

Estimation of Health and Economic Benefits of Clinic Versus Home Administration of Omalizumab and Mepolizumab

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| 1 | Estimation of Health and Economic Benefits of Clinic Versus Home Administration of | | | | | |
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| 2 | Omalizumab and Mepolizumab | | | | | |
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| 26 27 28 | Abbreviations: ED (emergency department); WTP (willingness to pay); CEA (cost-effectiveness analysis); | | | | | |
| 29 | Conflicts of Interest | | | | | |
| 30 31 22 | Marcus Shaker: has a family member who is CEO of Altrix Medical and is a member of the Joint Taskforce on Allergy Practice Parameters. | | | | | |
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- 47
- 48 Matthew Greenhawt: is supported by grant #5K08HS024599-02 from the Agency for Healthcare
- 49 Quality and Research; is an expert panel and coordinating committee member of the NIAID-
- 50 sponsored Guidelines for Peanut Allergy Prevention; has served as a consultant for the Canadian
- 51 Transportation Agency, Thermo Fisher, Intrommune, and Aimmune Therapeutics; is a member
- 52 of physician/medical advisory boards for Aimmune Therapeutics, DBV Technologies, Nutricia,
- Kaleo Pharmaceutical, Nestle, and Monsanto; is a member of the scientific advisory council for
- 54 the National Peanut Board; has received honorarium for lectures from Thermo Fisher, Before
- 55 Brands, multiple state allergy societies, the ACAAI, the EAACI; is an associate editor for the
- 56 Annals of Allergy, Asthma, and Immunology; and is a member of the Joint Taskforce on Allergy
- 57 Practice Parameters.
- 58

59 ABSTRACT

Background: Biologic therapy is a paradigm-shifting management strategy for many patients
with asthma and chronic urticaria, but concerns for therapy-associated anaphylaxis may limit
access to these therapies for patients unable to travel to medical clinics.

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Objective: To characterize the cost-effectiveness of in-clinic vs. at-home biologic therapy with
 omalizumab and mepolizumab.

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Methods: Economic evaluation using microsimulations was performed from societal and 67 68 healthcare sector perspectives for patients with asthma or chronic spontaneous urticaria receiving omalizumab or mepolizumab in an Allergy clinic, primary care provider (PCP) office, or at home 69 over a 1-year time horizon (12 injections per year in each base-case with sensitivity analysis to 70 71 24 injections per year). Travel times and distances were applied to a population attending a tertiary-care allergy clinic in Northern New England receiving omalizumab or mepolizumab, 72 using a Willingness to Pay (WTP) of \$10 million per death-prevented and in-clinic 73 administration reducing anaphylaxis fatality and hospitalization 10-to-100-fold. Deterministic 74 and probabilistic sensitivity analyses were performed. 75 76

Results: One-way Allergy clinic travel distances significantly exceeded local PCP offices (49
miles, 95% CI 42-56, vs. 12 miles, 95% CI 10-15). In the omalizumab societal analysis, annual
PCP and Allergy clinic administration cost \$1,369.14 (SD, \$51.33) and \$1,916.68 (SD, \$40.86),
respectively. Small reductions in medication-related fatalities with in-clinic administration were
offset by the potential increase in automobile fatalities resulting from traveling to the Allergy

| 82 | clinic (14.6 per million person-years for this strategy, SD 15.0). Compared to at-home |
|----|---|
| 83 | administration, in-clinic omalizumab administration was not cost-effective, with an incremental |
| 84 | cost-effectiveness ratio (ICER) of \$500,648,430 (PCP), and with Allergy clinic administration |
| 85 | dominated by higher costs and automobile-related fatalities. Routine mepolizumab clinic |
| 86 | administration was dominated by at-home administration unless anaphylaxis rates or self- |
| 87 | administration teaching costs were high. |
| 88 | |
| 89 | Conclusions: For many patients, at-home administration of omalizumab or mepolizumab may |
| 90 | be a cost-effective strategy. |
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HIGHLIGHTS

| 95 | What is already known about this topic? Biologic therapy for asthma and urticaria is safe and | | |
|-----|---|--|--|
| 96 | effective for most patients, but anaphylaxis risk has historically limited access to at-home | | |
| 97 | administration. | | |
| 98 | | | |
| 99 | What does this article add to our knowledge? For most patients, at-home administration of | | |
| 100 | omalizumab and mepolizumab is a cost-effective option. The in-clinic mitigation of therapy- | | |
| 101 | related anaphylaxis risk is offset by increased risk of automobile-related fatality. | | |
| 102 | | | |
| 103 | How does this study impact current guidelines? Home administration may be an appropriate | | |
| 104 | consideration for many patients receiving omalizumab or mepolizumab. This is associated with | | |
| 105 | lower overall risk to the patient, lower costs, and increases access to these therapies. | | |
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108 INTRODUCTION

