



WHITE PAPER

How Specialty Pharmacy Lowers Healthcare Costs

Healthcare for patients with cancer and rare diseases is too expensive.

In one year, cancer patients can expect to spend tens, maybe hundreds, of thousands of dollars to receive the life-saving treatments they need. And that's just on the therapies themselves. The total tally — including diagnostic tests, appointments, consultations, hospitalizations, treatment for side effects and adverse events — would be unaccountable. In today's healthcare system, dealing with the disease itself is only part of the battle. Dealing with the cost of the disease can also be crippling for patients.

Lowering costs for patients is paramount. Throughout complex treatment journeys, patients face many barriers: confusion over their treatment; a lack of advocacy; an inability to adhere to

treatment without support; unexpected or intolerable side effects; hospital and ER admissions; growing debt. Nonadherence to a prescribed regimen triggers between one- and two-thirds of expensive oncology patient hospitalizations. And every time there's a lack of adherence or an adverse event, the patient pays. So do payers.

The healthier a patient is, the less they cost: This concept is a simple but effective premise on which to base efficient, meaningful care. Specialty pharmacies focused on preventing costly episodes and improving adherence through specialized patient-support services are uniquely positioned to help payers and pharmacy benefit managers (PBMs) meet the crucial need in healthcare of lowering costs.



“This is the future of lowering healthcare costs,” says Paula Bickley, vice president of market access at Biologics. “Not ratcheting down reimbursement, and not making the healthcare system harder for patients to access and use, but investing in quality, compassionate care that focuses on making people healthy. In the oncology landscape, specialty pharmacy is not only a viable component of this vision, it’s necessary.”

Expanding Access and Financial Options

Access or lack thereof to the right therapy can make or break a treatment plan. When treatment is cost-prohibitive, patients won't be able to adhere to their plan or even get started. Since 2017, we have secured more than \$60 million in financial resources for patients.

Specialty pharmacy positions its patients for success by ensuring vast coverage options and helping them find and navigate financial-support options that will allow them to access the therapy their provider wants them to have.

