TGaS® Advisors
A DIVISION OF TRINITY

ADVISORY BRIEF

Leading the Evolution in Commercial Operations

Highlights from TGaS Advisors' Spring Summit

June 2023

How are Commercial Operations organizations evolving to develop capabilities and propel innovation for 2024 and beyond?

Executive Commercial Operations leaders are focused on making informed organizational decisions to propel the evolution of Commercial Operations in this rapidly changing global economy. As you strategize to accelerate optimizing structure, talent and capabilities to excel in the future, this Advisory Brief brings you critical insights gleaned from the recent TGaS Advisors' Spring Summit.

Focus of This Advisory Brief

Future forward priorities enabled by foundational elements of data and digital capabilities

Effectiveness relies on cross-team collaboration, simplification of processes and improved analytics capabilities

Background

This advisory brief incorporates learnings from TGaS Advisors' 2023 Spring Summit, which brought together the industry's top commercial operations, market access and medical affairs executives to discuss the hottest trends, address concerns and prepare for future challenges.

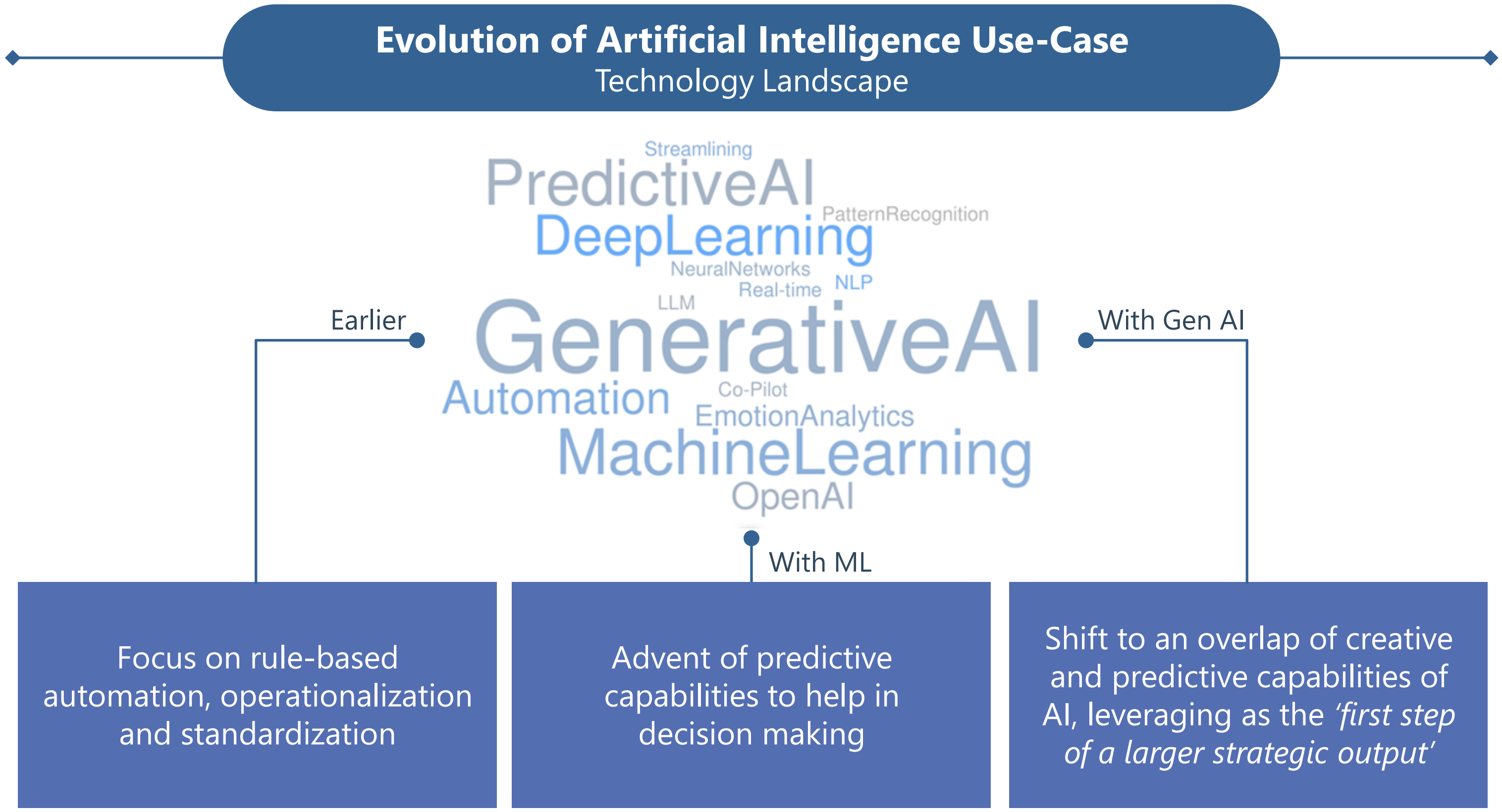
More than 400 individuals from 100 emerging, mid-tier and large-tier biopharmaceutical companies attended function-specific sessions. Leaders shared perspectives, made recommendations and collectively thought through alternative paths for key decisions for today and beyond.

