## **EE525**

**ISPOR EU 2022** Vienna, Austria November 6–9, 2022

# The Economic Value Of Insulin Glargine 300 U/MI (GLA-300) In People ≥18 Years of Age With Type 2 Diabetes Mellitus: A Valuebased Economic Model From A U.S. Payer Perspective

Ponomareva E<sup>1</sup>, Siegfried C<sup>1</sup>, Srinivas SSS<sup>1</sup>, Preblick R<sup>2</sup>, Park S<sup>2</sup>, Wilson L<sup>2</sup>, Revel A<sup>2</sup> <sup>1</sup>Axtria Inc., Berkley Heights, NJ, USA, <sup>2</sup>Sanofi US, Bridgewater, NJ, USA



To download e-poster please scan the QR code or visit https://bit.ly/3yUcJeR

### **BACKGROUND AND OBJECTIVES**

- Type 2 Diabetes Mellitus (T2DM) has emerged as a major public health issue due to its high impact on morbidity, mortality, and healthcare resources1
- Treatments for T2DM include oral anti-diabetics, glucagon-like peptide 1 (GLP1s) receptor agonists, daily basal insulins, and regular insulin with meals<sup>2, 3</sup>
- 2<sup>nd</sup> generation (2<sup>nd</sup> gen) basal insulin analogues (insulin glargine 300 U/mL [Gla-300] have demonstrated similar efficacy in reducing HbA1c to 1st generation (1st gen) insulin therapy (e.g., insulin glargine 100 U/mL [Gla-100]) along with lower risk of hypoglycemia<sup>4</sup>
- This value-based budget impact model (BIM) incorporates real-world evidence (RWE) to demonstrate the value and affordability of Gla-300 for the treatment of adult patients with T2DM receiving BIs from a United States (U.S.) payer perspective. The model framework is presented below in Figure 1

### Figure 1. Framework of budget impact model Baseline **Projected** Target population comprising of naïve, prevalent and switcher patients Treatment mix with lower proportion Treatment mix with higher proportion of 2<sup>nd</sup> gen GLA-300 of 2<sup>nd</sup> gen GLA-300 Cost per patient (drug, co-pay/ Cost per patient (drug, co-pay/ coinsurance, HCRU costs) coinsurance, HCRU costs) Total costs PPPY in Total costs PPPY in baseline scenario projected scenario Annual budget impact as the difference between projected and baseline budget Abbreviation; GLA-300: insulin glargine 300 U/ML, HCRU: Health Care Resource

## **METHODS**

Utilizations, PPPY: Per Patient Per Year

- The economic impact of switching from 1<sup>st</sup> gen BIs to 2<sup>nd</sup> gen BIs was calculated using a BIM developed in Microsoft Excel 2010 (Microsoft Corp, Redmond, WA)
- The baseline market shares for 1st gen and 2nd gen Bls were obtained from Sanofi Internal (Data on File)<sup>5</sup>, which were used for projecting the market shares for years 1, 2, and 3
- A prevalence-based modelling approach was employed, consisting of three types of patients receiving BIs obtained using RWE (Figure 2):
  - Prevalent patients (have been on insulin treatment for at least one year) Naïve patients (new to the BI treatment, less than one year)
- Switchers (previously naïve or prevalent patients who have switched insulin treatments)
- The model assessed the cost of treatment (drug costs), hypoglycemic events (associated with emergency, inpatient, and outpatient visits), and diabetes-related healthcare resource utilization (HCRU) costs (associated with emergency, inpatient, and outpatient visits) and its frequency obtained using RWE<sup>6, 7</sup>

