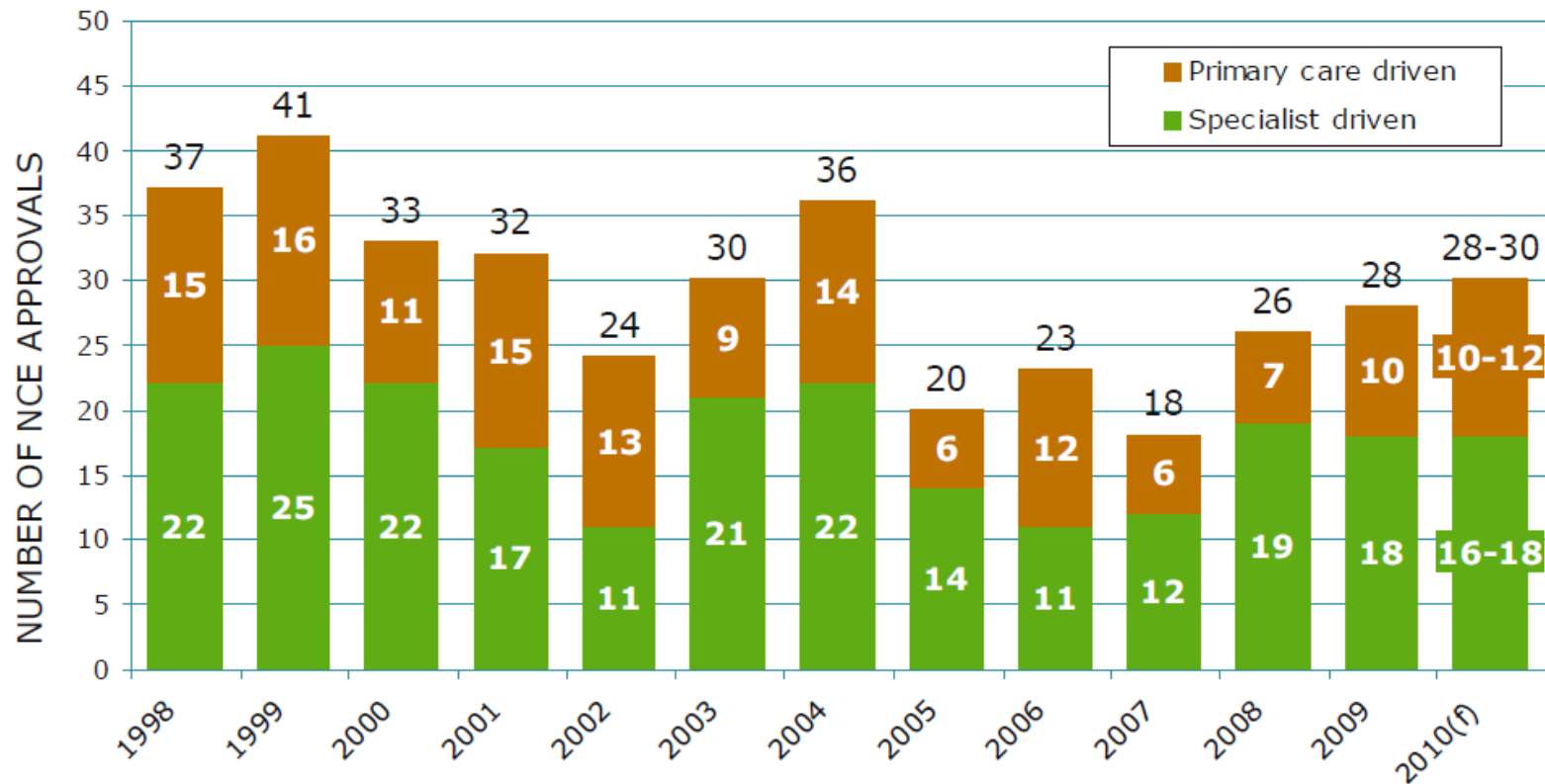
Specialty Channel Growth



Source: IMS Health, National Sales Perspectives, Nov 2010



Specialty Approvals



Source: FDA, IMS Health, Market Insights Team Analysis, Mar 2010

Importance to Stakeholders

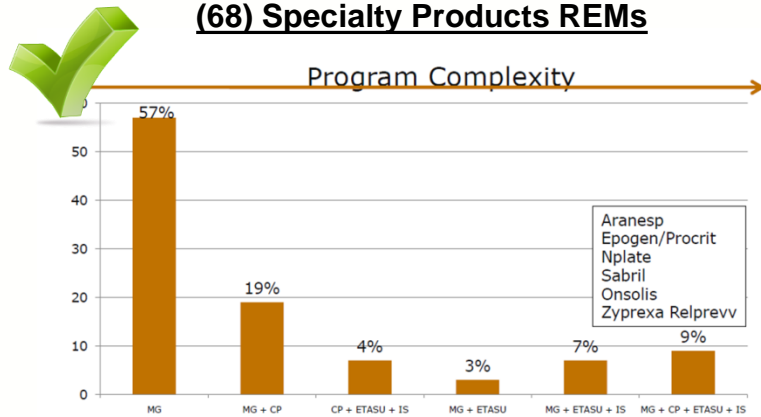


- In addition to the new drugs and increase in volume other drivers have become relevant:
 - **Manufactures** are leveraging the channel to increase their product's value proposition (e.g. increase C&P) and more closely manage distribution (e.g. limited/restricted distribution models, returns, etc.)
 - **Managed Care** is using the channel to manage patient care, drug utilization and control costs
