

Optum

Optum Specialty Fusion Solution

Revolutionizing specialty
drug management



Table of contents



The evolving landscape of specialty drug management



This e-book delves into the dynamics of health care, where headwinds and market changes are forcing health plans to capture every ounce of savings possible. In the world of specialty drugs, cost management is an even more complex and costly challenge that requires innovative solutions to streamline the process, improve patient care and reduce expenses.

This collection of articles explores the work being done with a new solution called Specialty Fusion – a cross-benefit drug management solution that is reshaping the health care industry.

Throughout this e-book, we will:

- Delve into the intricate web of specialty drug management
- Discover how Specialty Fusion simplifies the prior authorization (PA) process
- Uncover the potential cost savings and improved patient outcomes it offers

Article 1

Escaping the specialty drug tunnel with cross-benefit strategies

As the health care landscape evolves, health plans manage an increasingly intricate web of claims and costs across the health care continuum. Emily Markoe, senior director of product and strategy at Optum, explains that managing specialty drugs – which are projected to exceed \$665 billion in spending by the end of 2024 – constitutes a substantial portion of the challenge health plans face.

Markoe highlights common hurdles health plans face when managing specialty drugs and introduces an innovative approach that could reshape how specialty drug management is executed.

The tunnel view of specialty drug management

Markoe emphasizes that, as health plans grapple with the complexities of managing specialty drugs and the broader spectrum of health care services, the expertise and resources required to effectively manage specialty drugs often present barriers.

There have been long-standing challenges in balancing provider preferences with plan design and cost-management strategies, reveals Markoe. This challenge is further exacerbated by the fact that savings levers are not universally available across medical and pharmacy benefits, and the opportunity to optimize their effectiveness varies across each benefit.



There's also the concept of "tunnel view" specialty drug management, where health plans separately focus on cost savings strategies on the pharmacy or medical benefits. While efficient to some extent, this approach fails to fully capture savings opportunities arising from integrating both benefits.

"Today, around 60% of specialty drug spending falls under the pharmacy benefit, while the remaining 40% falls under the medical benefit," says Markoe.

This division exists primarily because of how drugs are administered. Self-administered drugs typically fall under the pharmacy benefit, whereas those requiring clinical administration fall under the medical benefit.

Markoe argues that this division is somewhat artificial and has led to leakage in spending for health plans. Managing specialty drugs across 2 benefits, each with its own rules and strategies, can lead to missed savings opportunities.



Cross-benefit integration for specialty management: Optum Specialty Fusion

To bridge the gap between pharmacy and medical benefits, Optum created Specialty Fusion, a pioneering prior authorization and utilization management solution. Specialty Fusion streamlines the prior authorization process through a centralized point of entry and analyzes every possible combination of therapy, site of care and benefit in real time at the point of care. This integration allows providers to quickly make informed treatment decisions that maximize clinical effectiveness and cost savings.

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Specialty Fusion operates in real time, conducting behind-the-scenes scans of cost levers within each benefit,” Markoe clarifies. “It is powered by a decision engine that analyzes both benefits comprehensively – considering all available savings levers and applying them in every conceivable permutation to determine the best treatment choice for each patient before the provider submits their authorization request.”

By examining various permutations across both benefits, Specialty Fusion recommends the top treatment options that yield the most affordable, yet effective, care for each member, provider and plan design.



Specialty Fusion’s innovative approach of analyzing treatment permutations to identify cost-effective and clinically effective options offers significant time-saving benefits for patients and providers. Swiftly pinpointing optimal treatment choices streamlines decision-making, reducing the uncertainty and delays often associated with the prior authorization process. This efficiency extends to providers’ administrative tasks, as the system can navigate complex benefit divisions, saving valuable time otherwise spent on paperwork and insurance interactions.

Specialty Fusion’s data-driven recommendations also ensure patients and providers can focus on treatment options that deliver the best results, both clinically and financially. This accelerates treatment initiation and improves overall patient experiences by alleviating the stress associated with coverage and affordability of health care decisions.

