



AVALON HEALTH ECONOMICS

# Practice Area Expertise: Economic Evaluation of Drugs, Devices and Diagnostics

Avalon Health Economics LLC  
Morristown, NJ  
[www.AvalonEcon.com](http://www.AvalonEcon.com)

# Why do you need to demonstrate value?

## Changing Environment

- Payers and purchasers face tightening budgets, due in part to the aging population and declining public-sector budgets
- While in the U.S. “rationing” is a bad word, payers and purchaser are rationing, and they are basing these decisions on all available evidence
- There is increased competition in the marketplace:
  - Payers are competing for enrollees
  - Hospitals are competing for patients
  - Manufacturers compete with each other in increasingly crowded therapeutic areas



# How Avalon Health Economics can help

## EARLY ANALYSIS

- Market sizing
- Epidemiology
- Conceptual models
- Return on investment
- Likely 'to-market' issues
- Literature reviews
- Systematic reviews
- Meta-analysis
- Payer research

## CORE ANALYSIS

- Cost-effectiveness
- Budget impact analysis
- Hospital value analysis
- Cost impact analysis
- Payer research
- Payer choice models
- Patient-reported outcomes
- Social media sentiment
- Publications
- Conference presentations
- Communications
- Value dossiers

## MARKET ANALYSIS

- Regulatory studies
- Market access
- Pricing & reimbursement
- Payer research
- Payer engagement
- Payer choice models
- Real-world data analysis
- Publications
- Conference presentations
- Communications
- Value dossiers



# Focus: Economic Evaluation Drugs, Devices, & Diagnostics

## CONCEPTUAL MODELS & CONDENSED COST EFFECTIVENESS ANALYSIS

- Conceptual models map all of the key relationships and data needs prior to building a formal model
- Condensed cost effectiveness models take the conceptual models and apply literature-based parameters
- Useful for determining value of larger-scale cost-effectiveness and budget impact models

## COST EFFECTIVENESS & BUDGET IMPACT ANALYSIS

- Cost-effectiveness analysis are essential economic evidence for global market access
- Cost-effectiveness analysis is also useful for U.S. market access, though less so
- Budget-impact analysis is most useful for Rx in U.S. markets
- Hospital value analysis (and related cost-impact analysis) are most useful for medical devices in the U.S.

## MARKET ACCESS, PRICING & REIMBURSEMENT

- Analysis of pricing and market access landscape
- Price threshold and elasticity analyses
- Generating and organizing clinical and economic evidence for submission to HTA agencies and payers
- Value dossiers and Academy of Managed Care Pharmacy (AMCP) dossiers



# Our Approach to Economic Evaluation

## 1. Pay attention

- Our clients know a lot about where they are and where they need to go. We believe that our most productive role is to bring our knowledge, experience and capacity, along with the right amount of creativity, to help the client get from point A to point B
- We do not think it is possible to effectively pay attention to our clients if we are delegating important tasks to the wrong people. On each and every one of our projects, our most senior people are involved from start to finish.

## 2. Keep it simple

- We believe that, in some cases, greater complexity is necessary, but in many cases greater complexity clouds the main messages, and leaves economic analyses difficult to interpret and vulnerable to criticism. Complexity should only be added when there are clear benefits to doing so.

## 3. Focus on the audience

- We believe that engagement with end users— mainly purchasers and payers— is critical to the entire process of generating and communicating economic evidence
- We have developed and continue to improve our network of purchasers and payers globally, with emphasis on U.S. payers. Engaging with these purchasers and payers to determine how they value product attributes is essential to gaining market access and market share



# Our Comparative Advantage

## Why Avalon?

- Our comparative advantage is straightforward: We combine deep academic and industry experience with clear, concise analysis and attentive project management.
- We highly value establishing and maintaining relationships with our clients
- Our small size enables us to put the right teams in place, move quickly, and respond swiftly to changes
- We have experience across several therapeutic areas, using a wide variety of state-of-the-art research and evaluation methods.

## Therapeutic Area Experience

- Allergy, asthma & respiratory infection
- Rheumatoid arthritis
- Diabetes
- Oncology
- Cardiovascular
- Infectious diseases
- Ophthalmology
- Musculoskeletal/orthopedic
- Rare diseases
- Dermatology
- Mental health & substance abuse
- Pain management
- Women's health
- International health



# Examples of Projects

## Pharmaceutical/Biotech

- Systematic reviews of humanistic and economic burden of illness
- Payer research on valuing pain control
- Cost effectiveness of drugs for rare disease
- Cost effectiveness of a novel biologic
- Cost effectiveness of statins
- Budget impact of respiratory drugs
- Value dossiers
- AMCP dossiers

## Medical Devices

- Cost effectiveness of a novel implantable device for heart failure
- Cost effectiveness of a gastric monitoring device
- Cost impact of a catheter tip positioning system
- Cost effectiveness of a disposable examination device
- Cost effectiveness of a catheter anchor
- Cost effectiveness of a novel venous access system

## Diagnostics

- The economics of cancer biomarkers
- Cost effectiveness of a novel biomarker combination in ovarian cancer treatment
- Cost effectiveness of a point-of-care test for adenoviral conjunctivitis
- Cost effectiveness of improvement in sensitivity/specificity of a point-of-care test for conjunctivitis
- Cost effectiveness of a biomarker for infection
- Cost effectiveness of a novel Lyme assay



# Key Avalon Team Members

Leadership and Core	Senior Consultants
<p>John E. Schneider, PhD CEO &amp; Founder</p> <p>Cara M. Scheibling Associate Director &amp; Principal</p> <p>James C. Robinson, PhD Director &amp; Principal</p> <p>Robert L. Ohsfeldt, PhD Director</p> <p>Ivana Stojanovic, MA Health Economist</p> <p>Azal Ahmadi, M.Phil. Epidemiology &amp; Economics</p> <p>Noemi Kiss, MSc Health Economist</p>	<p>Alison Evans Cuellar, PhD, MBA Economics &amp; Policy</p> <p>Bradley N. Doebbeling, MD, MSc Health Informatics &amp; Medicine</p> <p>Darren Filson, PhD Economics &amp; Statistics</p> <p>Jeff Kamil, MD Payer Decision Making</p> <p>Catherine Ley, PhD Epidemiology</p> <p>Anthony T. Lo Sasso, PhD Economics &amp; Policy</p> <p>Jeffrey T. Macher, PhD, MBA Business Economics &amp; FDA</p> <p>Michael Ong, MD, PhD Medicine &amp; Health Policy</p> <p>Daniel Tuden, PhD Market Access &amp; Reimbursement</p> <p>Bennet A. Zelner, MS, PhD Business Economics &amp; Strategy</p> <p>Erin Carlson, PhD, MPH Health Policy</p> <p>Mia Oliver, MSN, RN, APN Critical Care &amp; Medicine</p>



# Contact Information



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