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AMS 2019 Specialty Drug Trend Report Reveals Critical Lack of Payment Intelligence

Lynnfield, MA – Advanced Medical Strategies (AMS), a healthcare IT company that provides clinical insights and financial analysis of the costliest and most complex medical diagnoses, released their 2019 Annual Specialty Drug Trend Report today, demonstrating that it continues to pioneer high-cost claims data reporting.

Beyond cost increases and price transparency issues, data reveals that payers are overspending on specialty drugs and have little insight into the actual drivers of high-cost claims and members. To effectively mitigate medical spend increases, payers require payment intelligence to provide deep financial and clinical assessment with dynamic, member-level reporting capabilities. Detailed cost-driver reporting is needed in order to take actionable steps to lower costs associated with the 5% of members claims responsible for 50% of the total medical spend.

Highlights of the report:
- Specialty drugs comprise 49% of total spend while only 2% of total prescription volume
- Gene therapies, CAR-T therapies, and specialty pharmaceuticals all continue to trend upwards in price and volume
- There is massive payer overspend pertaining to medical appropriateness, dosage regimens, and specialty drug coding inconsistencies
- Specialty medications comprise roughly 5% of commercially insured member populations yet they account for 50% of health plan payments
- Zolgensma ranks as the most expensive specialty drug per dose at $2.4M
- Galafold emerges as the drug with the highest percentage cost increase from 2018 at 19.26%

Report findings are based on an analysis of claims data totaling $25 billion in allowed charges from August through December 2019. Information and analytics for the report were derived primarily from two of several modules housed on AMS' AI-driven Predict Platform: FACS (payment intelligence and clinical integrity) and PredictRx (clinical and cost resource for specialty drugs). Other modules include PredictDx (analytics for catastrophic diagnoses), PredictIx (on-demand implant cost analysis), and Profiler (high-cost member reporting and prediction).

Reviews of specialty drug spend, costs per dose/year (adult/pediatric and orphan), notable FDA approvals, as well as diagnosis insights are the spotlighted features of the report. It also includes a downloadable PDF of 2019 FDA approvals of drugs that were added to PredictRx as well as newly FDA-approved indications for drugs already in PredictRx—all with pertinent data and AMS Cost Projection (ACP) pricing.

"By continuously reviewing, analyzing and reporting on the costliest specialty drugs, we're able to provide AMS clients with actual price data and payment intelligence required to help guide initiatives important to effectively managing their plan both from enterprise-wide and member-level perspectives", states Dr. Stacy Borans, Chief Medical Officer and Founder of AMS.

The 2019 Annual Specialty Drug Trend Report is available for download **here**.

About AMS

Founded in 2003, AMS (Advanced Medical Strategies) is a healthcare IT company focused on providing clients with payment intelligence that identifies, analyzes, and reports on the 5% of members responsible for 50% total medical spend. Our AI-powered Predict Platform combines clinical insights and financial analysis of the costliest and most complex medical diagnoses our clients rely on to guide enterprise-wide initiatives. We believe that "Knowledge is Power". Visit us at www.mdstrat.com for more information.