 - Specialty channel is well suited to assist in the management of the **REMs** programs

Specialty Pharmacy Channel

Value Transcends Multiple Areas

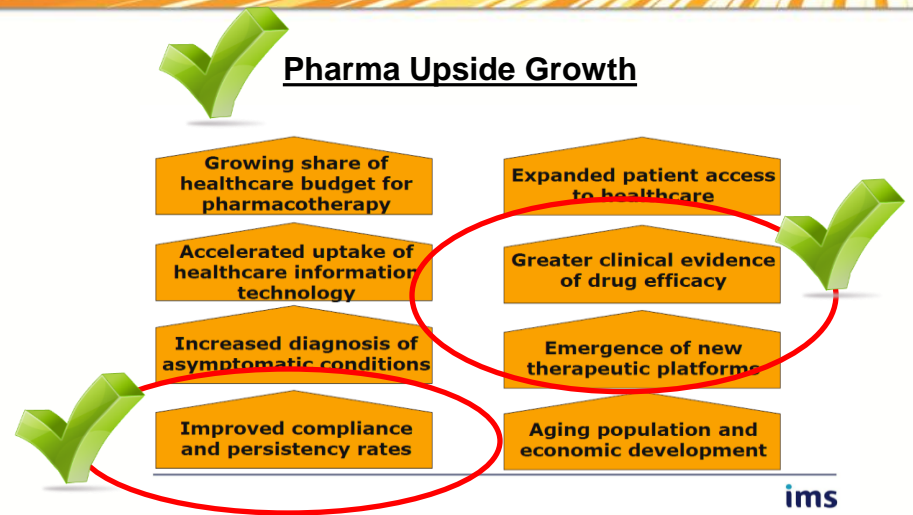
(68) Specialty Products REMs



Source: Center for Healthcare Supply Chain Research

ims

Pharma Upside Growth



Phase III, pre-registered, registered

1. Cancer (109)
2. CNS (51)
3. Vaccines (51)
4. Cardiovascular (49)
5. Anti-infectives & Antivirals (39)
6. Diabetes (33)
7. Genito-urinary & Hormones (32)
8. Arthritis/Pain (26)
9. Respiratory (22)
10. Dermatology (16)
11. Gastrointestinal (16)
12. Metabolic (15)
13. Blood (12)
14. Ophthalmics (11)
15. Immune system (7)