Topic Index

Innovation: The Influence of Artificial Intelligence

Artificial Intelligence (AI) is at the forefront of many conversations around the globe—and the pharmaceutical industry is no exception. **AI was on everyone's mind** at the TGaS Summit. Leaders discussed the influence of artificial intelligence on pharma and where they believe it is headed.

AI is increasingly becoming relevant for our industry



Before the advent of AI, most of the focus was on standardization of work to increase efficiency and productivity. Automations were predominately rule based. Decision making was solely a human endeavor. With **machine learning**, the industry has leveraged the **predictive powers of algorithms** to support decision making – with everything from drug development and discovery to engagement with HCPs. Within Commercial Operations, most companies have leveraged this capability with efforts such as **Next Best Action**, **patient identification/segmentation, and predictive forecasting** to name a few.

A **new era of generative AI** is now in our midst – **adding creativity on top of predictive capabilities**. Companies should be thinking about how AI can be done safely and quickly, along with inefficiencies and next steps.

A **sentiment of excitement and cautious optimism** was expressed from the participants with great interest in exploring where, and importantly how this will be used. Yet even before taking that first step, nearly all agreed on the **importance of guidance and education** for this new era of AI.

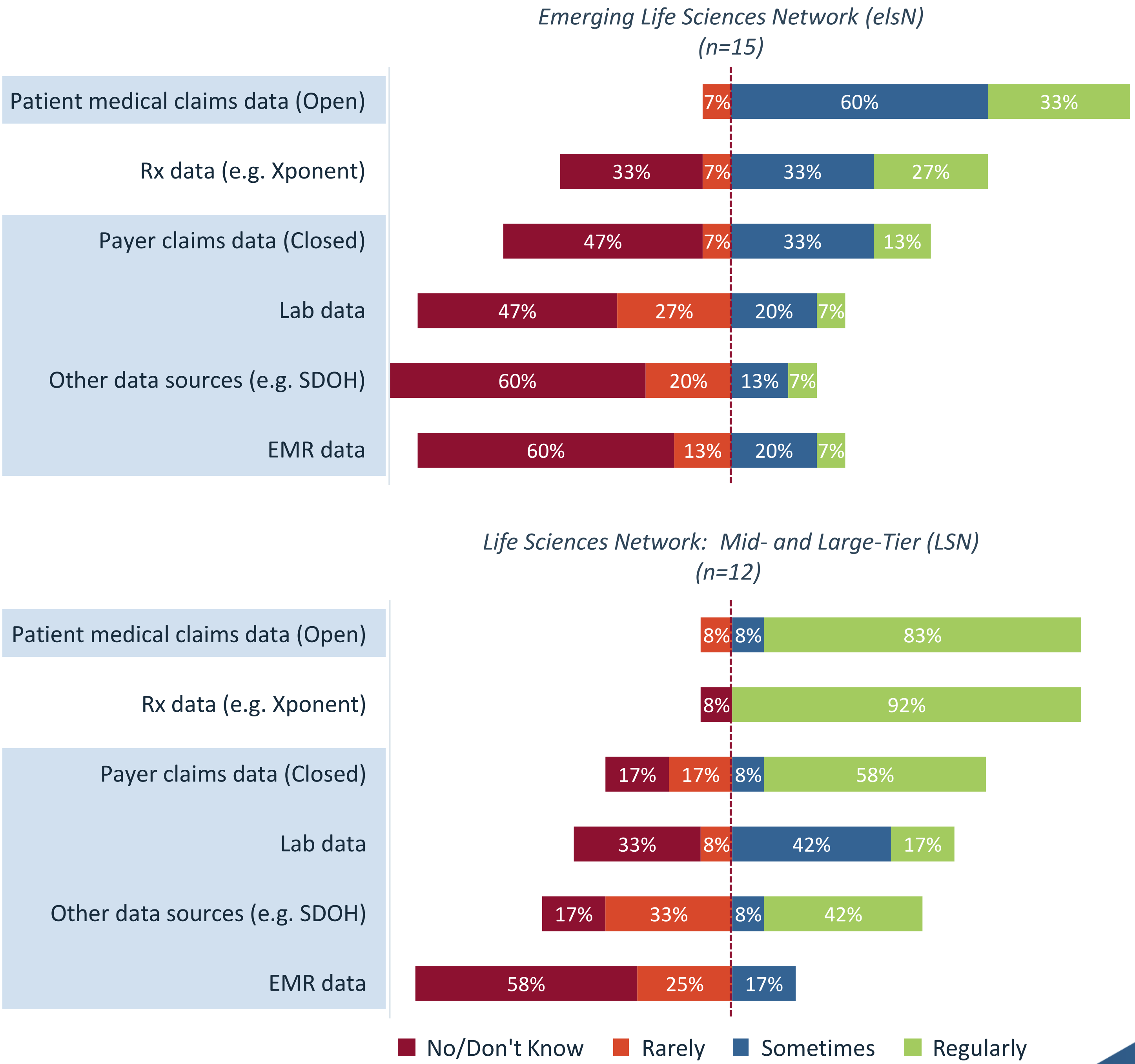
Innovation: Generative AI Use Cases for Biopharma and Healthcare

