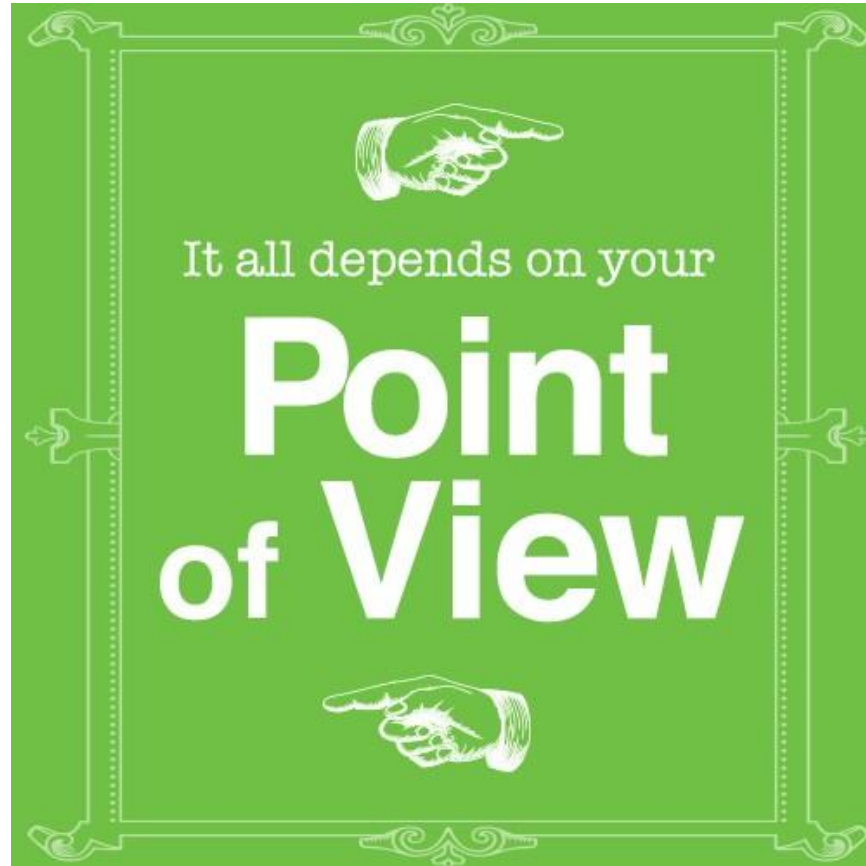


Applications and Opportunities at the Intersection of Pharmacometrics, Health Economics, Outcomes Research, and Real-World Evidence

Marc R. Gastonguay, Ph.D., FISoP

Chief Executive Officer
Metrum Research Group
marcg@metrumrg.com



1

Real-World Evidence

Real-world evidence in healthcare decision making has risen in this year's trends list due to a number of converging factors.



2

Drug Pricing

Pressure is increasing on drug makers as to how they price their products.



3

Novel Curative Therapies

Many of these medicines represent great strides forward in treatment; however, their pricing may put them out of the reach of many patients.



4

Overall Healthcare Spending

WHO reports that the world spent \$7.5 trillion on health, representing close to 10% of global GDP.



5

Universal Health Coverage—Access and Equity

Universal healthcare will remain an important issue as many countries still seek to provide their citizens with healthcare.



6

Value-Based Alternative Payment Models

Innovative, high-cost therapies drive the search for novel payment models.



7

Price Transparency

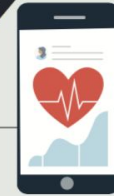
Lack of clarity about information on pricing for healthcare products and services impacts healthcare budgets and patients.



8

Digital Technologies

A new topic for 2020, digital healthcare is advancing rapidly with the potential to transform healthcare delivery and outcomes assessment.



9

Aging Population

This global demographic trend will have a long-term impact on healthcare delivery and costs for some time to come.



10

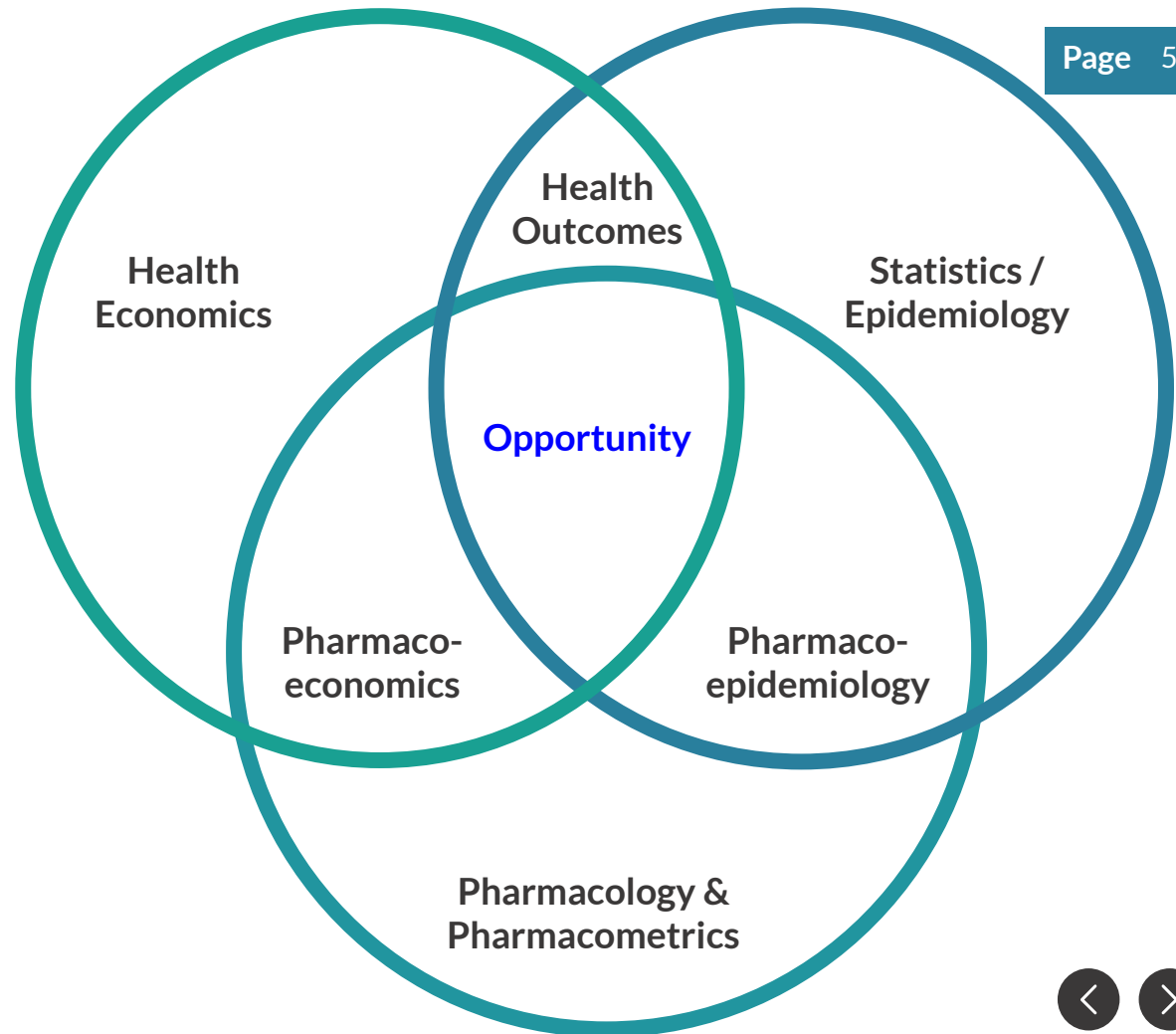
Precision Medicine

Precision, or personalized, medicine is a growing field that intersects with big data.



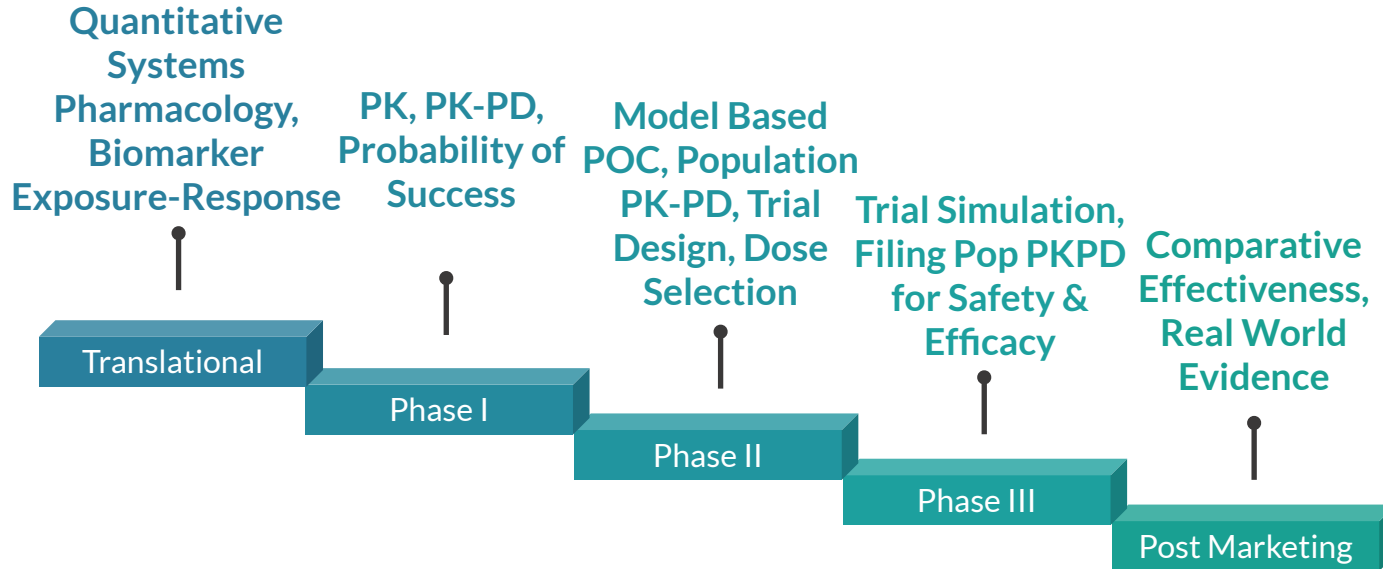
Opportunity at the Intersection

- Better Inform Drug Development Decisions
- Better Inform Economic and Outcome Decisions



Model-Based Drug Development

Some of the typical methods and activities applied throughout the process



Off-The-Shelf Disease Area Platform Content: Disease Progression, Quantitative Systems Pharmacology, Competitor Model-Based Meta-Analysis, Trial Simulation Tools

Modeling and Simulation Based Decision Making

Start with Key Questions and Potential Decision Paths

- Probability of target product profile
- Treatment regimens
- Trial designs
- Development strategies
- Indications
- Selection of lead candidates



Models

- Drug & disease models
- Treatment population models
- Trial models
- Financial & market models

Other Information Sources

- Public evidence
- Expert opinion / belief

Simulate Outcomes of each Path or Question

Decision Criteria

- Consider cost/benefit trade-offs
 - Safety
 - Clinical utility/efficacy
 - Health Economic
 - Commercial
- Adjusted to consider the value systems of the key stakeholders
 - Patients
 - Health care providers
 - Drug developer
 - Regulators



Assumption Checking

Assess sensitivity of conclusions to uncertainties and assumptions.



Decision

Select highest value path given the current state of knowledge.

