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The Evolution of Pharmaceutical Call Planning

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Introduction

The development process of a pharmaceutical representative sales call has been part of the sales operations landscape for decades. For years, Healthcare Practitioner (HCP) target lists, or call plans, have been created by targeting and aligning groups within pharmaceutical commercial operation teams and provided to sales representatives with strict adherence guidelines. Call plan adherence naturally generates a relationship between sales representatives and practitioners with significant impact on the selling process. However, in recent times, there has been a relatively slow but steady change making it harder for those relationships to flourish. From the influx of Managed Care Organizations and the controls put on HCPs, to the passing of the American Healthcare Act, more and more solo HCPs have chosen to join larger multi-specialty groups or even larger Accountable Care Organizations/Integrated Delivery Networks. As a result, an HCP's contact with the pharmaceutical representative is typically limited due to often stringent anti-rep policies and procedures of the organizations they are now part of. To combat this outcome, sales operations departments are exploring new ways to reach their prescribers. This white paper will explore the factors used to develop account based call plans and how pharmaceutical companies' must adapt to ensure their representatives are prepared and qualified to conduct business within the account setting.

Brief History

The traditional HCP sales model of pharmaceutical representatives calling on solo practitioners or small group practices to detail their products has been the gold standard for many years. During this time, HCPs benefited from a high degree of autonomy when treating their patients, good reimbursement from payers, and to a certain degree, less regulation. Simultaneously, pharmaceutical companies benefited from high HCP accessibility. Few HCP access restrictions allowed representatives to easily detail providers with the ultimate goal of producing more frequent and favorable product references from the HCP to the patient. With this mutually beneficial relationship, pharmaceutical companies flooded the market with sales representatives to increase their share of voice; at one point in the early 2000's there were upwards of 80K reps, all vying to speak with their respective targets.

As the global healthcare industry moved toward a value based paradigm, all sectors began initiatives to adapt. We first witnessed the influence of managed care organizations, followed by solo practitioners joining larger specialty and multi-specialty groups. It's also been noted that many young physicians are forgoing the business responsibilities of a solo practice in favor of a managed multi-specialty group practice, favoring a base salary with incentives over the risk and uncertainty of running a practice.

As the industry continues to evolve, many practitioners are reacting to demands for high quality, low cost, coordinated care by consolidating to form Accountable Care Organizations and larger healthcare delivery organizations such as IDNs that either own or manage multiple points of patient care[1]. The healthcare evolution also had a direct impact on the pharmaceutical sales rep. More and more HCPs limit their availability or completely deny sales rep access in order to spend more time with their patients. Larger specialty groups set policies dictating when a representative can see a HCP, if

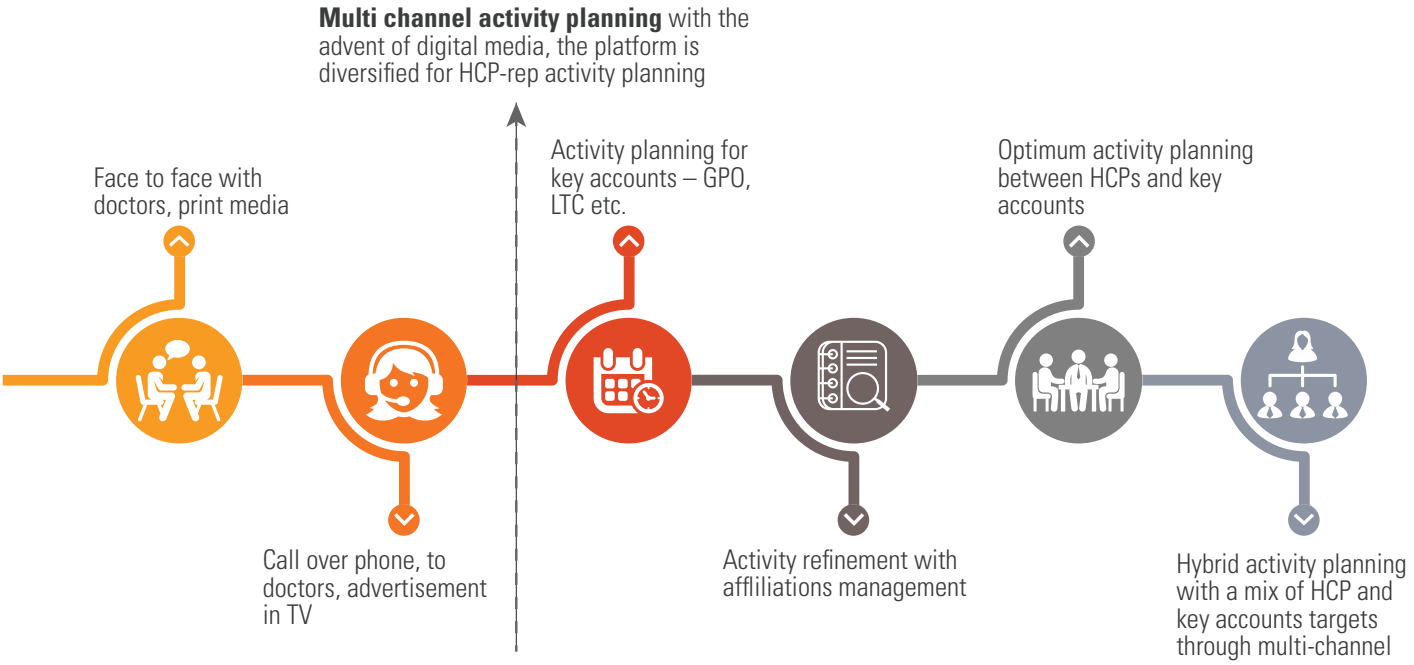
at all. Lastly, the traditional sales model would be turned on its head with ACO's and IDN's dictating corporate formulary.

