Genentech Perspectives on Employer Considerations in Cancer

Building collaborative relationships with our employer customers
Today’s discussion

1. Genentech Background
2. Cancer Landscape
3. Trends Addressing Costs of Cancer Care
4. Resources That We Make Available
Demonstrating the Value of Innovation

Genentech Background
For more than 35 years, Genentech has valued innovation and people

**Innovation**
- Focus on scientific discovery and medical breakthroughs

**Patients**
- Always keeping patients first when considering business decisions

**Our people**
- Commitment to being the “best place to work”
Genentech has made a significant investment in developing novel cancer therapies

Brain

Non-Hodgkin’s lymphoma

Gastric and gastroesophageal

Skin

Kidney

Chronic lymphocytic leukemia

Lung

Breast

Pancreas

Colorectal

Demonstrating the Value of Innovation
Demonstrating the Value of Innovation

Cancer Landscape
This module covers:

- Cancer costs
- Complexity of cancer care
- Cancer and cancer survivorship
Cancer costs continue to escalate¹

What is driving higher costs?²

- Fragmented healthcare system that rewards **quantity over quality**
- **Aging population** with increasing health issues
- **Need for innovative approaches** and options

Cancer costs comprise a broad range of services and therapies

Percentage of allowed cost per episode: adjuvant breast cancer

- 41% Other*
- 18% Biologic
- 10% Cytotoxic chemotherapy
- 4% Rad–Onc
- 4% Inpatient
- 4% Rx
- 4% Lab
- 10% Rad–high tech
- 2% Hematopoietic
- 1% Other
- <1% Other

Analysis of MarketScan® 2008-2011. Index Years 2009 and 2010 combined. Allowed costs include payer costs and member cost sharing. Episode includes all costs from chemotherapy session to 30 days after last chemotherapy session, unless more than a 3-month gap occurs after a chemotherapy session. Session includes all costs on the day of a chemotherapy infusion.

*Other includes skilled nursing facility, hospice, ER, hormone therapy, other radiology, outpatient surgery, chemotherapy-associated costs, and all other professional and facility costs not captured in specified cost categories.

Cancer diagnosis is highly complex compared with other chronic conditions

Diabetes is usually diagnosed based on plasma glucose

<table>
<thead>
<tr>
<th>DIABETES (^{1,2})</th>
<th>BREAST CANCER(^{3,4})</th>
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<tbody>
<tr>
<td>TYPE 1</td>
<td>STAGE</td>
</tr>
<tr>
<td>5%</td>
<td>Has the cancer spread; if so, where has it spread?</td>
</tr>
<tr>
<td>TYPE 2</td>
<td>• Localized (61%)</td>
</tr>
<tr>
<td>90% to 95%</td>
<td>• Regional spread (32%)</td>
</tr>
<tr>
<td>OTHER</td>
<td>• Distant spread (5%)</td>
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<tr>
<td>1% to 5%</td>
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<tr>
<td>JUVENILE (insulin dependent)</td>
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<td>ADULT ONSET</td>
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<tr>
<td>GESTATIONAL</td>
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Accurate diagnosis, staging, and characterization of cancer down to the molecular level can give doctors the ability to determine the most appropriate course of treatment for individual patients.

Genentech is cutting through the complexity with companion diagnostics\textsuperscript{1,2}

<table>
<thead>
<tr>
<th>Companion diagnostic tests</th>
<th>Predictive biomarkers</th>
</tr>
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<tbody>
<tr>
<td>look at cancer patient’s tumor for a unique molecular signature, or biomarker</td>
<td>Patients who express the biomarker will likely benefit from therapy. Patients who do not express the biomarker can avoid side effects of therapy from which they will not benefit.</td>
</tr>
</tbody>
</table>

**Expert opinion:**
“For highly targeted therapies, diagnostic tests integrating biomarker technology to identify prospectively the appropriate patients for treatment will be essential…”
- Pharmacy & Therapeutics, 2011

**Genentech philosophy:**
“At the heart of our approach [at Genentech] is the use of biomarkers to predict therapy outcomes in the clinic, but also to refine the process of developing drugs and diagnostics. Two-thirds of our late-stage compounds are being developed with a companion diagnostic.”\textsuperscript{2}
- Roche, 2013 Annual Report

**References:**
More people with cancer are surviving and living longer¹

- Lifetime risk of being diagnosed with cancer* is approximately 44% for men and 38% for women²
- More than 80% of patients with cancer return to work after receiving treatment³

*Percentages represent lifetime risks for all invasive sites for overall US population. Risk may be higher or lower depending on particular risk factors.