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Ultimately, the long-term benefits include improved cost management and the potential for continual refinement of recommendations based on outcomes and cost data, contributing to more efficient and sustainable health care systems,” says Markoe.

Cost savings of a cross-benefit approach

Although specialty drugs treat various conditions, those used for cancer, autoimmune conditions and multiple sclerosis constitute more than half of all specialty drug spending. They often involve unique administration methods, like injections or infusions, and require close monitoring for side effects and effectiveness.

The coverage for these medications differs depending on their administration method. When individuals self-administer these drugs at home, they are covered by prescription drug insurance, whereas medications administered in a clinic setting are typically categorized under medical benefits. Specialty drug costs can be substantial, often surpassing **\$1,000 monthly, and annual expenses tend to increase by 15%–20%**. Additionally, the clinic type and location can drastically impact medication costs.

With Specialty Fusion, costs can be accurately estimated by analyzing historical claim data and applying intricate methodologies.

“By examining historical patterns and ensuring all variables align, this tool can estimate the cost based on past occurrences of exact scenarios over the last 5 years,” Markoe says. This is just one example of how Specialty Fusion is able to identify substantial cost savings without compromising patient care.





Specialty Fusion is helping to reshape the health care industry when it comes to prior authorizations with a 60% auto approval rate in under 10 minutes.

The future of specialty drug management

Looking ahead, Markoe envisions a health care landscape where specialty drug management is more integrated and sophisticated. Specialty Fusion positions itself as a solution ahead of its time, which will continue to gain value as the industry embraces cross-benefit strategies. While the market is already witnessing some integration attempts, the goal is a consolidated, singular, specialty drug benefit approach that optimizes formulary management, rebate value and provider reimbursement for improved cost control.

Optum Specialty Fusion presents a paradigm shift in specialty drug management. By embracing cross-benefit strategies and breaking down unnecessary divisions, health plans can drive substantial cost savings while providing patients with effective and affordable treatments. As the health care industry adapts to new challenges, innovative solutions like Specialty Fusion are poised to redefine how specialty drugs are managed and bring about a more streamlined and cost-effective future.

A game-changing solution for rapid prior authorizations



In today's health care environment, efficiency and precision are paramount, especially for patients with complex specialty needs. These patients often need specialty treatment regimens delivered quickly, which can be hindered by wait times due to prior authorization.

Solutions like Specialty Fusion are refining the prior authorization process. Lauren Fredin and Brian Arendt, product directors at Optum, share how Specialty Fusion is helping to reshape the health care industry when it comes to prior authorizations – with a 60% auto approval rate in under 10 minutes. Specialty Fusion's advanced prior authorization portal recommends the optimal treatment for each patient through an intuitive user interface.

“Specialty Fusion significantly expedites the authorization process for both medical and pharmacy benefits, ultimately reducing the time to therapy for patients. Faster approval means quicker access to treatment,” says Fredin.

A cross-benefit PA solution for providers

Fredin emphasizes how Specialty Fusion simplifies the prior authorization process by serving as a one-stop solution for providers. It eliminates the need to navigate different prior authorization processes and portals for different benefits and drug classes, ensuring providers save time checking various platforms.

Specialty Fusion's intuitive design and user-friendly interface are pivotal in streamlining the prior authorization process. "The tool is highly intuitive, easy to use, and provides a good user experience. **It takes 10 minutes or less** on average to complete an authorization and get an auto approval at the end – regardless of if the drug is covered under the medical or pharmacy benefit," says Fredin.

With oncology as an example, regimens often involve multiple components, including chemotherapy and other drugs, like anti-emetics. Specialty Fusion allows providers to get a complete regimen approved even if a regimen consists of drugs on both the medical and pharmacy benefit. This approach also eliminates the need to wait for approvals on both benefits.

“Specialty Fusion enables providers to secure approval for complete regimens all at once,” says Fredin. “This allows patients to get the critical care they need more quickly.”

