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'Business Unusual': COVID-19 Brought Commercial Changes To Pharma And It May Stick

by Jessica Merrill

The pharmaceutical selling model will be modified even after the immediate COVID-19 pandemic crisis abates, the consulting firm ZS Associates predicts, citing new research.

The pharmaceutical commercial model could be in for changes that persist well beyond the initial months of the COVID-19 pandemic. The consulting firm ZS Associates is advising industry to expect long-term modifications to the pharma selling model, after conducting research with more than 100 patients and 100 physicians, and hosting a virtual roundtable discussion with biopharma executives.

The COVID-19 outbreak in the first quarter of 2020 led patients to skip going to see the doctor and kept sales reps out of doctors' offices too, which is expected to have some impact on pharmaceutical sales in the second quarter, even though the drug industry was generally resilient financially in the first quarter. (Also see "[Bad For Pharma: Sales Reps And Patients Are Staying Home](#)" - Scrip, 17 Mar, 2020.) Changes that have come about because of the pandemic around telemedicine and virtual doctor's visits – or patients just plain skipping visits – could persist longer-term, according to ZS.

"This will probably continue in some measure for at least a year/year-in-a-half," ZS Managing Principal Pratap Khedkar said in an interview, referencing the social distancing in physician practices and patients sitting out non-priority doctor visits.

"At the other end of this eventually with a vaccine, we then enter the new normal, which is things will go back partially but not completely because what was changing because of fear will remain changed because of habit." As Khedkar calls it, "business unusual."

Digital health services provider Epion Health – which provides digital solutions to health care providers to collect information from patients and also offers a telemedicine platform – said it expects the short-term impact of COVID-19 will result in a long-term bounce for telehealth. In 2019, 1% of physician visits were telehealth but that jumped to 70%-80% in April, chief operating officer Scott Freedman said in an interview.

"We don't have a crystal ball, but I think it is going to be in the double-digits," he said. "Whatever it is, I think it is going to be substantial enough where our clients are having to balance appointments and think about the balancing of appointments between the two, whereas previously most didn't."

Adjusting To A New Normal

Drug companies should be laying the foundation now to meet the needs of patients and physicians when the new normal materializes, ZS Associate's Khedkar advised.

The impact of COVID-19 will be felt more heavily in some therapeutic areas than others. In a poll conducted by ZS Associates in April of 102 physicians across therapeutic specialties, endocrinologists and rheumatologists said they expected to have the highest percentage drop in diagnosis and treatment initiation of new patients versus pulmonologists, neurologists, cardiologists, infectious disease specialists, oncologists and primary care physicians. Rheumatologists, in particular, said they expected a notable decline in patient diagnosis (49%) and treatment initiation for new patients (45%). Endocrinologists said they expect a decline of 31% and 25%, respectively.

Some of that is driven by drug administration and also concerns about how vulnerable a patient population is to COVID-19. Well known oral medications are expected to be less impacted than medications that are infused in infusion centers or physician offices, for example. Oncologists also expect some impact, including a 24% decline in new patient diagnosis and a 14% decline in new treatment initiation, though there is likely to be urgency to return to treatment sooner.

Geographic differences also need to be taken into account. A follow up poll of 400 patients and physicians conducted by ZS found that while 74% of doctor's visits are remote visits in areas heavily impacted by COVID-19 like New York, New Jersey and Pennsylvania, in other parts of the US only about 59% of physician visits are remote.

"The question is when social distancing is relaxed a little bit and we do open up ... will the patient come back? I think our research is indicating that yeah, many patients will come back, but maybe a quarter of the patients roughly will not come back for a long time, especially if their disease is not something that is life threatening," Khedkar said.

On the commercial side, pharmaceutical executives need to be thinking about ways to address

the barriers – structural and psychological barriers. For example, Khedkar said, industry is starting to think about more creative ways it can help patients maintain therapy or even get started on a new therapy. For example, he said, there may even be opportunities to partner with payers or integrated delivery networks (IDNs) in a way that neither side would have been open to before. Perhaps sales reps could be repositioned in a way to provide additional patient support as opposed to just staying at home.

Providers too may be feeling resource constrained because they are losing money as patients stay home. Even while a lot of the industry backed away from physicians' offices amid the COVID-pandemic – in some cases out of courtesy to give physicians time to focus on how they would handle issues around the pandemic – some physicians actually ended up having more time because their patient load diminished.

"Continuing to engage the physicians, understanding what their specific problems are and figuring out if pharma can come up with creative ways to help them, I think, is very much the order of the day," Khedkar said.