Trends Addressing Costs of Cancer Care
This module covers:

- Cancer impact on employers
- Employer priorities in cancer care
- Employer benefit design strategies
Cancer has an increasingly significant impact on employers

- Cancer is the leading cause of long-term disability (LTD) for employers in the United States\(^1\)
- Employees with cancer incur more than 33 million disability days per year\(^2\)
- Total annual estimated lost productivity cost to employers for full-time employed caregivers is approximately $33.6 billion*\(^3\)
- Many employees are now working past typical retirement age, when cancer has a greater chance of being diagnosed\(^1\)

\(^*\)Includes caregiving costs for all conditions, including cancer.

**References:**

Genentech is a corporate sponsor of the National Business Group on Health *Employer’s Guide.*
Cancer-related direct, indirect, and survivorship costs have a significant impact on employer budgets

**Direct costs**
- Escalating cancer care expenditures

**Indirect costs**
- Absenteeism
- Presenteeism
- Caregiver burden/reduced productivity

**Survivorship costs**
- Increase in cancer survival rates
- Increase in healthcare utilization during treatment and follow-up
- Maintenance therapy costs

Genentech is a corporate sponsor of the National Business Group on Health *Employer’s Guide.*

*Demonstrating the Value of Innovation*
Employers are addressing cancer-related issues across the care continuum

Potential areas for exploration include:

- Evidence-driven benefits
- Evidence-driven, personalized care for beneficiaries
- Integration and coordination across the benefit continuum and cancer treatment and care continuum
- Standardization of benefits across health plans
- Vendor accountability
- Increasing the role of case managers in facilitating care transitions across settings

To address current trends, employer priorities include cancer screening and early detection as well as case management and care navigation*

*Survey of 210 self-insured employers with ≥100 employees. Data shown reflect response provided for 2013.

Employers may want to devise strategies to address the impact of cancer in the workplace

**Encourage early detection and prevention**
- Educate employees about modifiable risk factors for cancer
- Incentivize employees to get age- and risk-appropriate preventive care
- Sponsor wellness programs and initiatives

**Develop innovative, coordinated benefits strategy**
- Coordinate medical benefits, STD, EAP
- Incentivize employees to receive treatments with proven effectiveness
- Offer flexible workplace schedule or leave of absence
- Reinforce importance of coordinated care

**Drive patient engagement and education**
- Communicate availability of relevant benefits and programs
- Encourage participation in relevant health improvement and disease management programs

Abbreviations: STD, short-term disability; EAP, employee assistance program.

Employers are implementing innovative benefit strategies

**Greater access to benefits**
- Access to a wide range of adult and pediatric providers
- Access to a Center of Excellence (COE) program

**Focus on coordinated care**
- Case management services
- Treatment decision support and in-depth information

**Increased access to network cancer providers**
- Both community and large academic centers
- COE programs for transplants available for complex aggressive, and rare cancers

**Providing patient education and support**
- Credible information on prevention and screening, diagnoses, treatment options, and other topics

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A 2011 UK-based study reported that 43% of cancers are due to lifestyle or environmental factors that may be avoidable.²

**References:**

Genentech is a corporate sponsor of the National Business Group on Health *Employer’s Guide*.  

*Demonstrating the Value of Innovation*
Employers can consider pharmacy benefit recommendations to address the cost of cancer care

- **Establish reasonable out-of-pocket thresholds**
  - so cost is not a barrier to patients receiving necessary treatments for their condition, including maintenance and supportive care

- **Implement specialty pharmacy programs**
  - to counsel patients receiving oral oncolytics or self-injections on adherence and reduce prescription abandonment rate

- **Recommend health plans cover evidence-based cancer treatments**

- **Establish cost-sharing parity**
  - to ensure benefit plan provides patient cost-sharing parity between the medical and pharmacy benefit

Palliative care is of increasing importance because it improves quality and reduces resource utilization

- Palliative care focuses on improving quality of life for patients and their families by providing additional support from the healthcare team\(^1\).
- A study by Temel et al demonstrated that early integration of palliative care with standard oncologic care in patients with metastatic non–small cell lung cancer\(^2\):
  - Prolonged survival by nearly 3 months (\(P=0.02\) vs standard care)
  - Resulted in clinically meaningful improvements in quality of life
- Early outpatient palliative care also altered the use of healthcare services, resulting in less aggressive end-of-life care, which reduced chemotherapy use and resulted in longer hospice care\(^2\).