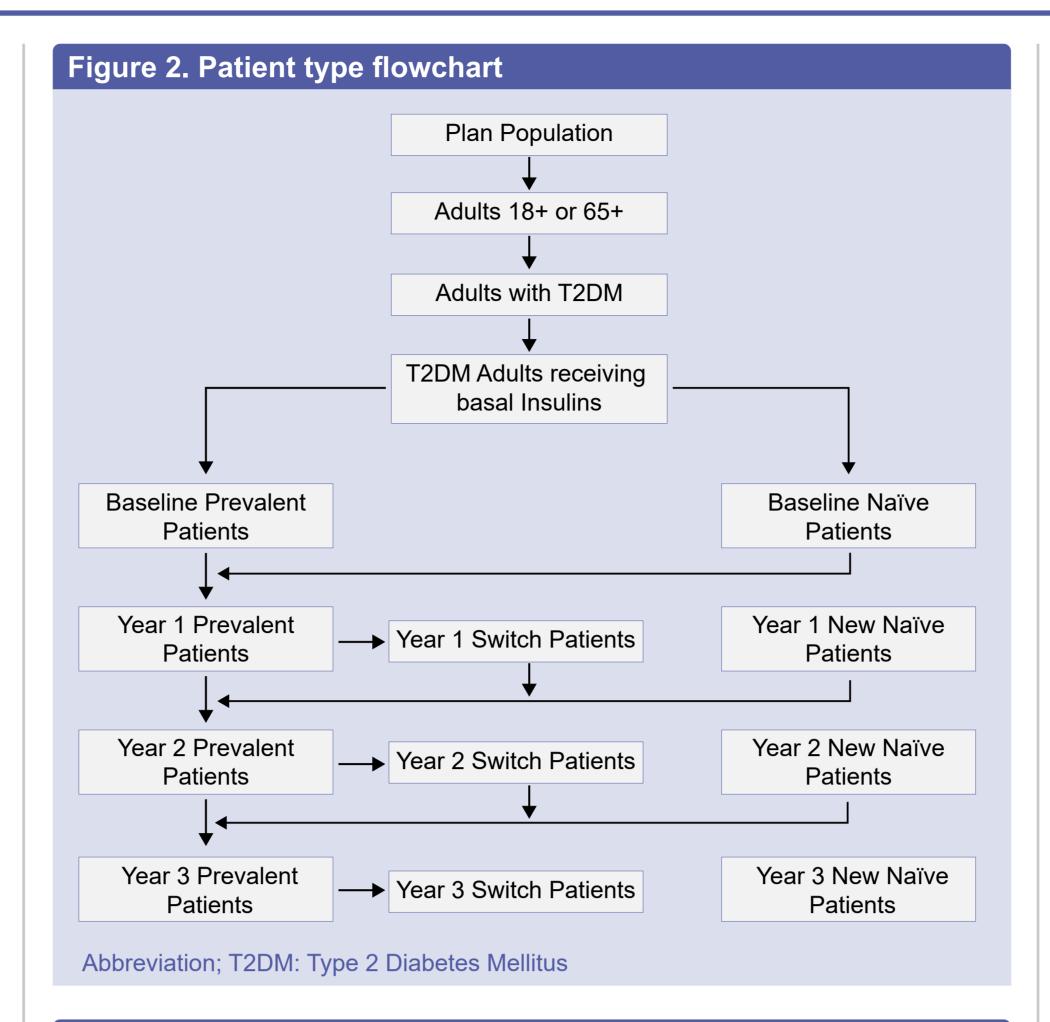
## **MODEL ASSUMPTIONS**

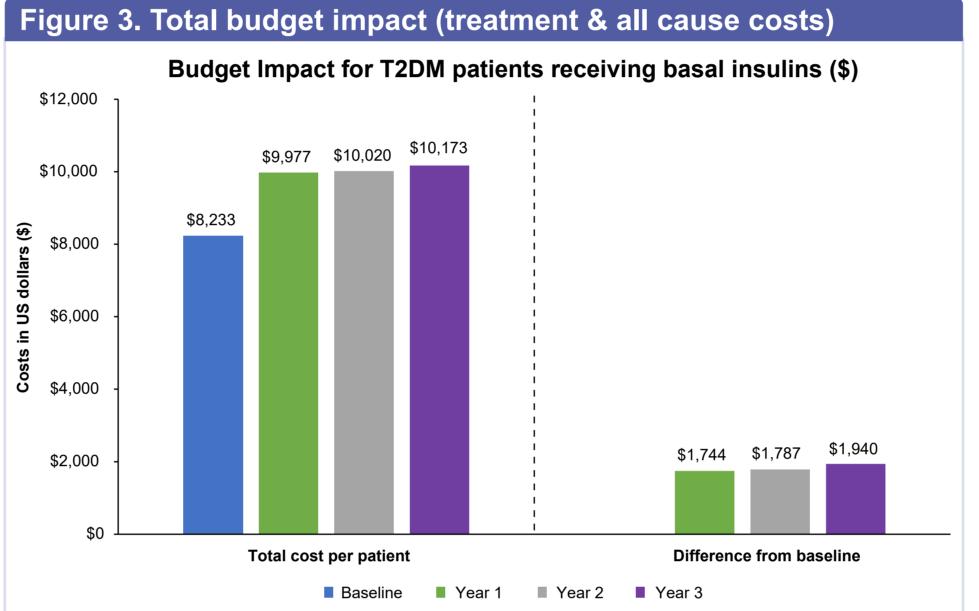
- Annual plan population growth rate was considered as 4% and assumed to be the same across the model time horizon
- A hypothetical plan population of 1 million patients, in which the proportion of patients having T2DM<sup>4</sup> aligned with observed prevalence in the U.S. adult population
- Treatments for T2DM patients were assumed to be 1st gen Bls, 2nd gen Bls, (insulin glargine-Gla-300), degludec and insulin glargine biosimilars9
- The model does not include degludec in 2<sup>nd</sup> gen BIs but allows the patients to switch from 1st gen to insulin degludec. This is done to separate out the effect of degludec from the study insulin as previously done for 2019 lightning study<sup>9</sup>
- Glargine biosimilars are not included in 1st gen Bls. Since the market share of glargine biosimilar is predicted to increase over a period in the real-world clinical practice in contrast to 1st gen Bls
- The proportion of T2DM patients who were not naïve<sup>9</sup> and non-switcher were assumed to be prevalent patients (who continued the same basal insulins without switching) and the methodology used is consistent with the 2019 lightning study<sup>9</sup>