Source: IMS Health, R&D Focus, Jun 2010



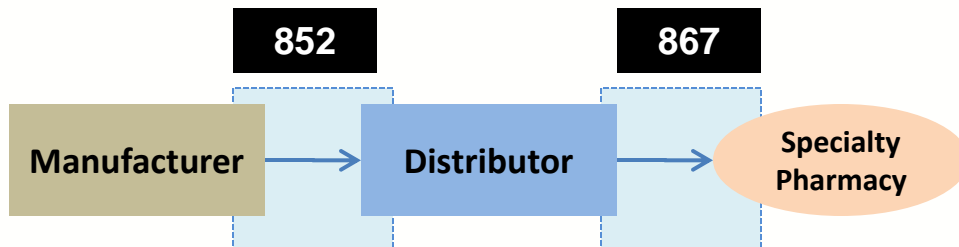
= Opportunistically leveraging the SP Channel



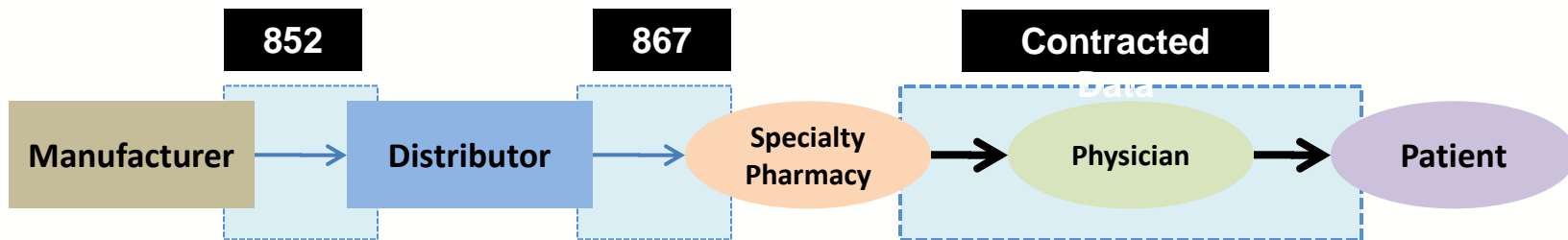
Specialty Pharmacy Value Chain Proposition