Personalized, optimized care recommendations

Specialty Fusion's most unique feature is its ability to consider clinical guidelines, care sites, dosage and more – in combination – to recommend the most appropriate treatment regimen to the provider during the prior authorization process. This ensures that patients receive personalized and clinically sound treatment options, enhancing the overall quality and value of care.

“Specialty Fusion accounts for clinical guidelines and patient characteristics as well as financial factors like copays and potential drug rebates. By intelligently determining the best combination of treatment, benefit, site of care and more, Specialty Fusion ensures providers can make the best choice possible for each individual,” shares Fredin.

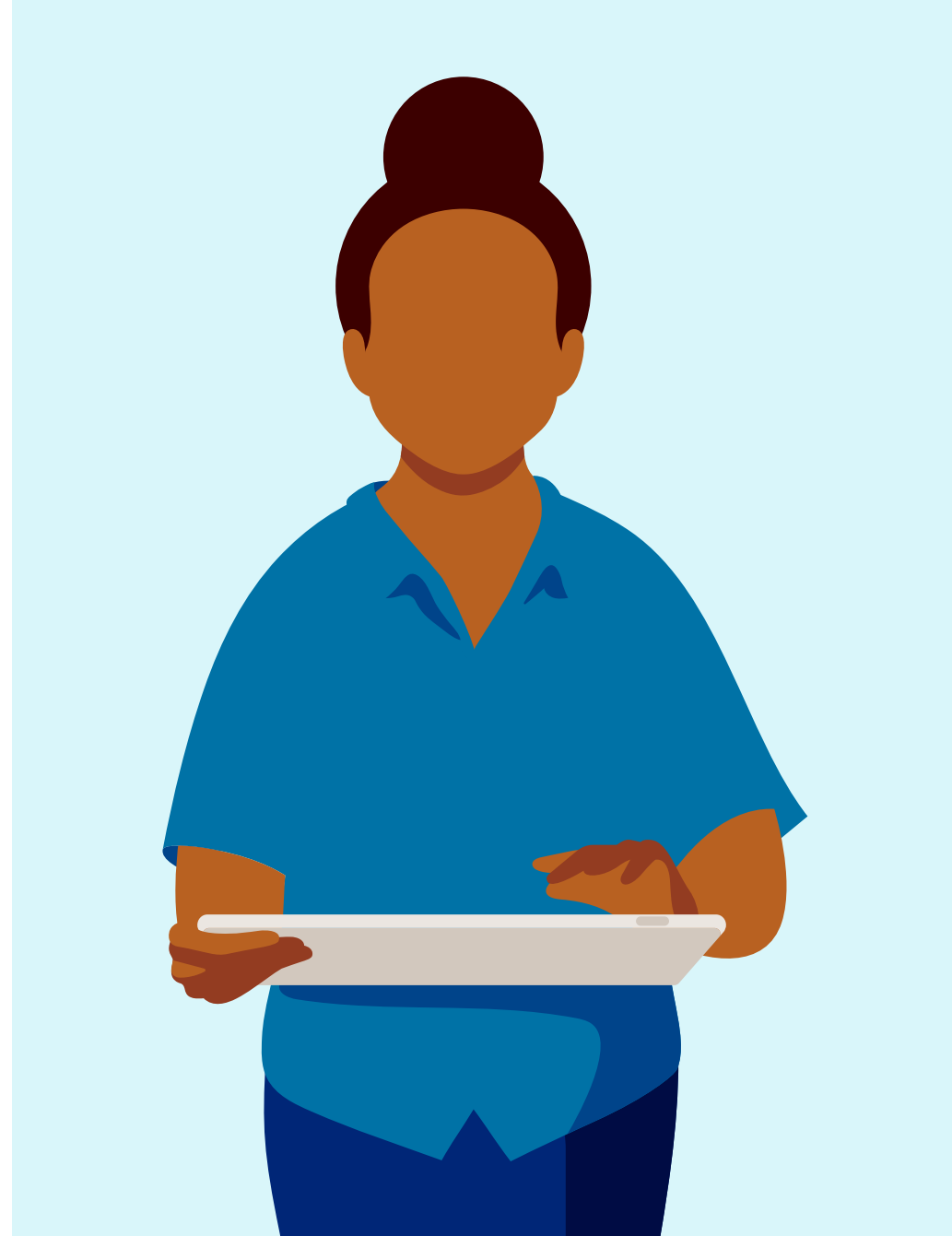


Providers are guided toward optimal choices through Specialty Fusion’s recommendations based on various factors, such as clinical guidelines and cost considerations. Providers can also see a ranked list of recommendations explaining why a particular option is preferable, helping them make informed decisions, emphasizes Fredin.

Providers who select a recommended option receive an auto-approval in the tool. For requests that require additional review, Fredin highlights the significance of Specialty Fusion’s custom reviews conducted by highly specialized teams, including nurses and medical doctors with experience in complex conditions like oncology. Their expertise ensures that cases are processed quickly, often using a peer-to-peer conversation with the prescribing provider to influence behavior.

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Optum clinical expertise and scale allows our team to handle cases efficiently – these informed conversations with providers in the same discipline drive provider satisfaction and allow us to convert more requests to an appropriate regimen and minimize denials,” says Fredin.





A modern user interface minimizes administrative burden

Arendt emphasized the user-friendly nature of Specialty Fusion's interface. Its design minimizes the administrative burden on medical staff by only requesting essential information and quickly guiding users through the process.

"There's been a very structured focus on the user experience, striving for minimal clicks in a modern user interface design," mentions Arendt.