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| 110 | In 2007, the Omalizumab Joint Task Force established a series of recommendations based on |
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| 111 | a review of Genentech omalizumab clinical trial and post-approval surveillance data, which |
| 112 | advised the administration of omalizumab to be limited to physicians working in clinical |
| 113 | settings. ¹ This recommendation was established in response to the 0.09% risk of anaphylactic |
| 114 | reactions following administration of omalizumab noted in clinical trial data, as well as the |
| 115 | black box warning being placed on the package. ² Subsequently, continued observation of |
| 116 | post-marketing reports suggested the estimated frequency of omalizumab-related anaphylaxis |
| 117 | was at least 0.2%, and the product insert language has been updated. ² While in-clinic |
| 118 | administration of omalizumab may allow for observation for development of anaphylaxis and |
| 119 | improved reaction management, the opportunity cost and travel-related risks associated with |
| 120 | administration of omalizumab and similar biologics in a clinical setting has not been defined |
| 121 | (Table 1). ²⁻⁷ However, delayed anaphylaxis may occur despite in-clinic observation. ^{8,9} |
| 122 | Recently, the European Commission approved omalizumab self-administration across all |
| 123 | indications, ¹⁰ a practice facilitated with the availability of omalizumab pre-filled syringes. ¹¹ |
| 124 | European guidance suggests that omalizumab may be administered by trained lay-caregivers |
| 125 | from the fourth dose onward, if deemed appropriate by the treating physician. ¹⁰ Similarly, |
| 126 | the recent approval of mepolizumab for home administration illustrates an evolving paradigm |
| 127 | of risk management and healthcare delivery (with other biologics following suit). ^{3,12} |
| 128 | |
| 129 | The approach of mandated clinic observation instituted for some biologics may require |
| 130 | patients to frequently travel long distances to specialty clinics, often with limited or absent |

evening and weekend access. Given that evidence suggests lay-caregivers are able to

| 132 | successfully perform home administration, ¹³ the cost-effectiveness of clinic biologic | | | |
|-----|--|--|--|--|
| 133 | administration is an important unanswered question. We therefore undertook this cost- | | | |
| 134 | effectiveness analysis of clinic-observed biologic administration to clarify the health and | | | |
| 135 | economic benefits of this practice. | | | |
| 136 | | | | |
| 137 | METHODS: | | | |
| 138 | Decision Model: | | | |
| 139 | TreeAge Pro (Williamstown MA) was used to develop a decision model (Figure 1) to | | | |
| 140 | evaluate Monte Carlo microsimulations of hypothetical patients (n=100,000 per arm) | | | |
| 141 | receiving at-home vs. in-clinic administration of omalizumab or mepolizumab, with | | | |
| 142 | comparisons of both Allergy and Primary Care Provider (PCP) clinic administration of | | | |
| 143 | biologic therapies. Microsimulations were performed to estimate anaphylaxis and | | | |
| 144 | hospitalization rates. To isolate the effect of in-clinic vs at-home administration with respect | | | |
| 145 | to therapeutic costs and benefits of biologic therapies, a 1-year time horizon was used which | | | |
| 146 | assumed equivalent effectiveness between at-home and in-office administration. The | | | |
| 147 | threshold for cost-effective care was set at \$10 million dollars per death prevented. ¹⁴ Because | | | |
| 148 | the effect of at-home administration on adherence is uncertain (home availability could | | | |
| 149 | increase or decrease adherence rates), this variable was not included in the base-case | | | |
| 150 | analysis; however, sensitivity analyses did include additional costs of home teaching and | | | |
| 151 | adherence monitoring. This analysis conformed to the Consolidated Health Economic | | | |
| 152 | Evaluation Reporting Standards (CHEERS) guideline ¹⁵ and was approved by the Dartmouth | | | |
| 153 | College Committee for the Protection of Human Subjects. | | | |
| 154 | | | | |

155 *Clinic Travel:*

De-identified travel distances and travel times for the population of patients traveling to the
Dartmouth-Hitchcock Medical Center (DHMC) Allergy Clinic for omalizumab and
mepolizumab were collected from September 1, 2016 to October 7, 2018. For each patient
identified the city and state of residence was used to record travel time and distance using
Google Maps. Travel time and mileage to the Allergy clinic and the patient's PCP of record
were recorded.

