

IQVIA 340B Dynamics Dashboard

A dashboard solution that unveils insights into the expanding 340B program and its impact on brands

In 2024, 340B purchases reached \$147.8B at list price, growing 16.7% year over year, driven in part by state bills mandating the use of contract pharmacies. Indexed to 2018, 340B purchases at list price in 2024 grew by 174.6%, compared to only 53.3% growth for non-340B purchases.

The effectiveness of manufacturers' contract pharmacy integrity programs at stemming 340B exposure appears to vary widely at a brand level, depending on the respective pharmacy channels through which the brand is distributed and the degree to which the brand is impacted by the various industry trends that are driving growth in the 340B program.

Looking forward, 340B growth is likely to be influenced by continued developments in state-level contract pharmacy access laws and related litigation, the impact of the Inflation Reduction Act, recent changes in pricing strategies in the insulin market, and operational strategies from Covered Entities such as scaling central-fill pharmacies and relaxing their interpretation of the 340B patient definition.

Operational headwinds from 340B

Increased contracting pressures, combined with growth in 340B exposure, have been squeezing manufacturer margins, leading to gross-to-net (GTN) and contract operational challenges for manufacturers.

Challenge #1: There is a still a severe lack of awareness of 340B. Despite its substantial and growing impact on the gross-to-net of many brands, the program itself and its actual impact are not well understood due to the program's complexity and opacity. In fact, the 340B program has been likened to an iceberg because many of its unforeseen and compounding



consequences, including duplicate discounts, diversion, and the impact on activities such as copay assistance programs, are hidden.

Because of the shrouded nature of 340B, many senior leaders don't know which business questions to ask. Most insights teams are segmented, spread thin, and ill-equipped with the proper data to answer such questions when asked.

Challenge #2: Deeper 340B insights are unattainable due to lack of data and resources.

Most manufacturers (large and small) only have line-of-sight to 340B sales volume through analysis of their own chargeback data. While these types of analytics are useful, they are often missing critical context of how their brands' 340B chargeback volume relates to overall sales trends, leaving performance insights and competitive benchmarks out of reach. Decision-makers do not fully understand:

- The impact of program expansion on their brands
- The impact of their contract pharmacy integrity program on their brands' 340B exposure
- The impact of competitor contract pharmacy integrity programs on competitor brands' 340B exposure
- The impact that state-level contract pharmacy access laws will have on their brands' 340B re-exposure

Challenge #3: Current 340B exposure trends are retrospective. Manufacturers are losing the policy fight and are unprepared for the re-exposure to 340B through contract pharmacies. States continue to pass contract pharmacy access bills that are re-exposing manufacturers to significantly greater contract pharmacy-based 340B volume. The insights available through chargebacks discussed above only measure "what was" and provide no guidance on what to expect for a brand's future-state 340B exposure.

Charting a course forward

IQVIA's 340B Dynamics Dashboard has been specifically designed to provide client stakeholders with a stronger understanding of the impact of the 340B program and related policies. With this dashboard, IQVIA is not delivering data, but insights. No data mastering or analysis is required. Key business questions are already identified, and are paired with crisp, appealing visuals that were designed and curated to make the relevant insights stand out and be digestible to a wide audience.

These insights will get stakeholders across different functions on the same page with a common understanding of 340B's impact on their portfolio, either by dispelling deep-rooted conventional wisdom and assumptions, or by simply creating awareness where there previously was none. In addition to the valuable insights and impactful visuals, some additional benefits and features of the IQVIA 340B Dynamics Dashboard include:



Standardized and contextualized KPIs:

Enabling consistent comparisons of metrics across time, brands, and manufacturers



Interactive: Tableau-based presentation, allowing the user to gain access to brand-specific, distribution channel-specific, and year-specific results with the click of a button



Competitive benchmarks: The brand-specific views are available for many brands across numerous manufacturers and therapeutic areas, allowing the user to contextualize their own brand's metrics against competitive benchmarks



Analog benchmarks: Pre-launch teams can now easily review the 340B exposure profile and trends of key analogs to support forecasting and launch strategies



Target profiling: Business development teams can quickly assess the 340B exposure and trends of a potential acquisition candidate



PowerPoint-ready: The aesthetics of both the individual charts and page layout make communicating these critical insights much easier with PowerPoint-ready visuals



Up-to-date: The dashboard is refreshed each quarter to keep users informed of the latest figures and trends

