

MME

Learn from Our Experience,
Profit from Our Thinking.®



OBJECTIVE:

As a service to our Biotech and Pharmaceutical manufacturing clients, MME conducted a survey regarding the impact of the COVID-19 virus on the business practices of managed care organizations



METHODS:

An online survey was conducted with a total of 26 Managed Care Pharmacy Directors representing Commercial and Medicare books of business using MME's proprietary payer panel. Research fielded week of March 16, 2020

MAJOR THEMES:

The COVID-19 Pandemic is expected to cause disruptions to payer organizations and how they conduct B2B relations with the Bio/Pharmaceutical industry

INDUSTRY RELATIONS ACTIVITIES

- Almost half of payers report completely canceling or delaying meetings for 1-3 months
- Payers are prioritizing new drugs and drugs with a high PMPM impact for rescheduling

OVERALL BUSINESS IMPACT

- Pandemic is expected to cause significant disruptions to payer organizations
- Payers are most concerned about the strain on provider and hospital networks, and are also concerned about unplanned cost increases and patient treatment interruptions
- Virtually all respondents report working remotely and having business travel cancelled

IMPACT ON BUSINESS PROCESSES

- 58% of payers expect delays to P&T reviews for new and existing products, and 77% expect contracting delays
- 54% of Commercial payers expect delays of rebate negotiations of one month or greater for new products compared to 32% of Medicare payers