Some Examples

Model-Based POC for Alzheimer's Disease Trial



- Natural History
- Interpatient Variability
- Patient Specific Factors
- Imaging and CSF Biomarkers

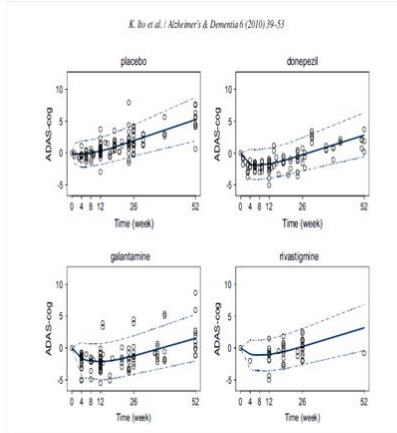
Sub-populations

Normal (N=200)

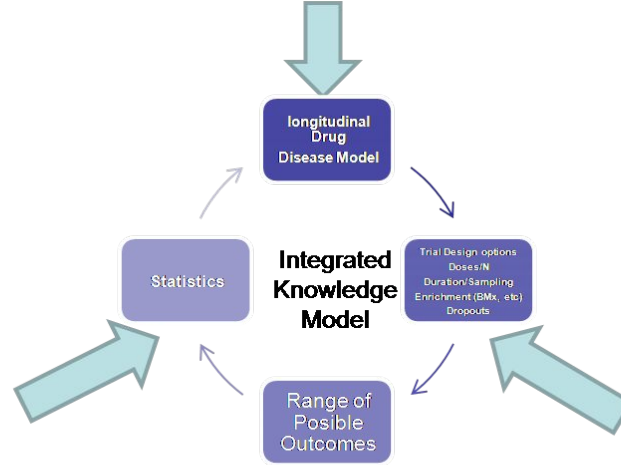
MCI (N=400)

Mild AD (N=200)

Literature Meta-Data



- 73 Trials (1990 to Present)
- Interstudy variability
- Estimate of drug treatment effects (magnitude, onset, offset)



- 9 trials, 3223 patients
- Interpatient Variability
- Patient Specific Factors
- Placebo Effect

Combining patient-level and summary-level data for Alzheimer's disease modeling and simulation: a beta regression meta-analysis

James A. Rogers · Daniel Polhamus · William R. Gillespie ·
Kaori Ito · Klaus Romero · Ruolun Qiu · Diane Stephenson ·
Marc R. Gastonguay · Brian Corrigan

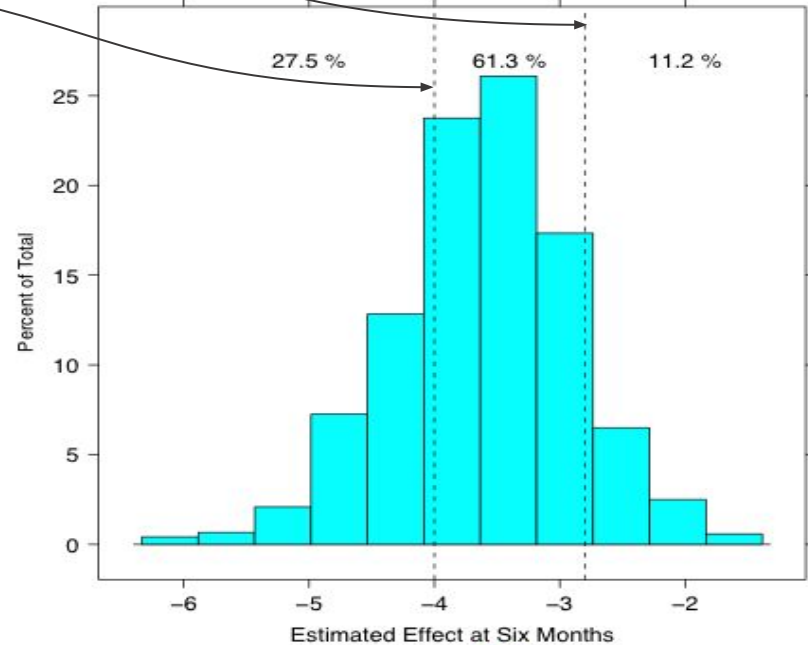
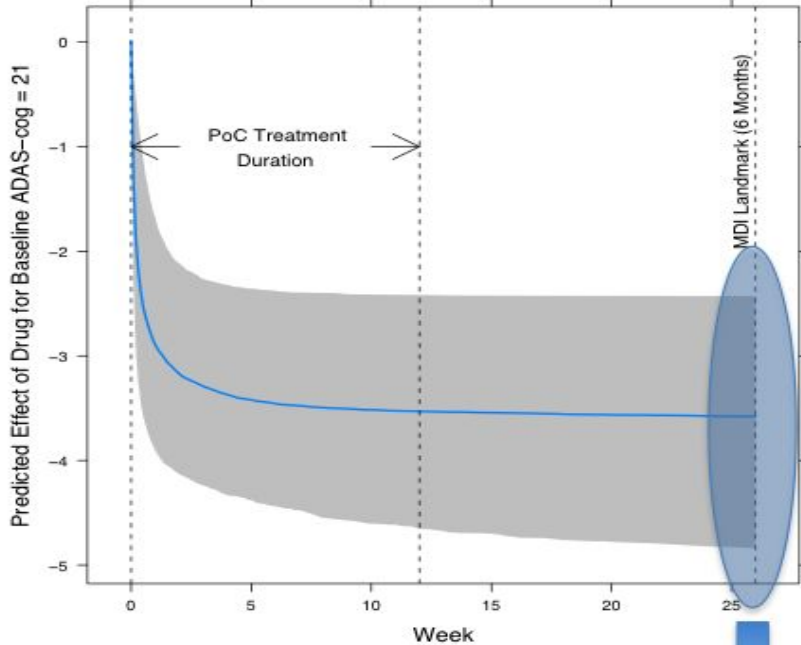
Objective:

Develop a model to describe the longitudinal progression of ADAS-cog in Alzheimer's disease patients in both natural history and randomized clinical trial settings, utilizing both IPD and AD.

Model-Based Projection of TPP for POC Decision

Target product response for change in typical ADAScog score at 6 months:

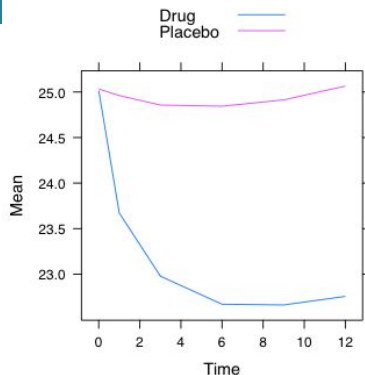
- must have -2.5 units
- wish for -4 units



Discussion Points

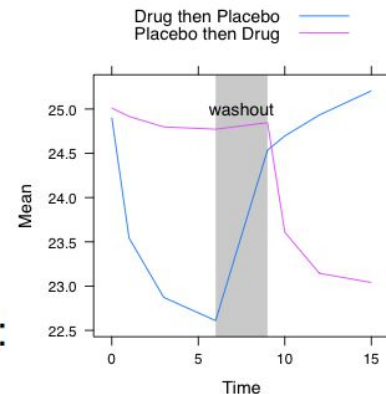
- Are similar disease progression data sets / information sources used in HEOR assessments?
- How else can a quantitative understanding of disease progression be utilized in your decision making?

Exploring POC Trial Design Performance



Given quantitative criteria, explore decision making performance under different assumptions about true drug characteristics.

Assuming drug reaches 50% of maximal effect at 4 weeks:



12 Week Parallel Design

Truth	Decision	
	GO	NO GO
$E(6) = 2$	0%	100%
$E(6) = 4.5$	92%	8%

6 Week Cross-over Design

Truth	Decision	
	GO	NO GO
$E(6) = 2$	10%	90%
$E(6) = 4.5$	92%	8%

$E(6)$ denotes placebo-adjusted drug effect at 6 months;
Table percentages based on 100 simulations

Indirect Comparative Efficacy

Open Access

Research

BMJ
open
accessible medical research

A novel model-based meta-analysis to indirectly estimate the comparative efficacy of two medications: an example using DPP-4 inhibitors, sitagliptin and linagliptin, in treatment of type 2 diabetes mellitus

Jorge Luiz Gross,¹ James Rogers,² Daniel Polhamus,² William Gillespie,² Christian Friedrich,³ Yan Gong,⁴ Brigitta Ursula Monz,⁴ Sanjay Patel,⁵ Alexander Staab,³ Silke Retlich³

Gross JL, Rogers J, Polhamus D, Gillespie W, Friedrich F, Gong Y, Monz BU, Patel S, Staab A, Retlich S. A novel model-based meta-analysis to indirectly estimate the comparative efficacy of two medications: an example using DPP-4 inhibitors, sitagliptin and linagliptin, in treatment of type 2 diabetes mellitus. *BMJ Open* 2013, 3:e001844.

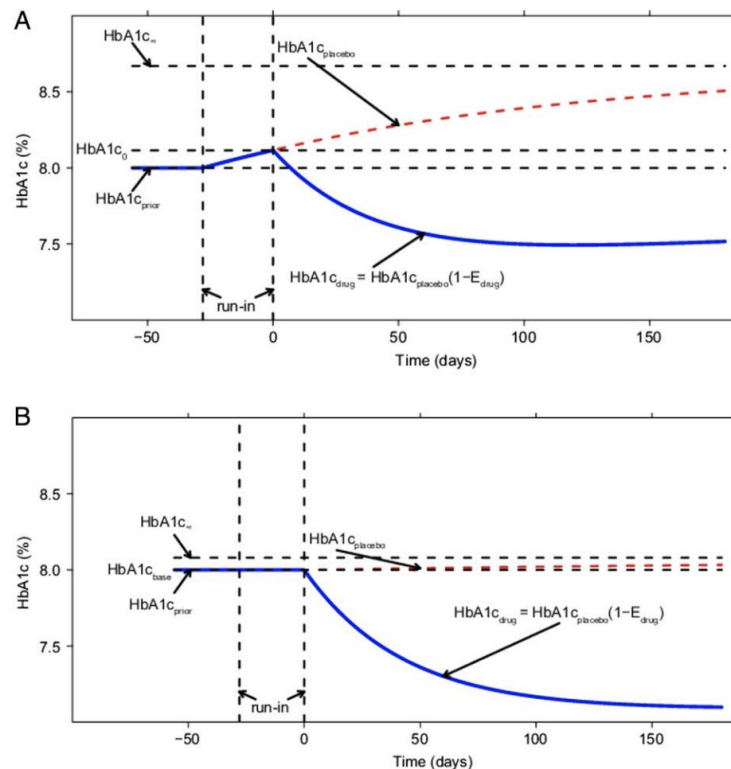
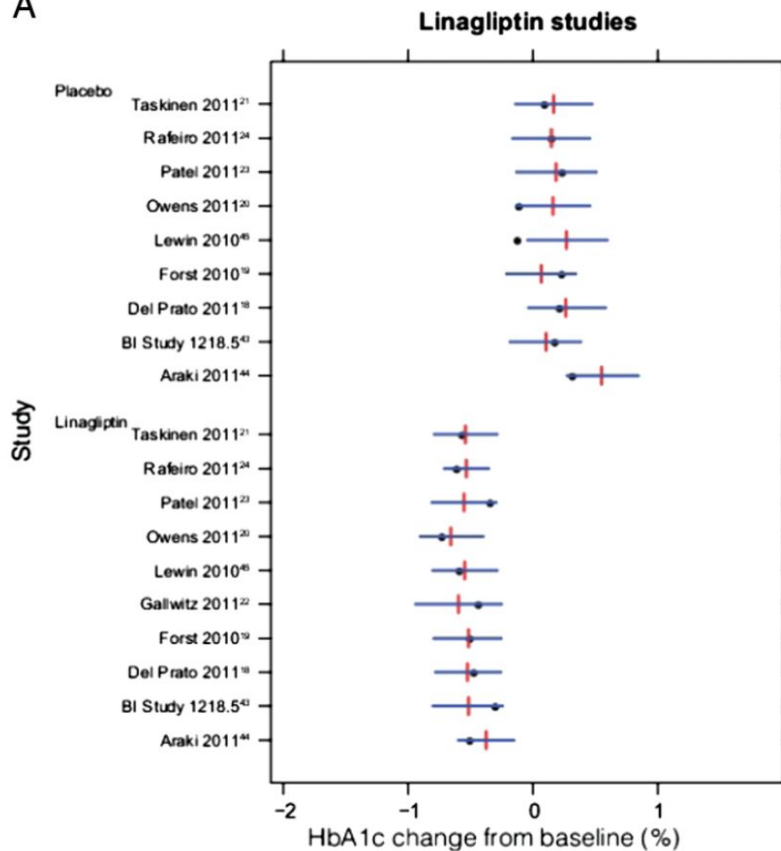


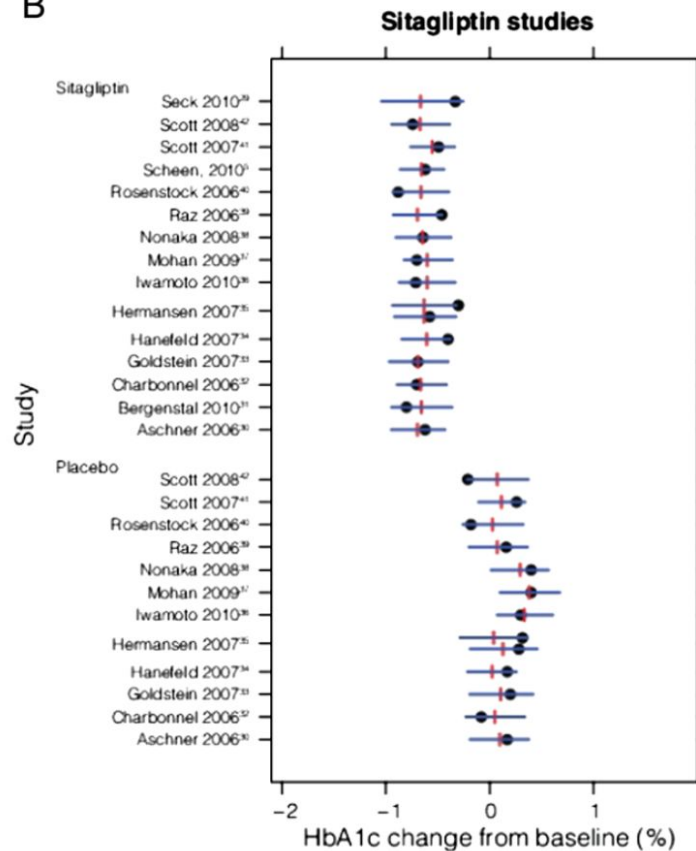
Figure 1 (A) Graphic representation of the components of the final model, for study arms that included patients washing out their prior antihyperglycaemic medication in the run-in period. (B) Graphic representation of the components of the final model, for study arms that included patients who were treatment-naïve or had completely washed out their prior antihyperglycaemic medication before enrolment.

