Commercial payer coverage of biosimilars: 2017 - 2024

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BACKGROUND & OBJECTIVE

- Despite a growing number of biosimilars on the market, uptake has been slow.
- One potential barrier is health plan's use of step therapy to steer patients toward "preferred" first-line therapies.
- This analysis examines changes over time in payer preferences for originators as a first-line therapy.

METHODS

Data Source

The Tufts Medical Center Specialty Drug Evidence and Coverage (SPEC) Database includes specialty drug coverage decisions issued by 18 large US commercial payers.

Analysis

- We included coverage decisions for 10 originator products marketed as of August 2024 across indications with ≥1 FDA-approved biosimilar was also granted FDA approval (50 drug-indication pairs) and with coverage information from 18 large commercial health plans from 2017-2024.
- We analyzed trends in:
  - ✓ Payer preference for originator products as a first-line therapy option in 2017 vs. 2024.
  - ✓ Longitudinal trends by product family in the proportion of decisions including the originator as a first-line option.

RESULTS

Figure 1. Payer Preference for Originator Products with Available Biosimilars, 2017

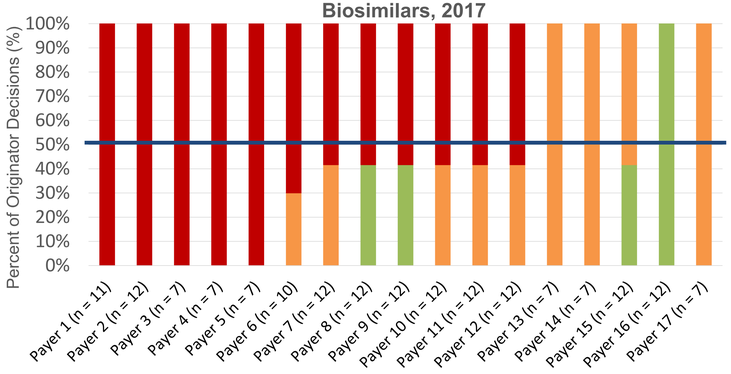
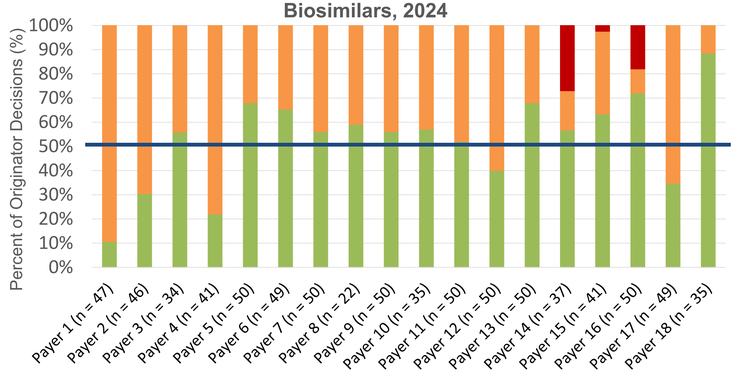


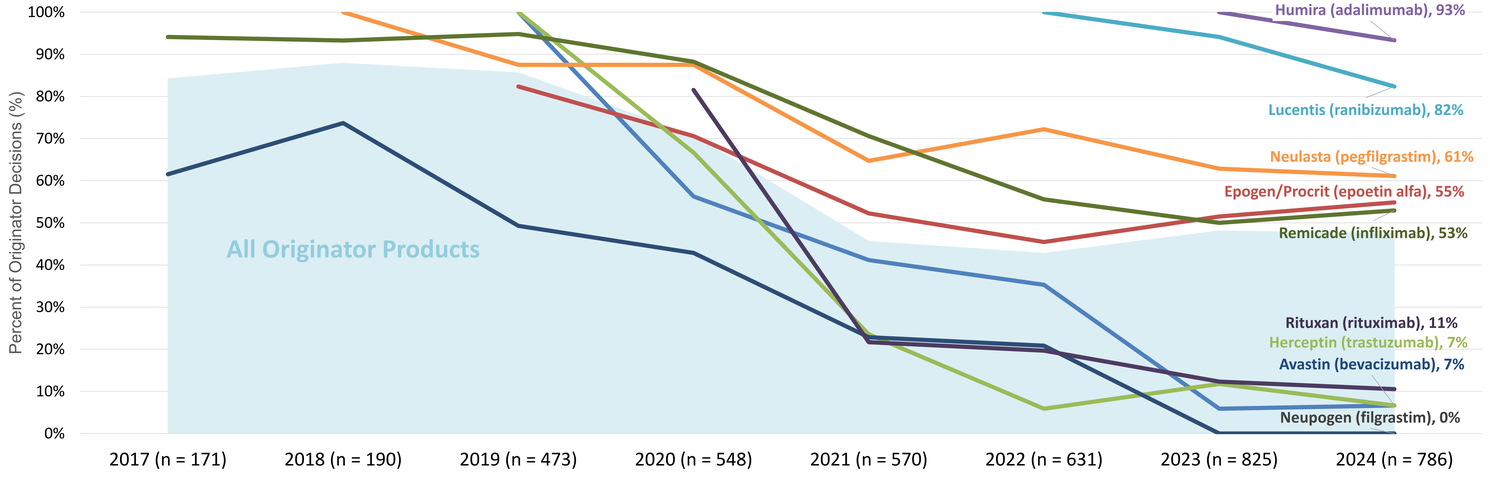
Figure 2. Payer Preference for Originator Products with Available Biosimilars, 2024



Preferred – Sole Preferred Product | Preferred - Originator same line as ≥1 biosimilar | Non-preferred - Step through ≥1 biosimilar

- In 2017, 12/17 (70%) of payers designated an originator as the sole preferred product, 1/17 (6%) required step therapy through one or more biosimilars, and 3/17 (18%) covered originators on the same line as at least one biosimilar in more than half of their policies.
- By 2024, only 3/18 (17%) had any policies designating an originator as the sole preferred product. Meanwhile, 13/18 (72%) required a step through one or more biosimilars, and 5/18 (28%) covered originators on the same line as at least one biosimilar in more than half of their policies.

Figure 3. Payer Preference for Originator as a First-Line Option, by Product



- The proportion of policies preferring originators declined from 84% in 2017 to 47% in 2024. Preferences varied by product family: 5 originators remained preferred in more than 50% of policies, while the remainder were preferred in fewer than 15%.
- Neupogen was the only originator product with no first-line coverage in 2024, showing strong preference for filgrastim biosimilars.

Key Points

- Between 2017 to 2024, payers shifted away from covering originators as the sole-preferred product, suggesting increased confidence in biosimilars.
- Payers increasingly allowed a choice of preferred products, including multiple biosimilars and originators.
- Payer preferences varied, suggesting coverage decisions are driven, in part, by cost considerations.
- Preference also varied across product families, consistent with prior research highlighting the role of originator manufacturer pricing strategies in shaping coverage.[1]

CONCLUSION

- As biosimilar competition has grown, payer coverage has shifted towards biosimilars, with increased use of biosimilar-first step therapy and greater parity between originators and biosimilars.
- Prioritization of originator products as the sole-preferred first-line therapy has become increasingly rare.
- Coverage varies widely across payers and product families.

REFERENCES

1. Fariel LaMountain, Molly T Beinfeld, William Wong, Eunice Kim, James D Chambers, Biosimilar underutilization alone does not foretell a broken biologics market, Health Affairs Scholar, Volume 2, Issue 7, July 2024, qxae090, https://doi.org/10.1093/haschl/qxae090

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For more information about the SPEC Database, please contact James Chambers at james.chambers@tuftsmedicine.org.