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Insights / Drug Pipeline

Treatment Options Expanding for Atopic Dermatitis

Payors Need Effective Utilization Management to Mitigate Spend Impact

BRIEFING
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Sree Chaguturu, MD
Senior Vice President, CVS Health and Chief Medical Officer, CVS Caremark

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Atopic dermatitis (AD), which is a type of eczema, is one of the most common diseases in the Western world.[1] The number of Americans with AD continues to rise, as do available treatment options. The first specialty drug to treat the condition was introduced just four years ago. But the treatment landscape for the condition is changing with several new therapies poised for approval this year. With the combination of rise in prevalence and a broader array of treatments, spend on the category may increase making careful attention to utilization management critical.

What is Atopic Dermatitis?

- ✔ AD is a chronic, inflammatory skin disease without a cure.[2]
- ✔ Onset is at an early age.[3]
- ✔ Many patients have trouble controlling their recurring AD.
- ✔ Those with severe AD are more likely to have an urgent care, emergency department, or hospital visit than those with moderate AD.[4]

Prevalence

- **1 in 10** people will have AD in their lifetimes.[3]
- **90 percent of patients** develop AD before the age of five.[3]
- Affects up to **25 percent of children** and up to **3 percent of adults**.[5]
- Increased over the past 50 years; impact burden of the disease in the **billions of dollars.**[4]
- One of the **most common diseases** in the Western world.

Symptoms

- Rashes and patches of itchy skin across the body and often with small, raised bumps, which can form a rough layer of skin when scratched.
- Once scratched, skin may thicken and crack. Frequently the skin will swell, become highly sensitive or develop dryness.[6]

Causes

- AD may be associated with a personal or family history of asthma and allergies.[6]
- In addition to allergens, other environmental factors could play a role in developing AD or irritating the skin such as bacteria or hard water.[7]

More than 50% of those with AD will develop asthma or other atopic disorders.[8]

Evolving Treatment Landscape

Topical therapies have been the mainstay of AD treatment.[9] Several drugs are in the process of seeking supplemental indications to treat AD.

Historically

- Corticosteroids
- Immunomodulators/topical calcineurin inhibitors (TCIs) such as pimecrolimus and tacrolimus
- Phosphodiesterase inhibitors such as Eucrisa (crisaborole)

First Specialty Drug

Regeneron's Dupixent (dupilumab), approved by the U.S. Food and Drug Administration (FDA) in 2017, hinders the interleukin-4 and interleukin-13 (IL-13) cytokines.[10] Dupixent is a subcutaneous treatment for those six years and older with moderate to severe AD. This drug is also used to treat moderate-to-severe asthma for those12 years and older and chronic rhinosinusitis with nasal polyposis for those 18 years and older.[11]

Client consideration:
Utilization is going up and could impact spend without proper cost and utilization management.

Notable Potential 2021 Approvals

Janus Kinase Inhibitors

New Molecular Entity

Pfizer's once-daily oral treatment, abrocitinib, received Priority Review from the FDA with an April 2021 decision date set. The Janus kinase (JAK) inhibitor Breakthrough Therapy targets moderate to severe AD for those 12 and older.[12]

Supplemental Indications

The FDA approved Olumiant (baricitinib), a JAK inhibitor oral treatment, in 2018 to treat rheumatoid arthritis (RA). Eli Lilly and Incyte are seeking approvals for Olumiant in March 2021 to treat adults with moderate to severe AD.[13]

In 2019, Rinvoq (upadacitinib) received FDA approval to treat RA. AbbVie applied in October 2020 for FDA approval — with an April 2021 decision expected — for Rinvoq, a JAK inhibitor and Breakthrough Therapy, as a treatment for those 12 and older with moderate to severe AD. Rinvoq is a once-daily oral medicine.[14]

New Formulation

Incyte is pursuing approval of a cream of ruxolitinib, a new formulation of a JAK inhibitor for patients with mild to moderate AD 12 years and older.[15]

Interleukin Antagonist/Monoclonal Antibody

New Biologic

Tralokinumab, a new biologic from Leo Pharma, is expected to receive FDA approval to treat adults with moderate to severe AD in May 2021. Tralokinumab, administered subcutaneously every two weeks, is a fully human monoclonal antibody focused on blocking the IL-13 cytokine.[16]

Managing Utilization, Containing Costs

With new treatments — including a new biologic and two Breakthrough Therapies — expected to shake up the atopic dermatitis landscape in 2021, payors should carefully consider appropriate cost and utilization management to mitigate spend.

- **Formulary strategies** that mitigate the impact of drug prices, such as drug removals, indication specific coverage, and outcomes-based contracting.
- **Specialty Guideline Management** (SGM) includes clinical assessments based on FDA labeling, current clinical guidelines for standard of care and evidence-based medical literature, and day-one review of new-to-market drugs.
- **Enhanced SGM** incorporates utilization management strategies such as prior use of non-specialty drugs, limiting coverage to select diagnoses and promoting less costly, therapeutically equivalent therapies.
- **Quantity limits** help ensure dosages dispensed do not exceed the upper limit of safe and appropriate thresholds based on each drug's FDA-approved dosing limits.

With the increase in prevalence of AD and expanding treatment options, spend on the category may go up. Effective utilization management can help payors manage costs while ensuring plan members have appropriate access to the medications they need.

Questions about how you can effectively manage the evolving atopic dermatitis treatment landscape? Ask Us

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Data source, unless noted otherwise, CVS Health Enterprise Analytics, 2021.

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