Trial Summary Data: HbA1c Change from Baseline

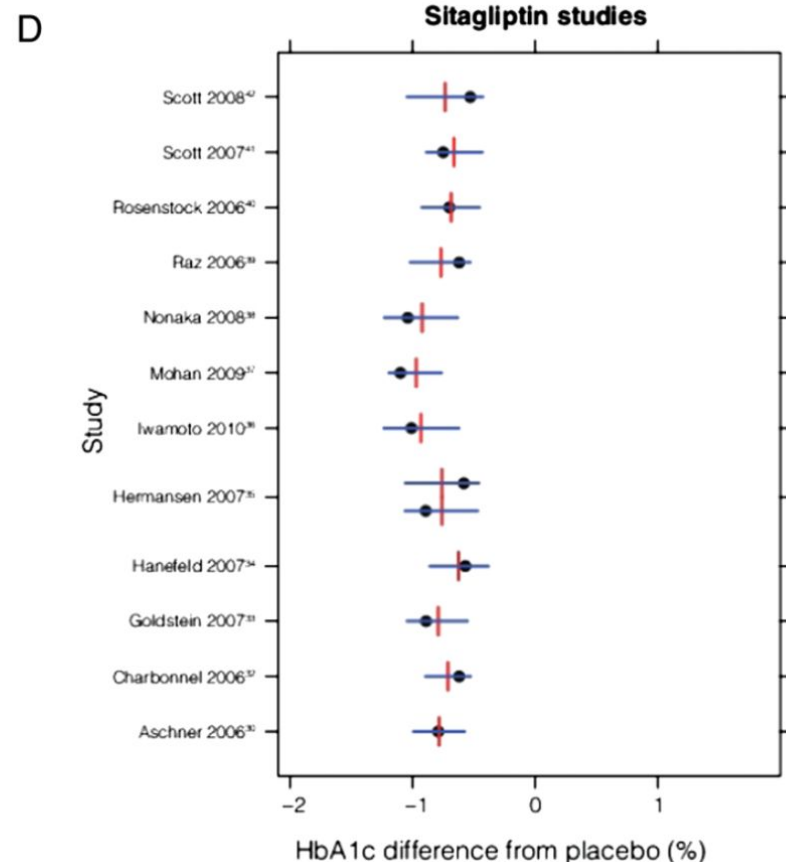
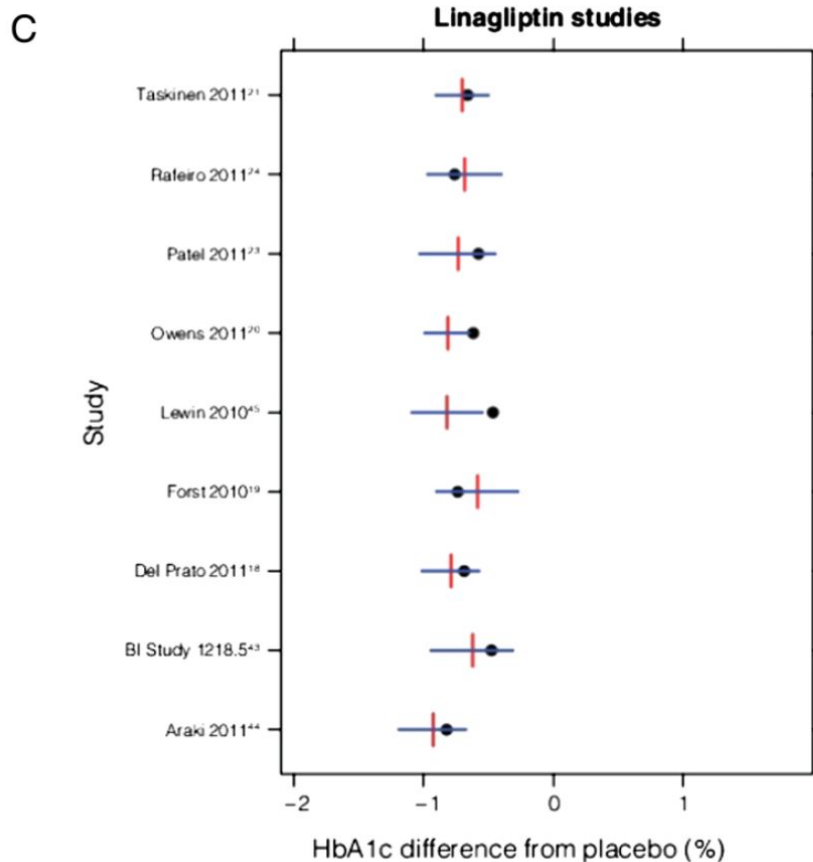
A



B



Trial Summary Data: HbA1c Difference from Placebo



Probability Distribution for Expected Response Difference

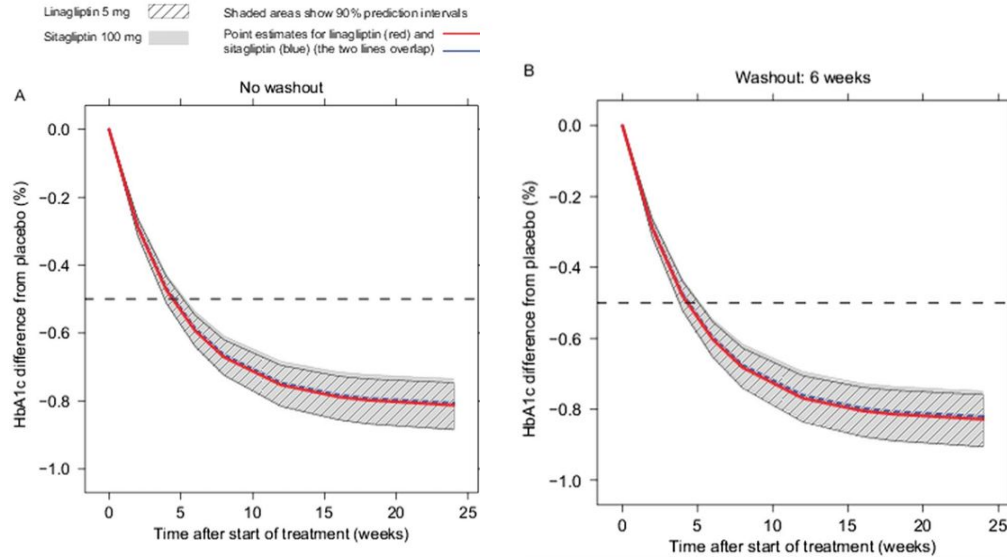


Figure 4 (A) Estimated drug effects on glycated haemoglobin (HbA1c) for reference population, with no pretreatment washout, over 24 weeks (difference from placebo). (B) Estimated drug effects on HbA1c for reference population, with 4-week washout plus 2-week placebo run-in period, over 24 weeks (difference from placebo). Reference population of 1000 participants, baseline HbA1c: 8%, racial composition: 61.5% White, 1.5% Black, 37% Asian.

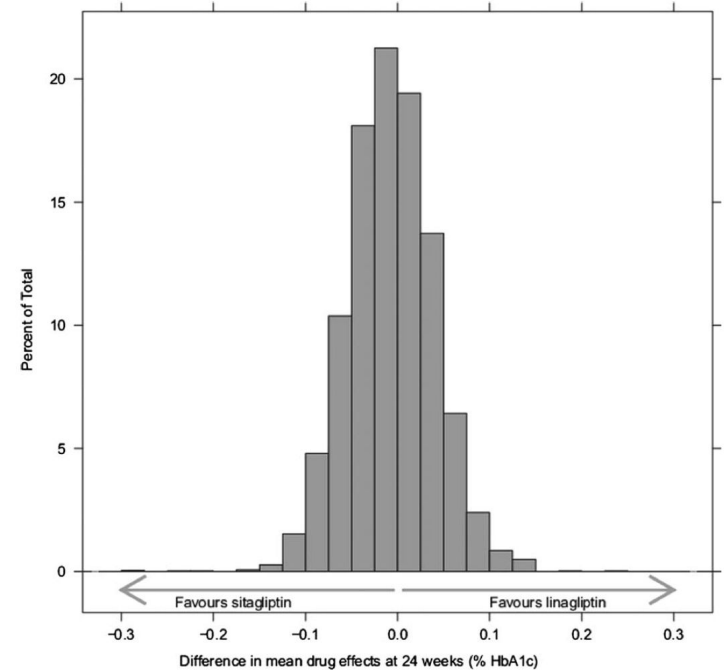


Figure 5 Posterior distribution for the difference in effect estimates between linagliptin (5 mg) and sitagliptin (100 mg) at 24 weeks. Reference population of 1000 participants (therefore involving 10^6 simulated patients), baseline glycated haemoglobin (HbA1c): 8%, racial composition: 61.5% White, 1.5% Black, 37% Asian.

Impact on Health Technology Assessment



Scottish
Medicines
Consortium

About us

Medicines advice

How we decide

Making a submission

Home / Medicines advice / **linagliptin (Trajenta)**

Advice

following a full submission:

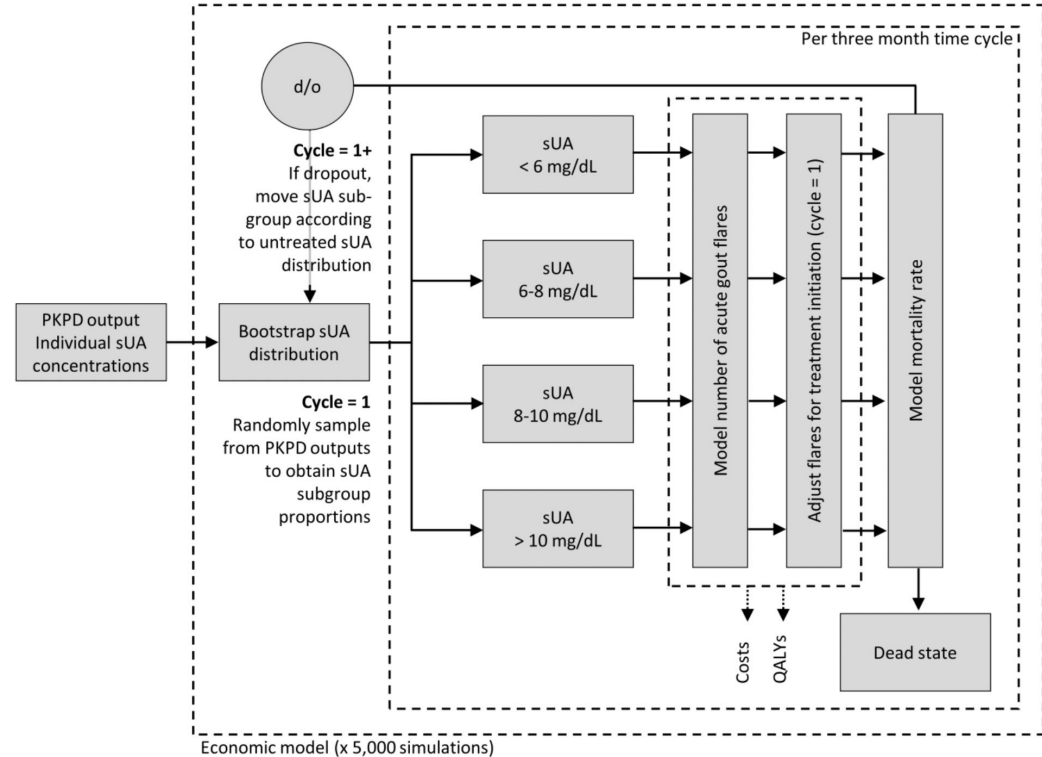
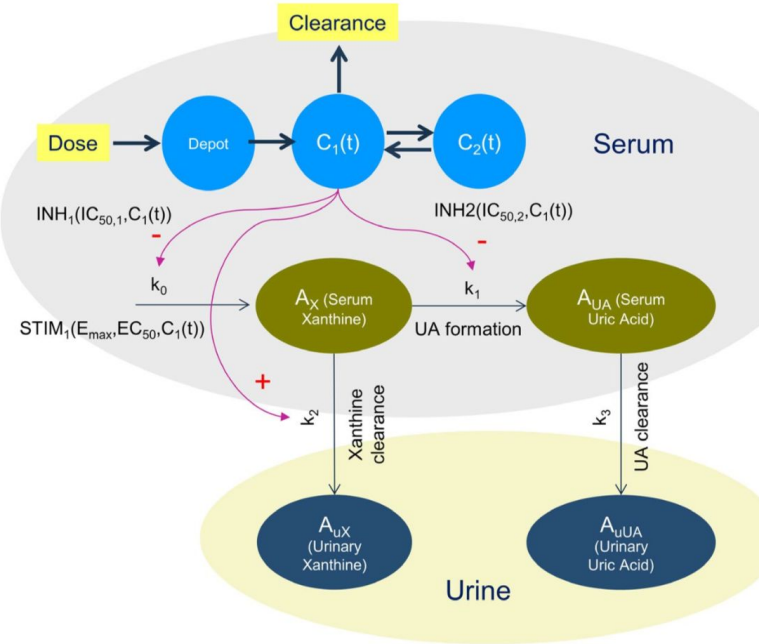
linagliptin (Trajenta®) is accepted for restricted use within NHS Scotland.