The Value Proposition

Increased Data Sets and Increased Visibility Deeper Into The Channel



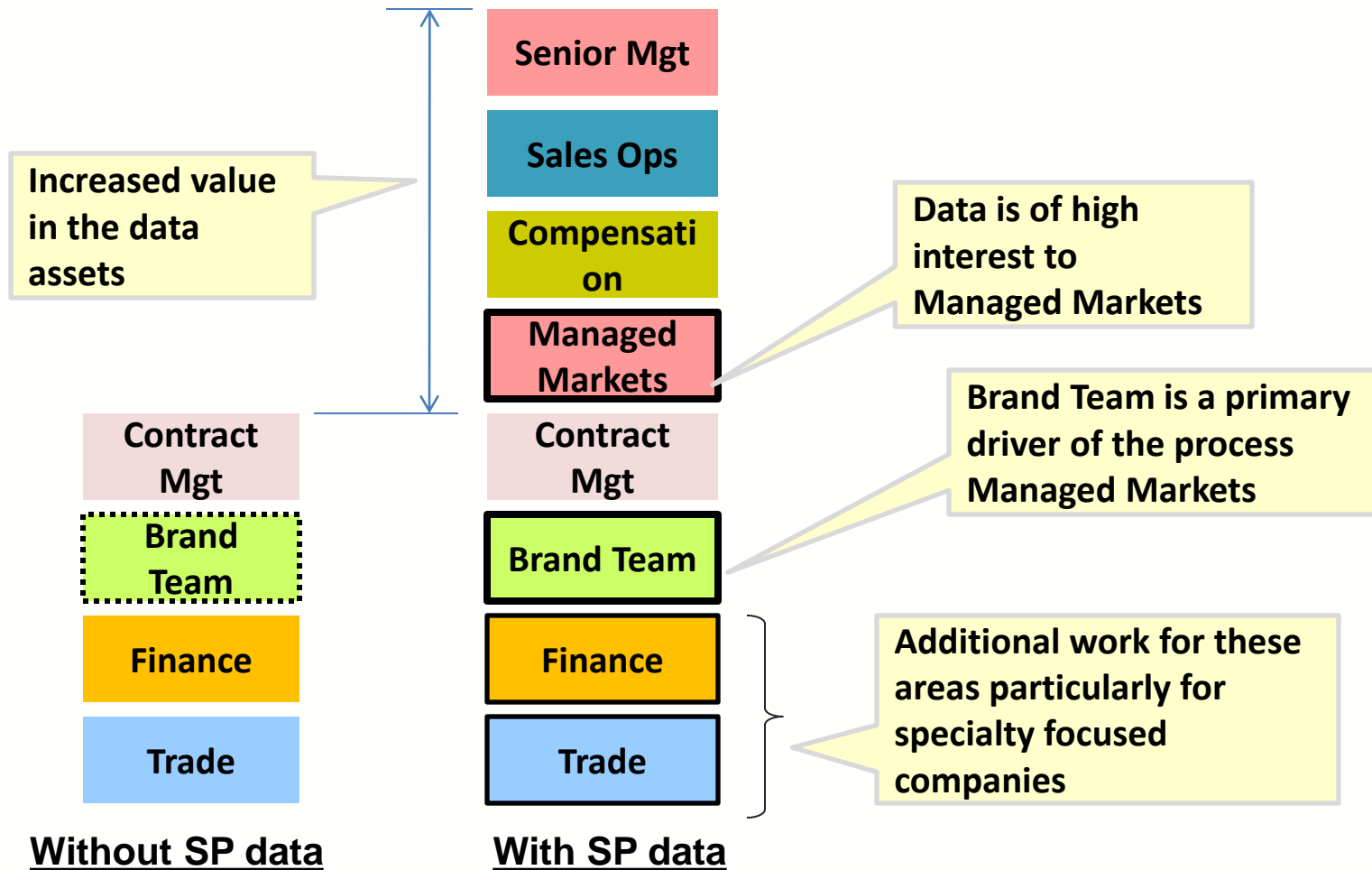
Today's Scenario with a Distribution Agreement