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163 *Costs:*

Table 2 details model assumptions. Direct costs of in-clinic administration were estimated 164 from healthcare claims data compiled and maintained by FAIR Health, Inc. after permissions 165 for data use were obtained (the authors are solely responsible for research and conclusions 166 reflected in this article and FAIR Health is not responsible for the conduct of the research or 167 for the opinions expressed in this article).¹⁶ Costs of in-clinic injections (code 96372) 168 included the primary medical procedure and hospital outpatient facility fee. Total in-network 169 costs of medication administration were used in the base-case model. Average automobile 170 fuel price and economy were incorporated into the model,^{17,18} in addition to average hourly 171 wage to reflect indirect costs associated with clinic biologic administration.¹⁹ All patients 172 experiencing anaphylaxis assumed costs of emergency department (ED) evaluation, and 173 those with severe anaphylaxis assumed additional costs of hospitalization. Patients receiving 174 injections at home and at primary care sites also experienced costs of emergency transport to 175 the ED; however, as the DHMC Allergy clinic (Lebanon, NH) is attached to an ED, medical 176 center transportation costs were excluded from the Allergy clinic (which we presume to be 177

| 178 | the case for most academic allergy practices similar to the one modeled in this analysis). The |
|-----|--|
| 179 | costs of ED visits and hospitalizations were derived from Clark et al. who reported data from |
| 180 | 11,972 individuals with an ED visit or hospitalization from January 1, 2002 to December 31, |
| 181 | 2008. ²⁰ All costs were expressed in January 2019 dollars, ¹⁹ with a mid-point conversion date |
| 182 | of January 1, 2005 used for Clark et al. ^{19,20} |
| 183 | |
| 184 | Probabilities: |
| 185 | Published literature was incorporated to represent risks of anaphylaxis, hospitalizations, and |
| 186 | fatalities, with a priori risk reductions assumed for in-clinic administration ranging from 10- |
| 187 | fold to 100-fold. The rate of occurrence of anaphylaxis related to omalizumab and |
| 188 | mepolizumab administration was modeled at 0.2% and 0.1% per patient, respectively. ^{2,3} |
| 189 | Case-anaphylaxis fatality was estimated at 0.33%, based on a population-based |
| 190 | epidemiologic study of three national databases reported by Ma et al. ²¹ The rate of severe |
| 191 | anaphylaxis necessitating hospitalization was based on Clark et al. who reported 22% of |
| 192 | patients seen with anaphylaxis required hospitalization. ²⁰ As the incremental health-state |

utility between in-clinic vs at-home biologic administration is unknown, quality-adjusted
life-years (QALY) were not used as an outcome measure and instead the analysis evaluated
cost per fatality prevented.

196

197 Sensitivity Analyses:

Base-case analyses were performed from the societal perspective with additional sensitivity analyses including the healthcare sector perspective (excluding fuel and job-related indirect costs). Additional sensitivity analyses were performed with home teaching/adherence

| 201 | monitoring costs modeled at \$1,500. Medication and in-clinic observation was estimated at |
|-----|---|
| 202 | 40 minutes in the base-case with sensitivity ranges modeled to 130 minutes. In the base case |
| 203 | 12 injections of each medication were assumed, with 24 injections of omalizumab evaluated |
| 204 | in sensitivity analyses. In-clinic administration-related protection against anaphylaxis |
| 205 | hospitalization and fatality was 10-fold in the base-case with 100-fold protection modeled in |
| 206 | sensitivity analyses. Further analyses were performed across variable ranges by |
| 207 | deterministic and probabilistic sensitivity analyses with modal triangular distributions. |
| 208 | Triangular distributions were used to incorporate base assumptions as modal distributions |
| 209 | with extreme value probabilities minimized, and were validated using alternative beta |
| 210 | distributions for probabilities and fatalities with gamma distributions for costs and times. |
| 211 | |
| 212 | RESULTS |
| 213 | Travel Times and Distances: |
| 214 | For both omalizumab and mepolizumab, travel times and distances to the Allergy clinic |
| 215 | exceed those to the PCP office by significant margins. For omalizumab, one-way Allergy |
| 216 | travel distance was 49 miles (95% CI, 42-56 miles) compared with a distance to the PCP of |
| 217 | 12 miles (95% CI, 10-15 miles), translating to one-way travel time of 59 minutes (95% CI, |
| 218 | 51-66) for Allergy clinic vs. 19 minutes (95% CI, 16-22) for the PCP office. Similar findings |
| 219 | were observed for patients receiving mepolizumab (Allergy: 39 miles, 95% CI 29-49 miles; |
| 220 | 46 minutes, 95% CI 37-56 minutes; PCP: 14 miles, 95% CI, 10-17 miles; 21 minutes, 95% |
| 221 | CI, 16-25 minutes). |
| 222 | |

