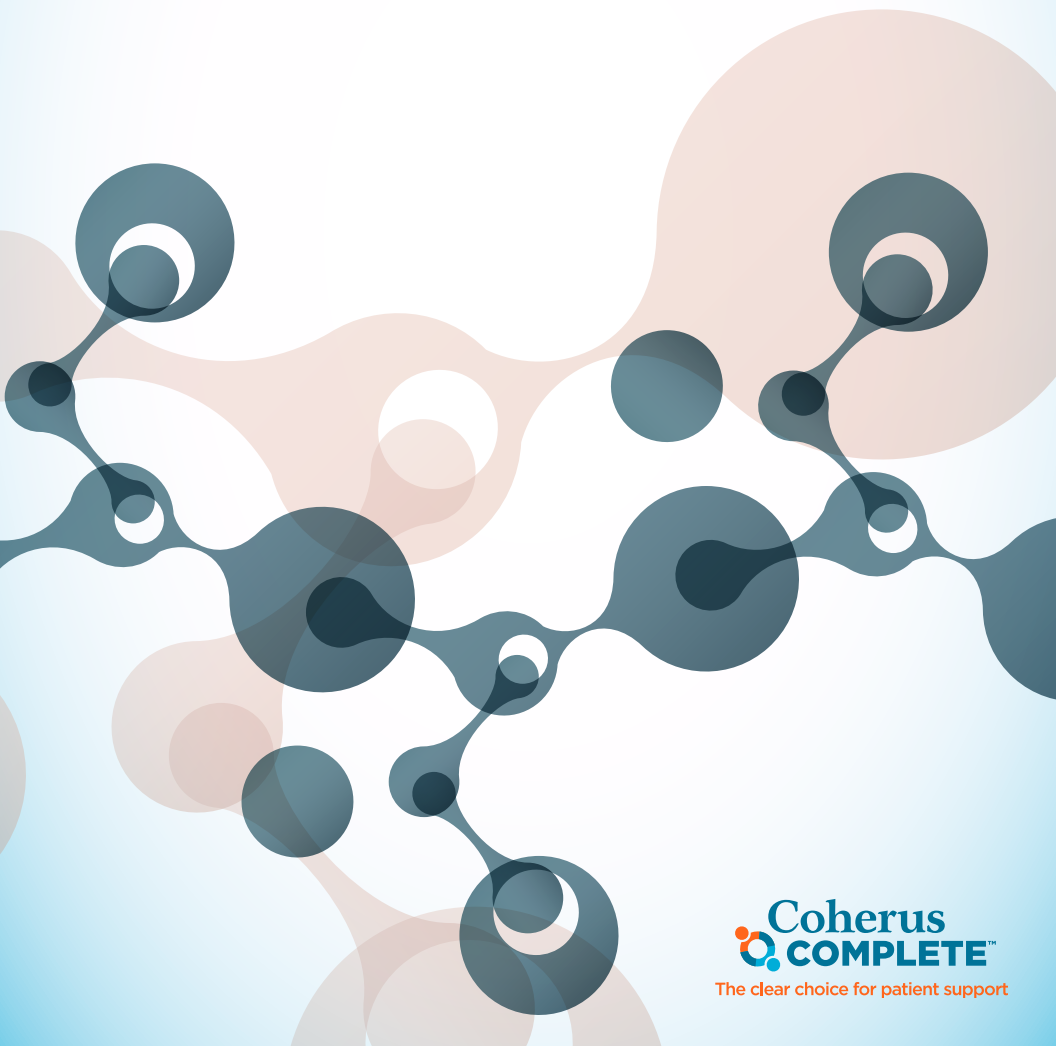
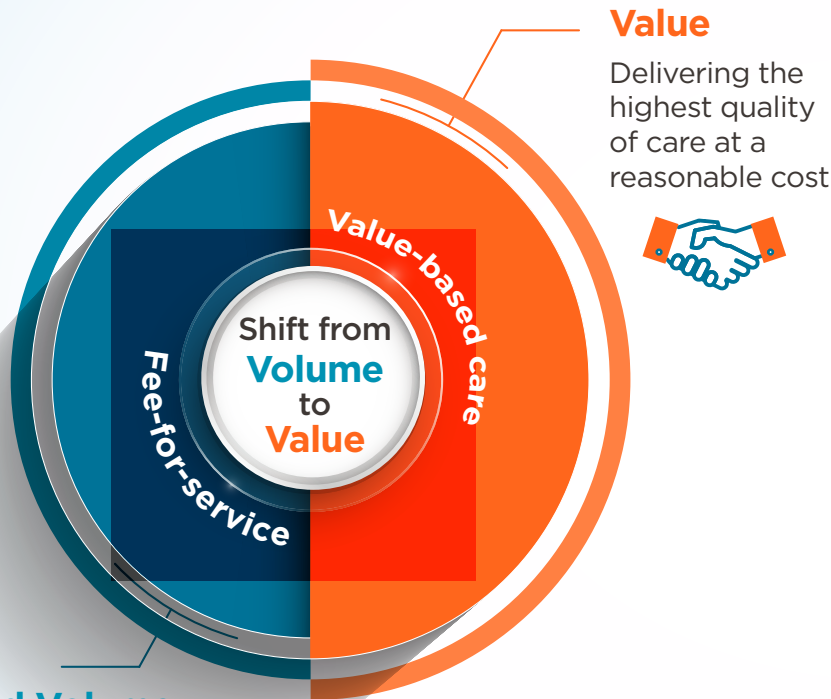