Today's Scenario with a Distribution Agreement and a Specialty Pharmacy Contract

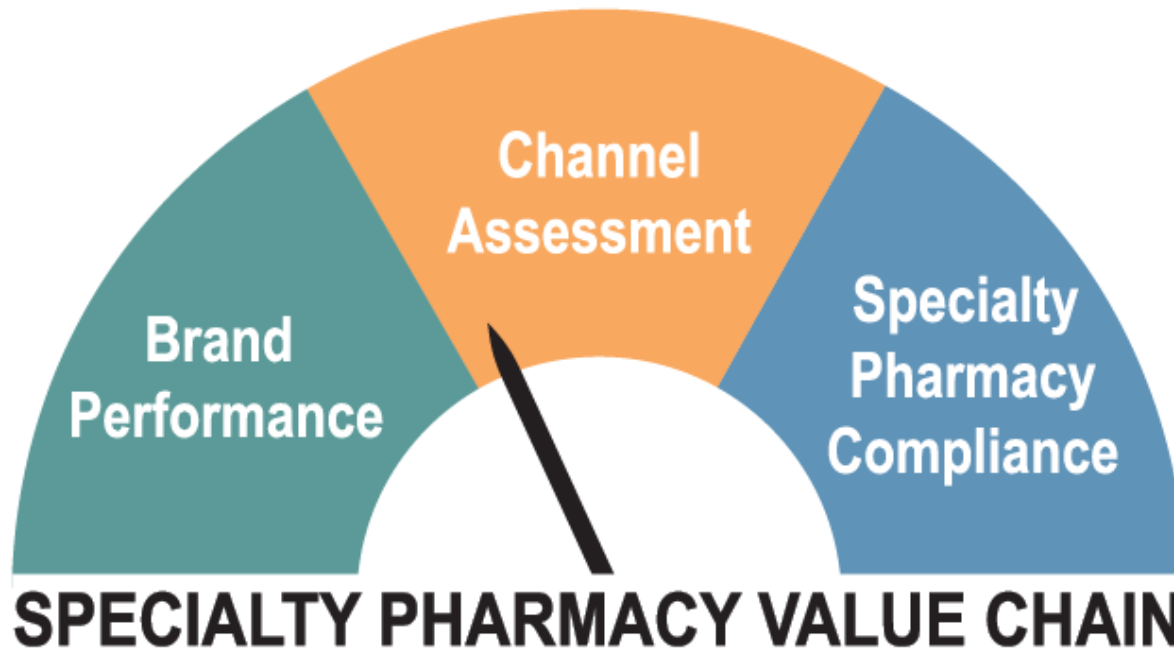
Value Proposition

As the Data Sets Increase, The Number of Stakeholders Using the Data Increases and the Potential Business Impacts Increase



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Specialty Pharmacy Offering



Strategic Management

The Specialty Pharmacy Service Offering Focuses Maximizing the Value of the Specialty Pharmacy Value Chain Components



- ❖ Brand → Brand Performance:
 - *“Proactive management of the brand through timely assessments of product and patient performance*

- ❖ Compliance → Contract Management & Compliance:
 - *“The support required to assess the performance of the SPs, the impact to the patient and administrative support of the SP contracts as defined by the manufacturer – (e.g. service delivery, C&P, data compliance, payment support, etc.)”*

- ❖ Channel → Channel Management:
 - *“Proactive management of the specialty channel through timely assessments of supply (sales into the channel), demand (TRxs/867) and inventory (852)*