223 *Cost-Effectiveness:*

| 224 | In the omalizumab analysis, the costs of either type of observed injection strategy were |
|-----|--|
| 225 | greater than the home injection strategy: Allergy clinic \$1,916.68 (SD, \$40.86), PCP |
| 226 | administration \$1,369.14 (SD, \$51.33), and home injection \$7.47 (SD, \$213.66). Small |
| 227 | reductions in medication-related fatalities were noted with in-clinic administration (home: |
| 228 | 6.8 fatalities per million person-years, SD 149.6; PCP: 4.1 fatalities per million person-years, |
| 229 | SD 15.0) but these were offset by increased automobile fatalities attributable to having to |
| 230 | travel longer distances to the Allergy clinic (14.6 fatalities per million person-years in this |
| 231 | strategy, SD 15.0). In-clinic administration of omalizumab was not cost-effective, with an |
| 232 | incremental cost-effectiveness ratio (ICER) of \$500,648,430 at a PCP office. Administration |
| 233 | in the Allergy clinic was dominated (e.g, of all options compared, this resulted in the worst |
| 234 | comparative health outcomes and highest cost) with both higher costs and fatalities |
| 235 | attributable to automobile travel (Table 3). Modeling an extreme scenario in a sensitivity |
| 236 | analysis where in-clinic (either venue) administration was associated with a 100-fold |
| 237 | reduction in the risk of anaphylaxis hospitalization and fatality risk still remained cost- |
| 238 | ineffective, with PCP and allergy clinic ICERs above \$10 million per death prevented (PCP: |
| 239 | \$463,456,793; Allergy: dominated). When evaluating fatality risk, patients living more than |
| 240 | 24 miles from the clinic were at a higher risk of automobile fatality than anaphylaxis fatality. |
| 241 | |
| 242 | Clinic administration of mepolizumab resulted in greater fatalities (from anaphylaxis and |
| 243 | automobile accidents combined) whether patients travelled to PCP or Allergy offices (per- |
| 244 | strategy deaths per million persons at home: 3.1, SD 102.2; PCP office: 4.3, SD 10.2; Allergy |

in both the PCP and Allergy clinic (home: \$4.40, SD \$166.59; PCP office: \$1,396.35, SD

245

clinic: 11.4, SD 10.2). From a societal perspective, administration-related costs were greater

| 247 | \$454.88; Allergy clinic: \$1,744.00, SD \$40.86). Clinic administration remained dominated |
|-----|---|
| 248 | in the PCP and Allergy clinic models even assuming a 100-fold risk reduction for |
| 249 | anaphylaxis hospitalization and fatality. |

250

251 Sensitivity Analyses

Additional microsimulation with 1 million subjects randomized to each strategy did not 252 change overall results. Additional Monte Carlo simulation with alternate random number 253 seeding demonstrated similar findings, with a PCP vs home administration ICER of 254 \$641,000,659. Multiple additional analyses were performed to determine critical levers 255 256 where these practices could potentially attain cost-effectiveness. Increasing the degree of inclinic protection to a 1,000-fold fatality risk reduction still did not result in cost-effective care 257 (omalizumab ICER \$426,098,636 for PCP vs home administration, Allergy clinic 258 administration dominated). Excluding wage costs, in-clinic administration remained cost-259 ineffective (omalizumab PCP vs home administration \$364,952,038 with Allergy-clinic 260 administration dominated). 261

262

Omalizumab PCP-clinic administration became cost-effective as rates of anaphylaxis
increased above 4.2%, anaphylaxis case-fatality rate exceeded 7.7%, or if additional teaching
and adherence costs reached \$1,336.29 (Figure 2), with an interaction seen between risk of
anaphylaxis and case-fatality rate (Figure 3). Given longer travel distances to Allergy clinic,
this strategy was not cost-effective unless risks for omalizumab anaphylaxis reached 6.2%,
case-fatality exceeded 11.3%, or teaching costs reached \$1,988.66. Probabilistic Sensitivity
Analysis (n=10,000 simulations) demonstrated home administration to be the most cost-