Adapting to Change

A core goal of a medical sales representative is to be viewed as a valued consultant by their HCPs and as such, the traditional physician based call plan model is still used today, albeit to a lesser degree. Being a resource, or a trusted advisor, allows the representative to gain new levels of access and sales growth for their products. As such, sales representatives still need the ability to either identify or receive HCP leads to facilitate targeted product calls and build relationships to attain valued consultant status.

With the increase in multi-specialty groups, sales representatives also need better insight to valuable accounts in their geography, as well as identification of key HCPs within those accounts. Commercial operations teams are leveraging syndicated data sources and enhancing them with field based information to determine the value of individual accounts and the HCPs within them. Another approach commercial operation teams are using is investing in multiple channels to reach their HCPs, and how these multiple channels can be used with traditional face to face detailing for increased

FIGURE 1: Activity planning has evolved in phases

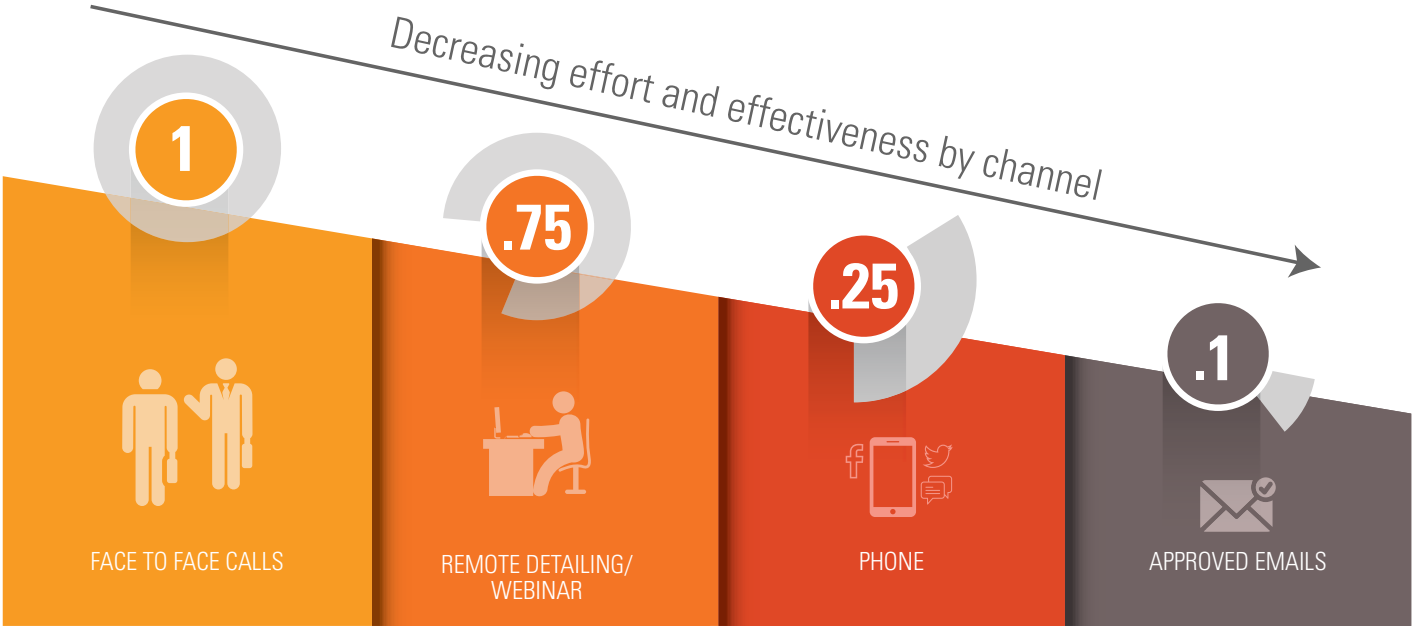


effectiveness. Lastly, organizations are increasing the use of account managers to break into ACO's and IDN's to favorably influence the formulary access and treatment protocols toward their products.

Syndicated Data

Commercial operation teams are utilizing syndicated data from third party data providers (IMS, Symphony Health Solutions) that detail the relationships between practitioners and the facilities at which they practice. Further, these datasets also identify operational networks within health systems accounts throughout the nation and the HCPs affiliated with them. Products like HCOS™ and CustomerSource™ provide affiliation guidance but gaps exist and further cleansing is needed. One method utilized to refine these datasets is incorporation of sales representative feedback, allowing reps to add/remove practitioner affiliations from these accounts. Further, representatives are also given the opportunity to refine child to parent account affiliations (ACO's and IDN's). Commercial operation teams are performing these mappings though their internal processes or utilizing vendors to compile. At the end of this paper, please see a business case utilized by an Axtria client*.

FIGURE 2: Execution effort by channel



Multi-Channel Call Planning

To help combat against denied or limited access to practitioners, pharmaceutical companies have ventured into multi-channel call planning paving the way for non-personal promotion of pharmaceuticals. With mixed impact, sales representatives are given call plans that incorporate the use of telephone, email and remote detailing along with traditional face to face meetings with the practitioner. The channel preferences are incorporated based on the digital history of the targets. As per figure 2, there is a varying amount of effort required to execute by channel and this needs to be carefully considered from a capacity planning perspective. Our interactions with a number of global Pharma clients have also highlighted the decreasing effectiveness of the lower effort channels when used in isolation.

