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AI-Powered Market Access

Transforming pharma market access with data-driven insights

INTRODUCTION

Market access is a foundational function for pharmaceutical and medical device companies. Market access encapsulates the entire process of making a pharmaceutical product available to those who need it at the right time and price. It is a critical phase in a product's lifecycle and often can determine the commercial success of a product. Without proper market access strategies, a pharmaceutical product, no matter how innovative or effective, may fail to reach its potential users, leading to missed revenue targets and missed opportunities to improve patient outcomes.

Challenges in Market Access

Market access teams have their work cut out for them, but AI-powered analytics can help.

Within pharmaceutical organizations, there is an abundance of data, but not enough insights to inform an effective market access strategy. Data has a role in informing pricing strategy, patient segmentation and targeting, predictive modeling, evaluating real-world evidence (RWE), and much more. And with the growth in the amount of information available, translating data into actionable insights for frontline market access teams is becoming an increasingly difficult problem to overcome.

To top it off, the life science industry is facing significant headwinds today. These headwinds are not abating in the near-term future either—over the next seven to eight years, pharmaceutical companies expect to lose around $230 billion in revenue just due to patent cliffs, according to data from the Centers for Medicare & Medicaid Services (CMS). Historically, manufacturers would expect solid pipelines to make up for the lost revenue—however, there's currently a shortfall of 45-50% of pipeline. With around $110 billion in revenue at risk, this is a tremendous gap to fill.

To make up for this shortfall, pharmaceutical companies are increasing spending on research and development in the hopes of bringing to market new innovations. According to research from ZS Associates, it's forecasted that, as a percentage of sales, R&D spending will increase from 14.4% to 17% over the next 10 years. Much of this increased investment will boost the early stages of research with a larger number of potential candidate products and explore new biological targets and technologies for innovative treatments. Another avenue to fill the gap will be in the form of increased spending on mergers and acquisitions to buy pipelines from smaller manufacturers.

Accompanying this shortfall at pharmaceutical companies is increased SG&A cost pressure, which will only continue to intensify over the next few years. In fact, $32 billion in SG&A needs to be cut from top pharmaceutical companies by 2030, according to ZS, translating to $3 billion per year on average. With a large P&L line item on rebate spend, market access groups can expect to be at the center of the cost-cutting storm. Market access teams can also be expected to improve product access to make incremental gains on GTN from their current baseline. With this pressure, many executives are trying to optimize the cost of market access and make the contracting process more efficient.

While there are challenges for market access teams, positive developments in technology are opening new growth opportunities within existing operations. In particular, AI could potentially have the ability to enhance capabilities within market access teams by providing advanced analytics tools to optimize strategy and decision-making. AI can assist with pricing strategy development by simulating different pricing scenarios, taking into account multiple factors like competitor pricing, regulatory impacts, and market demand to suggest the most effective pricing points and strategies for new drugs.

With the advent of generative AI (GenAI), market access teams will be able to create new avenues of competitive advantage. Generative AI can help tailor communications materials to different stakeholders, including payers, healthcare providers, and patients. GenAI can also assist with processing and generating insights from real-world data (RWD) to help market access teams better understand drug performance, including patient outcomes, adherence rates, and comparative effectiveness studies against competitors.

Opportunities in Market Access

There are many different stakeholders who support the contracting and market access process:

Brand teams help to improve the impact of rebate investments.

Market access teams secure access for patients and maximize the value of access obtained.

