

BIOSIMILARS

— A Podcast Series —



The New Era of Management in
Gastroenterology and Rheumatology

The Benefits of Biosimilars

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Learning Objective	Podcast Discussion Summary
Outline the Cost Savings of Biosimilars for Patients	Biosimilars are often priced lower than their reference biologics, which can save patients money out of pocket. This can be especially beneficial for patients who are paying for their own medications or who have high deductibles or copays. A study by the Kaiser Family Foundation found that patients who switched from the reference biologic adalimumab to a biosimilar product saved an average of 6,000 per year.
Summarize the Cost Savings for Healthcare Organizations	When biosimilars compete with other biosimilars or the reference product, manufacturers are incentivized to price their products more competitively to capture market share. This competition puts pressure on originator companies to reconsider their pricing strategies, leading to price reductions for both reference products and biosimilars. Furthermore, biosimilars may give payers increased negotiation leverage when dealing with drug manufacturers. As biosimilars offer comparable efficacy at a lower cost, these entities can negotiate more favorable reimbursement rates with manufacturers, further reducing treatment costs.
Discuss Healthcare Providers' Feeling the Pressure and Burden of Healthcare Costs and How Biosimilars Can Be of Benefit	In a volume-based care model, healthcare providers are reimbursed based on the quantity of services they deliver. Value-based care, on the other hand, shifts the focus from the quantity of services provided to the quality of patient outcomes achieved. In this model, reimbursement is tied to the value that healthcare services deliver in terms of improved patient health, reduced hospitalizations, and overall cost savings. Biosimilars can offer significant advantages in transitioning from volume-based care to value-based care in a lot of ways that we've talked about regarding patient and healthcare system benefits. Increased access, market competition, and cost savings all move the needle toward value-based care. Ultimately, biosimilars offer a pathway for healthcare systems to transition from a volume-based care approach to a value-based care approach by providing cost-effective, high-quality treatment options that align with the goals of improving patient outcomes while controlling healthcare costs, which are burdens to many healthcare providers.