Indication under review: the treatment of type 2 diabetes mellitus to improve glycaemic control in adults:

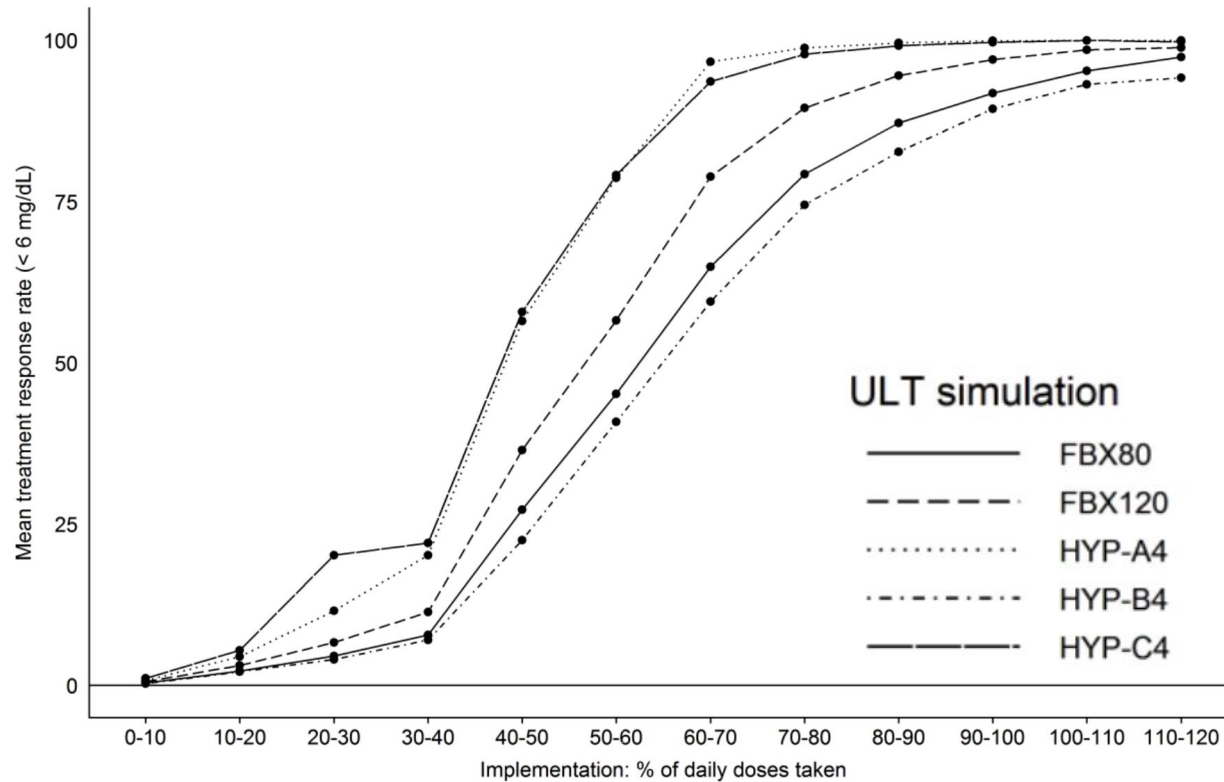
<https://www.scottishmedicines.org.uk/medicines-advice/linagliptin-trajenta-fullsubmission-85013/>

Linking PMX and PE: Xanthine Oxidase Inh. & Gout

Individual-Level PKPD Modeling and Simulation

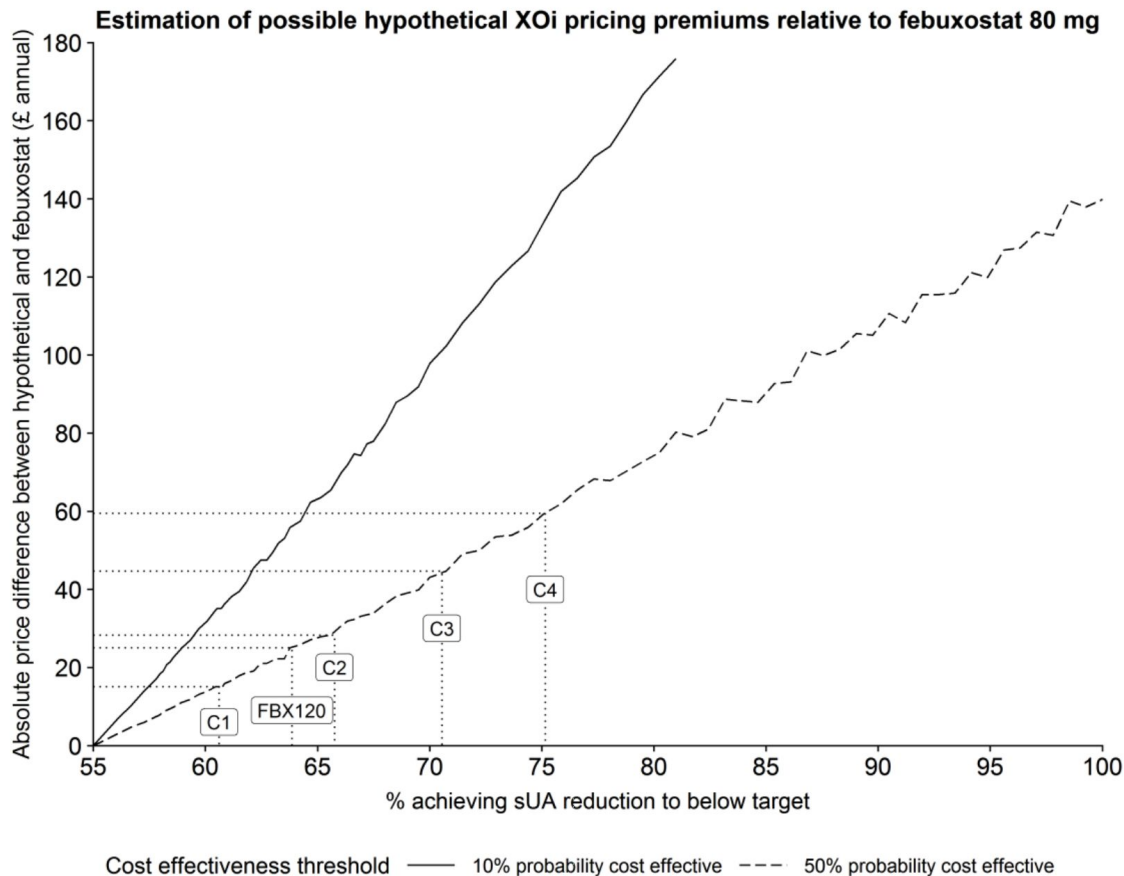


Simulation: Response vs. Adherence



- Simulation-based comparison of febuxostat and hypothetical analogues
- Varied clearance, potency, for analogues
- Informed by adherence RWE

Simulation: Pricing vs Response



Curve of estimated pricing to achieve cost effectiveness versus febuxostat 80 mg with probability of 50% and 10% at a willingness to pay threshold of £20,000 per QALY

Integration of Pharmacometrics and Pharmacoeconomics to Quantify the Value of Improved Forgiveness to Nonadherence: A Case Study of Novel Xanthine Oxidase Inhibitors for Gout. Daniel Hill-McManus; Scott Marshall; Elena Soto; Dyfrig A Hughes ISSN: 0009-9236 , 1532-6535; DOI: 10.1002/cpt.1454. Clinical pharmacology & therapeutics : CPT. , 2019, Vol.106(3), p.652-660

Discussion Points

- How can a projection of expected pricing premium impact early drug development decision making?
- In addition to strategies aimed at modifying the impact of non-adherence, what other strategies are of interest from an economic/outcomes point of view?

Denosumab Pharmacoeconomic Analysis

JOURNAL OF MEDICAL ECONOMICS, 2018

VOL. 21, NO. 5, 525–536

<https://doi.org/10.1080/13696998.2018.1445634>

Article 0212-FT.R1/1445634

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ORIGINAL RESEARCH



A cost-effectiveness analysis of denosumab for the prevention of skeletal-related events in patients with multiple myeloma in the United States of America

Noopur Raje^a, Garson David Roodman^b, Wolfgang Willenbacher^c, Kazuyuki Shimizu^d, Ramón García-Sanz^e, Evangelos Terpos^f, Lisa Kennedy^g, Lorenzo Sabatelli^h, Michele Intorcchia^h and Guy Hechmatiⁱ

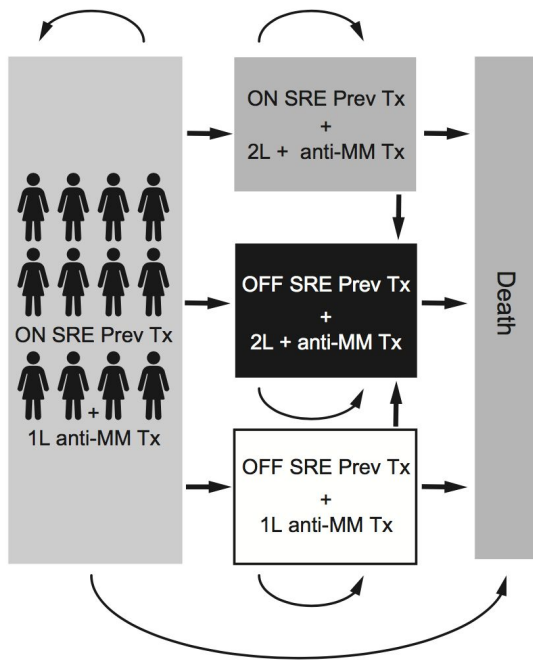


Figure 1. Depiction of model health states. 1L, first line; 2L+, second line or later; Abbreviations. MM, multiple myeloma; OFF SRE Prev Tx, patients not receiving treatment to prevent SREs; ON SRE Prev Tx, patients receiving treatment to prevent SREs; SRE, skeletal-related event; Tx, treatment.

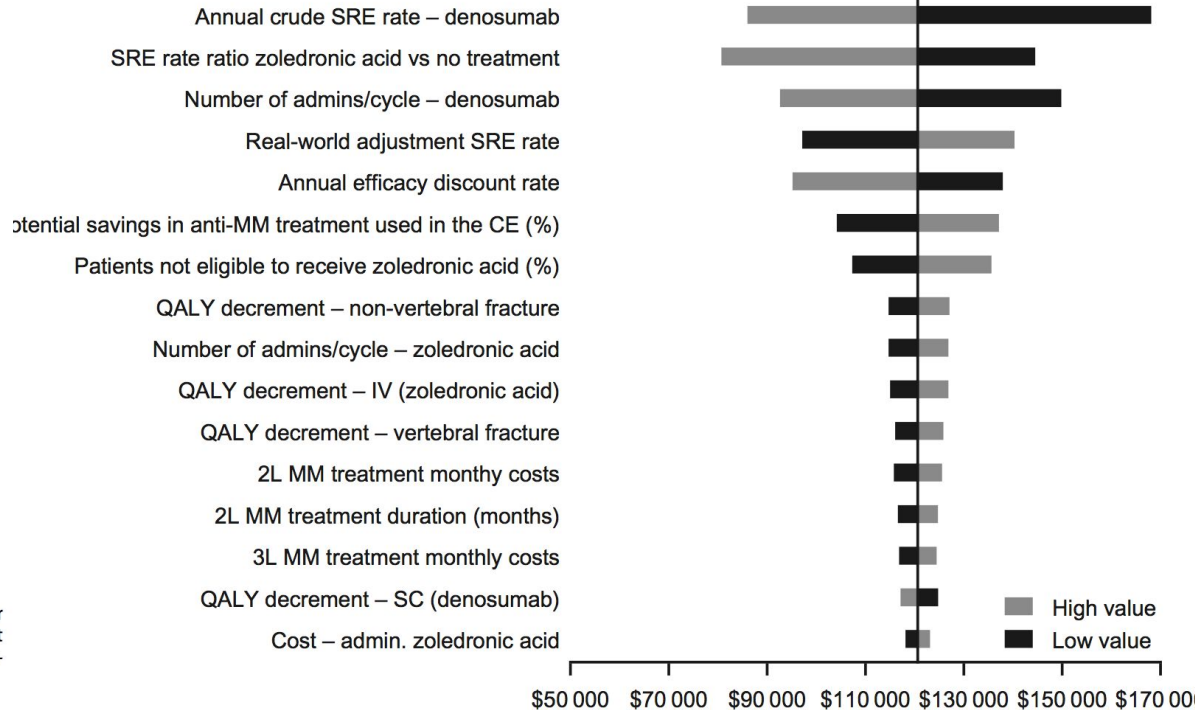
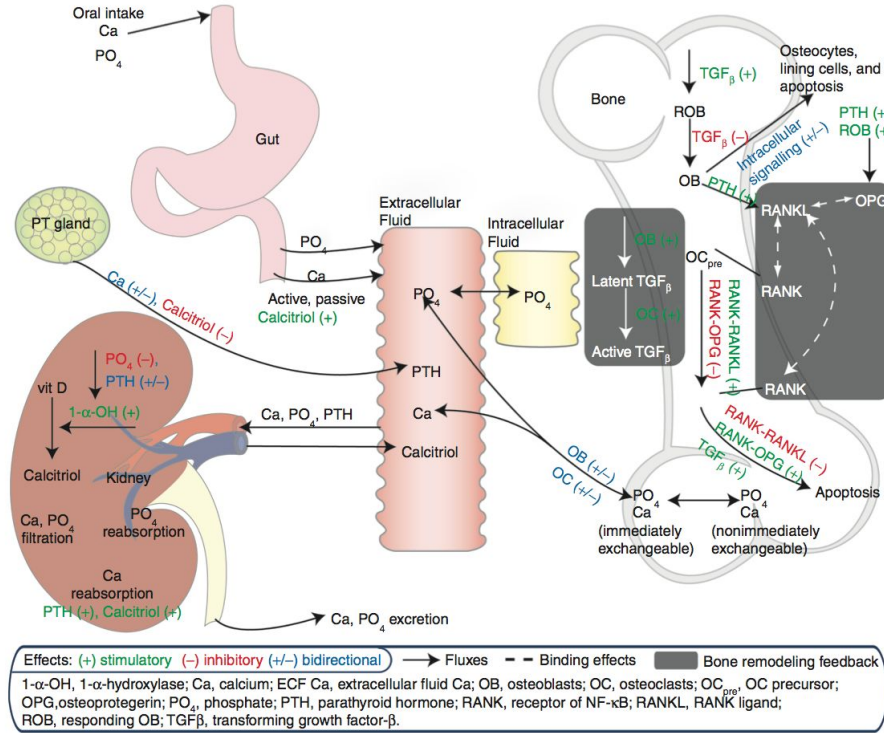