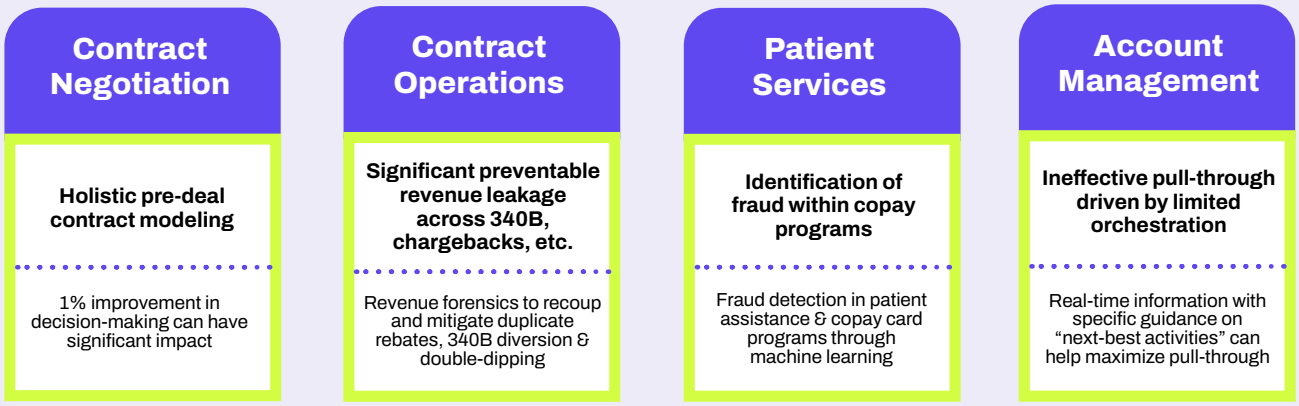
Finance helps to manage the overall pricing decisions and ensures the brand financials meet expectations.

Field sales teams have to maximize pull-through execution and drive profitable sales.

Analytics teams help inform contracting decisions and identify areas of potential opportunity for growth.

All of these aforementioned groups have to come together to achieve the best possible outcomes for pharmaceutical companies. However, all of these groups have varied stakeholder needs, requiring different information. For example, the market access team may have overlap with the finance team, but they are solving fundamentally different problems. The challenge becomes identifying overlapping incremental opportunities and capitalizing upon them.

Opportunities



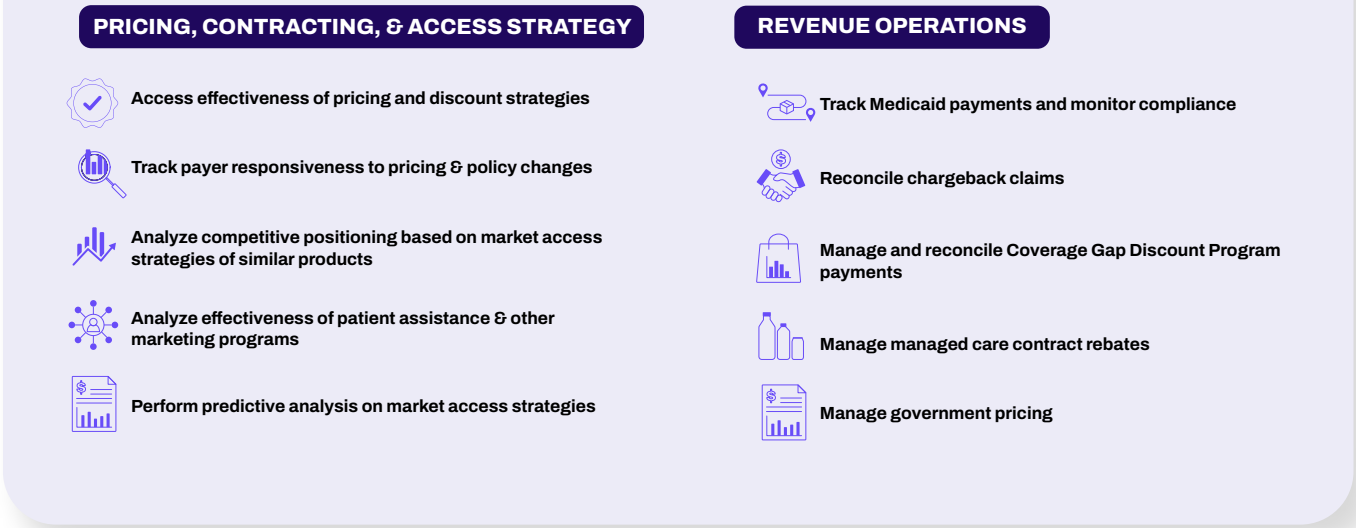
There are many outstanding opportunities available for the wide array of teams involved in market access. For example, holistic pre-deal contract modeling from a manufacturer, payer/customer, and competitor point of view can lead to a 1% improvement in decision-making based on rebate spend. Similarly, organizations can cut revenue leakage across 340B, Medicaid, and chargebacks with revenue forensics. Revenue forensics can be used to recoup and mitigate duplicate rebates, 340B diversion, and double-dipping. Reducing revenue leakage can generate a material impact to the bottom-line patient service field pull-through.