Specialty Fusion allows providers to save drafts of prior authorization requests. This feature is invaluable when providers must leave a request and return to it later. The platform also supports cloning requests for ongoing treatments, reducing administrative overhead.

Specialty Fusion collects data on the efficiency and effectiveness of the platform. This data is used to refine the solution, make policy improvements and identify bottlenecks, ultimately enhancing the user experience.

"We're committed to acting on feedback and refining the platform over time to improve the user experience," reassures Arendt.

Security and confidentiality

Protecting patient information is also a top priority for Specialty Fusion. The platform meets all regulatory standards and legal requirements for data security and confidentiality. Patient data is safeguarded within the system and only accessible to authorized individuals.

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Patient information is treated with the utmost importance – trust hinges on the security and confidentiality of their data,” Arendt stresses.

Optum Specialty Fusion is a game-changer in specialty and oncology prior authorizations. It simplifies processes, reduces administrative burden, and partners with providers to make well-informed decisions. The platform’s commitment to data-driven improvements, user-friendly design and security ensures that health care providers and their patients receive the best care efficiently and effectively.

Specialty Fusion heralds a promising future for the seamless management of specialty and oncology prior authorizations, forging a path toward strengthened provider partnerships and improved outcomes for the patients most in need.



With Specialty Fusion, Optum demonstrates its commitment to:

- Data-driven improvements
- User-friendly design
- Data security and patient confidentiality

Controlling oncology costs with cross-benefit drug management

The oncology care landscape is dynamic, shaped by rising cancer medication expenses, medical advancements and the persistent influence of outside challenges like COVID-19. To navigate this complexity and its implications for future cancer care, cross-benefit drug management intervenes to tackle challenges and offer solutions.