| 270 | effective strategy of the 3 options in 91.7% of omalizumab simulations (Figure 4). Similar to |
|-----|--|
| 271 | the omalizumab analysis, PCP administration of mepolizumab could be cost-effective if the |
| 272 | rate of mepolizumab anaphylaxis exceeded 4.4%, case-anaphylaxis fatality rate of 15.9%, or |
| 273 | teaching/adherence costs reached \$1,402.51. Probabilistic Sensitivity Analysis (n=10,000 |
| 274 | simulations) demonstrated home administration to be the most cost-effective strategy in |
| 275 | 92.7% of mepolizumab simulations (Figure 4). Using alternative distributions without |
| 276 | adherence costs, home administrations was the most cost-effective option in 99.9% of |
| 277 | omalizumab simulations and 99.7% of mepolizumab simulations |
| 278 | |
| 279 | Evaluation of clinic-administered omalizumab from the healthcare sector perspective resulted |
| 280 | in PCP and Allergy strategy costs of \$901.66 (SD, \$75.96) and \$900.6 (SD \$66.72), |
| 281 | respectively, for a PCP vs home strategy ICER of \$445,861,774. The Allergy clinic strategy |
| 282 | remained dominated by the home strategy, and mepolizumab was similarly dominated by |
| 283 | home administration from this perspective. |
| 284 | |
| 285 | DISCUSSION |
| 286 | |
| 287 | While recent changes in European practice have created an avenue for home administration of |
| 288 | omalizumab, in the United States, current recommendations advocate for administration of |
| 289 | omalizumab in a medical clinic. This is due in equal parts to previous lack of availability of a |
| 290 | pre-filled omalizumab syringe and the fact that this had to be reconstituted, as well as the |
| 291 | aforementioned risk of anaphylaxis and black box warning from the FDA accompanying the |
| 292 | drug. Allergy and pulmonary clinics serve as the most common setting of omalizumab |
| 293 | administration; however, in many parts of the country access to subspecialty care requires |

294 significant travel burdens compared to local primary care settings. Our study highlights this reality at a tertiary care medical center in Northern New England, where patients receiving 295 omalizumab travel significantly longer distances to receive omalizumab administration in 296 Allergy clinic relative to more proximal PCP offices (with an average additional distance 297 traveled of 37 miles). Given the longer travel distances, patients experience significant risks of 298 traffic accidents and fatalities, important variables that we may not readily consider when 299 300 weighing recommendations for in-office administration of products to protect against small risks. 301 Travel distances may vary by location, with greater or lesser disparities between Allergist and PCP travel distances noted contextually. However, despite current practice standards being what 302 303 they are, on the balance, requiring in-clinic omalizumab administration in the United States does not appear cost-effective, specifically with Allergy clinic administration potentially leading to 304 both greater costs and overall fatalities in the simulation reported here. While administration at 305 306 PCP offices is unusual (which we recognize is not a realistic option in many circumstances and was only included for cost comparison), even in this setting mandated clinic-observed 307 omalizumab administration is not cost-effective, with the ICER exceeding \$500 million dollars 308 per death prevented from a societal perspective. 309

310

Our analysis suggests patient-specific scenarios may exist to justify clinic-observed omalizumab administration. For example, if significant teaching costs or adherence concerns exist, or if risk of anaphylaxis or case-fatality is high clinic observation would be appropriate. However, in more rural setting such as ours, extended travel to subspecialty clinics to receive biologic therapy does not seem justified in most circumstances. While preference data do not exist exploring this area as of yet, it is also presumable that this could represent a preference-sensitive care area for

patients who value the in-office pathway, where shared decision-making and use of a decision-aid could also play a role. We could not model this as of yet, however.

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Strengths of our analysis include incorporation of home education and adherence monitoring 320 costs, because a legitimate concern of home biologic administration may be that adherence may 321 fall without health care provider supervision. However, whether or not adherence would actually 322 increase or decrease is unknown, because improved access to therapy for patients who no longer 323 need to travel hours for therapy may actually offset a decrease in home adherence. The 324 incorporation of home adherence devices for biologic administration will be valuable to ensure 325 home administration as prescribed. Such adherence monitors can effectively interact with 326 medical devices and relay real-time information to providers and pharmacies through cloud 327 computing.²² The issue of ensuring adherence to home biologic therapy cannot be overstated, 328 and in the end may be the most critical piece of the puzzle in improving asthma management.²³ 329 330

Our analysis does have limitations. First, as a simulation it is dependent on strength of inputs 331 used, and is an approximation of how "real life" may unfold, and as such this should be kept in 332 perspective. Second, this is a novel concept that has exceptionally limited prior literature to help 333 guide plausible assumptions. Third, our travel time and distances were derived from the clinic 334 population of a rural tertiary care medical center in Northern New England, so it is quite possible 335 that our travel times to allergy clinic may be less applicable to travel distances in a more urban 336 setting, or in states with higher densities of other academic medical centers and we did not 337 evaluate differential costs for pediatric vs adult patients. However, one-way travel distances and 338 times of 12 miles (19 minutes) to a PCP office may be more reflective of national median values. 339