Use of generative AI is in its nascent stages, but applications are beginning to emerge for many life sciences use cases. **TGaS plans to capture relevant examples of "How Do/Should Other Companies Do It?"**

Innovation: Leveraging New Data Sources

In the Commercial Data Management breakout session, TGaS shared a list of common data types being leveraged within the industry focused on **enhancing analytics through more granular and interconnected data.** Summit participants agree that the number of data types and sources is growing with increased needs to support organizational value. For the data expansion that is occurring, **medical claims and third-party data remain the most common sources**, as depicted in the chart below.

Data Sources Used for Predictive Analytics

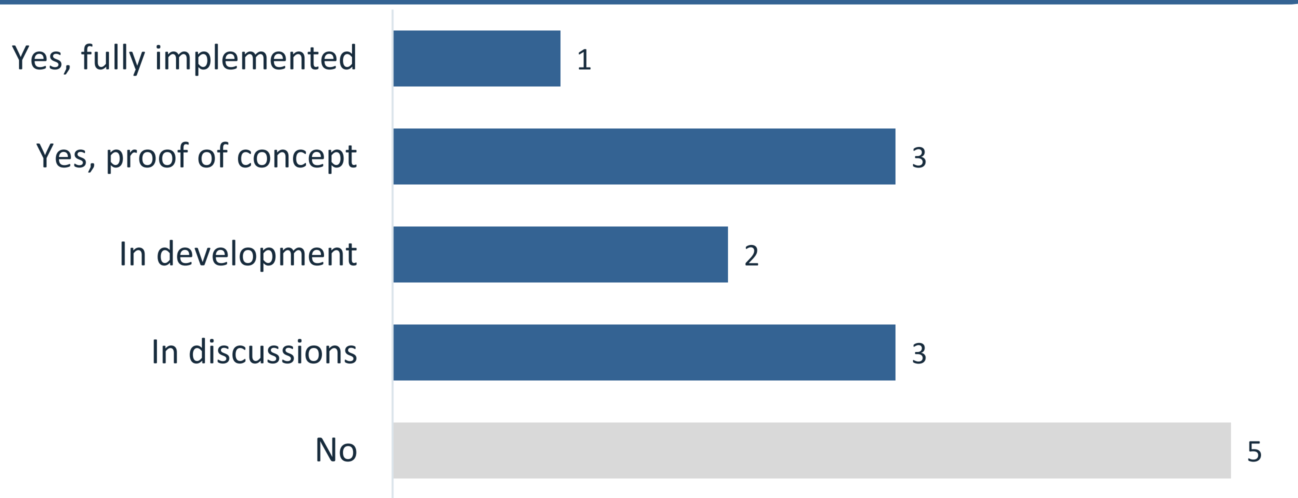


Innovation: Leveraging New Data Sources (continued)