The implications of oncology in rising costs and complexity

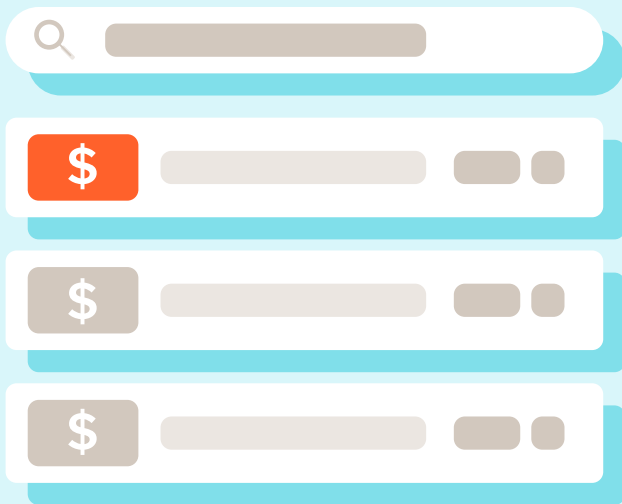
The continuous influx of new cancer drugs and indications renders the landscape highly complex. “In a typical year, the FDA greenlights 10 to 15 new cancer drugs, and groups like the National Comprehensive Cancer Network (NCCN) identify 30 to 40 new indications for existing drugs, signifying frequent changes,” Tim Foley, vice president of product, oncology, at Optum, recently told *PharmaNewsIntelligence*.

While beneficial, the abundance of treatment options often comes with a hefty price tag. For example, Merck’s PD-L1 inhibitor, Keytruda, has received approval for over 15 different uses in recent years, but the expense to patients for each dose, when administered every 3 weeks, surpasses \$10,000.



Across other types of cancer, such as colon cancer, there are over 100 potential regimens. Foley notes that while this innovation provides great benefits to cancer patients who would have few options previously, this continuous progression has introduced significant cost challenges for health care providers, payers and patients.

Additionally, the COVID-19 pandemic has introduced new complexities. While some studies suggested a [decline in cancer screenings during lockdowns](#), the full ramifications on cancer progression and costs are still under scrutiny. Foley explains that the research community is still evaluating whether the pandemic has resulted in more patients developing more advanced cancers that may be more expensive to treat.



Foley elaborated on the pandemic's impact – highlighting a temporary reduction in providers seeking prior authorizations – and emphasizes that cancer treatment remained necessary even during the pandemic, causing the trend to reverse quickly.

“Overall, the trend of more drugs, high costs and complexity has continued through and after COVID,” says Foley.

A new strategy for managing cancer costs

In the realm of cancer care, Specialty Fusion extends its capabilities beyond traditional utilization management programs by examining clinically appropriate treatment types, associated sites of care and other financial factors on both medical and pharmacy benefits. This comprehensive approach enables Specialty Fusion to create tailored care plans that optimize patient outcomes while ensuring lower costs.

“Specialty Fusion utilizes a decision engine, enabling providers to efficiently identify a comprehensive array of potential medications suitable for the patient, their specific condition and other parameters provided by the clinician,” explains Peter Demogenes, vice president of product at Optum.

“Specialty Fusion can examine all influencers of specialty drug spend simultaneously at the point of request, identifying the best medication, regimen or sequence – commonly referred to as a pathway – to address the patient's care over time,” Demogenes adds.

Keeping current on oncology guidelines

Foley emphasizes the critical role of evidence-based care in Specialty Fusion's decision-making process. The tool stays current with the latest clinical guidelines, including those from the National Comprehensive Cancer Network (NCCN). Foley emphasized their team of oncology pharmacists who diligently review evidence updates to ensure that Specialty Fusion's recommendations align with the most current medical guidance.

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A team of oncology pharmacists carefully review ongoing evidence updates, including those mentioned earlier from organizations such as NCCN. They assess FDA approvals for new drugs and indications while monitoring changes in Medicare rules like national and local coverage determinations,” Foley says.

“This comprehensive analysis helps to determine how the evidence has evolved regarding the appropriateness of drugs for specific conditions.”

Specialty Fusion takes an even more extensive approach by integrating Optum pathways that encourage providers to select evidence-based treatments with high efficacy, low toxicity and low total cost of care.

“With the inclusion of the pathways, the tool can take it a step further,” Foley adds.



“For instance, in the case of first- and second-line metastatic colon cancer, there are 108 regimens that are used for cancer patients – there might be 75 that are evidence-based and just 33 that we’d encourage within our pathways due to superior evidence and toxicity.”

Clinical appropriateness vs. cost-effectiveness

Balancing clinical appropriateness with cost-effectiveness in treatment recommendations is a critical consideration. Foley highlights the importance of Specialty Fusion's pathways in guiding providers toward evidence-based options that optimize efficacy, quality and total cost of care.

