

CPC Healthcare Communications Whitepaper Series: Why Introduce a Patient Compliance Program?



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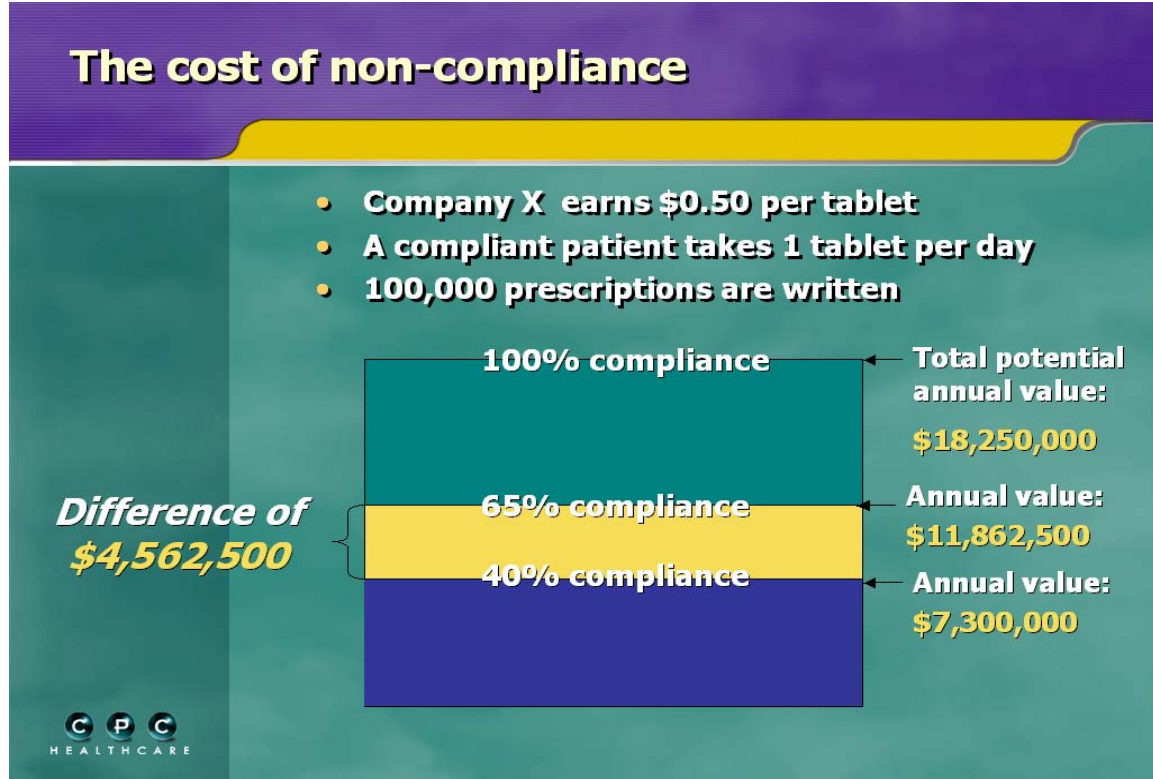
Is Non-Compliance Really a Problem?

In Canada, compliance to prescription therapies appears to be one of those recurring hot healthcare topics. Compliance is widely acknowledged to be a problem. Non-compliance by Canadians to their prescribed drug therapies has been estimated as high as 50%. However, that is only the tip of the proverbial iceberg. An estimated seven to nine billion dollars annually (1997) in direct and indirect costs are associated with Canada's healthcare system due to drug non-compliance. For patients with poorly treated chronic illnesses, those costs compound year over year. Rx & D Canada considers non-compliance to medications as "one of Canada's largest and most expensive disease categories." (Rx & D Canada, 1997)

What Does Non-Compliance Cost the Pharma Industry?

In 2001, the pharmaceutical industry in Canada sold over \$10.3 billion in prescription products. If we take Rx & D Canada's estimate of a 50% non-compliance rate, it represents an additional five billion dollars in lost revenues. The estimates also illustrates our ability to improve health outcomes and quality of life - the core reasons for the initial development of these therapies. Perhaps the most frustrating element of those statistics is that the pharmaceutical industry has expended tremendous financial resources both in R&D and sales to *earn* full sales potential. That the industry fails to do so is the result of the failure to close the loop that includes the physician-patient relationship. Please see Figure 1 for an illustration of the potential value of a brand through improved compliance.

Figure 1 The Cost of Non-compliance



How Do We Impact Non-Compliance?

The first step in improving compliance is to understand why patients often fail to comply. Although non-compliance varies by disease state, patient non-compliance, in general, is a behavioural issue that stems from low levels of awareness, education and motivation. (For more information about why patients do not comply, please see the white paper on this Web site titled "Factors Affecting Patient Compliance"). The issue seems simple enough to resolve. Accordingly, the solution should involve providing the missing elements and waiting for compliance rates to improve. However, the delivery of those elements is complex, time-consuming and requires a long-term commitment. Still, we can think of 5 billion reasons to make that investment!

When Should an Investment in Compliance Be Made?

Patient compliance is an issue for both acute and chronic medications. Realistically, it is difficult to generate a sufficient financial return for acute medications, as real financial gains are made over creating compliance and persistence to long-term therapies. Therefore, let's begin with the assumption that chronic therapies offer the greatest opportunities.

Each chronic category brings its own unique set of issues and opportunities, which need to be strategically assessed in order to determine the likelihood of having a positive impact. The acid test should largely be a financial one:

- What will be the cost of establishing a patient relationship (with sufficient depth and tenure) in order to positively impact compliance and persistency to a given chronic therapy?
- How many patients must be involved in the relationship in order to realize a positive return on investment?
- How long will the relationship take?
- Is there financial and strategic commitment to a compliance initiative from all levels of the organization?
- Will healthcare professionals support the initiative because it fits many of *their* unmet needs?
- Can a patient compliance program create a competitive advantage for the brand?

How Can We Be Sure the Big Investment Will Work?

Common elements are shared by compliance programs that work. They

- are founded in strategic planning, and aligned with brand goals and objectives.
- validate all the assumptions made in program development, through a smaller pilot program or comprehensive research with all audiences, or both.
- carefully and accurately assess the patient base, and the optimal methods of providing motivational and actionable information in a timely manner.
- use the most comprehensive and cost-effective integration of communication tools.
- recognize key segments within their audience groups and are able to vary key messaging based on the specific needs of each audience.
- allow timely access to information for ensuring key learning and enhancing communication.
- track the extent to which the desired return on investment is achieved.

Why Is This a Paradigm Shift for Drug Manufacturers?

The Canadian pharmaceutical industry has built an incredibly robust and effective model for communicating with physicians. That model is the backbone of the industry's success in gaining market share for its brands. Still, the landscape has changed. There are new influencers besides the physician that are quickly re-shaping the marketplace. Consumers have embraced access to information, and are playing a far more active role in therapeutic decisions. Patients want more input into the decisions being made on their behalf. They are demanding more from their physicians, and more from the healthcare system. Caregivers support their loved ones. Pharmacists, who were once the target of generic manufacturers, are asserting their role in improved compliance and exercising their influence with patients. These, and all other stakeholders speak new languages. Now the pharmaceutical industry must become fluent in those languages.

The Right Thing to Do

Patient compliance and persistency will, and should, remain hot topics for the pharmaceutical industry. When met successfully, patient compliance will pay huge dividends - enhancing the bottom line for manufacturers, improving patient outcomes and quality of life, and relieving financial pressure on Canada's healthcare system. Can any more incentive be required?