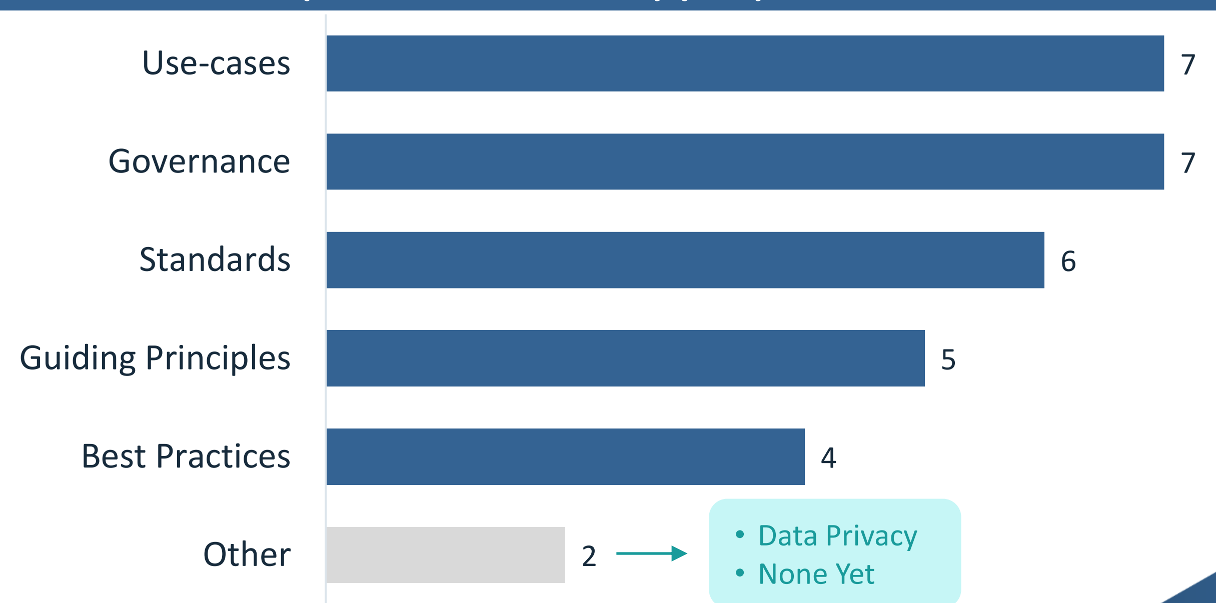
As companies are exploring new ways to exploit data, they **must ensure compliant use and account for potential risks and bias** that might be introduced. The Summit group agreed that oversight is likely needed. Many participants' perspectives align with a recent TGaS survey that indicates **companies remain in the early stages of developing and deploying guardrails, along with evaluating if bias may be introduced into models.**

Analytical Guardrails for Leveraging AIML

Has your organization defined any analytical guardrails for the leverage of AI/ML? (n=14)



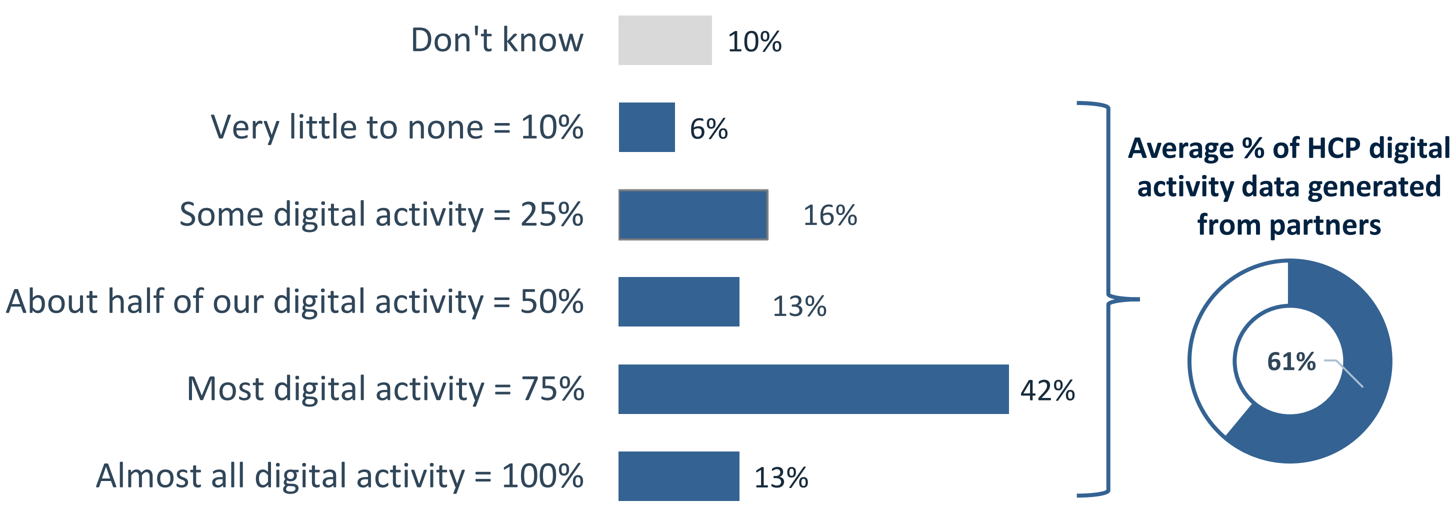
Which aspects for creating analytical guardrails are included? (Select all that apply) (n=9)