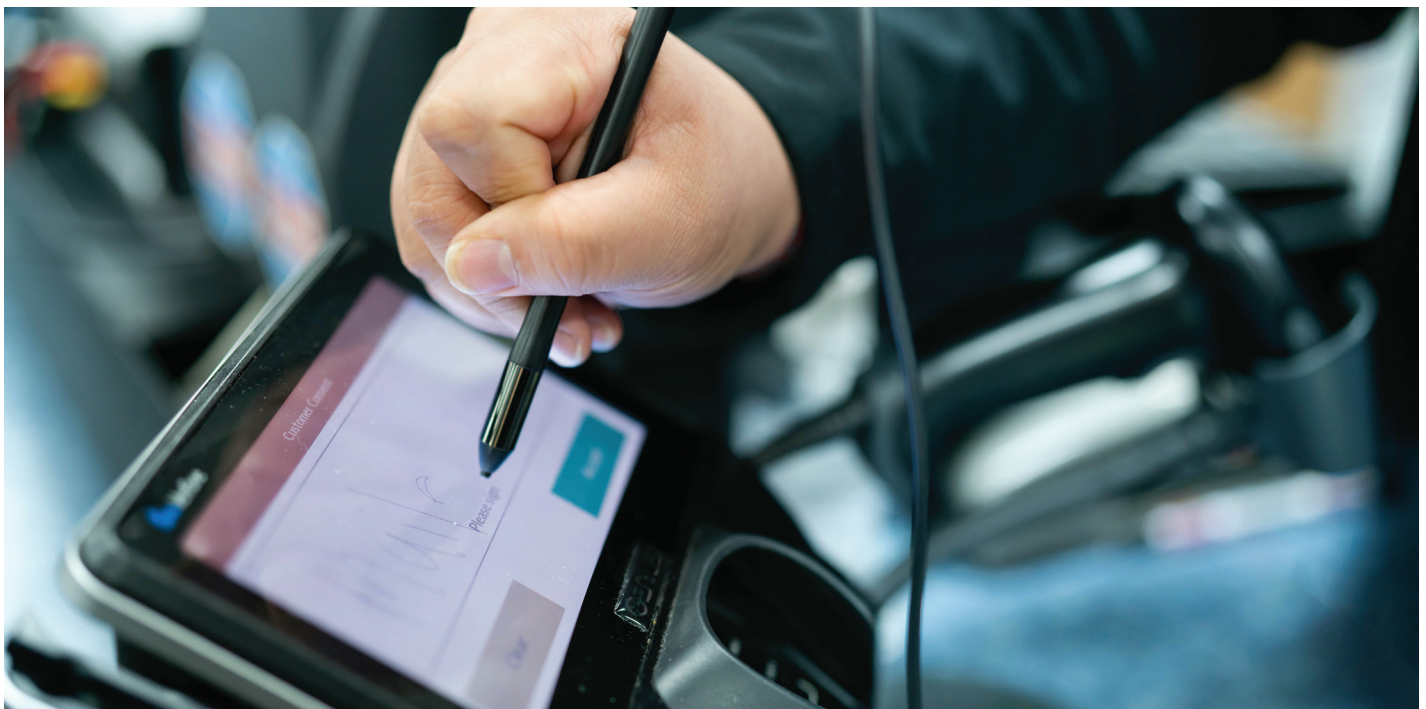


Coverage Options

Biologics knows its patients will be covered, because we contract with more than 500 unique payers. We hold ourselves to the highest standards and guarantee that we'll confirm benefits for clean prescriptions within four hours of processing. If it turns out we're not in network, we transfer the prescription to an in-network pharmacy immediately to ensure prompt delivery.

Financial Assistance

We also act as a full-service financial-aid expert for every patient. Amid the stress of facing a hundred different concerns, patients need help navigating insurance, securing assistance for co-pays and receiving grants from charitable organizations. We're there to seek the funding and coverage they need every step of the way.



Welcoming and Educating the Patient

Helping patients stay on therapy requires as much dedication as helping them get on it, especially when treatment plans are complex and therapies come with side effects that can feel as challenging as their disease. The longer the patient journey goes unsupported, the greater the risk of nonadherence, which means lower chances of a positive outcome for patients as well as added costs.

Our clinical-care teams include board-certified pharmacists, registered nurses and certified pharmacy technicians who learn each patient's needs and develop personalized assessments, adherence-risk evaluations and ongoing counseling plans. We strive to mitigate any potential treatment risks and give your patients the best chance at successfully staying on therapy.



Pharmacist-Patient Education

Even before dispensing and shipping are confirmed, one of our pharmacists calls and talks to each patient, which is not something all specialty pharmacies do. The pharmacist explains the treatment, the goals, how to adhere, how to take the dose, potential side effects, when to reach out to the prescribing doctor and how to report side effects to their Biologics Care Team nurse.

Onboarding Risk Assessment

The pharmacist asks a series of questions to score the patient's distress level and likelihood of risk to adherence. Is the patient treatment-naïve or experienced? Is the caregiver experienced and at-hand? Does the patient feel hopeful or hopeless? Is the patient already symptomatic prior to treatment? That risk score dictates ongoing clinical nursing objectives. Afterward, pharmacists, nurses and other team members collaborate to determine whether the patient needs a different prescription or dose modification and whether Biologics needs to reach out to the provider or initiate another touchpoint.





Streamlining and Customizing the Patient Journey

Patients are at the center of everything we do. And since every patient and patient journey are different, we customize our services to meet each individual's needs. Our white-glove approach clears a personalized path for adherence, lowering healthcare costs, enriching patient quality of life and improving patient outcomes.



Streamlining Logistics

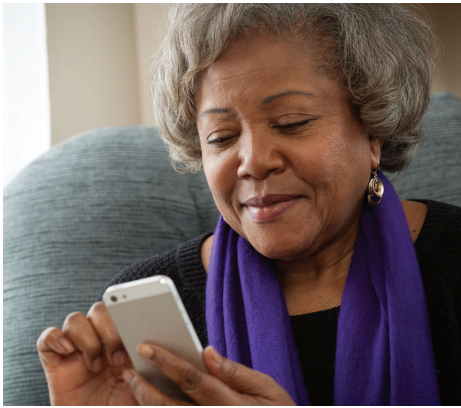
There are so many reasons patients struggle with adherence. We make sure logistics are never one of them. In addition to nurse coaching, patients are also contacted on day 23 of each month of treatment by a member of their Care Team, usually a pharmacist. At this time, Biologics identifies changes in the patient's health status; documents side effects; takes pill counts to indicate noncompliance, over-compliance or dose modifications; and confirms shipping logistics for the month ahead. We understand that patients travel often, staying at their parents' or children's houses, and Biologics is able to follow the patient wherever they are to ensure that their treatment plan follows suit and doesn't prevent patients from living their lives.