Other incremental value capture opportunities exist as well. Within patient services, the identification of fraud in patient assistance and copay card programs with machine learning can help save millions in wastage. On the account management front, ineffective pull-through driven by limited orchestration can be mitigated with real-time guidance on "next-best activities." These pockets of opportunity can collectively boost revenue and lower costs, addressing shortfalls and optimizing operations.

From Opportunity to Value

Enable business users to ask questions of the data and get AI-generated insights without relying on other stakeholders.

Connect Insights to Business Decisions Seamlessly



In order for teams to realize gains on these opportunities, there are certain foundational data and analytics essentials required. The first core capability is accurate and easily available data that frontline teams can use to derive actionable insights. Gaining these insights requires intelligent, AI-driven analytics tools to empower more user demographics to conduct advanced analyses. In addition, real-time monitoring is necessary course correction on misaligned strategies. Finally, the automation of high-effort/low-value activities will help to improve productivity across the organization.

The current analytics paradigm is no longer sufficient to address the challenges of today, and those challenges are only going to accelerate in the future. The growth in the sizes of data, as well as different sources of data, has led to information asymmetry with multiple versions of truth across the organization. Data silos are proliferating across the entire enterprise due to the complexity of data integration from diverse data formats and sources. Legacy analytics platforms require a high degree of effort to effectively explore data for insights and outliers. Conventional reports cannot generate and curate the insights necessary for frontline market access teams.

Inefficient legacy analytics solutions negatively impact the day-to-day of everyone touching the data in the organization. Data consumers are drowning in reports with inconsistent metrics. The lack of a direction on “why” and “how” metrics are changing leads to an inability for teams to make truly data-driven decisions. Data analysts need to have the technical know-how of the data model to surface insights. Analysts tend to spend more time generating evidence for pre-determined hypotheses, as opposed to generating new insights. Meanwhile, IT operations are expected to reduce operational costs while providing “white glove” service. With the growth of data and demand for analytics, IT operations are having a difficult time governing platforms and the use of data across the organization.

These problems lead to a number of issues:

> Data consumers miss potential opportunities.
>
> Analysts can fall behind the competition due to delayed time to insight and decision-making.
>
> The proliferation of reports and analytics tools leads to cost inefficiencies and reduced service levels for the entire organization.

Moving from opportunity to value requires enabling true self-service analytics. This requires a shift in the current telephone model of a user asking a question to an analyst, the analyst asking the IT operations team for the correct metric, and the analyst constructing a report based on the metric and original question. Self-service analytics enables frontline business users to become self-sufficient in asking questions of the data and generating insights without the involvement or the dependency of other stakeholders. Enabling true self-service can reduce human dependency and support linear scaling for the entire organization.

AI-Driven Augmented Analytics

Reporting Portfolio Rationalization

Simplify reporting and analytics by enabling self-service for all

Analytics Process Optimization

Accelerate time to insight for routine tasks and rapid execution of predictive analytics