Figure 4. One-way deterministic sensitivity analyses of key variables from (a) the societal perspective and (b) the payer perspective. Ranges for parameters were as follows: annual efficacy discount rate = 0.00–0.05; percentage of patients not eligible to receive zoledronic acid = 0.05–0.15; annual crude denosumab = 0.55–0.64; annual crude SRE rate of zoledronic acid = 0.58–0.67; real world adjustment SRE rate = 2.01–4.01; SRE rate ratio for zoledronic acid treatment = 0.42–0.82; zoledronic acid cost of administration = 189–231; denosumab number of cycles = 0.79–0.97; zoledronic acid number of cycles post-progression utility decrement = 0.57–0.72; QALY decrement SC = 0.0009–0.0014; QALY decrement IV = 0.0017–0.0025; QALY decrement vertebral = 0.05–0.15; QALY decrement non-vertebral fracture = 0.05–0.15; MM second-line treatment duration = 7.66–9.36; percentage of potential savings in anti-MM treatment used in the cost-effectiveness analysis = 0.40–0.60; second-line MM treatment monthly costs = 16,430–20,081; third-line MM treatment monthly costs = 16,530–20,204. Abbreviations. 2L, second line; 3L, third line; CE, cost-effectiveness analysis; IV, intravenous; MM, multiple myeloma; RR, risk ratio; SRE, skeletal-related event; QALY, quality-adjusted life-year.

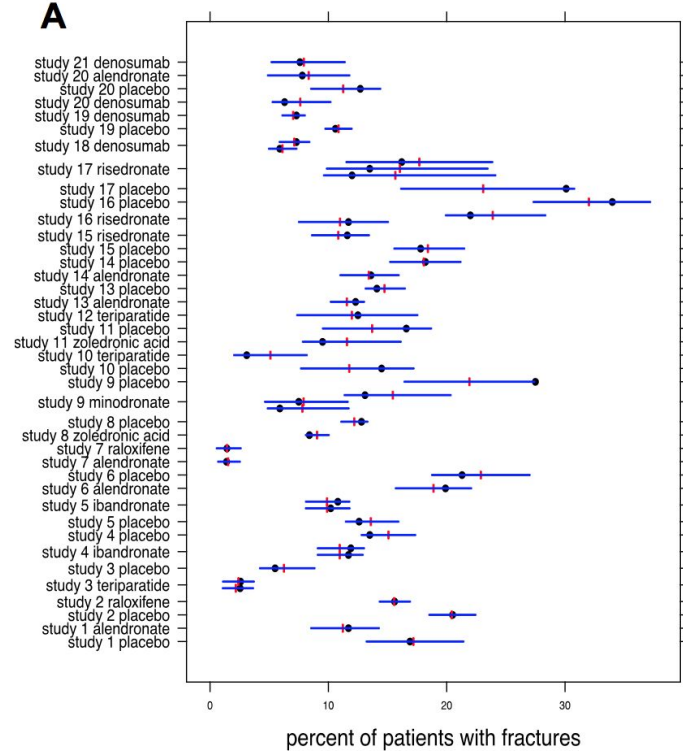
Multi-Scale Systems Pharmacology Models



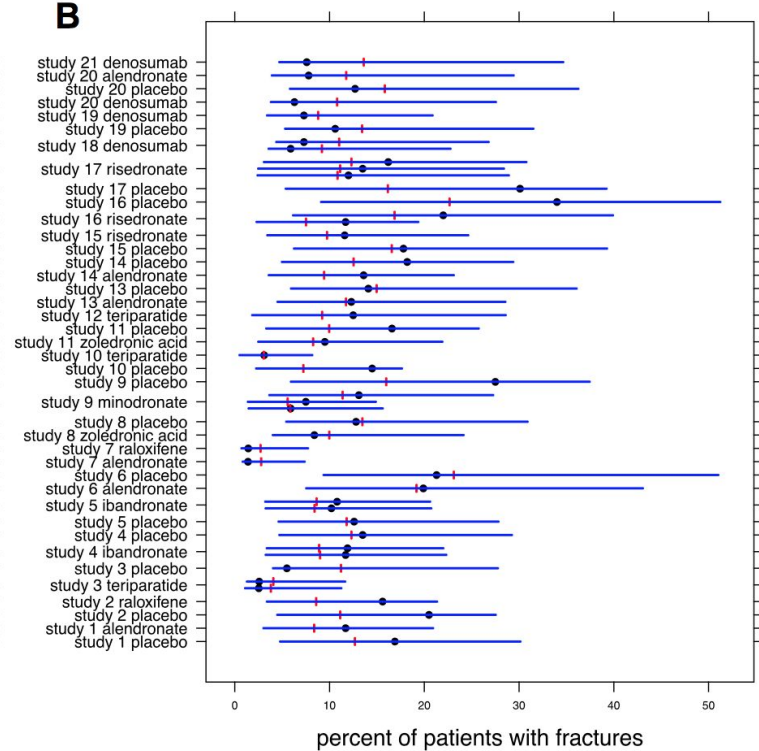
Peterson, MC and Riggs, MM. Predicting Nonlinear Changes in Bone Mineral Density Over Time Using a Multiscale Systems Pharmacology Model
 CPT: Pharmacomet. Syst. Pharmacol. November 2012

- Osteoporosis
- Primary Hyperparathyroidism
- Hyperparathyroidism Secondary to Chronic Kidney Disease
- Estrogen Modulators
- Bisphosphonates
- Parathyroid Hormone
- RANK-L pathway
- Wnt Signaling
- Bone Biomarkers
- Bone Mineral Density
- Fracture

Fracture Rate MSSP/Model-Based Meta Analysis



Conditional Individual Arm Predictions



Predictions of Treatment Arms in New Populations

RJ Eudy-Byrne, W Gillespie, MM Riggs, MR Gastonguay. A model of fracture risk used to examine the link between bone mineral density and the impact of different therapeutic mechanisms on fracture outcomes in patients with osteoporosis J Pharmacokinet Pharmacodyn (2017) 44:599–609

Fracture Hazard Ratio by Treatment

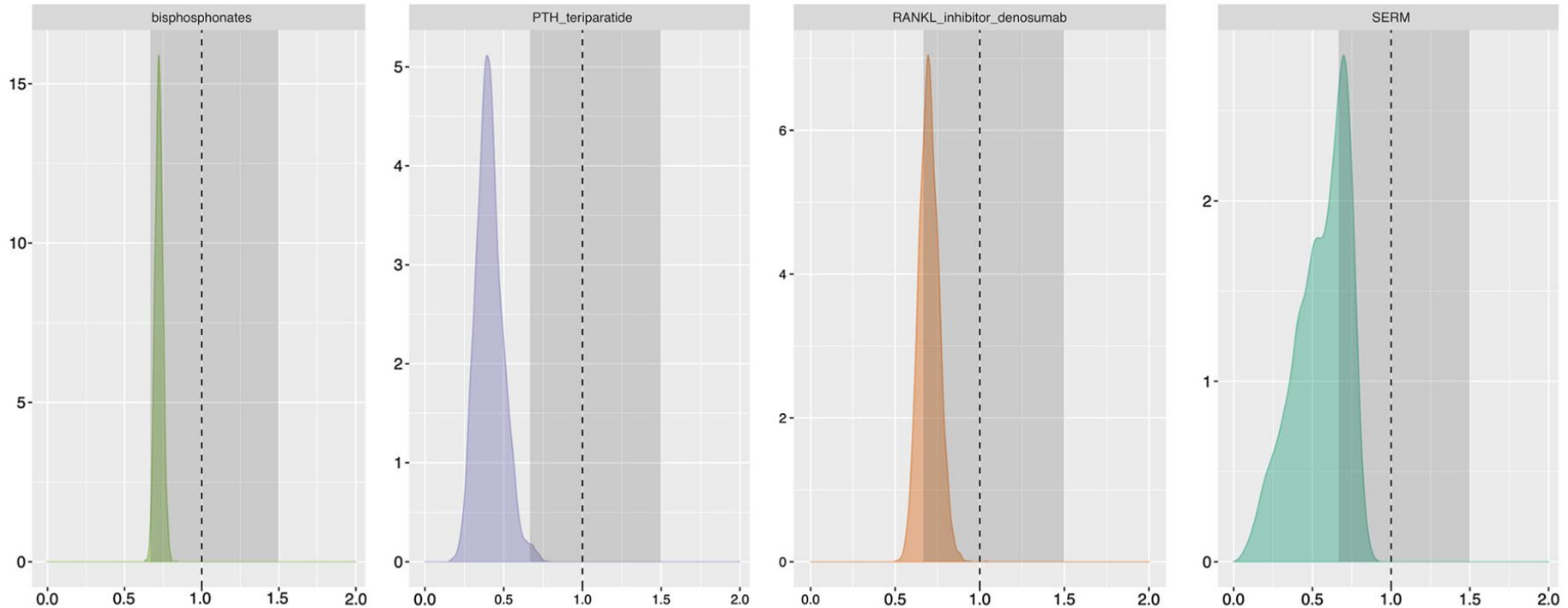


Fig. 3 Hazard ratios for each treatment relative to placebo calculated and density plots for this calculation over the posterior distribution of parameter estimates are represented, for the model with both drug–BMD interaction and additional drug effect

Linking MSSP/Fracture Model & Pharmacoeconomics

Quantitative Systems Pharmacology Modeling

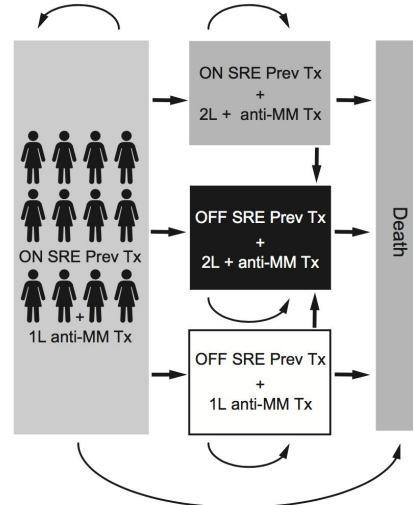
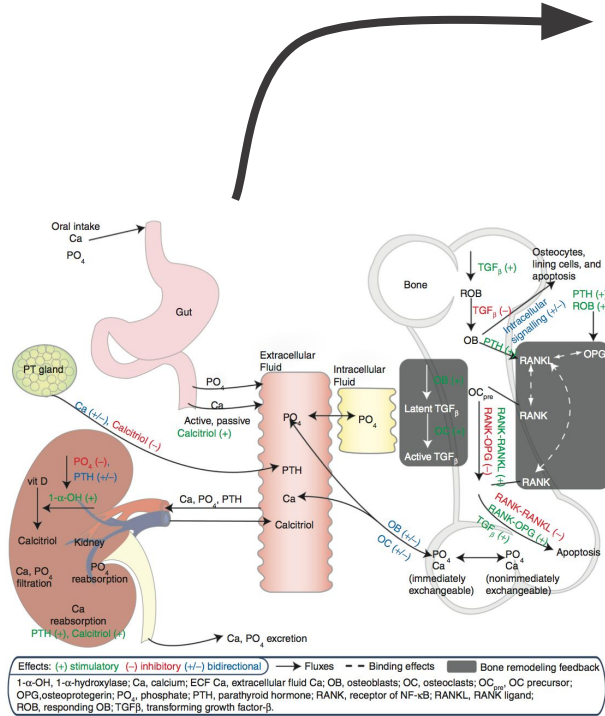


Figure 1. Depiction of model health states. 1L, first line; 2L+, second line or later; Abbreviations. MM, multiple myeloma; OFF SRE Prev Tx, patients not receiving treatment to prevent SREs; ON SRE Prev Tx, patients receiving treatment to prevent SREs; SRE, skeletal-related event; Tx, treatment.

Early Development ICER (\$/QALY) Predictions

- New drug, target
- New dose, regimen
- Combination therapies

PMX and PE Model for Hypothetical COPD Drug

Model-Based Meta Analysis

VALUE IN HEALTH 19 (2016) 1026–1032



Available online at www.sciencedirect.com

ScienceDirect

journal homepage: www.elsevier.com/locate/jval

Translating Pharmacometrics to a Pharmacoeconomic Model of COPD

Julia F. Slejko, PhD^{1,*}, Richard J. Willke, PhD², Jakob Ribbing, PhD³, Peter Milligan, PhD⁴

“A hypothetical anti-inflammatory drug that increased FEV1 by 50 ml decreased exacerbations by 26%. Given a simplified estimation of costs and quality-adjusted life-years (QALYs) associated with COPD, a drug with a 50-ml increase priced at €35/mo had an incremental cost effectiveness ratio ranging from €13,000/QALY to approximately €207,000/QALY across patient severity subgroups.”