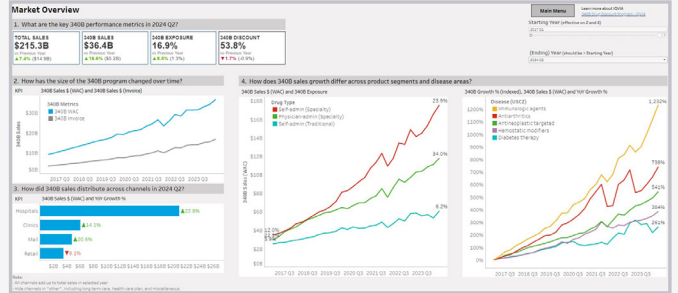
The IQVIA 340B Dynamics Dashboard addresses several key business questions relevant to multiple functional personas, enabling users to more quickly put the data presented to use. These include:

Key business questions addressed:

Dashboard tab:

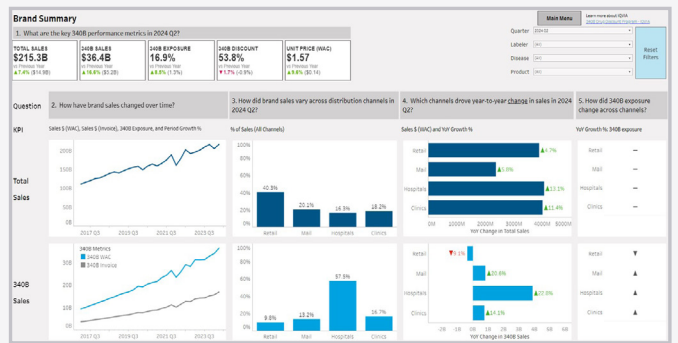
Market-level trends (customizable by year)

1. What are the key 340B performance metrics?
2. How has the size of the 340B program changed over time?
3. How did 340B sales distribute across channels?
4. How does 340B sales growth differ across product segments and disease areas?



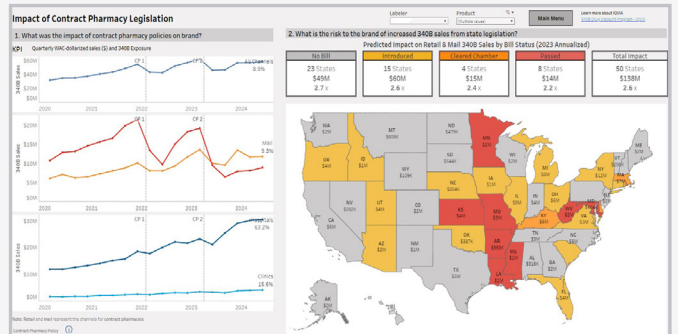
Brand-level trends (customizable by year, labeler, and brand)

1. What are the key 340B performance metrics?
2. How have brand sales changed over time?
3. How did brand sales vary across distribution channels?
4. Which channels drove year-to-year change in sales?
5. How did 340B exposure rates change across channels?



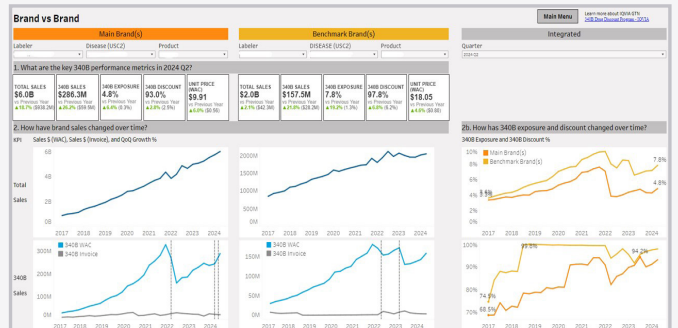
State-level policies (customizable by brand)

1. What was the impact of contract pharmacy policies on the brand?
2. What is the risk to the brand from state legislation of CP access laws?



Brand vs. Brand

1. What are the key 340B performance metrics?
2. How have brand sales changed over time?
3. How did brand sales vary across distribution channels?





Actionable line-of-sight

Insights from the dashboard can support various initiatives such as educating internal audiences, improving internal forecasts, enhancing contract operations business cases, enhancing brand-level market access strategies, guiding advocacy efforts, and informing new product launch strategies. Further, these insights come 'out of the box' ready to put to use:

- Customers can skip the data analysis and get right to the insights, quickly and conveniently accelerating their understanding of the impact of the 340B program and industry policies on brands of interest

- Insights teams can more readily support senior stakeholders across multiple functions with presentation-ready visuals
- Curious functional leads can easily self-source up-to-date insights without distracting insight teams from other strategic initiatives

Through an interactive interface and a multitude of brand and policy metrics, understanding the impact of 340B is no longer an insurmountable challenge. Insights are front and center and will lead to greater cross-functional alignment and more sophisticated brand management.