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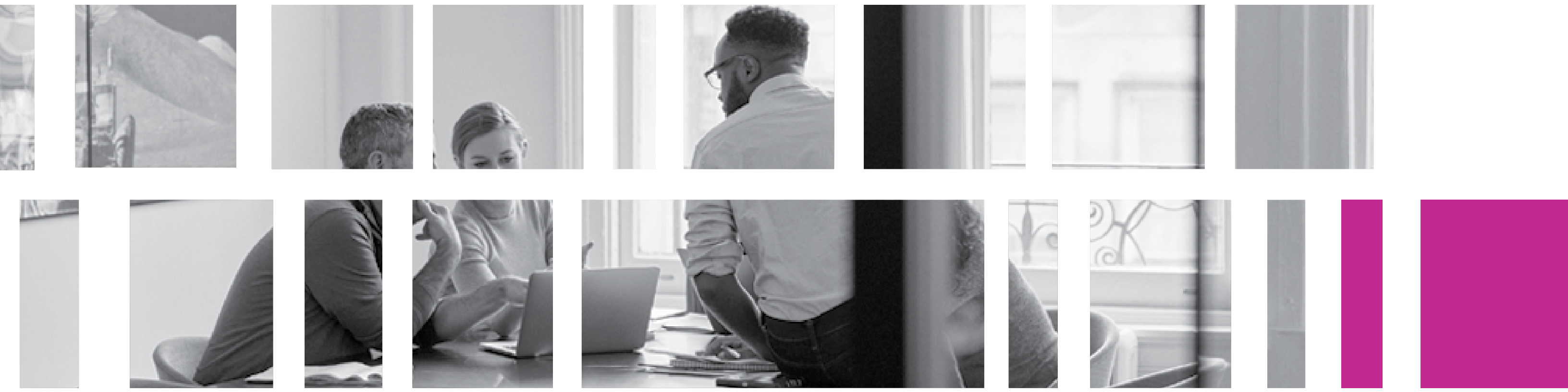

VALUE & ACCESS

How to Align Pricing & Contracting With Stakeholder Needs

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In today's high-stakes market, pricing and contracting strategies do far more than drive revenue, they also influence whether patients get timely, affordable access to the treatments they need. As payer demands evolve and provider economics shift, these strategies must now balance financial objectives with practical access realities. What once worked a few years ago may now create friction, limit coverage, or erode trust across key stakeholders. The landscape is changing fast, and success demands a smarter, more adaptive approach.

Payers, providers, and other intermediaries consider drug pricing and contracting with different incentives and constraints in mind. This means that pharma companies must shift away from one-size-fits-all models and develop tailored, data-driven strategies that reflect today's market realities.

At Precision AQ, we help manufacturers reframe how they approach pricing and contracting by integrating real-world insights, proprietary analytics, and the lived experience of former payers.

Why the Old Pricing & Contracting Playbook No Longer Works

Several forces are reshaping the contracting landscape:

- **The Inflation Reduction Act (IRA) - Medicare Drug Price Negotiation Program:** 2026 will mark the first year of Medicare's Maximum Fair Price (MFP) implementation for select negotiated drugs. The process will expand to additional therapeutic areas, further squeezing price flexibility and increasing pressure on net cost visibility. For Part B drugs, MFP will introduce new dynamics that may disrupt ASP-based reimbursement, potentially lowering provider payment rates and adding new complexity to both pricing strategy and provider engagement. Other ongoing legislation (eg, MFN), and evolving market dynamics (eg, DTC and existence of cash pay and hybrid model for the same drugs) that will force manufacturers to think about patient access and overall pricing with a new lens

- **Policy pressure on defendable pricing:** Mounting pressures from Most Favored Nation (MFN) rules and "Big, Beautiful Bill" transparency efforts are reshaping how manufacturers must build defendable pricing strategies, particularly for Medicare and Medicaid. As manufacturers prepare for Medicaid funding cuts and face stricter pricing scrutiny, there's growing pressure to justify net pricing and account for downstream implications.

- **Diminishing rebate opportunities:** As specialty drugs now account for over 50% of pharmacy spend, the traditional rebate-driven model is showing strain. Rebates are now concentrated in fewer products and manufacturers are seeing revenue approach cost-of-goods-sold (COGS) thresholds, raising questions about sustainability.

- **Channel fragmentation:** Inconsistent downstream adherence to PBM national formularies means that even "secured access" can yield unpredictable coverage. Contracts made at the national level sometimes fail to trickle down to the custom and downstream plans, creating blind spots that impact "realized" access and uptake of the drug. However, there is increased visibility into which payers can actually pull through rebate.

- **Provider pushback:** With ASP-based reimbursement eroded by rebates and price concessions, providers may shift prescribing behavior, creating misalignment between contracting intentions and provider-level adoption.