Data Democratization

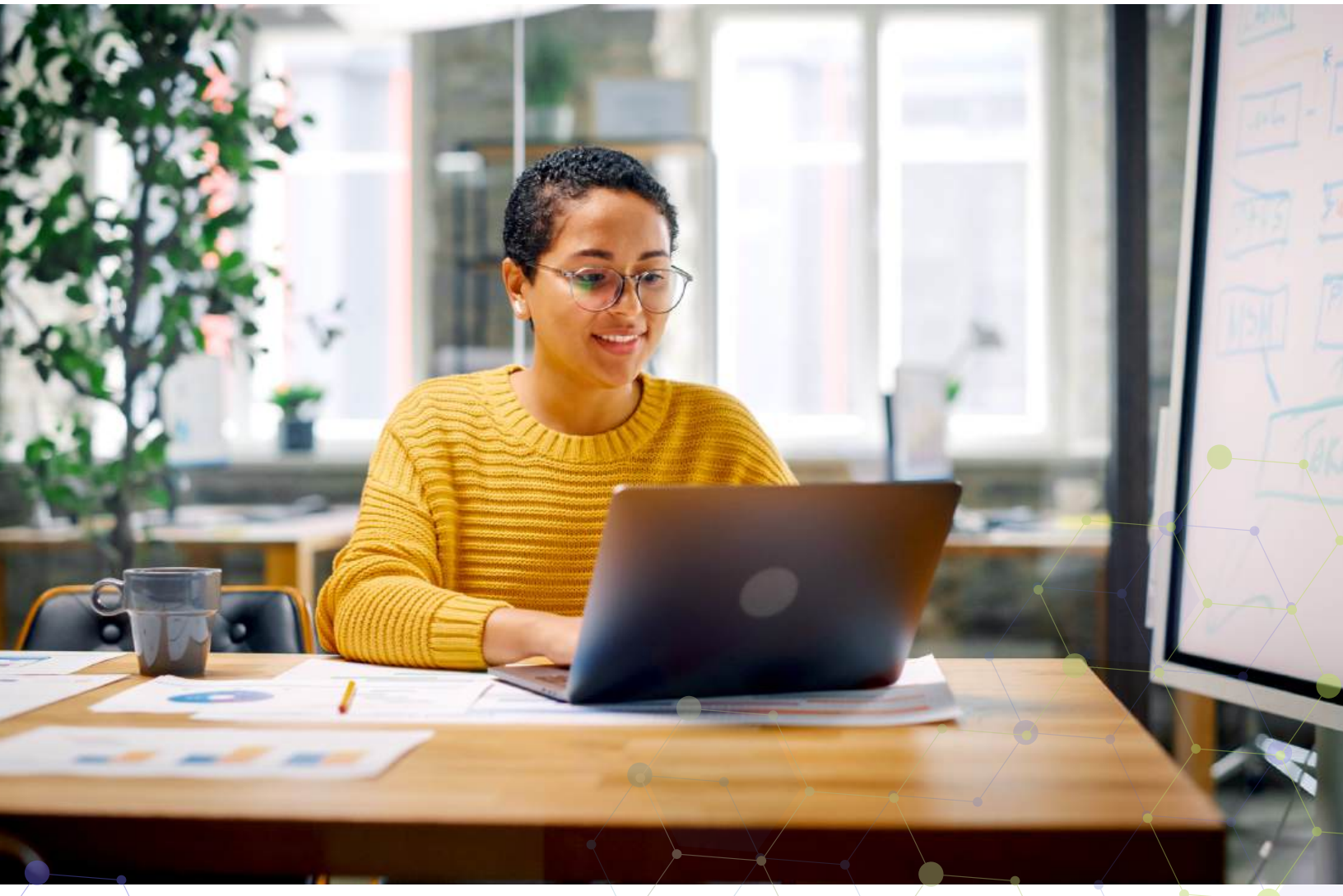
Enable cross-functional data literacy & collaboration across groups to drive efficiencies

Self-service analytics requires an augmented analytics solution. Augmented analytics uses AI, intelligent automation, natural language processing, generative AI, and other technologies to expedite tedious manual analysis, find efficiencies, and unlock a life science organization's ability to derive insights for frontline users. By leveraging advanced algorithms and natural language processing, augmented analytics assists users in understanding and interpreting complex data, enabling them to make data-driven decisions more effectively.

With natural language search, data consumers are not restricted to a series of reports and dashboards. Instead, users can simply ask questions of the data and receive visualizations and analysis instantly. This process short-circuits the traditional telephone model of asking for analysis from an analyst or a member of the IT team, who is already overburdened with requests from the field. Natural language search is one piece toward enabling self-service analytics at scale across the organization.