The Role of Biosimilars in **Value-Based Care** for Oncology



The Healthcare Landscape is Evolving to **Value-based Care**



Cost and Volume

Providing more care results in more payment, irrespective of outcome

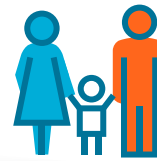


What is **Value**?

Different stakeholders have different definitions of **value of healthcare**

Patients

High quality care with lower out-of-pocket costs



Employers

Manage premium costs while providing benefits that keep employees healthy and productive

Providers

Positive clinical benefits while controlling treatment-related costs



Payers

Decrease cost of care while allowing providers and patients access to high quality treatments



Payers Are Looking for Ways to Balance Cost, Access and Quality of Care in Oncology

CMS Quality Payment Program (QPP)

Merit Based Incentive Payment System (MIPS) and Alternative Payment Models are payment paths under the Medicare Quality Payment Program used to determine Medicare Part B payment adjustments.

Merit-Based Incentive Payment Systems (MIPS)

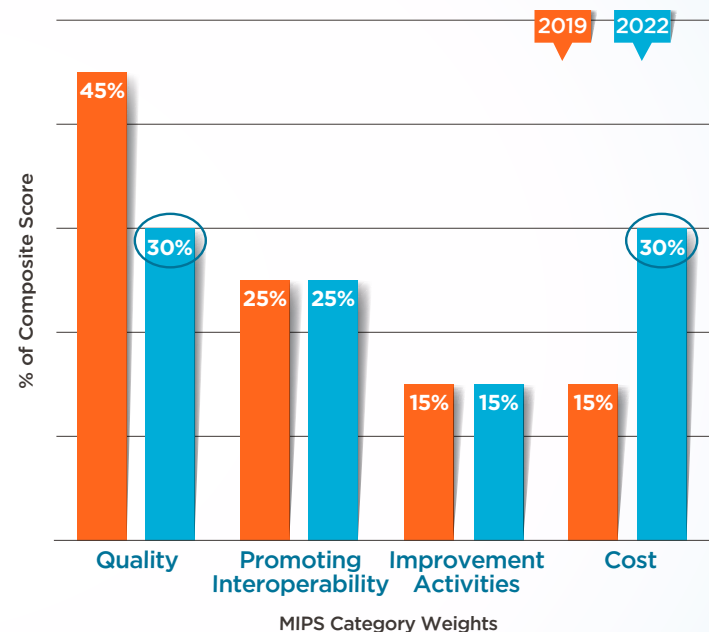
The goal is to maintain the quality of care while controlling costs. The weighting of the quality and cost components shift over time to align with this goal.

Payments are adjusted based on performance in 4 categories:

- Quality
- Costs
- Promoting interoperability
- Improvement activities

Providers may receive a bonus, penalty or no payment adjustment based on the composite score.

By 2022 Controlling Cost Will be Equal to Quality in Determining Provider Reimbursement¹



Alternative Payment Models (APMs)

An APM is a payment approach that rewards providers for delivering high-quality and cost-efficient care. **Advanced** APMs (AAPMs) are a subset of APMs that let practices earn more rewards in exchange for taking on two-sided risk.

Examples of AAPMs in Oncology:

- Oncology Care Model (OCM)
- Oncology Care First (OCF)
- Accountable Care Organizations

Many commercial payers have followed the lead of CMS and created their own value-based care payment models.

Biosimilars' Role in Value-based Care

- Controlling drug costs is the top challenge to implementing value-based care
- Value-based care is causing providers to think differently about drugs



Using biosimilars allows providers to reduce drug costs while maintaining quality of care.



Patients receiving lower cost biosimilars may have lower out-of-pocket costs.

The introduction of biosimilars has created enough pressure on the market to result in significant cost savings, increasing the overall value proposition of biosimilars. This results in significant cost saving to CMS, and also makes it easier for practices participating in OCM to have successful financial outcomes.²

Choice Without Compromise

Coherus BioSciences is a leading global biosimilar company:

- Committed to high quality, not high cost
- Committed to improving patient lives by expanding access to life-changing biologic medicines through biosimilars

Coherus COMPLETE™ provides patient support services and programs designed to assist with patient access to UDENYCA® (pegfilgrastim-cbqv).

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Choice

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1. O'Brien, D. Everything you need to know about MIPS 2020. Able Health. July 30, 2019. <https://ablehealth.com/2019/07/30/everything-you-need-to-know-about-mips-2020/>
2. ASCO 2020. Cost savings of biosimilar pegfilgrastim in a Medicare OCM population.