340 Although, as noted earlier, significant variation in travel distance may occur based on geographic location. Sensitivity analyses were performed to address this limitation, with one-way travel 341 distances and times of 6 miles (9.5 minutes) to a PCP office modeled. Fourth, we intentionally 342 did not model health state transitions, extended model horizons, costs associated with access 343 barriers to biologics, lost opportunities to improve disease control and their consequences in 344 healthcare utilization. While incorporating these aspects of care into more complex models could 345 346 provide additional perspective on cost-effectiveness, the intent of this analysis was to specifically 347 evaluate the practice of observed biologic administration. There may be a role for further investigation of models with longer time horizon, all-cause age-adjusted mortality, and health 348 349 state transitions, but unless a large differential effect occurs with therapy adherence these factors would not be expected to impact the model conclusions. Fifth, we excluded ED transport costs 350 for Allergy clinic anaphylaxis; however, the addition of these costs would only make this 351 strategy less-cost-effective. Sixth, we did not specifically model the practice of home biologic 352 administration in patients with prior episodes of anaphylaxis, and excluded patients with known 353 hypersensitivity to omalizumab and mepolizumab from the respective analyses. Similar to 354 patients with very poorly controlled asthma despite biologic therapy, a history of biologic 355 anaphylaxis could increase risk for more severe anaphylaxis where home administration would 356 be less desirable. Seventh, we did not evaluate differential cost of epinephrine autoinjectors (as it 357 358 was assumed there was no differential self-injectable epinephrine preparedness between groups and because all patients would have one irrespective of where the biologic was administered) or 359 patient-preference sensitive shared decision-making regarding emergency medical care in the 360 setting of resolved anaphylaxis at home. The potential delayed nature of anaphylaxis with 361 omalizumab creates an indication for self-injectable epinephrine (SIE) for all patients, which 362

363 means that SIE cost will be the same, because being monitored in the office does not remove all risk.⁹ Eighth, shared decision-making should also have a role in the setting of biologic 364 administration, and there may be a role for the development of formal decision aids to assist in 365 this process which could influence cost models. Ninth, it is important to note that home 366 administration could shift coverage of biologic therapy by some insurers with difference in costs 367 that could impact patients; however, from a societal perspective these changes would not be 368 369 expected to impact model conclusions. Tenth and lastly, additional medication procurement 370 costs, more extended lost-productivity costs and time-away from school for clinic travel was not modeled, which could make in-clinic administration even more costly. However, the model did 371 372 account for potential under-employment due to severe asthma with an analysis excluding wagecosts. Medication procurement was not included in the model due to unknown variation between 373 clinic and home administration in terms of in home-delivery, pharmacy travel distance, and 374 frequency of medication pick-up. 375

376

In summary, routine administration of clinic-observed omalizumab or mepolizumab does not 377 appear to be cost-effective practice in most situations. The current analysis supports the recent 378 label change for mepolizumab home administration, and suggests that the United States should 379 explore the risks and benefits of adopting an approach similar to the Europe for omalizumab 380 administration with the advent of pre-filled omalizumab syringes. While we as a field focus on 381 patient safety related to medications in the office, and above all else are cautious to protect 382 against the risk of anaphylaxis, there should be consideration for the trade-offs we 383 unintentionally ask our patients to assume in the risk related to automobile travel to the office, 384 which may be the greatest risk a patient assumes that particular day. 385

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432 Figures and Legends:

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434 <u>Figure 1</u>: Evaluation of Health and Economic Benefits of Clinic Vs. Home Biologic

435 Administration

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Figure 2: Deterministic cost-effectiveness analysis are shown for omalizumab (panel a) and 437 438 mepolizumab (panel b) with red bars indicating values above and blue bars those below the base-439 case analysis. Tornado diagrams of Incremental Net Monetary Benefit (INMB) are shown with PCP clinic strategy compared with Home administration strategy, with prevented fatalities 440 441 converted to dollars at a Willingness to Pay (WTP) at \$10,000,000 per death prevented. Positive values are considered cost-effective. Expected Value (EV) shows the base-case analysis. 442 443 Figure 3: Sensitivity Analyses of omalizumab anaphylaxis risk vs anaphylaxis fatality risk. 444 Colors denote cost-effective care at a Willingness-To-Pay (WTP) of \$10,000,000 per death 445 prevented. 446 447 Figure 4: Probabilistic Sensitivity Analysis using modal triangular distributions for omalizumab 448 (a) and mepolizumab (b) from a societal perspective demonstrated home administration to be 449 most cost-effective in 91.7% of omalizumab and 92.7% of mepolizumab simulations (n=10,000 450

451 each) at a WTP of \$10,000,000 per death prevented.