While the effectiveness of these multi-channel efforts has varied impact when implemented in isolation, increased engagement rates can be achieved when used in conjunction with one another. For example, our work with a top European Pharma showed that the effectiveness of a speaker session increased if followed up by a rep detail within a week. Likewise, emails sent within a week of a rep visit showed significantly higher open rates.

Much like traditional call planning projects, multi-channel call plans need to be optimized to ensure sales representatives productivity toward accessible HCP's or HCP's with no decision authority. Optimization is also warranted to ensure HCP's aren't overwhelmed with excessive contact attempts with irrelevant messaging and digital campaigns that are out of context.

These multi-channel activities help commercial teams identify the value of accounts and the practitioners within them for call planning activities.

Adapting to Integrated Delivery Networks and ACO's

An Integrated Delivery Network or IDN, is a network of healthcare organizations under a parent holding company. Some networks have an HMO component, while others are a network of physicians only, or of physicians and hospitals. Accountable Care Organizations are groups of doctors, hospitals, and other healthcare practitioners who come together voluntarily to give coordinated high-quality care to their Medicare patients. With a rise in ACOs acting more like payers, this evolution is blurring the line between ACOs and IDNs.

Many of these organizations are regional entities that link the community to care around population management, quality, and integrated care. As such, pharma companies must have multiple marketing strategies for their Account Management teams to help drive corporate decisions. In an interview for Pharmaexec.com, John Moran of IMS stated that it "requires a different set of skills and competencies to engage with these stakeholders. It's no longer more of a product-centric skillset that's an effective commercial strategy. It's now about bringing in an in-field health economics capability, an expanded role for medical science liaisons, even introducing patient case management support. There's a lot of variation and a lot of ideas that could be implemented based on the needs of the market[2]." More often, these organizations want to see value based outcomes of a product from a Medical Science Liaison or Account Manager to determine if it should be added to their formulary or treatment protocol.