Business Challenges and Opportunities

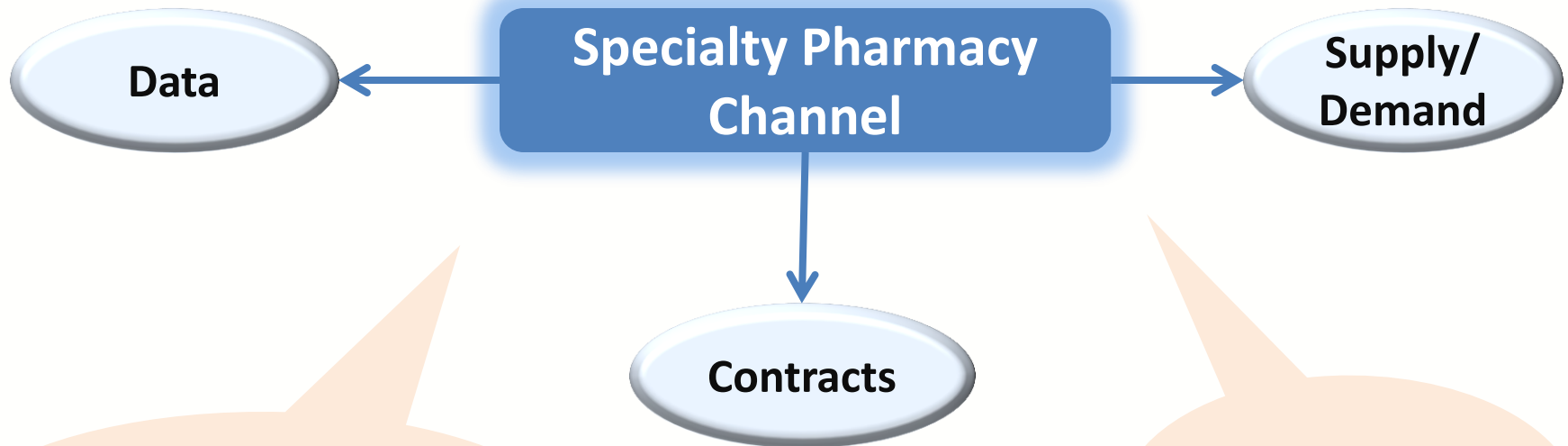
Interactive Discussion

Specialty Pharmacy Business

Challenges = Opportunities



Areas of Discussion

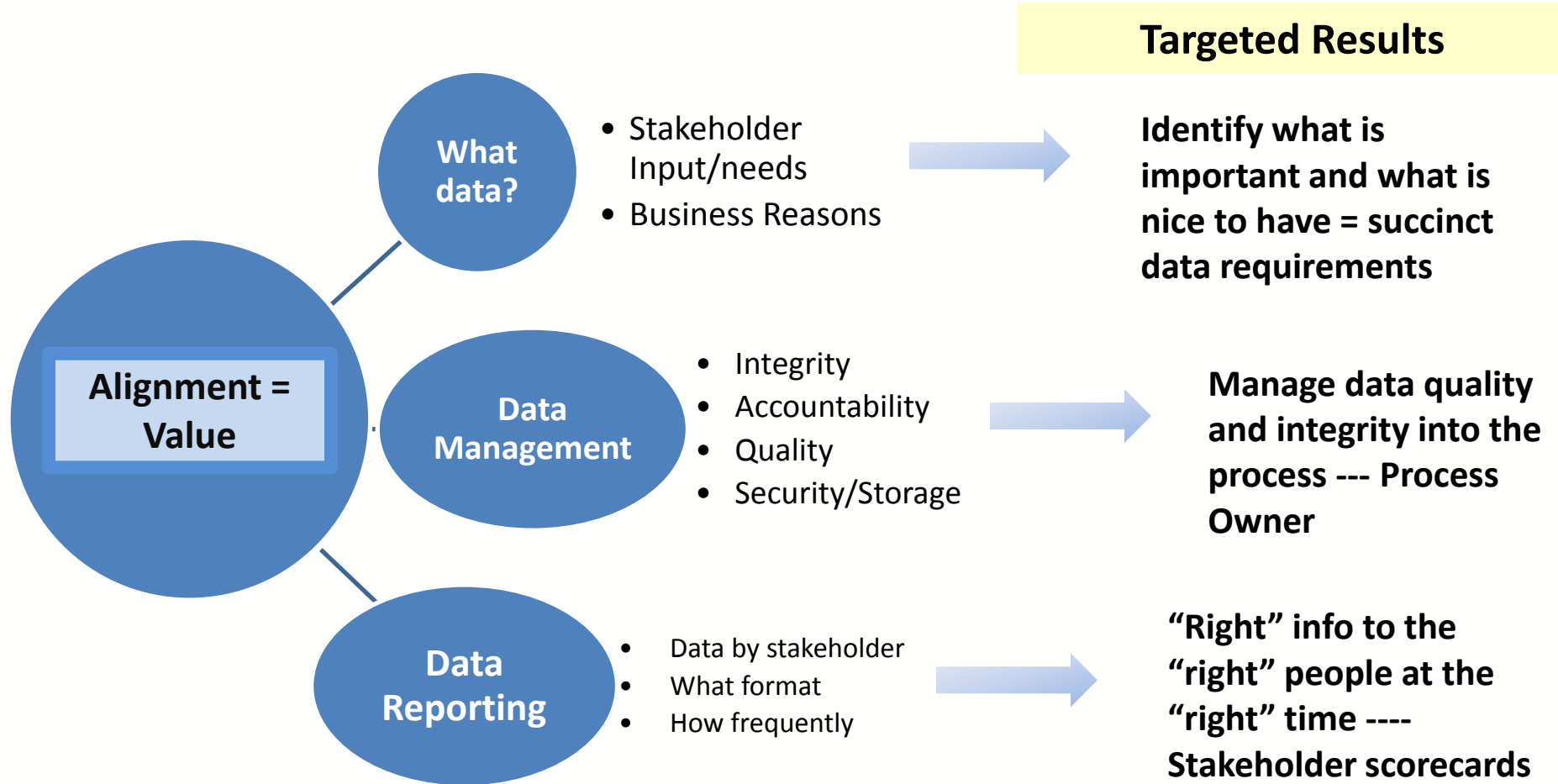


What issues and/or opportunities are important to you?

Where is your “sweet spot”?

