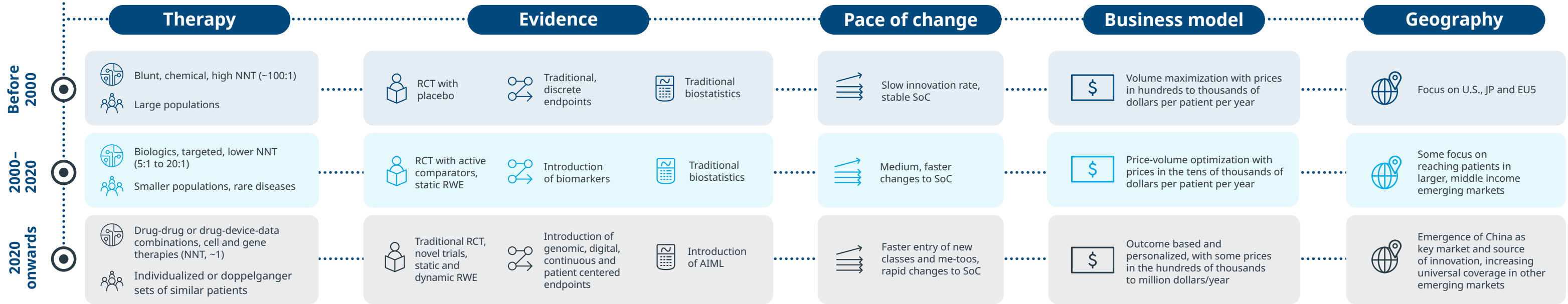# Value and access: are you ready for the next era?

The dawn of the 21st century saw the first paradigm shift in life sciences to biologics and targeted therapies. As we enter the third decade, a second paradigm shift is underway with the advent of personalized, even curative treatments.
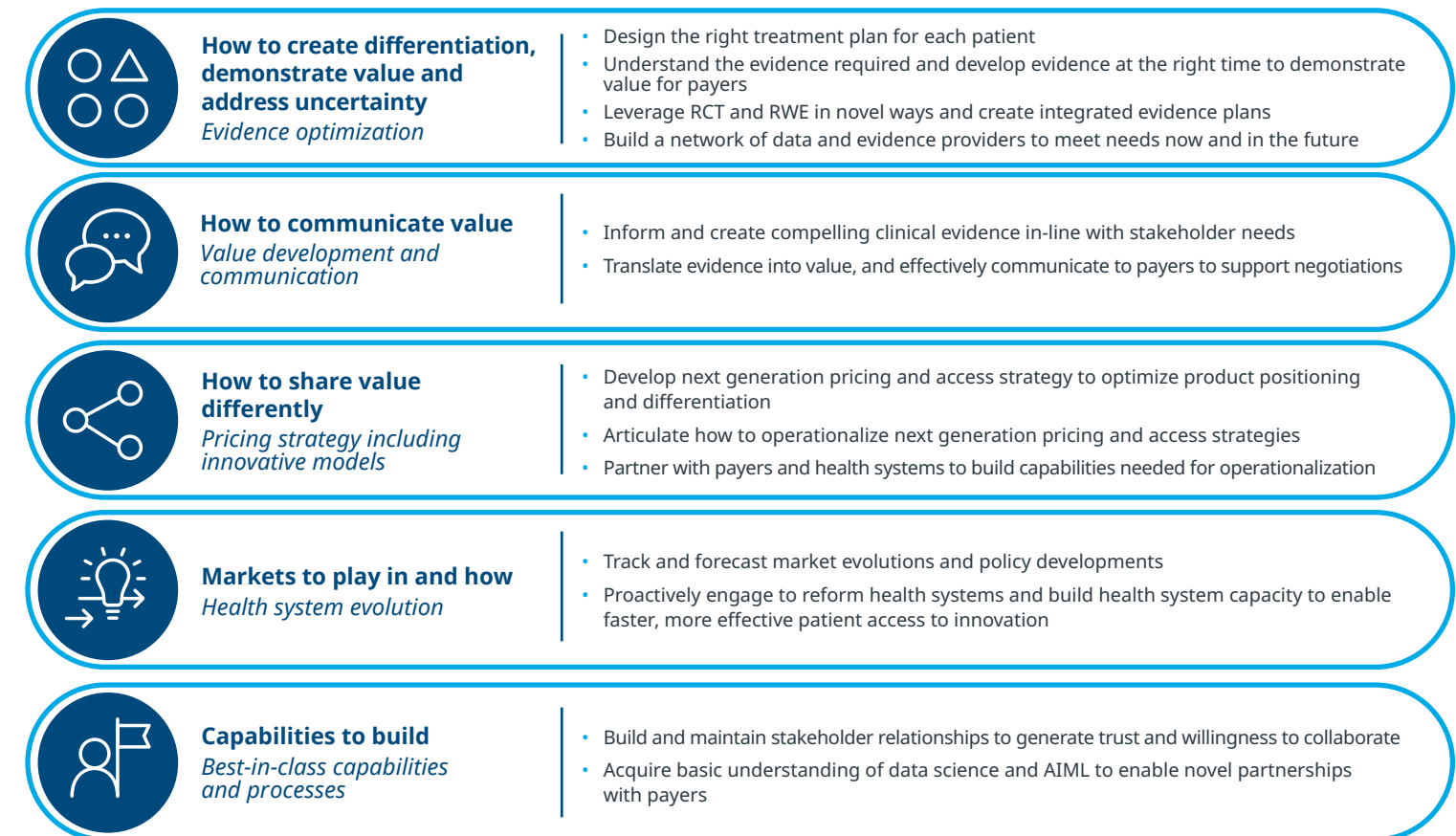
IQVIA

