



PERSPECTIVE ON THE **RX** PIPELINE

Understanding changes in the medication market and their impact on cost and care.

EnvisionRx continuously monitors the drug pipeline. As treatment options change, we evaluate and share our perspective on the clinical benefits and cost-effectiveness of these medications. Our Perspective on the RxPipeline report provides our recommendations, what we're doing in response to these changes and how it will impact your plan and patients. With a unique ability to make rapid adjustments to the pharmacy benefit, EnvisionRx is able to maximize plan performance and positive health outcomes while providing patients the coverage, convenience and service they deserve.

Included in this Edition

- ▶ Patent Settlements Give Rise to Generic Versions of the Popular Blue Pill, but—for a time—the Brand Remains More Affordable

VIAGRA®

sildenafil citrate

Class: Phosphodiesterase

Type 5 Inhibitors

Manufacturer: Pfizer

Mode: Oral

Patent Settlements Give Rise to Generic Versions of the Popular Blue Pill, but—for a time—the Brand Remains More Affordable

Teva Pharmaceuticals will be the first in line to bring a generic version of Viagra to market.

PIPELINE STAGE



TIMING

When will payers be impacted?



CLINICAL EFFECTIVENESS

Compared to available options, is this drug better for treatment?



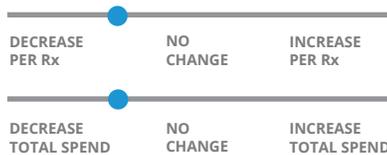
PATIENT EXPERIENCE

Will this positively or negatively impact members?



PAYER IMPACT

How will this influence Rx spend?



Situation Summary

In the early 1990's Pfizer's researchers were hoping that sildenafil citrate would prove to be helpful as a heart disease treatment, but clinical trial participants revealed an unexpected side effect. As a result, their focus shifted, and Viagra was approved for erectile dysfunction (ED) in 1998. Within a few weeks of approval by the U.S. Food and Drug Administration (FDA), it was estimated that more than 40,000 prescriptions for the little blue pill were filled.^[1]

Faced with patent expiration in 2012, Pfizer filed a "method of use" patent, which extended patent protection through April 2020. However, several legal battles ensued and in 2013, Pfizer settled with Teva Pharmaceuticals, allowing the generic drug manufacturer to launch its version of the pill in December 2017, paying slight royalties until the patent expires.^[2]

Brand or generic, the drug works just the same: As a phosphodiesterase-5 inhibitor, Viagra works by relaxing the muscles found in the walls of blood vessels, increasing blood flow to particular areas of the body. The branded Viagra and the generic both share the same active ingredients and are equivalent in terms of clinical effectiveness and interchangeable.

As age increases, so does prevalence of ED: Several studies report the prevalence of erectile dysfunction at 52%, a rate that tends to increase with age. For example, 40% of 40 year olds report suffering from ED, whereas 70% of 70 year olds report the same.^[3]

Brand will cost less than generic: The average wholesale price (AWP) for a 30-day supply (six pills) of Viagra is \$435. The generic version is estimated to cost \$370, a savings of \$65. However, rebates and discounts that EnvisionRx negotiated on the brand reduce the net cost, providing approximately \$130 in savings for a 30-day supply of the brand medication.

VIAGRA

sildenafil citrate

PAYER ACTION PLAN

- **Review formulary**

Only those plans currently using the Standard or Select formulary will immediately benefit from the Brand-for-Generic discount program. If your plan is on either of these formularies already, no action is needed. Contact your EnvisionRx account team if you are interested in learning more.

Impact to the Pharmacy Care Experience

Formulary: Due to negotiated rebates, the branded Viagra will be available at a lower cost than its generic equivalent. Therefore, effective December 12, 2017, EnvisionRx initiated a Brand-for-Generic program in our Standard and Select formularies. Plan sponsors who have opted out of these formularies will not automatically receive this enhanced rebate.

In the EnvisionRx Brand-for-Generic program, members presenting a prescription for the generic will receive the branded Viagra at the lower cost, and pay the generic copay. This program will remain in effect as long as the branded Viagra is the lowest cost option.

Member Engagement: At the point of sale, if the patient presents a prescription for the generic, a hard edit will prompt the pharmacist to fill the brand medication at the discounted rate. Whether the member presents a prescription for the branded Viagra or the generic, he will receive the brand medication and pay the generic copay.

Because this program does not result in member disruption, reduces cost share and the member receives the well-known branded medication, there is no need to proactively notify members of any change. The Brand-for-Generic program exchange will be documented in routine member communications (i.e., member portal, explanation of benefits, etc).

Clinical: If you subscribe to the EnvisionRx standard quantity level limits, the branded Viagra would carry a quantity limit of six per 30 day supply. No other utilization management strategies, such as step therapies or prior authorization are necessary at this time.

Sources

[1] Wilson, J. (2013). Viagra: The little blue pill that could. CNN. March 27, 2013. Retrieved from: <http://www.cnn.com/2013/03/27/health/viagra-anniversary-timeline/index.html>

[2] Staton, T. (2013). Pfizer gives Teva a lift with deal for Viagra generic launch in 2017. Fierce Pharma, December 18, 2013. Retrieved from: <https://www.fiercepharma.com/sales-and-marketing/pfizer-gives-teva-a-lift-deal-for-viagra-generic-launch-2017>

[3] Lakin, M. and Wood, H. (2012). Erectile Dysfunction. Cleveland Clinic. Disease Management. Retrieved from: <http://www.clevelandclinicmeded.com/medicalpubs/diseasemanagement/endocrinology/erectile-dysfunction>

Our Clinical Steering Committee

The Envision Clinical Steering Committee brings together leaders across our national pharmacy care company to monitor the drug landscape, provide recommendations on how to address changes, and to ensure our clients and patients are prepared—in advance.

With any new development, we partner with our Pharmacy & Therapeutics (P&T) Committee and consult with our best-in-class specialty pharmacy, to provide a balanced perspective on the clinical effectiveness of all available options, the cost impact to our plan sponsors and patients, and the impact on the overall patient experience.



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Chief Medical Officer



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EnvisionRx is a Pharmacy Benefit Manager (PBM), providing affordable and effective prescription drug coverage for employers and health plans. Using its proprietary EnvisionCare model, EnvisionRx optimizes all aspects of the pharmacy care experience to consistently achieve better patient and plan outcomes.

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