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Pathways underscore our dedication to evidence-based care by refining recommended options using data to evaluate the total cost of care associated with different treatments,” says Foley.

A detailed case study involving actively treated breast cancer patients in the commercial population illustrates the real-world impact of Cancer Guidance Program (CGP) pathways adherence (vs. off-pathway). By guiding providers to on-pathway treatments, Optum achieved a 12% lower cost for on-pathway vs. off-pathway cancer patients, with savings of around \$1,300 per diseased patient per month. On-pathway regimens for breast cancer were also associated with 18% fewer all-cause inpatient admits 14% fewer cancer-related inpatient admits and 18% fewer all-cause inpatient admits. This demonstrates how evidence-based decision support can significantly reduce costs without compromising patient care.



Impact on costs and outcomes

Specialty Fusion also offers an innovative cancer support program. While drug costs comprise a significant portion of cancer treatment expenses, Foley highlights that addressing other factors can also lead to cost reductions.

The Optum Cancer Support Program manages avoidable inpatient expenses, such as unplanned admissions and emergency room visits. “About 50%-55% of its cancer costs are driven by drug spend, and about 15%-20% of the costs are inpatient spend, a large majority of which is avoidable,” Foley points out.

The future of cross-benefit drug management solutions

Demogenes outlines the Optum vision for cross-benefit drug management, emphasizing better integration among payers, providers and patients to make informed decisions collaboratively.



“The core tenets encompass a straightforward and user-friendly solution, seamless integration with electronic medical record and electronic health record systems, and a collaborative shared decision-making model,” he reveals.

Demogenes also highlighted several key areas of focus, including the following.

- **Integrating the 4 “Ps”:** Ensuring that payers, providers, patients and platforms can access the same information, fostering collaboration and informed decision-making.
- **Expanding decision support:** Continuously improving the decision engine by incorporating all data influencing specialty care, allowing for more nuanced decision-making.
- **Health equity:** Using data to address health disparities by tailoring care to individual patients and demographic groups.
- **Value-based care:** Embracing value-based care models that prioritize patient outcomes and cost-effectiveness.
- **Patient engagement:** Enhancing patient engagement through digital tools, remote monitoring and telehealth to improve care coordination and adherence.

By fostering collaboration and transparency, these solutions can help health care stakeholders navigate the complexities while ensuring patients receive the most appropriate and cost-effective care.

As Foley and Demogenes demonstrate, the success of Specialty Fusion lies in its ability to consolidate vast amounts of clinical data, stay aligned with the latest guidelines, and guide providers toward evidence-based, cost-effective treatments. This holistic approach delivers substantial cost savings and ensures patients receive the best possible care, representing a promising path forward in oncology management.