- The analysis did not consider switchers at baseline
- In the base case scenario, patients switched from 1st gen BIs from baseline year to 2nd gen Bls by projected year 3. Model also considers the scenario where patients switched from 2<sup>nd</sup> gen BIs from baseline year to 1<sup>st</sup> gen BIs by projected year 3
- In the baseline year 62.7% of patients were naïve9
- Initiating from baseline year, 23% of patients switched to insulin glargine biosimilars by projected year 3
- Due to a lack of data, HCRU for the prevalent population was assumed to be a weighted average of the naïve and switcher populations (Table 1)

HCRU		Unit Cost (2021 \$) <sup>11</sup>
Inpatient Visit (Per Day)	All cause <sup>10</sup>	\$2,884.70
	Diabetes Related <sup>10</sup>	\$2,493.81
	Hypoglycemia Related <sup>10</sup>	\$2,676.50
ED Visit	All Cause <sup>10</sup>	\$1,277.58
	Diabetes Related <sup>10</sup>	\$1,159.58
	Hypoglycemia Related <sup>10</sup>	\$2,020.20
Outpatient Visit	All Cause <sup>10</sup>	\$84.00
	Diabetes Related <sup>10</sup>	\$163.56
	Hypoglycemia Related <sup>10</sup>	\$573.76

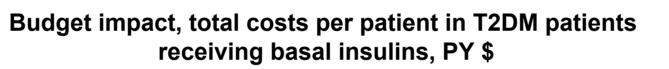
## Table 2. Base case market shares (%)