We are witnessing the second paradigm shift in life sciences

	Therapy	Evidence			Pace of change	Business model	Geography
Before 2000	Blunt, chemical, high NNT (~100:1) — Large populations	RCT with placebo	Traditional, discrete endpoints	Traditional biostatistics	Slow innovation rate, stable SoC	Volume maximization with prices in hundreds to thousands of dollars per patient per year	Focus on U.S., JP and EU5
2000–2020	Biologics, targeted, lower NNT (5:1 to 20:1) — Smaller populations, rare diseases	RCT with active comparators, static RWE	Introduction of biomarkers	Traditional biostatistics	Medium, faster changes to SoC	Price-volume optimization with prices in the tens of thousands of dollars per patient per year	Some focus on reaching patients in larger, middle income emerging markets
2020 onwards	Drug-drug or drug-device-data combinations, cell and gene therapies (NNT, ~1) — Individualized or doppelganger sets of similar patients	Traditional RCT, novel trials, static and dynamic RWE	Introduction of genomic, digital, continuous and patient centered endpoints	Introduction of AIML	Faster entry of new classes and me-toos, rapid changes to SoC	Outcome based and personalized, with some prices in the hundreds of thousands to million dollars/year	Emergence of China as key market and source of innovation, increasing universal coverage in other emerging markets

Payers and health systems are responding to adapt to this new era

CURRENT TRENDS
- Aggressive price management
- Conditional reimbursement for products with immature data with reassessments based on RWE
- Updates to regulatory guidance and procedures, such as the use of digital, RWE and self-learning algorithms

POTENTIAL MEDIUM-TERM TRENDS
- Faster technology adoption to value and reward innovation
- Adoption of new contracting and financing models
- Horizon scanning and multi-stakeholder dialogue

POTENTIAL LONG-TERM TRENDS
- Incentivization of treatments to address societal need
- Data science based optimization of approaches for managing patients and treatments
- Enablement of data science and technology partnerships

Consider your next steps based on trends and payer responses

How to create differentiation, demonstrate value and address uncertainty
Evidence optimization
- Design the right treatment plan for each patient
- Understand the evidence required and develop evidence at the right time to demonstrate value for payers
- Leverage RCT and RWE in novel ways and create integrated evidence plans
- Build a network of data and evidence providers to meet needs now and in the future

How to communicate value
Value development and communication
- Inform and create compelling clinical evidence in-line with stakeholder needs
- Translate evidence into value, and effectively communicate to payers to support negotiations

How to share value differently
Pricing strategy including innovative models
- Develop next generation pricing and access strategy to optimize product positioning and differentiation
- Articulate how to operationalize next generation pricing and access strategies
- Partner with payers and health systems to build capabilities needed for operationalization

Markets to play in and how
Health system evolution
- Track and forecast market evolutions and policy developments
- Proactively engage to reform health systems and build health system capacity to enable faster, more effective patient access to innovation

Capabilities to build
Best-in-class capabilities and processes
- Build and maintain stakeholder relationships to generate trust and willingness to collaborate
- Acquire basic understanding of data science and AIML to enable novel partnerships with payers

Abbreviations
AIML, Artificial Intelligence Modelling Language; NNT, number needed to treat; RCT, randomized controlled trial; RWE, real world evidence; SoC, standard of care

Tackle the changes, together
To win the future, IQVIA is here to help you articulate and execute value and access strategies. To learn more, get in touch with our experts today: **rob.glik@iqvia.com; raja.shankar@iqvia.com**