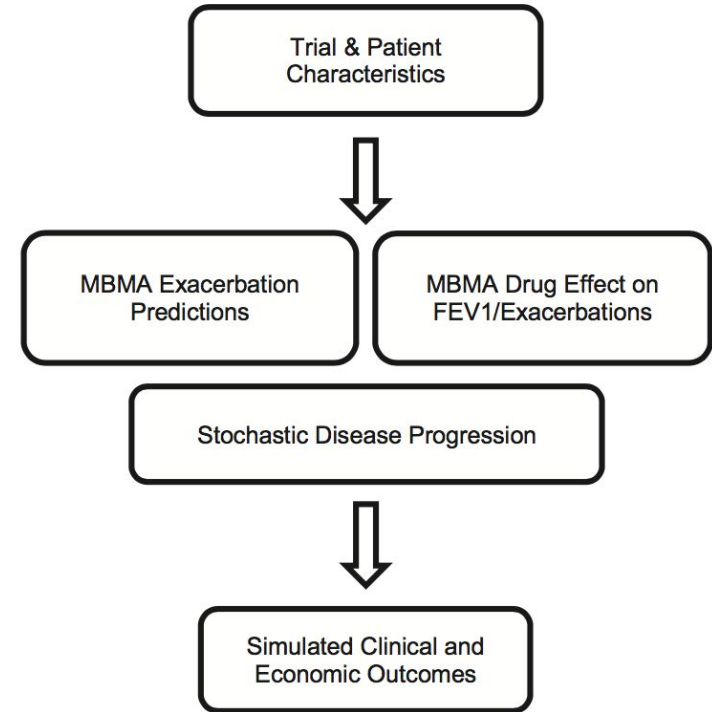


Fig. 1 – Conceptual framework to incorporate MBMA into pharmacoeconomic model. FEV₁, forced expiratory volume in 1 second; MBMA, model-based meta-analysis.

Linking Methods to Extend Inferences

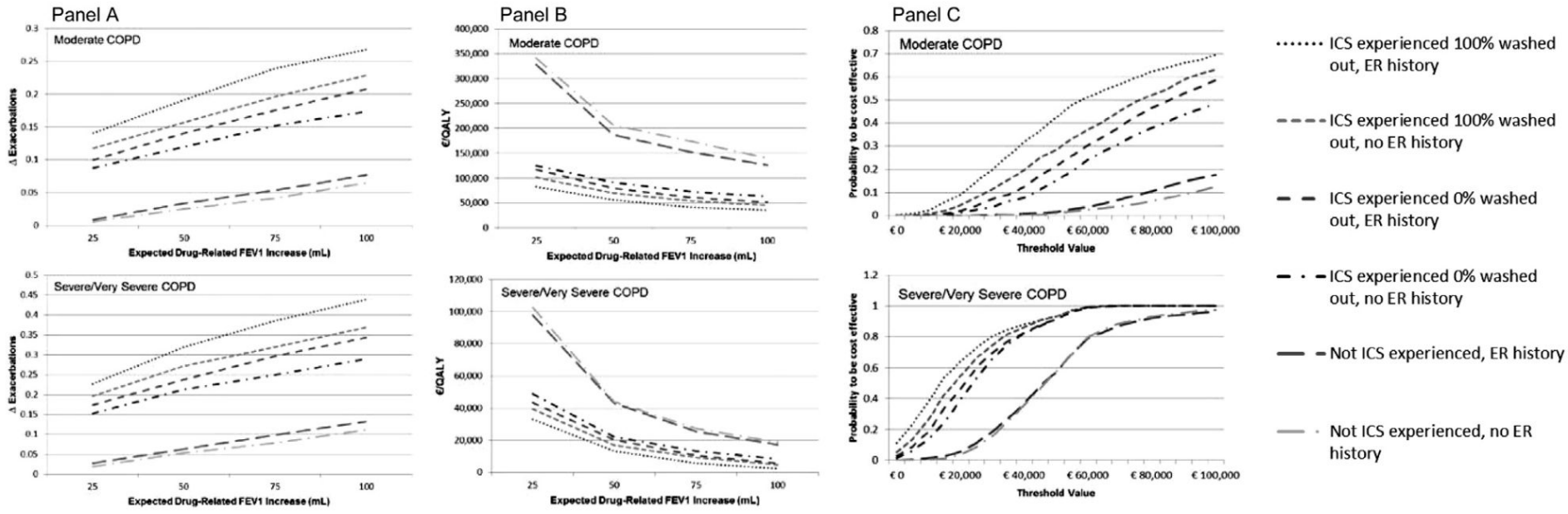


Fig. 3 – (A) Changes in mean exacerbations per treated subject vs. placebo, by scenario subgroup and expected drug effect. (B) ICERs by scenario subgroup and expected drug effect. (C) Acceptability curves by scenario subgroup. COPD, chronic obstructive pulmonary disease; ER, exacerbation rate; FEV₁, forced expiratory volume in 1 second; ICER, incremental cost-effectiveness ratio; ICS, inhaled corticosteroid; QALY, quality-adjusted life-year.

Discussion Points

- The prior examples demonstrate the potential synergy between commonly applied drug development modeling and simulation methods (model based meta-analysis, individual PK-PD, QSP) and economic/outcomes assessments.
- What are other opportunities to inform decision making at the intersection of quantitative disciplines?

Do We Really Know **What Lies Beneath the Surface?**



Do We Really Know What Lies Beneath the Surface?

New Insights & Better Decisions



Do We Really Know **What Lies Beneath the Surface?**



New Insights & Better Decisions

Data Quality

Contracts, IP

New Skills & Infrastructure Development

Accuracy of Conclusions & Causal Relationships

Opportunity Cost

Big Data: Correlation vs. Causation



Scientists are trained to recognize that correlation is not causation. Petabytes allow us to say: ‘Correlation is enough’.

Chris Anderson, 2008

In hiring decisions, what if algorithm predicts that males will be better employees?

“Models that ignore causation can add to historical problems instead of addressing them.”

R. Schutt & C. O’Neil.
Doing Data Science. 2013.

BIG DATA is not equal to ALL DATA



- > 20 million posts between Oct. 27 and Nov. 1, 2012
- Study combined hurricane Sandy-related Twitter and Foursquare data

Conclusions:

- Grocery shopping peaked the night before the storm
- Nightlife picked up the day after the hurricane

Most tweets about Sandy came from Manhattan, very few messages originated from Jersey shore.

More Thoughts on **Big Data**



British Journal of Clinical
Pharmacology

Br J Clin Pharmacol (2016) **81** 804–806 804

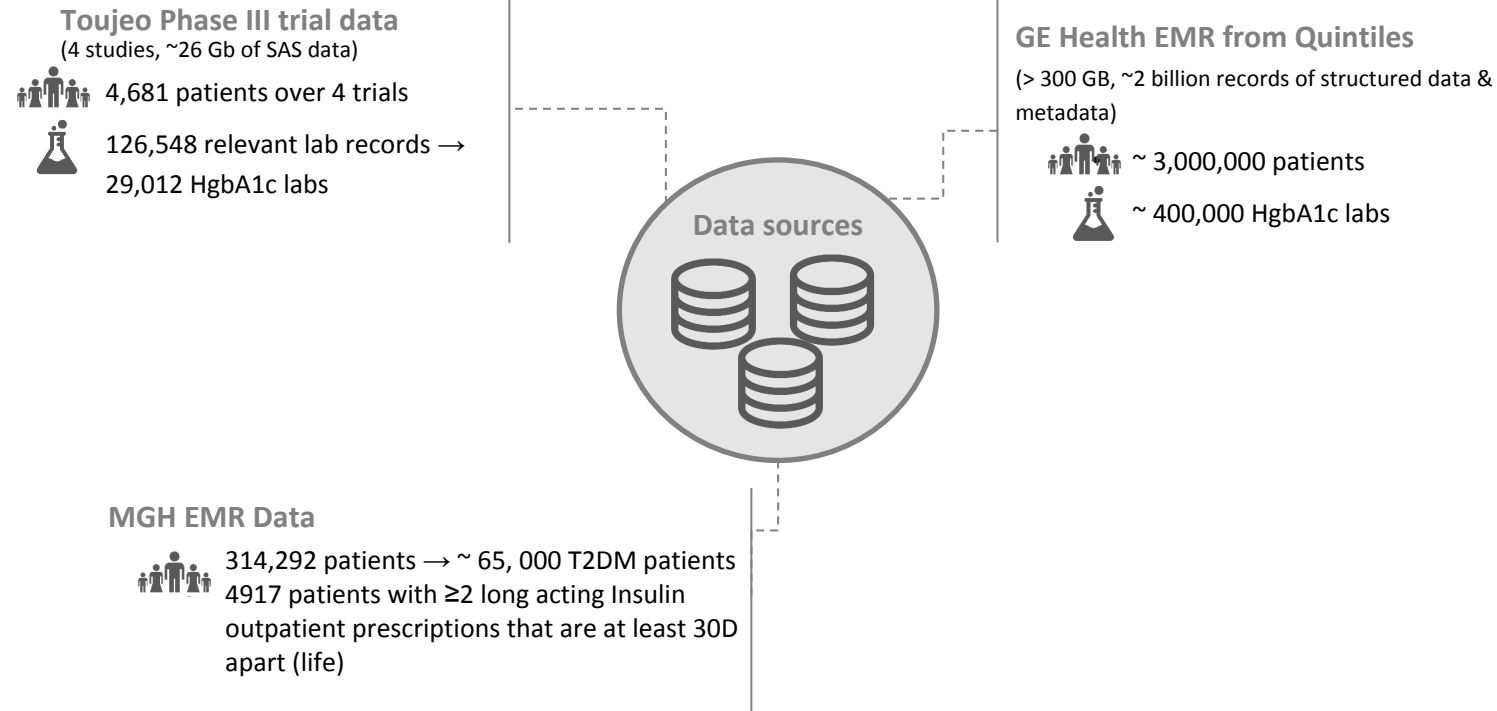
EDITORIAL

Big Data: Challenges and opportunities for clinical pharmacology

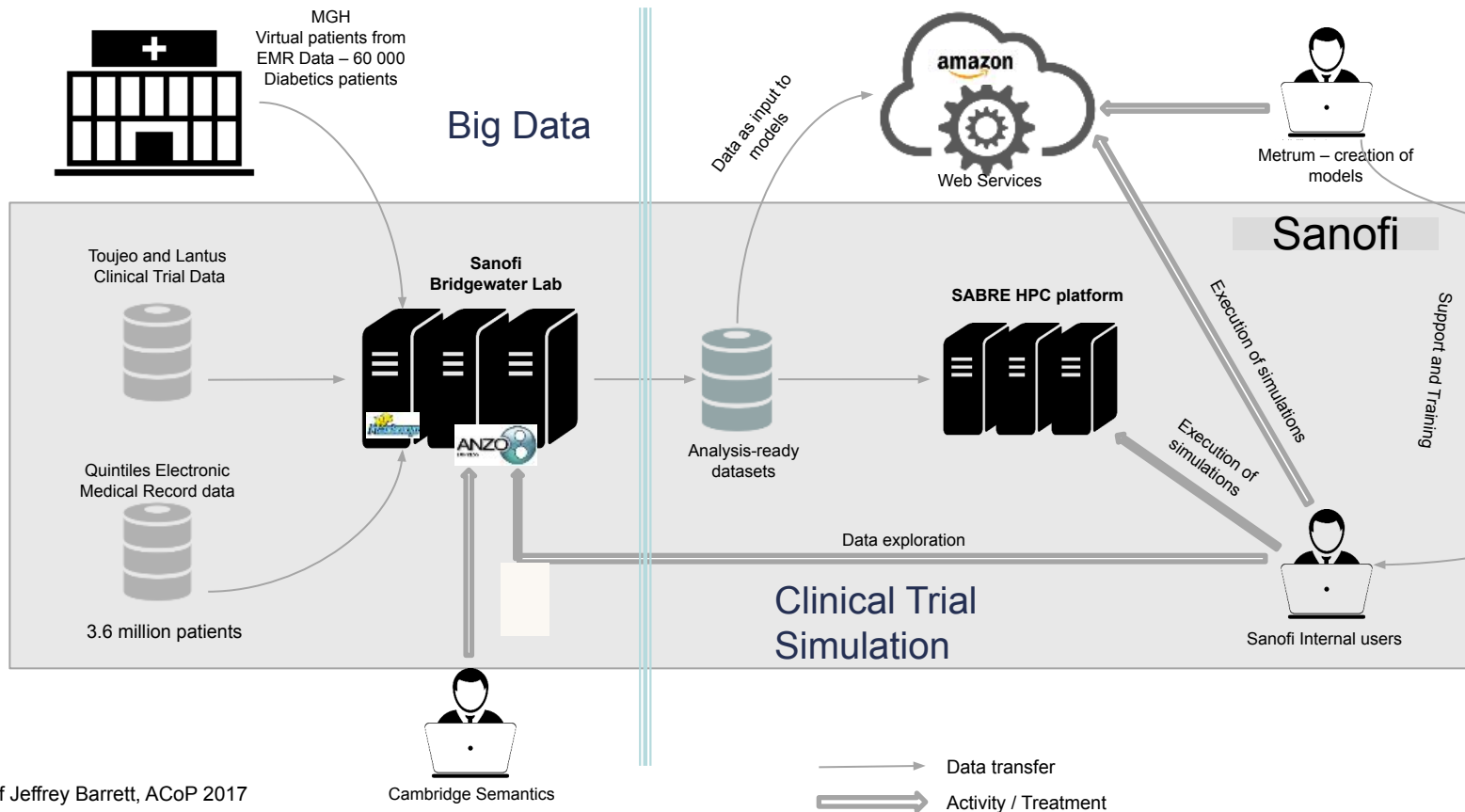
Received 29 January 2016; accepted 29 January 2016