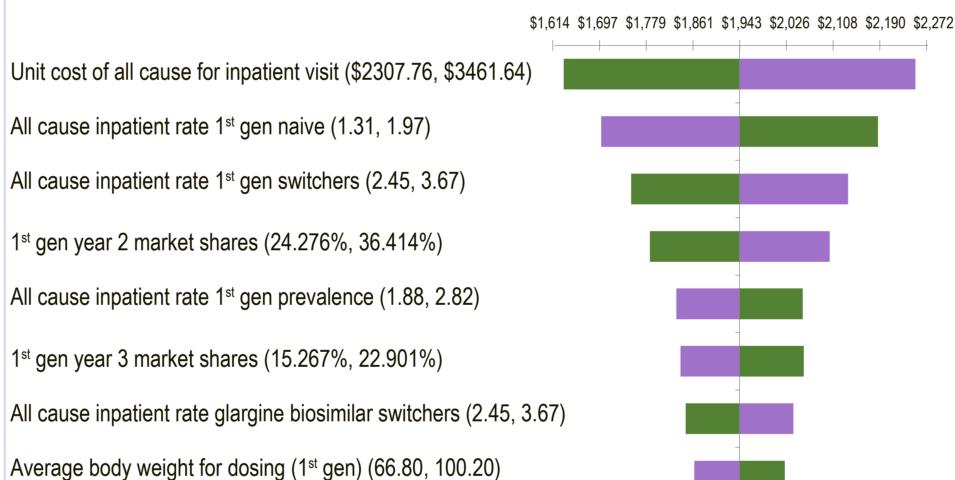
1 <sup>st</sup> gen to 2 <sup>nd</sup> gen switch	Baseline market shares	Projected market shares		
Insulin	Y0	Y1	Y2	Y3
2 <sup>nd</sup> gen BIs	6.69%	7.15%	7.92%	8.22%
1 <sup>st</sup> gen Bis	80.52%	75.25%	68.20%	56.80%
Glargine biosimilars	0.10%	5.04%	11.54%	22.72%
Insulin degludec	12.69%	12.55%	12.34%	12.26%
Total	100.00%	100.00%	100.00%	100.00%





### Figure 4. Tornado diagram presenting sensitivity analysis results





Abbreviation; PY: Per Year, T2DM: Type 2 Diabetes Mellitus

## Table 3. Market shares for scenarios

	Scenario 3: 2 <sup>nd</sup> gen to 1 <sup>st</sup> gen Bls switch			vitch
Insulin	Y0	Y1	Y2	Y3
2 <sup>nd</sup> gen Bls	6.69%	5.15%	4.31%	3.07%
1 <sup>st</sup> gen BIs	80.52%	77.25%	71.81%	61.95%
Glargine biosimilars	0.10%	5.04%	11.54%	22.72%
Insulin degludec	12.69%	12.56%	12.34%	12.26%
Total	100.00%	100.00%	100.00%	100.00%
Abbreviation; Bls: Basal Insulins				

Scenario number	Scenario	Difference from Baseline, Cumulative, Total Costs per Patient in T2DM patients receiving basal insulins, PY \$
	Base case	\$1,940
1	Modify initial population to 100% prevalent	\$338
2	Net costs vs WAC (impact of treatment costs)	\$2,076
3	Switching market shares for 2 <sup>nd</sup> gen – 1 <sup>st</sup> gen Bls	\$839
4	100% market share to 2 <sup>nd</sup> gen Bls by projected year 3	\$65