Table 1: Incidence of Anaphylaxis with Selected Biologics

| Biologic | Manufacturer | Mechanism of action | Incidence of anaphylaxis | In-clinic administration recommended on product labeling? |
|----------------------------|----------------|-------------------------|--------------------------|---|
| Dupixent (dupilumab) | Sanofi Genzyme | Inhibits IL-4 and IL-13 | Not reported | No |
| Enbrel (etanercept) | Amgen | TNF α inhibitor | <2% | No |
| Fasenra (benralizumab) | AstraZeneca | IL-5 antagonist | Not reported | Yes |
| Humira (adalimumab) | Abbvie | TNF α inhibitor | Approximately 1% | No |
| Nucala (mepolizumab) | GSK | IL-5 antagonist | Not reported | Optional |
| Xolair <i>(omalizumab)</i> | Genentech | Anti-IgE | <u><</u> 0.2% | Yes |

Table 2: Model Inputs and Assumptions

| Input | Value | Range | Reference | | |
|---|--|---|--|--|--|
| Cost of clinic injection, code 96372 | Primary Medical Procedure:In-Network Price: \$42;Out-of-Network Price:\$90;Hospital Outpatient Facility fee:In-Network: \$33;Out-Of-Network:\$94;Total Costs:In-Network:Base Assumption:\$75 | \$75 - \$320 | FairHealthConsumer.www.fairhealthconsumer.org Accessed June 15, 2019 | | |
| Automobile fatality rate | 1.18 per 100 million vehicle miles travelled | 0.118 - 1.18 per 100 million vehicle miles travelled | Traffic Safety Facts 2016 Data. www.crashstats.nhtsa.dot.gov Accessed June 15,2019. | | |
| Automobile fuel price and economy | \$2.68 per gallon, regular 23 miles per gallon | \$ 1.98 - \$3.50 per gallon (18 - 39 mpg) | Irving.www.theirving.com. Accessed June 15, 2019; Best and Worst Gas Mileage 2018. www.cars.com. Accessed June 15, 2019 | | |
| Omalizumab Clinic Travel (one-way) | Allergy miles: 49 (95% CI, 42-56); Allergy travel: 59 minutes (95% CI, 51-66); PCP miles: 12 (95% CI, 10-15); PCP travel: 19 minutes (95% CI, 16-22); Number of visits per year: 12-24 | Allergy clinic: 24.5 - 98 miles (30 - 120 minutes); PCP: 6-19.5 miles (9.5 - 38 minutes); | Practice Survey DHMC, n = 134 | | |
| Mepolizumab Clinic Travel (one-way) | Allergy miles: 39 (95% CI, 29-49); Allergy time: 46 minutes (95% CI, 37-56); PCP miles: 14 (95% CI, 10-17); PCP time: 21 minutes (95% CI, 16-25); Number of visits per year: 12 | Allergy clinic: 19.5 - 78 miles (23 -92 minutes); PCP: 7 - 19.5 miles (10.5 - 42 minutes) | Practice Survey DHMC, n = 36 | | |
| Average Hourly Wage | \$27.83 | \$0 - \$100 | Bureau of Labor Statistics. <u>www.bls.gov</u> Accessed June 15, 2019 | | |
| Omalizumab Anaphylaxis | 0.2% | 0.2% - 5% | Xolair [package insert]. South San Francisco, CA: Genentech, 2018 | | |
| Mepolizumab Anaphylaxis | <u><</u> 0.1% | 0.1% - 5% | Nucala [package insert]. Research Triangle Park, NC: GSK; 2017; Personal communication. | | |
| Anaphylaxis Fatality | <u><</u> 0.33% | 0.33% - 1.3% | Ma L, Danoff TM, Borish L. Case fatality and population mortality associated with anaphylaxis in the United States. J Allergy Clin Immunol 2014; 133: 1075-83. | | |
| Annual Visits | 12 | 12-24 | model assumption | | |
| Clinic Wait Time | 40 minutes | 30 - 130 minutes | | | |
| Home Teaching | \$0 | \$0 - \$1,500 | | | |
| Clinic Administration Fatality Risk Reduction | 10x | 10x - 100x | | | |