Clinical Expertise

Specialty pharmacy is about much more than dispensing therapies; in fact, our real work starts once our patients receive their medication. For patients facing a long road ahead, preventing hospital admissions, severe or life-threatening side effects, nonadherence and emergency room visits requires ongoing and specialized clinical expertise.

Our certified pharmacy technicians are experts in the therapies we work with, and our disease-specific nurse teams are experts in oncology and complex care. A Biologics clinical-oversight committee studies therapies to develop treatment plans and assessments unique to every cancer treatment we dispense.



Customized Care

When a patient calls one of our nurses or pharmacists, a member of their team answers, 24/7. We dedicate a team of experts for each patient to ensure they are able to talk to the same people every time, allowing us to build relationships with patients and act as an extension of their providers' medical teams throughout the treatment journey. As a result of our dependability and proficiency, we earn the trust of patients and providers, which helps us to plot a proactive course forward.

Effective Support

We believe every patient is worth our personalized and expert approach, and our results show that our specialty pharmacy patients:

- ✓ Have fewer hospital admissions.
- ✓ Have fewer grade-3 and -4 side effects.
- ✓ Are more adherent, are more compliant and stay on therapy even if they have dose-modifying side effects.
- ✓ Will stay on therapy with a nurse's help, avoiding drop-off and unexpected emergency room admissions.



Promoting Adherence

Biologics' support teams know patients like almost no one else. That's why they are able to uncover, pinpoint and solve for a multiplicity of adherence barriers that arise.

For instance, patients with sarcoma deal with severe side effects, such as pervasive diarrhea, to the point that there is no quality of life. So when a treatment to address that side effect was introduced, patients were thrilled, but they would stop taking the new treatment not long after starting it. Manufacturers didn't understand why, so our nurses investigated.



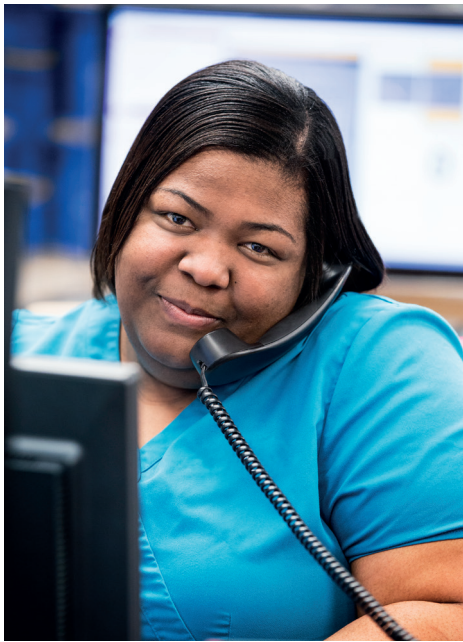
Clinical trials indicated that the therapy may take an average of nine to 12 weeks to take effect. Three months was simply too long to wait without seeing results, and they would give up. Our nurses realized the patients needed condensed benchmarks. As a result, they changed the way they talked to patients about it. They encouraged patients to watch for more incremental signs and to set goals for today, tomorrow and the next day. For patients who chose to speak with our clinical teams, the time on therapy increased dramatically — long enough for the life-changing treatment to take effect.

Adherence Coaching

Our nurses constantly evaluate patients' needs. On regular check-ins over the phone, they offer constructive advice for symptoms and side effects, coaching patients through the difficulties while affirming the bright spots. Are the pills seemingly impossible to swallow? Try taking them with milk or changing your head position, they might recommend. Nurses pay attention to positive and negative side effects or anything that increases the risk of nonadherence. From suggesting a helpful tip to recommending a dosage modification, their at-the-ready instructions keep patients moving forward.