David Flockhart¹, Robert R. Bies², Marc R. Gastonguay³ and Sorell L. Schwartz⁴

Toujeo Real World Evidence Trial Simulation: Data Sources

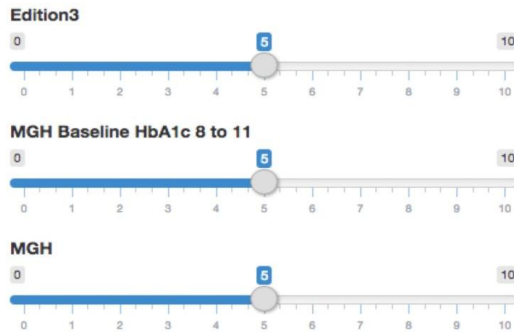


The Big Picture = Systems and Data

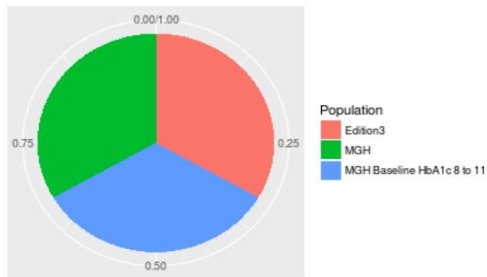


Population Specification

Weight for each data source



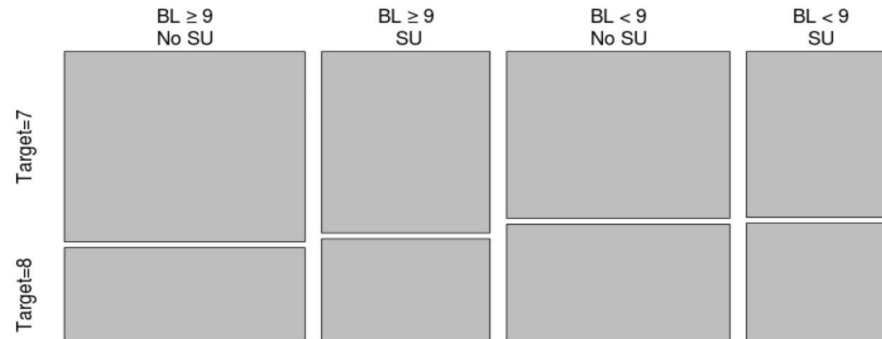
Summary of relative weights

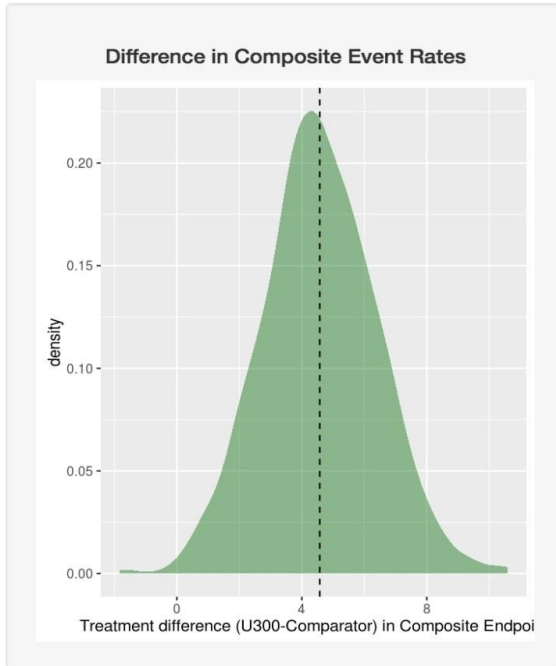
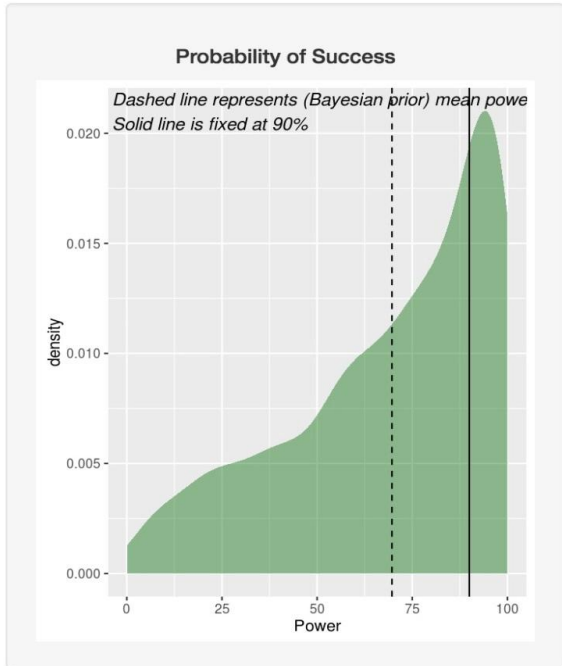


Relative weighting of populations

Summary of Specified Population

%	BL ≥ 9 No SU	BL ≥ 9 SU	BL < 9 No SU	BL < 9 SU	Marginal Total
Target=7	20.7	13.8	16.8	11.2	62.5
Target=8	10.1	7.8	11.8	7.9	37.5
Marg. Tot.	30.8	21.6	28.6	19.1	100.0





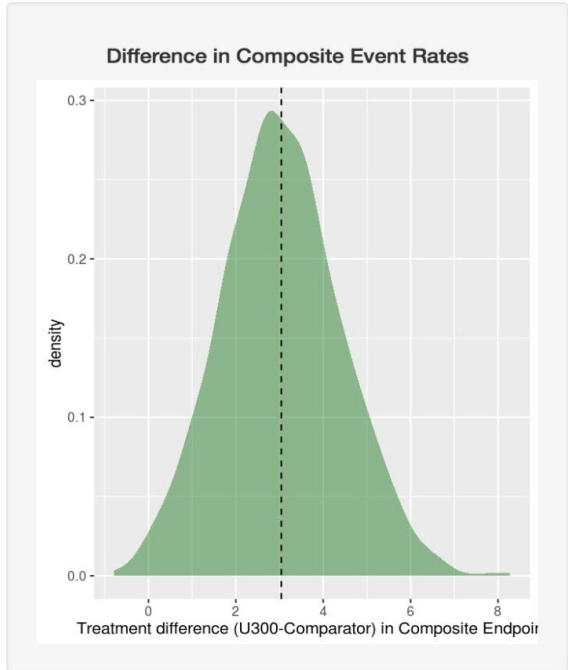
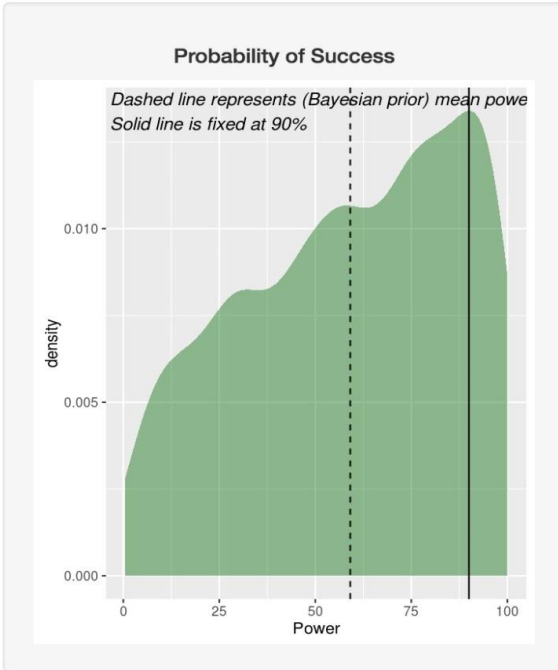
Current Scenario Statistics

	Estimate (%)
Toujeo Composite Endpoint Rate	38.96
Lantus / SOC Composite Endpoint Rate	34.38
Expected Treatment Difference (U300-Comparator)	4.57
Average (Bayesian Predictive) Power	69.70

EDITION 3

Save Scenario

Saved scenarios can be reviewed by toggling to "Multi-scenario Summary" on the Navigation Bar



Current Scenario Statistics

	Estimate (%)
Toujeo Composite Endpoint Rate	18.68
Lantus / SOC Composite Endpoint Rate	15.64
Expected Treatment Difference (U300-Comparator)	3.04
Average (Bayesian Predictive) Power	59.10

MGH 8-11 with E3 Effect

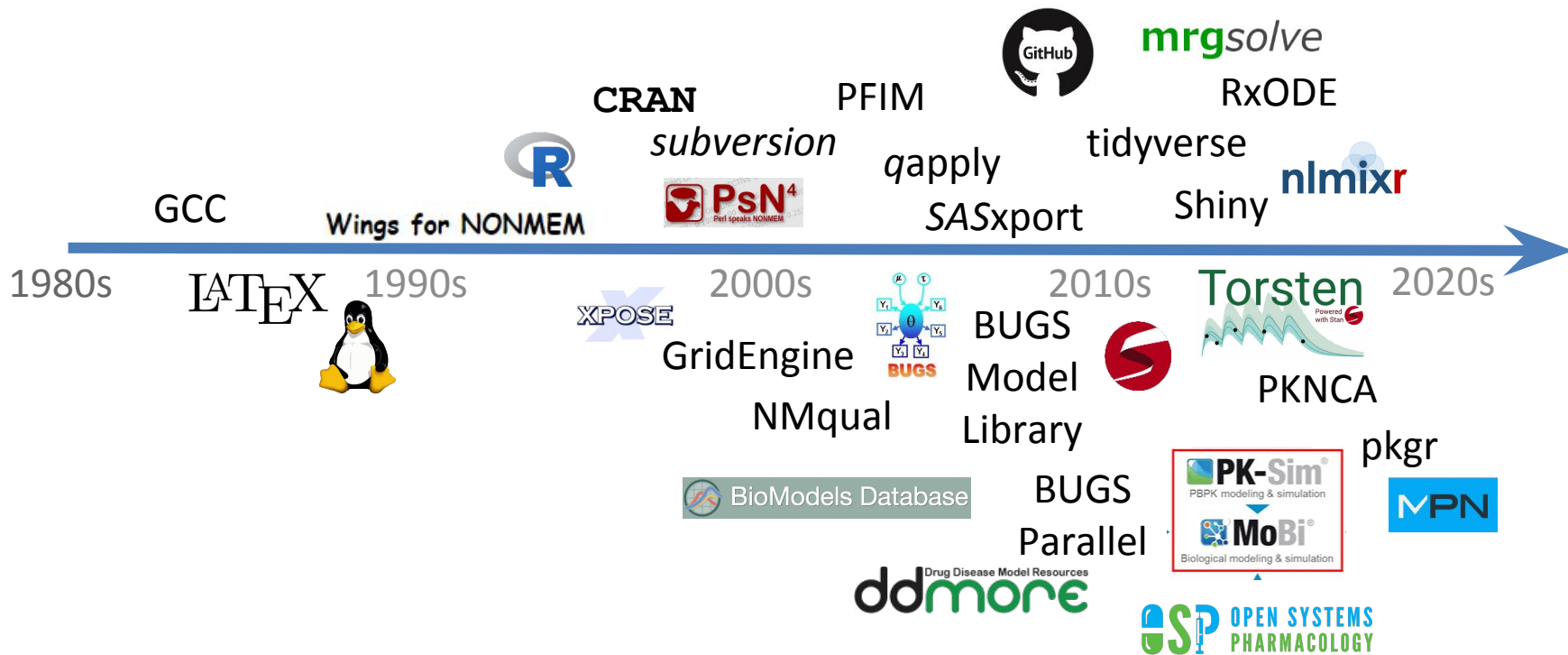
Save Scenario

Saved scenarios can be reviewed by toggling to "Multi-scenario Summary" on the Navigation Bar

Discussion Point

- How is big (unstructured) data used to inform decisions in your domain?
- What are opportunities to apply those learnings to other drug development and market access decisions?

Open Science in Pharmacometrics



Adapted from: Brian Corrigan, ACoP 2016.

Display may not be inclusive of all open source, public license software used in pharmacometrics.

Suggestions for additions welcome. Send software name, url, and license type to marcg@metrumrg.com.