| Anaphylaxis Cost | Ambulance Transport: \$470 (2007 USD); \$585 (2019 | Ambulance Trasnport: | Patel DA, Holdford DA, Edwards E, CArroll NV. Estimating the |
|------------------|--|-------------------------|--|
| | USD); | \$400 - \$1,500; | economic burden of food-induced allergic reactions and anaphylaxis |
| | ED evaluation (all): \$1,152 (2005 USD); \$1,521 | ED evaluation: \$900 - | in the United States. J Allergy Clin Immunol. 2011; 128: 110-115; |
| | (\$2019 USD); | \$2500; | Clark S, Wei W, Rudders SA, Camargo CA. Risk factors for severe |
| | Hospitalization (22%): \$5,652 (2005 USD); \$7,460 | Hospitalization (5% - | anaphylaxis in patients receiving anaphylaxis treatment in US |
| | (2019 USD) | 50%): \$2,500 - \$2,000 | emergency departments and hospitals. Journal of Allergy and Clinical |
| | | | Immunology. 2014;134(5):1125-1130; |
| | | | CPI inflation Calculator. www.data.bls.gov. Accessed June 15, 2019 |
| | | | |

Note: Triangular distributions were evaluated using the modal value each variable bounded by the minimum and maximum ranges fitted to a triangle with maximum apical unit distribution at the mode and probability minimized at extreme values, and were validated by alternative beta distributions for probabilities and fatalities, and gamma distributions for costs and times.

values, and were validated by alternative between the second seco

Table 3: Cost-Effectiveness Analysis of Administration Strategies by Product

| Strategy | Cost | Fatality (per million) | Net Monetary Benefit | Anaphylaxis | Hospitalization (per million) | ICER | | |
|---------------------|-----------------------------|------------------------|-------------------------------|--------------------|-------------------------------|---------------|--|--|
| Omalizumab | | | | | | | | |
| Home Administration | \$7.47 (SD, \$213.66) | 6.8 (SD, 149.6) | -\$75.45 (SD, \$1,666.28) | 0.2% (SD, 4.5%) | 420 (SD, 20490) | Dominant | | |
| PCP Clinic | \$1,369.14 (SD, \$51.33) | 4.1 (SD, 15.0) | -\$1,409.92 (SD, \$185.56) | | 30 (SD, 5,480) | \$500,648,430 | | |
| Allergy Clinic | \$1,916.68 (SD, \$40.86) | 14.6 (SD, 15.0) | -\$2,062.25 (SD, \$159.78) | <u>s</u> | | Dominated | | |
| Mepolizmab | | | | | | | | |
| Home Administration | \$4.04 (SD, \$166.59) | 3.1 (SD, 102.2) | -\$35.72 (SD, \$1,156.85) | 0.1% (SD, 3.1%) | 270 (SD, 16,430) | Dominant | | |
| PCP Clinic | \$1,396.35 (SD, \$47.53) | 4.3 (SD, 10.2) | -\$1,439.16 (SD, \$133.72) | | 30 (SD, 5,480) | Dominated | | |
| Allergy Clinic | \$1,744.00 (SD, \$40.86) | 11.4 (SD, 10.2) | -\$1,857.62 (SD, \$116.57) | | | Dominated | | |
| Journa | | | | | | | | |



• Cost per death prevented

Figure 2

Tornado Diagram – Omalizumab INMB PCP Clinic vs. Home (WTP: 10,000,000)





5000,000

Tornado Diagram – Mepolizumab INMB PCP Clinic vs. Home (WTP: 10,000,000)



Clinic medication administration (\$) (75 to 320) Average hourly wage (\$) (0 to 100) Mepolizumab anaphylaxis per patient (0.001 to 0.05) Home adherence/teaching cost (\$) (0 to 1500) Annual visits (12 to 24) Clinic administration time (min) (30 to 130) Mepolizumab round-trip travel time, PCP (min) (21 to 84) Anaphylaxis fatality (0.00033 to 0.013) Mepolizumab round-trip travel distance, PCP (miles) (14 to 39) Automobile fatality (per 100 million miles) (0.118 to 1.18) Automobile Fuel Economy (mpg) (18 to 39) Automobile fuel cost (\$ per gallon) (1.98 to 3.5) Hospitalization cost (\$) (2500 to 20000) Relative clinic fatality risk (0.01 to 0.1) Anaphylaxis hospitalization (0.05 to 0.5) Emergency department cost (\$) (900 to 2500) Ambulance cost (\$) (400 to 1500)

Incremental NMB

Sensitivity Analysis



Figure 4

Α.

Β.