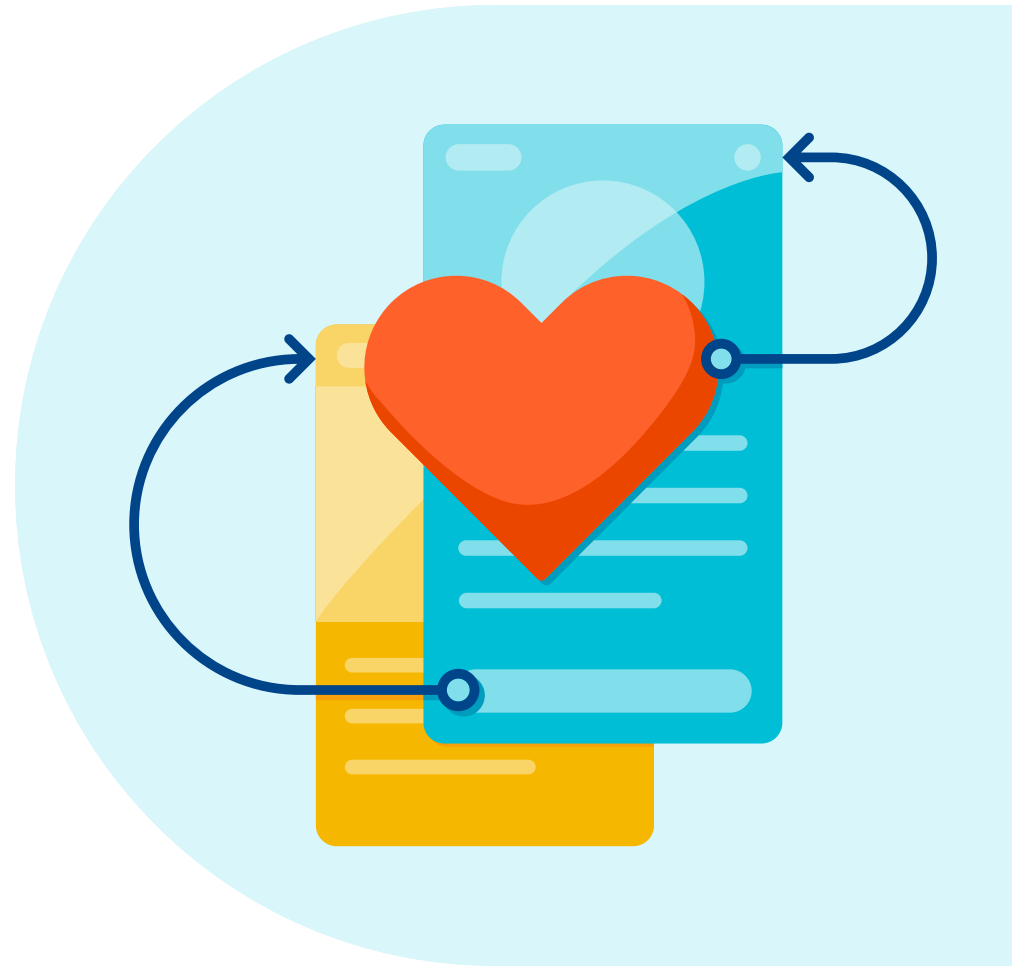
In summary

Specialty Fusion represents a paradigm shift in how specialty drugs are managed. It offers a holistic approach, leveraging data-driven recommendations, clinical guidelines and cost-effectiveness to provide patients with the best care while optimizing costs. Innovative solutions like Specialty Fusion are poised to lead toward a more efficient, cost-effective and patient-centric future.

A strategic solution for streamlined specialty drug management: Specialty Fusion

In the ever-evolving landscape of specialty drug management, organizations need a strategic partner that understands the myriad operational challenges and provides technology to enable new levels of efficiency and cost-effectiveness.

With projected spending on specialty drugs surpassing \$665 billion by 2024, the need for optimized cost management strategies has never been more critical. Specialty Fusion's advanced prior authorization and utilization management capabilities streamline workflows, reducing administrative burdens and accelerating time to therapy. Providers can achieve over 60% auto-approval rates for specialty and oncology prior authorizations within 10 minutes, ensuring timely access to vital treatments.





A strategic partner will allow organizations to evaluate savings opportunities across benefits, ensuring patients receive treatments that are both cost-effective and clinically appropriate. It should enable providers to make informed decisions by analyzing clinical guidelines, treatment settings, dosages and financial considerations, thereby tailoring patient care.

Moreover, the right partner will leverage data to inform recommendations leading to significant cost reductions by analyzing historical claims and applying complex algorithms without compromising the quality of patient care. Strategic insights from such a system could improve formulary management, rebate acquisition and provider reimbursement, keeping organizations ahead in cost control and operational efficiency.

Implementing a solution with these capabilities is a crucial step for any organization looking to optimize specialty drug management, enhance patient outcomes and navigate the intricacies of modern health care delivery. Seeking out a strategic partner with these features offers a competitive advantage in the complex landscape of specialty drug management.

To learn more about Optum Specialty Fusion, visit optum.com/specialtyfusion, or contact your Optum representative.

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