SP Business Challenges

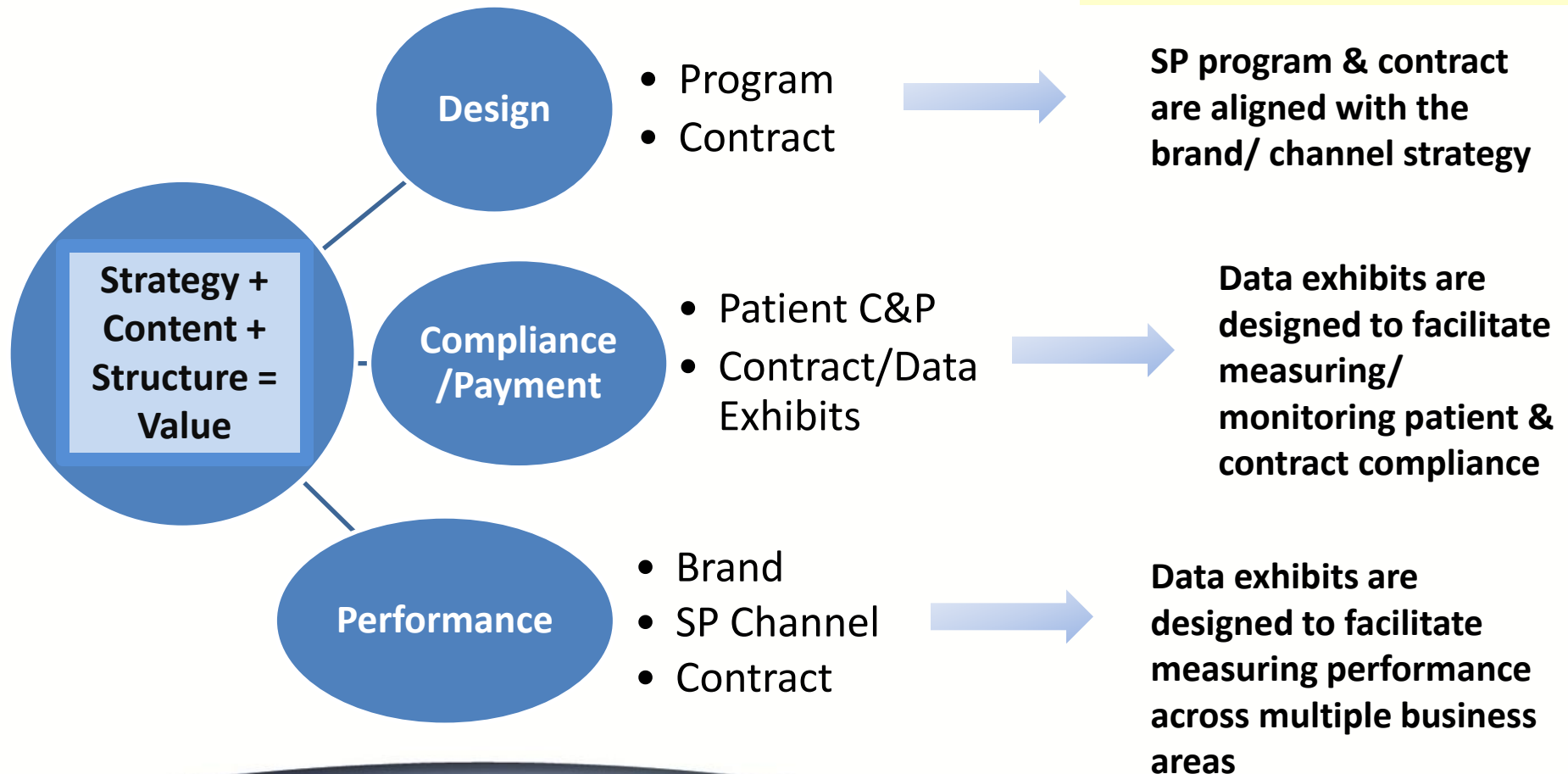
“Harnessing the Power of the Data”



SP Business Challenges

“Maximize Contract Performance”