Developing Account Based Call Plans

With the increased influence of ACOs & other stakeholders, it is important to incorporate the account based approach to call planning to:

- Enable better account ownership, that allow representatives to also target important non-prescribers in offices
- Implement a coordinated targeting plan
- Optimize the number of selling faces per account, minimizing the number of representatives entering the facility
- Target HCPs at the optimal level
- Maintain the affiliations, referrals, and patient flow
- Increase reach and frequency of medium & low value physicians

There are two different ways in which account based Call Plans can be developed:

Account Only – Usually for Advanced Specialty Care and Buy & Bill drugs. These call plans only include accounts with no visibility into HCPs. Frequencies are typically not assigned for the identified account. These are deployed for very advanced selling teams that operate independently with less direction. PDE measurement is not an important criterion in these call plans.

Account & Physician Affiliations – These types of call plans are usually created for sales forces that focus on retail specialty care and/or advanced specialty drugs. Reach and frequency assignment is at HCP level but also provides visibility into other stakeholders in the office. These are typically deployed for advanced/office based selling teams. To increase the effectiveness of these call plans, this preliminary information is then refined with representative feedback utilizing a separate process. This step is very critical as the accuracy of the call plan is dependent on the quality of affiliations. Once the rep refines the affiliation information, this is then used as an input to the call planning process.

Alternatively, affiliation accuracy can also be improved by maintaining an internal master data management of affiliations.

Key Learnings

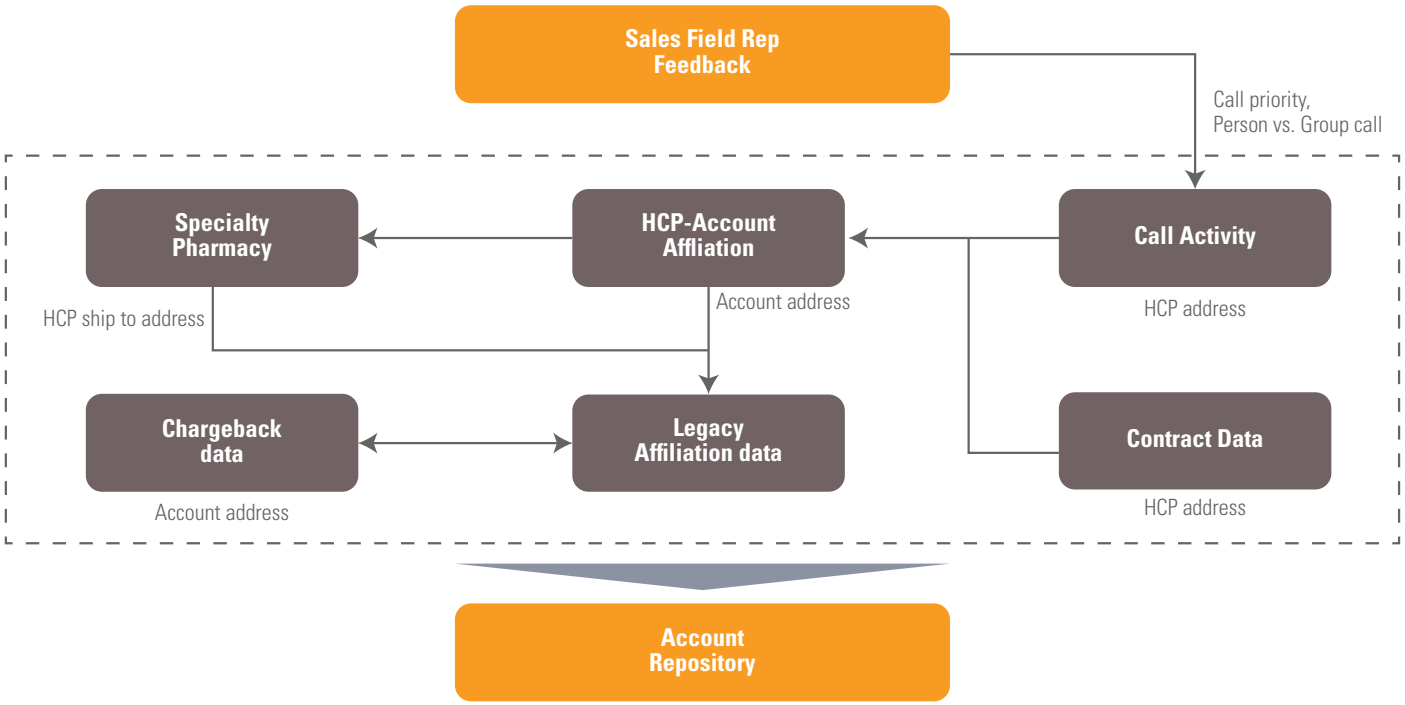
There are many challenges when creating account based call plans and sales operations groups must be diligent to ensure the following are as precise as possible before starting the call planning process:

- Managing master list of GPOs with co-promote partners
- Accurate physician to account affiliation information
- Importance and emphasis must be clearly communicated to the field regarding the account ownership

Conclusion

Call plans used by sales representatives to identify and reach HCPs for product promotion have been a staple in the pharmaceutical life science industry for many years. Over time, changes in the healthcare industry have made it increasingly difficult for commercial operations teams to

FIGURE 3: General roadmap to affiliation master management



identify these HCPs. Additionally, resulting actions taken by HCPs to adjust to these changes have made it increasingly difficult for sales representatives to reach them.

Understanding the need to adapt to the changing landscape, pharmaceutical companies began initiatives that utilized third party data sources, multi-channel call planning, and an increased role of Medical Science Liaisons and Account Managers. These tools assist in reaching HCPs and influencing the key stakeholders at larger Accountable Care Organizations and Integrated Delivery Networks.

If any of the challenges discussed in this white paper resonate with you, Axtria is keen to engage. We can help by assessing the health of your current call planning processes and demonstrate other alternatives to meet your corporate objectives.

Business case

Combining Syndicated Data and Field Input to Develop Account Based Call Plans

Client X utilized HCP response curve methodology for call plan creation. However, these call plans were quite complex and took considerable field education. Utilizing this traditional approach, there was limited visibility to HCPs practicing in multi-specialty groups, ACO's and IDN's. Client X identified the need to re-strategize their call planning process and move away from HCP based call plans. A small pilot experiment was conducted wherein call plans were created at an ACO level and it was compared against the traditional HCP based call plan. The following approach was taken –

TABLE 1: Comparison of HCP level call plan and ACO level call plans

HCP Level Call Plan	ACO Level Call Plan
• All the physicians, based on physician address, were aligned to the territories to get the eligible Universe • Exclusions (e.g. Specialty exclusions, Compliance, Dead / Moved / Retired, Access constraints) were applied on the universe • Top 150 targets in the territories were then identified; and calls were allocated based on Physician segments till the Territory workload was achieved.	• Target – ACO affiliations identified using syndicated data. Client X utilized a vendor to further refine the syndicated affiliation data with field input (Field refinement process) • ACO – Territory alignment was then used to get Territory – ACO – HCP eligible universe • Exclusions (e.g. Specialty, Compliance, Dead, Moved, Retired, Access) were applied on the universe • ACO's within the territory were assigned scores based on Total Rx's generated from the assigned HCPs • ACO score used to select best ACOs in until 150-170 available physicians per territory was reached • All physicians (except the exclusions) in these ACOs were then included in the call plan.

The experiment confirmed the hypothesis that it was beneficial to move to account level call plans from the traditional HCP based call plans.

It was noticed that ACO based Call Plan had almost same reach of high value targets; but the reach for medium value targets was significantly higher. ACO based targeting also resulted in lower travel time, higher reach, and increased coverage resulting in higher ROI.

The following table details key statistics of ACO based call plans and control group of HCP based call plans.

TABLE 2: Key statistics of ACO based call plans and control group of HCP based call plans

	HCP Based Call Plan	ACO Based Call Plan
Avg calls / Day	9.3 calls/ day	9.3 calls/ day
Workload	1860 calls/year	1860 calls/year
# of offices / groups	768	630
Reach % for High	94%	94%
Reach % for Medium	**67%**	**81%**
Reach % for Low	**35%**	**73%**
Reach % for Very Low	**15%**	**3%**

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