*Early palliative care may help offset unnecessary and burdensome healthcare costs.*

Resources That We Make Available
This module covers:

- National Business Group on Health (NBGH) Employer’s Guide
- 2014 Genentech Oncology Trend Report
- Genentech Oncology Institute
- Love Your Colon
- Journey Forward™

Genentech is a corporate sponsor of the National Business Group on Health Employer’s Guide.
Genentech builds collaborative relationships with employers

<table>
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<tr>
<th>CONTINUUM OF CARE</th>
<th>PREVENTION</th>
<th>SCREENING</th>
<th>DIAGNOSIS</th>
<th>DISEASE MANAGEMENT</th>
<th>END OF LIFE</th>
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<td>Love Your Colon</td>
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<tr>
<td>Journey Forward™</td>
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Genentech is a corporate sponsor of the National Business Group on Health Employer’s Guide.
The NBGH Employer's Guide assists employers with cancer treatment and prevention

Description

- National Business Group on Health (NBGH) developed the Employer’s Guide to assist employers with managing the impact of cancer in the workplace and addressing the numerous challenges that arise (eg, long-term disability)
- Offers technical assistance to help employers design, implement, and monitor their cancer-related strategies
- Contains 6 tools with guidelines and recommendations

“Today, more than ever, employers are facing the growing impact of cancer in the workplace.”
—Helen Darling, past President and CEO, National Business Group on Health

Genentech is a corporate sponsor of the National Business Group on Health Employer’s Guide.
NBGH Employer’s Guide offers technical assistance to help employers implement cancer strategies

How employers can use

- Helps employers address issues across the continuum of care, including medical, pharmacy, and behavioral benefits; short-term disability; family medical leave; and employee assistance programs

Collaborators

- Employers/business coalitions
- National health plans
- Advocacy groups
- Benefits consultants

Visit www.businessgrouphealth.org/cancer to learn more about the program.

Genentech is a corporate sponsor of the National Business Group on Health Employer’s Guide.
NBGH *Employer’s Guide* offers a reference guide and an employer benefit design and assessment methodology

**Tool 1–Quick Reference Guide**
A brief summary of benefit and program recommendations across the benefit continuum

**Tool 2–Employer Benefit Design and Assessment**
Provides practice recommendations and suggestions for comprehensive benefits, along with a methodology employers can use to assess their current benefits

*Tools include recommendations related to medical and pharmacy benefits, short-term disability, family medical leave, employee assistance programs, and health improvement programs.*

Genentech is a corporate sponsor of the National Business Group on Health *Employer’s Guide*.
NBGH *Employer’s Guide* offers RFP and proposal scoring tools plus SPD guidance

**Tool 3–RFP and Proposal Scoring Tools**

Resources to support implementation of recommendations from Tool 2

- Part I details RFP questions and response requirements
- Part II includes evaluation criteria for vendor responses
- Part III provides a scoring tool to facilitate rating and ranking of vendor responses

**Tool 4–SPD Guidance**

Offers guidance to help employers translate the recommended benefit or practice into summary plan description language for beneficiaries

Abbreviations: RFP, Request for Proposal; SPD, Summary Plan Description.

Genentech is a corporate sponsor of the National Business Group on Health *Employer’s Guide*.
NBGH *Employer's Guide* offers vendor contracting, plus vendor administration and program evaluations

**Tool 5–Vendor Contracting and Administration**
Includes reporting requirements, timing, and other contracting metrics

**Tool 6–Vendor and Program Evaluation**
Based on Balanced Score Card with evaluation and measurement in four domains: (1) Quality, (2) Access, (3) Financial Performance, and (4) Satisfaction. Supports assessment of vendor performance and overall effectiveness of the entire set of employee benefits and programs

Genentech is a corporate sponsor of the National Business Group on Health *Employer’s Guide*. 
2014 Genentech Oncology Trend Report examines a full range of important issues

Description

- Provides insights for healthcare stakeholders, including employers, about important oncology trends
- Includes perspectives from employers, managed care organizations, specialty pharmacy providers, oncologists, and practice managers
- Roughly 4000 copies have been requested from inventory to date
- The report can be accessed at http://www.genentech-forum.com/oncology-trends

The annual Genentech Oncology Trend Report provides timely information about cancer care and management to key stakeholders.
Genentech Oncology Institute is a forum for the healthcare industry

Description

- Forum for bringing employers, payers, and national healthcare leaders together to discuss issues related to value and trends in cancer care
- Goal is to develop a collaborative approach to identifying and addressing unmet needs in the marketplace
- Information about past proceedings can be accessed at http://www.genentech-forum.com/genentech-oncology-institute.