- **Uncharted territory for complex therapies:** The rise of innovative treatments, such as gene therapies, cell therapies, and cancer vaccines, is introducing new site-of-care and reimbursement complexities that don't fit within traditional pricing frameworks. With a lack historical analogs to guide pricing decisions these innovations create new pressures to define value for therapies that push scientific and logistical boundaries.

These challenges demand a fresh approach that must be rooted in customization, realism, and defensibility.

A Smarter Way: Tailored, Defendable Contracting

Effective pricing and contracting require two core capabilities: (1) the ability to diagnose where to play by identifying which stakeholders truly influence access decisions, and (2) the strategic agility to adapt how to win across diverse customer environments. This begins with mapping stakeholders based on their level of influence and the local market dynamics that shape product usage. For example, in certain regions, provider networks may hold more sway due to their negotiating power size and buy-and-bill economics, while in others, payer- driven utilization management policies may dominate. Mapping these dynamics alongside an assessment of economic incentives allows manufacturers to develop tailored contracting and engagement plans, targeting payer discussions where formulary control resides, or prioritizing provider education where clinical pull-through is critical.

Once influence is clearly understood, a customized approach is needed to align on shared priorities and build toward mutual buy-in. Whether it's framing value through outcomes data for a payer audience or addressing site-of-care considerations for providers, these strategies must be designed with one goal in mind: optimizing access for patients.

Here's how Precision AQ helps:

1. Map True Influence Across Stakeholders

Access decisions aren't always made by the stakeholders with the loudest voices. To identify who truly shapes outcomes, it's essential to examine historical contracting behavior, trace patterns of influence among payers, providers, and intermediaries, and assess how control shifts across different distribution channels. This kind of analysis reveals the underlying dynamics that often go unnoticed but ultimately determine whether a therapy reaches patients.

2. Account for Therapy-Specific Dynamics

Pricing pressure, provider influence, and patient access challenges can look dramatically different depending on the therapeutic area. In rare diseases, the focus may be on small patient populations and high unmet need; in oncology, site-of-care and buy-and-bill dynamics come into play; in chronic conditions, formulary management and adherence weigh heavily. Effective strategies must account for variables like dosing schedules, administration complexity, competitive dynamics, and utilization management policies that vary across these contexts. Without this level of rigor, pricing and contracting decisions risk falling short and impact patient access to therapy and company's revenue and forecast.

3. Leverage Real-World Approaches to Model Outcomes

When evaluating or refreshing a contracting strategy, it's critical to go beyond broad assumptions and model specific scenarios that simulate how different approaches might impact access, uptake, revenue, and patient affordability. Predictive modeling enables manufacturers to anticipate the downstream effects of pricing decisions before contracts are finalized, helping to proactively manage risk and identify opportunities. By combining real- world data, account director feedback, and therapeutic expertise, manufacturers can craft more precise, evidence-based strategies that improve access and maximize value across stakeholder groups.

> Evidence-based strategies improve access and maximize value across stakeholder groups

The Path Forward: 3 Imperatives

In an environment defined by shifting regulations, evolving stakeholder dynamics, and rising expectations around value, tailored pricing and contracting strategies are essential. To compete effectively and ensure sustainable access, pharma manufacturers must adopt a more nuanced, data-informed approach. Here are 3 imperatives for pharma manufacturers moving forward:

1. Design With the End in Mind: Access

Start by reverse-engineering your pricing strategy from the desired access outcome across key stakeholders. Determine where the real decision-makers are and what moves the needle for them. Assess needs and implications of pricing on different access decision makers and across payer channels (eg, commercial vs Medicare vs Medicaid). Map reimbursement and flow of funds when relevant. Anticipate provider and payer behaviors and then build your pricing accordingly.

2. Think Multi-Stakeholder From Day One

Too often, pricing decisions are made in isolation—detached from the market access reality. Instead, cross- functional collaboration should inform every step, incorporating insights from payer strategy earlier in the process, patient support services, provider support and engagement, and legal/ compliance considerations.

3. Build in Flexibility

There will never be a single price point or contract type that satisfies every stakeholder across channels. Aim instead for a flexible framework that addresses 80% of competing priorities, while leaving room to tailor the remaining 20% through field-led or account-specific strategies.

Conclusion: Tailoring Is the New Standard

Pricing and contracting are front-line functions that shape patient access, provider experience, and payer trust. And in a world of tightening margins and increasing scrutiny, the winners will be those who learn to navigate complexity with precision.

Crafting pricing and contracting strategies that are both flexible and grounded in real-world dynamics is no longer a competitive advantage—it's a requirement. As access challenges grow more complex, the ability to tailor approaches to the specific needs of each stakeholder and each archetype within will define which therapies succeed in the market. In this landscape, tailoring isn't a luxury. It's the new standard to knowing where to play, how to win and how to reduce friction in access to therapies.

At Precision AQ, we bring the combined experience of former payers, proprietary analytics, and therapeutic expertise to help clients craft pricing and contracting strategies that are both customized and defendable.

To learn more about Precision AQ, visit

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