Beyond natural language search, augmented analytics enables more members of an organization with the ability to do more advanced analysis. Simple, static, predefined reports are transformed into dynamic, live dashboards with narrative summaries to provide more context. With a simple click, business users can automate insights discovery within millions of variables to find key drivers, trends, and cohorts within their data. AutoML and point-and-click modeling capabilities open access to predictive analytics for more members of the organization. Augmented analytics can help pharmaceutical companies seamlessly connect business decisions to insights across pricing, contracting, and revenue operations areas.

By introducing intuitive augmented analytics, organizations can assess the effectiveness of pricing and discount strategies across market segments and regions. Tracking payer responsiveness to pricing and policy changes is simplified with dynamic reports on how price adjustments impact revenue streams. Gleaning insights on patterns and anomalies while reconciling chargeback claims from wholesalers/distributors is made easier by automating insight discovery. Augmented analytics democratizes data and analytics, providing a true self-service analytics experience for the entire organization.



Tellius in Action

A top 10 global pharmaceutical company's managed market finance team leverages Tellius to uncover millions in rebates disputes.

Impact

81%
Efficiency Gain
Cut down analysis time from 3 weeks to 4 days

$4.8M
in Disputable Rebates
Across one payer in 12 months

Improved Visibility
Into rebates paid out by combining IQVIA market share and claims data

The rebates execution team was manually analyzing invoices to identify which ones to pay out at the end of each month. The team was receiving thousands of requests for rebates every month from PBMs, which were seeking larger payouts by hitting certain drug script processing levels.

However, with a federally mandated rebate processing window, the company had no choice but to process the rebates due to the extensive time needed to bring together disparate sources and perform manual root-cause analysis. This led the team to mistakenly paying millions in rebates per month. This loss would have grown into the tens of millions as their contracts increased. By leveraging Tellius to combine IQVIA market share data with claims data, the team improved visibility into rebates paid out. The rebates execution team was also able to orchestrate and automate invoice data processing, enrichment, and monitoring.

The combination of automated insights, root cause analysis, and anomaly detection helped the company spot disputable rebate dollars and cut analysis time from three weeks to 4 days. The rebates execution team was able to realize an 81% efficiency gain and identified $4.8 million in disputable rebates across one payer in 12 months.

Take your analytics to the next level

Tellius is an AI-native analytics platform empowering teams to get answers faster, find deep insights more easily, and make better decisions from data.

Designed for self-service analytics at scale, Tellius enables life science organizations to connect to a variety of data sources, like third-party syndicated sources (e.g., IQVIA or Symphony) or internal sources (e.g., call activities, claims data, or specialty pharma data), and then relates those data sources together to help you generate new insights. Tellius was built from the ground up to enable life sciences organizations to ask questions in natural language and automate insight generation. In addition, Tellius provides proactive alerting via anomaly detection, AutoML, and point-and-click predictive modeling.

Tellius helps to streamline analytics processes with the combination of data and intelligent automation to unlock more data-driven decision-making across your organization. Today, Tellius is used by teams including field sales, brand insights, market access, payer analytics, revenue management, and more at life sciences companies. Identifying potential opportunities in market access requires these diverse teams to work together to find efficiencies and optimizations. Augmented analytics platforms like Tellius help you bridge the gap between these disparate groups.

Empower

Enable your organization to rapidly gain insights by harnessing generative AI and conversational analytics.

Elevate

Gain deeper and more granular analysis with automated insights and accessible advanced analytics.

Automate

Drive efficiency with intelligent automation, including anomaly detection and streamlined data preparation tools.

ZS Impact where it matters.

ZS is a management consulting and technology firm focused on transforming global healthcare and beyond. We leverage our leading-edge analytics, plus the power of data, science and products, to help our clients make more intelligent decisions, deliver innovative solutions and improve outcomes for all. Founded in 1983, ZS has more than 13,000 employees in 35 offices worldwide.