Attendees

- Employers
- Payers
- GPOs/PBMs
- Advocacy groups
- Academic institutions
Love Your Colon is a disease awareness program

Description

- Program created to drive awareness about colorectal cancer and the importance of screenings and preventive health
- Offers information and resources to help drive awareness about potentially life-saving tests and procedures
- Materials available in English, Spanish, and Chinese

As many as 60% of colorectal cancer deaths might be prevented through early detection and removal of cancerous polyps.
Love Your Colon was created to reinforce the importance of health screenings

How employers can use

- Employers can use the toolkit developed by Genentech to drive awareness and encourage employees to get screened

Collaborators

- Genentech
- South Carolina Coalition

Visit www.loveyourcolon.org to learn more about the program.
Love Your Colon includes an Employer Toolkit

- Developed to help educate your employees and motivate them to get screened.
- Each item can be used in a variety of ways and venues.
- You can elect to use the full toolkit or just certain materials.
  - Also available in Spanish and Chinese.
- The toolkit includes the following items:
  - Letter to employees
  - Sample newsletter
  - Flyer & tent card
  - Employee brochure
  - Postcard
  - Pledge card
Journey Forward™ is a survivorship program to improve post-treatment coordination and care

Description

- Survivorship care plan builder for oncologists to use
- My Care Plan for the survivor to use
- Survivorship library for both providers and survivors

How employers can use

- Helps employees with cancer to develop Survivorship Care Plans
- Improves communication and care coordination between employees and healthcare professionals

Results

- Thousands of software downloads to date, used in the creation of tens of thousands of care plans for patients
Journey Forward™ is an award-winning program

Awards
- BlueWorks®–BCBSA & Harvard
- CPEN–Cancer Patient Education Network
- Wellsphere® Health Impact Award

Collaborators
- Genentech
- National Coalition for Cancer Survivorship
- Oncology Nursing Association
- UCLA Cancer Survivorship Center
- WellPoint, Inc

Visit www.journeyforward.org to learn more about resources available through the program.

“Cancer survivors endorsed the utility of SCPs [Survivorship Care Plans], with a clear preference for the Journey Forward format (print or electronic) delivered by their oncologist.”

—Journal of Oncology Practice, July 2012
APPENDIX
Genentech is considered the founder of the biotechnology industry and is a member of the Roche Group

- Founded in 1976 by Herbert W Boyer, PhD (biochemist) and Robert Swanson (late venture capitalist)
- First to produce human protein and to clone human insulin using recombinant DNA technology
- Manufactured and marketed the first drug by a biotech company: growth hormone
- Employs ~11,000 people in the US
- Genentech markets all Roche Pharmaceuticals in the US
Genentech is committed to ensuring the integrity of our medicines

Genentech helps ensure patient safety by providing a secure distribution channel.

Demonstrating the Value of Innovation
Genentech BioOncology Access Solutions is committed to patient support

- At Genentech, we develop medicines for serious or life-threatening medical conditions
  - These medicines should be accessible for the patients who need them
- Genentech BioOncology Access Solutions offers comprehensive support—from benefits investigation through patient assistance options—if your employees experience any access issues

Genentech helped more than 175,000 fully insured, underinsured, and uninsured patients across our portfolio last year with access issues.
Access Solutions is available to help when a Genentech medicine is prescribed

<table>
<thead>
<tr>
<th>Coverage and reimbursement</th>
<th>Patient assistance</th>
<th>Informational resources</th>
</tr>
</thead>
</table>
| Help with benefits and coverage issues  
  - Benefits investigation  
  - Prior authorization  
  - Recertification | Genentech® Access to Care Foundation (GATCF) support for qualifying uninsured and rendered uninsured patients  
  - Referrals to co-pay assistance foundations | BioOncology Field Reimbursement Managers |
| Help with reimbursement issues  
  - Denials and appeals  
  - Billing and coding information | Genentech BioOncology Co-pay Card  
  - CancerCare  
  - Patient ambassador programs | Communication assistance services  
  - Translation services  
  - Telephone-to-telephone typewriter (TTY) services |

Genentech BioOncology offers a full range of programs and services to meet the needs of eligible patients and healthcare professionals.

Genentech BioOncology™ and its logo are trademarks and the Access Solutions logo is a registered trademark of Genentech, Inc.
Larger employers are more likely to provide access to survivorship resources

### Employers offering cancer survivorship resources

<table>
<thead>
<tr>
<th></th>
<th>Small employers (n=76) (100–500 employees)</th>
<th>Large employers (n=67) (501–4999 employees)</th>
<th>Jumbo employers (n=67) (≥5000 employees)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health plan</td>
<td>19.7%</td>
<td>49.3%</td>
<td>50.7%</td>
</tr>
<tr>
<td>EAP</td>
<td>39.5%</td>
<td>70.1%</td>
<td>76.1%</td>
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<tr>
<td></td>
<td>46.1%</td>
<td>35.5%</td>
<td>34.3%</td>
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<td>14.5%</td>
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<td>19.7%</td>
<td>16.4%</td>
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<td>17.9%</td>
<td>6.0%</td>
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<td>4.5%</td>
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Abbreviation: EAP, Employee Assistance Program.

### More than 80% of cancer patients return to work after receiving treatment.²