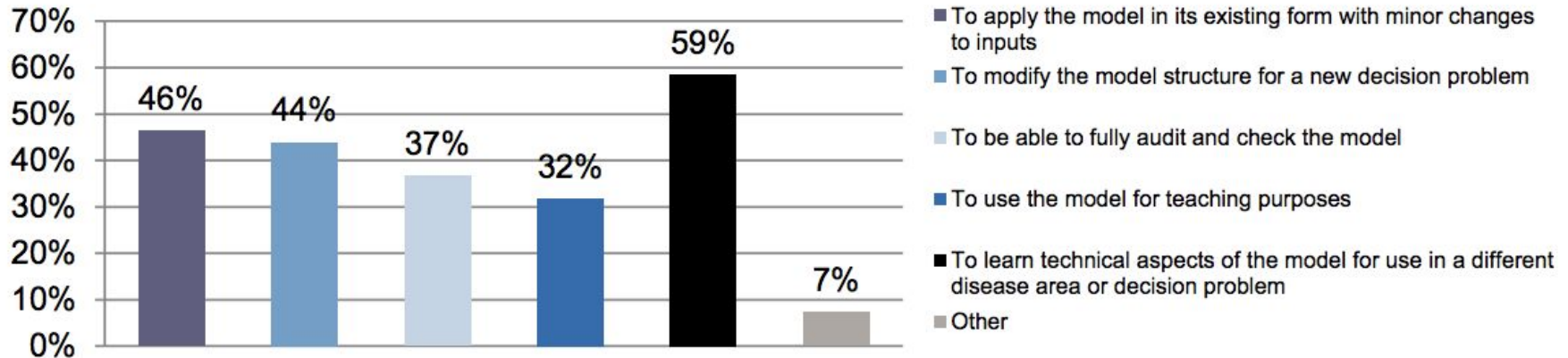
PharmacoEconomics (2017) 35:125–128
DOI 10.1007/s40273-016-0479-8



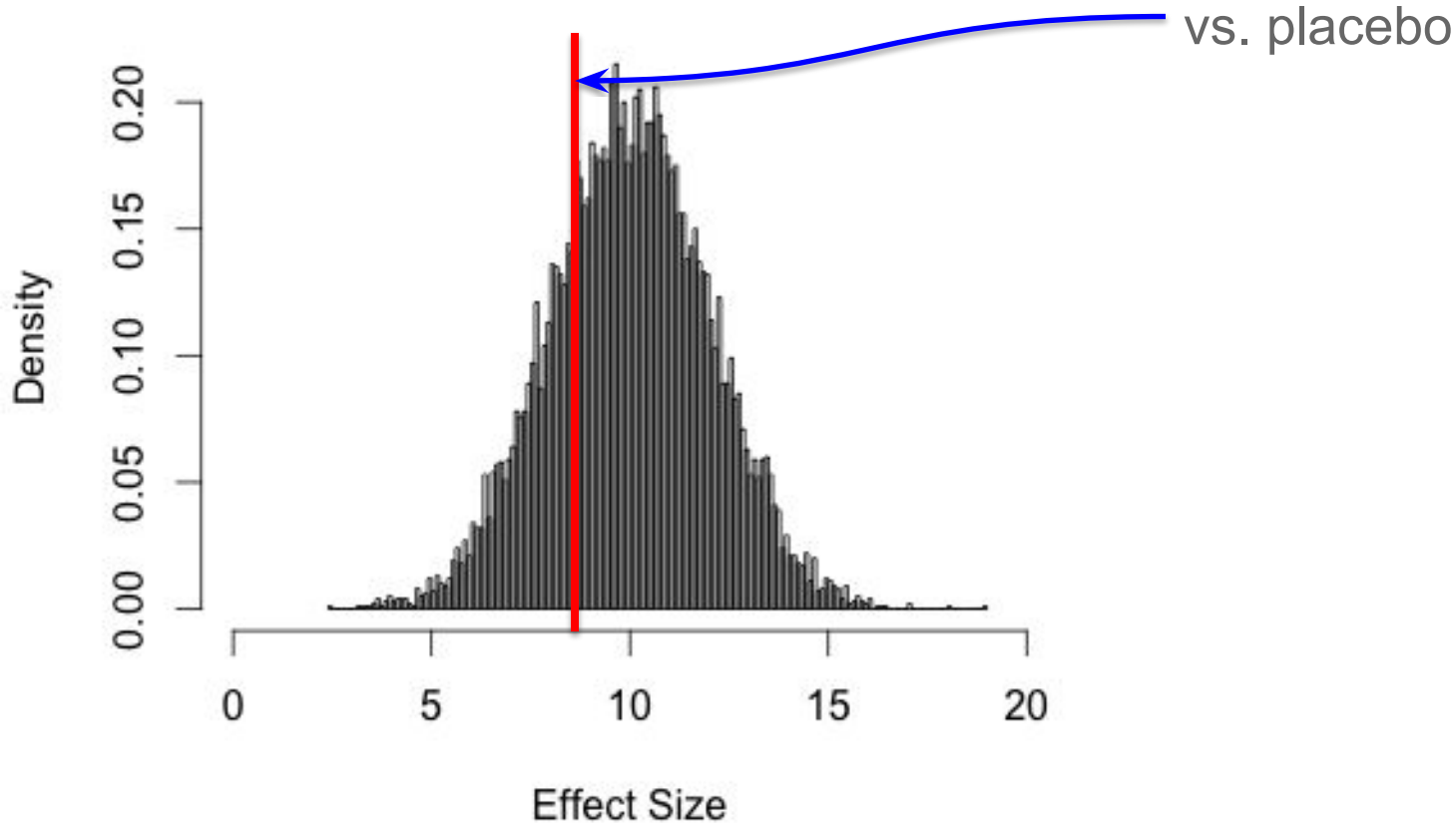
RESEARCH LETTER

Benefits, Challenges and Potential Strategies of Open Source Health Economic Models

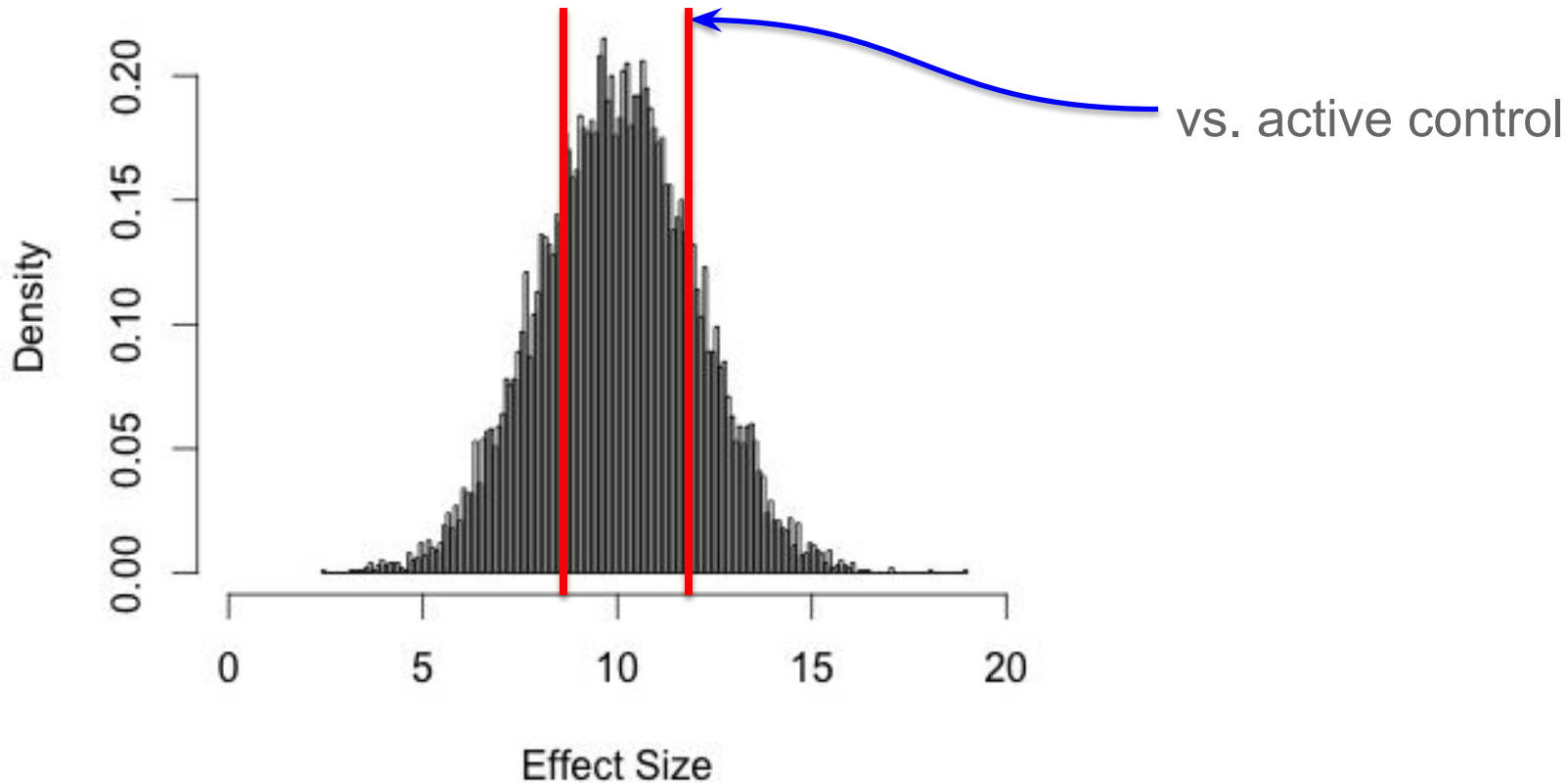
William C. N. Dunlop¹ · Nicola Mason² · James Kenworthy¹ · Ron L. Akehurst²



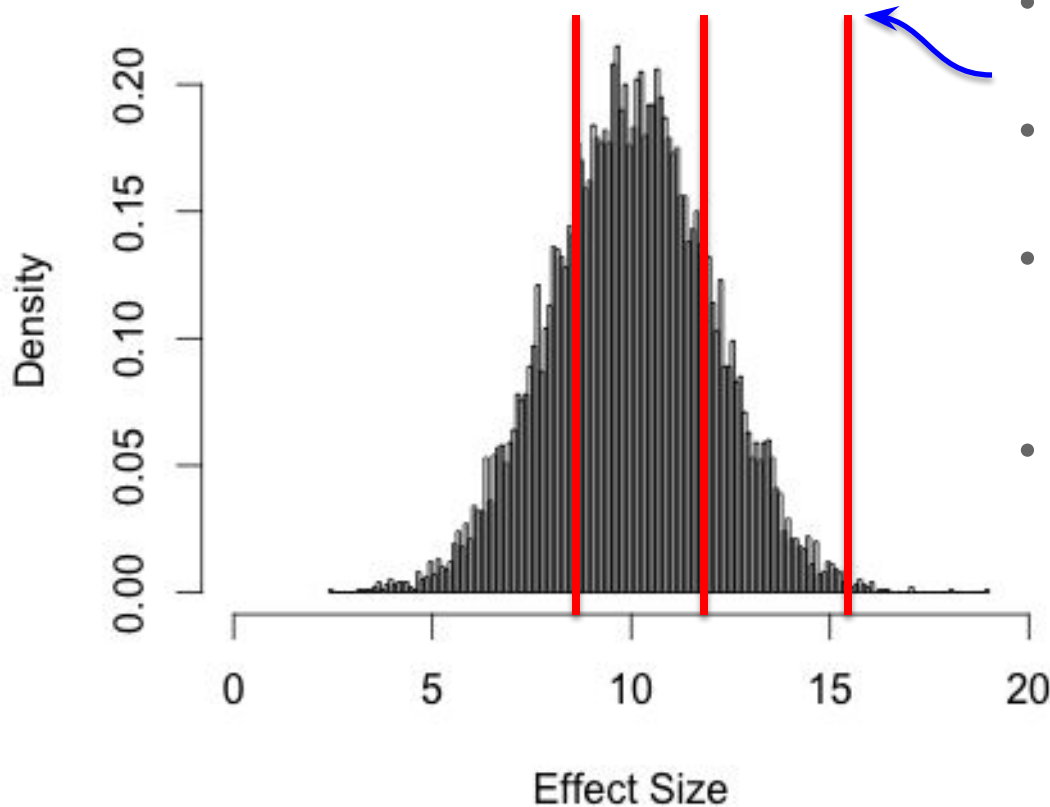
Probability of Success: Outdated Thinking



Probability of Success: Evolving Thinking

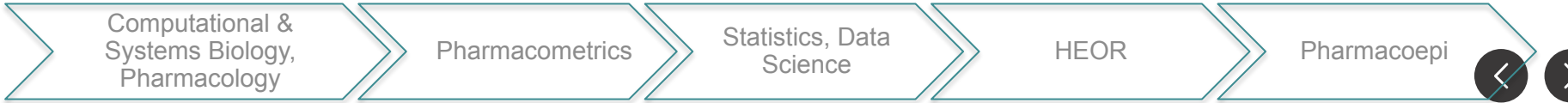


Probability of Success: **New Opportunity**



- vs. future competitor
- informed by predicted ICER
- in Real World treatment population
- Continuously updated and re-assessed as development programs and standard of care evolve

Vision for Cross-Discipline Quantitative Platform



Computational & Systems Biology, Pharmacology

Pharmacometrics

Statistics, Data Science

HEOR

Pharmacoepi

Discussion Points

- Are open models used in your work? Why or why not?
- How could a unified data & analytics platform improve collaborations across disciplines?
- What are the challenges related to implementing such a system?

Opportunities for Informed Decision-Making