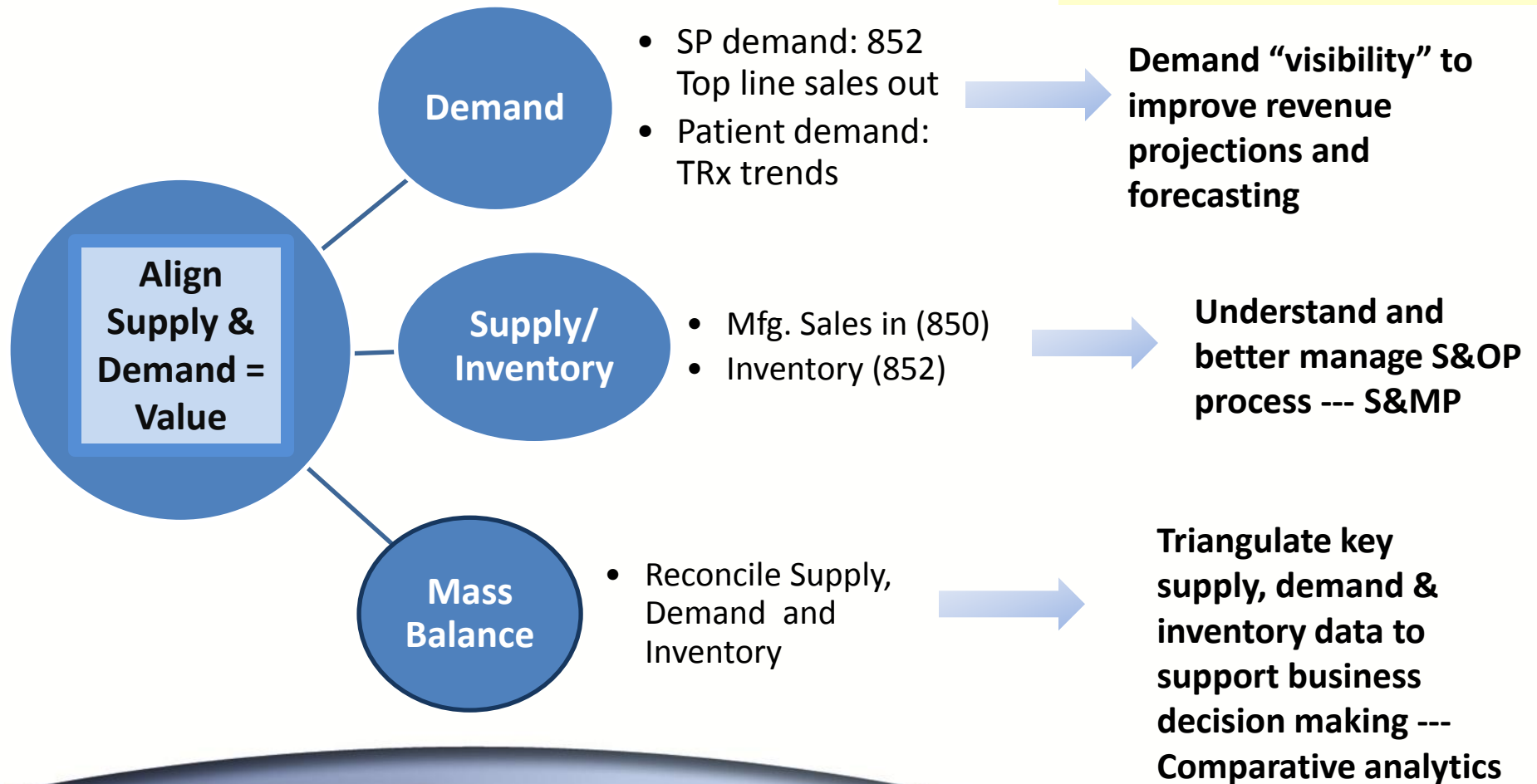
Targeted Results



SP Business Challenges

“Actionable Supply/Demand Visibility”

Targeted Results



Summarize

Capture Next Steps