Abbreviations; PY: Per Year, WAC: Wholesale Acquisition Cost, T2DM: Type 2

receiving basal insulins, PY \$ 1 Modify initial population to 100% prevalent All cause inpatient rate 1<sup>st</sup> gen Bls prevalence (1.88, 2.82) All cause inpatient rate 1st gen Bls switchers (2.45, 3.67) 1<sup>st</sup> gen Bls year 2 market shares (24.276%, 36.414%) 1st gen Bls year 3 market shares (15.267%, 22.901%) All cause inpatient rate glargine biosimilar switchers (2.45, 3.67) ■ Low ■ High 2 Net costs vs WAC (impact of treatment costs) Unit cost of all cause for inpatient visit (\$2307.76, \$3461.64) All cause inpatient rate 1<sup>st</sup> gen Bls naive (1.31, 1.97) All cause inpatient rate 1<sup>st</sup> gen Bls switchers (2.45, 3.67) 1<sup>st</sup> gen Bls year 2 market shares (24.276%, 36.414%) All cause inpatient rate 1st gen Bls prevalence (1.88, 2.82) Abbreviation; WAC: Wholesale acquisition cost ■ Low ■ High 3 Switching market shares for 2<sup>nd</sup> gen - 1<sup>st</sup> gen Bls All cause inpatient rate 1<sup>st</sup> gen naive (1.31, 1.97) All cause inpatient rate 1<sup>st</sup> gen switchers (1.51, 2.27) All cause inpatient rate 1<sup>st</sup> gen prevalence (1.41, 2.12) Unit cost of all cause for ED visit (\$1022.07, \$1533.10) 1<sup>st</sup> gen year 2 market shares (25.148%, 37.721%) Abbreviation; BIs: Basal Insulins ■ Low
■ High 4 100% Market shares to 2<sup>nd</sup> gen Bls by projected year 3 All cause inpatient rate 2<sup>nd</sup> gen Bls prevalence (1.48, 2.21) Average body weight for dosing (2<sup>nd</sup> gen Bls) (66.80, 100.20) 2<sup>nd</sup> gen Bls unit cost per ml (\$69.04, \$103.56) All cause inpatient rate 1<sup>st</sup> gen Bls naive (1.31, 1.97) 2<sup>nd</sup> gen Bls year 3 market shares (80.00%, 100.00%) Abbreviation; Bls: Basal Insulins, T2DM: Type 2 Diabetes Mellitus, ■ Low ■ High WAC: Wholesale Acquisition Cost

Figure 5. Tornado diagram for scenario analysis

**Budget impact, total costs per patient in T2DM patients** 

# **RESULTS**

### Base case analysis

 Results were mainly driven by market share assumptions, lower utilization of HCRU (based on RWE results) with increase in 2<sup>nd</sup> gen BIs and glargine biosimilars shares, and changes in patient population (naïve/prevalent/switcher) over the projected years

 Switching from 1<sup>st</sup> gen to 2<sup>nd</sup> gen Bls, resulted in incremental increased per patient per year (PPPY) costs of ~\$1940 and overall cumulative costs of ~\$10,173 by projected year 3 (Figure 3)

## Base case sensitivity analysis results

- · Unit cost for all cause inpatient visits, all cause inpatient rate for 1st gen Bls switchers, all cause inpatient rate for 1st gen Bls prevalent patients, and all cause inpatient rate for glargine biosimilar switchers had the greatest influence on the cost savings PPPY, \$
- Other key variables influencing one-way sensitivity analysis (OWSA) results are depicted in Figure 4

## Scenario results

Other scenarios exploring potential dynamics in the market included the following:

## Scenario 1

■ Low
■ High

A 100% prevalent baseline population eliminated the jump in costs between the baseline and projected year 1, whereas the costs for projected year 2 and projected year 3 remained the same.

Scenario 2

Use of net drug costs instead of wholesale acquisition cost (WAC) resulted in a significant decrease in PPPY over the 3-year time horizon.

## Scenario 3

Greater uptake of 1<sup>st</sup> gen over 2<sup>nd</sup> gen BIs among switchers (**Table 3**) resulted in:

- Lowering of absolute costs compared to the 1<sup>st</sup> gen to 2<sup>nd</sup> gen switch scenario due to differing definitions of the HCRU inputs
- A smaller decline in costs for naïve and prevalent populations between projected year 1 and projected year 3 compared to the 1<sup>st</sup> gen to 2<sup>nd</sup> gen scenario

## Scenario 4

A 100% market share for 2<sup>nd</sup> gen BIs over projected year 3 leads to incremental cost reduction of 97% as compared to the base case results. Hence, it suggest that eventually as the share of 2<sup>nd</sup> gen BIs increase over time there will be a minimal increment in cost of ~\$65.