“We have seen thousands of examples like this,” Bickley says. “They all tell us the same thing: Engaged nurses anticipate a patient’s needs and prepare them for what’s ahead. Prepared patients grasp the goals, expectations and mechanics of their treatment. And informed patients are better equipped to stay on track and navigate the healthcare system more efficiently and cost-effectively.”

Often, the causes of nonadherence are as much emotional as clinical. Patients often become hopeless or lose sight of whether they are improving and whether the treatment is working. If an expert, compassionate nurse can coach them through their experience, reassuring them that their experience is normal or giving options for modifying their care if necessary, the patient is far more likely to fight through feelings of despair. This is much more effective for the patient than dropping off their lifesaving therapy, not getting better or potentially ending up in the ER if side effects become too severe. Bottom line: The more the patient understands their current state, the better they can control it.



Ongoing Risk Assessments

Nurses perform risk assessments regularly, scoring patients with a series of questions: Is the patient adhering? Are side effects tolerable? Do they need a dose change? Are side effects a sign that the patient is benefiting clinically? Is there anything I'm hearing that makes me think this patient could start to become nonadherent?

We send the results of these assessments to the prescribing oncologist, indicating whether we simply educated and assessed or whether the intervention prompted any further action, including whether we found out that the patient stopped or changed their treatment or whether a dose modification might be recommended. And we follow up with patients as often as we need to, depending on the patient's state and their particular needs.



Using Healthcare Efficiently



Maximizing Provider Checkpoints

We also want patients to observe their own patterns of care so that each physician's-office visit is as effective as possible. Our Care Team encourages patients to log information in the care journals we provide to prepare for their next appointment. Through risk assessments and coaching, our Care Team helps patients work through side effects and identify potential problems, which reduces redundant testing, unnecessary visits and therapy that doesn't benefit the patient.

Preventing Adverse Events

This high-touch groundwork ensures that patients utilize healthcare in the most efficient way possible. When patients have a specialized support team to help them, they circumvent nonadherence, unnecessary testing, logistical barriers and trips to the ER for upgraded side effects. Biologics prioritizes this advanced form of care because it naturally reduces adversity and lowers costs for everyone.

“As a patient progresses through treatment, every step forward represents new possibilities, both good and bad,” Bickley says. “In those moments, our nurses, care coordinators and specialized clinical teams respond with prepared, actionable plans. Continuous support is vital for getting patients through adherence roadblocks. It’s like on-call navigation, but with someone you trust. When patients feel lost, there’s someone available immediately who can get them back on track.”





To truly understand how to lower costs, we need to start looking at the whole picture: both medical and pharmacy spends, what's triggering the spend, what the alternatives are and whether it's the best choice for the patient.

The Future of Lowering Healthcare Costs

We know healthcare is expensive. But under the current pharmacoeconomic model, very few see the true nature of healthcare costs.

When a Biologics patient developed blood poisoning in response to his chemotherapy, a first-line generic standard cancer treatment, Biologics was instrumental in getting the patient the antidote, which had to be administered within 24 hours. Without timely access to the antidote, there was a real chance the patient could have died. Biologics nurses worked into the night to secure approval from the PBM for the antidote while the patient waited in the ICU. Once approved, Biologics transported the antidote to the hospital and the patient received his dose and went home.

All the payer might see is that \$75,000 one-time dose that required an emergency prior authorization. But what they may not see is that the alternative was rushing the patient to a larger hospital several hours away for a far more costly five-day apheresis treatment. By understanding every angle of the episode, Biologics was able to provide what was best for the patient — and a more efficient, cost-effective use of healthcare. Together as partners, Biologics and the PBM worked to generate tangible cost savings.

In any episode of care, pharmacy and medical benefits cross paths again and again. The fields are not mutually exclusive, despite the systemic silos between the two, and payers and PBMs need visibility across both systems to start understanding healthcare's true costs. Specialty pharmacies can provide that.

Real healthcare reform will come from focusing on the quality of care. That's the true value specialty pharmacies can bring: Everything we do comes back to the patient — the patient's journey, the patient's experience, the patient's outcome — because we know that investing in quality of care and care coordination improves costs. And everything else falls into place.