Results for model scenarios are shown in **Table 4** and one-way sensitivity analysis (OWSA) for each scenario is depicted in Figure 5.

## CONCLUSIONS

- Redistributing the market share from 1<sup>st</sup> gen to 2<sup>nd</sup> gen BIs along with increasing market share of glargine biosimilars over the years demonstrated incremental cost reductions over time (Figure 3). Budgetary reductions were achieved by switching patients from 1<sup>st</sup> gen to 2<sup>nd</sup> gen Bls
- The market shares highlighted the economic value of increased utilization of 2<sup>nd</sup> gen BIs driven by the reduction in HCRU event rates per year
- Findings from this BIM may be used to help guide decision-makers in terms of formulary placement and utilization controls

## **REFERENCES:**

Diabetes Mellitus

- Khan MAB, Hashim MJ, King JK, Govender RD, Mustafa H, Al Kaabi J. Epidemiology of Type 2 Diabetes - Global Burden of Disease and Forecasted Trends. J Epidemiol Glob Health. 2020 Mar;10(1):107-111. doi: 10.2991/ jegh.k.191028.001. PMID: 32175717; PMCID: PMC7310804.
- 2. Bretzel RG, Eckhard M, Landgraf W, Owens DR, Linn T. Initiating insulin therapy in type 2 diabetic patients failing on oral hypoglycemic agents: basal or prandial insulin? The APOLLO trial and beyond. Diabetes Care. 2009 Nov;32 Suppl 2(Suppl 2):S260-5. doi: 10.2337/dc09-S319. PMID: 19875561; PMCID: PMC2811479.
- 3. Hinnen D. Glucagon-Like Peptide 1 Receptor Agonists for Type 2 Diabetes. Diabetes Spectr. 2017 Aug;30(3):202-210. doi: 10.2337/ds16-0026. PMID: 28848315; PMCID: PMC5556578.
- Roussel R, Ritzel R, Boelle-Le Corfec E. et al. Clinical perspectives from the BEGIN and EDITION programmes: Trial-level meta-analyses outcomes with either degludec or glargine 300 u/ml vs glargine 100 U/ml in T2DM. Diabetes Metab. 2018 doi: 10.1016/j.diabet.2018.02.002.
- Sanofi General Medicines Performance week ending 08-13-2021 v2.PDF.
- Zhou FL, Ye F, Berhanu P, et al. Real-world evidence concerning clinical and economic outcomes of switching to insulin glargine 300 units/mL vs other basal insulins in patients with type 2 diabetes using basal insulin. Diabetes Obes Metab. 2018;20(5):1293-1297. doi:10.1111/dom.13199.
- Higuchi K, Nicholls C, Wu J, et al. AMCP Nexus 2020. Lower Healthcare-Resource Utilization and Associated Costs in Insulin-Naïve Patients With Type 2 Diabetes Initiated on Insulin Glargine 300 U/mL.
- National Diabetes Statistics Report 2020. Estimates of Diabetes and its Burden in the United States. https://www.cdc.gov/diabetes/pdfs/data/statistics/national-diabetes-statistics-report.pdf. Accessed August 2, 2021.
- 9. Pettus J, Roussel R, Liz Zhou F, Bosnyak Z, Westerbacka J, Berria R, Jimenez J, Eliasson B, Hramiak I, Bailey T, Meneghini L. Rates of hypoglycemia predicted in patients with type 2 diabetes on insulin glargine 300 U/ml versus first-and second-gen basal insulin analogs: the real-world LIGHTNING study. Diabetes Therapy. 2019 Apr;10(2):617-33.
- 10. Zhou FL, Ye F, Berhanu P, et al 2018 (doi:10.1111/dom.13199. Supplement) 11. http://data.bls.gov/timeseries/CUUR0000SAM2. Accessed September 22, 2021.