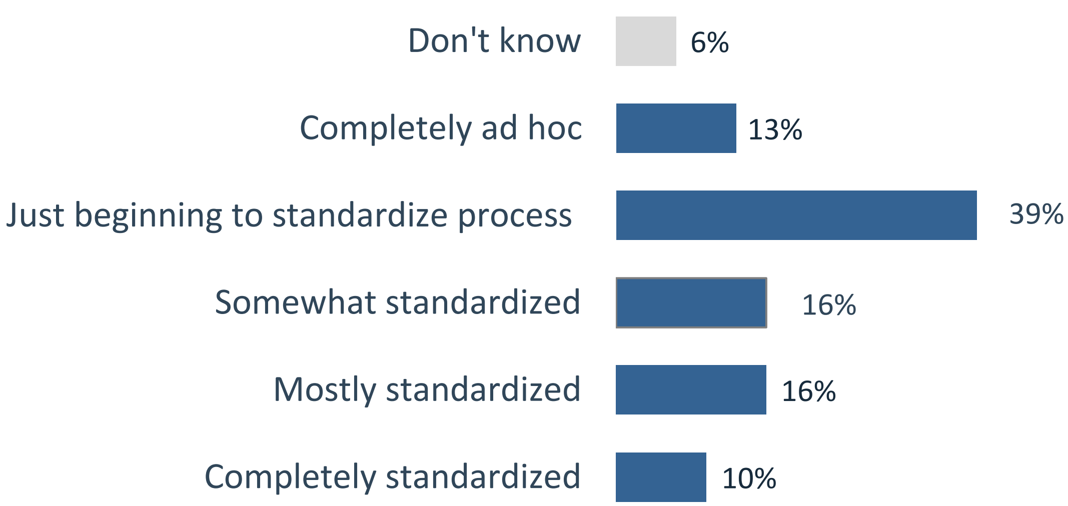
Innovation: Digital Data

Organizations have a strong desire **to better understand the effectiveness of both personal and non-personal engagement**, **requiring integration of digital data sources**. Unfortunately, while organizations have been increasing the capture, **the ability to fully leverage and integrate digital engagement remains challenging.** Many still have blind spots and lack ability to create a comprehensive picture. With the rush to acquire data, many in hindsight reported they often **lacked the planning to outline the data templates and standards** to ensure the right data with the required attributes existed and was contracted for. This resulted in rework, renegotiations and delays in enabling the desired analytics.

How much of HCP customer level digital activity data generated by your brands does your company receive from your digital engagement partners? (N=31)



How standardized is the process of receiving HCP customer level digital activity data from your digital engagement partners? (N=31)



Innovation: AI Use in Patient Support Services

Evolving Your Patient Support Strategy

A primary theme of the discussion was the **evolution of patient support services into a strategy, on par with clinical efficacy and payer coverage**, impacting the differentiation of brands.

While participants' 2023 strategies varied somewhat, all centered on the patient experience, leveraging technology for **the most impactful next steps for personalized engagements** and efficiently **leveraging clinical and case management staff by streamlining traditional "back-end" tasks**.

Can "White Glove" Support be Provided by a Machine?

Artificial Intelligence (AI) use was reported for:

- Automation of chats and text messages
- Straightforward benefit investigations, which may include payer calls
- Anticipated use of Next Best Action (NBA) for patient engagement, currently used for account level engagement

Survey Insights

60% of companies leverage AI/Machine communication either currently or are planning to in next 12 months

Similarly, **50%** are expecting to use **NBA analytics in future patient engagement**

In discussing automation of patient support services tasks, leaders continue to focus on correct, thorough completion of prior authorizations through **system-driven required fields**. Use of **optical character recognition (OCR)** was also discussed not only as a means for replacing manual intake processes but also to identify adverse events (AEs) from case management documentation.

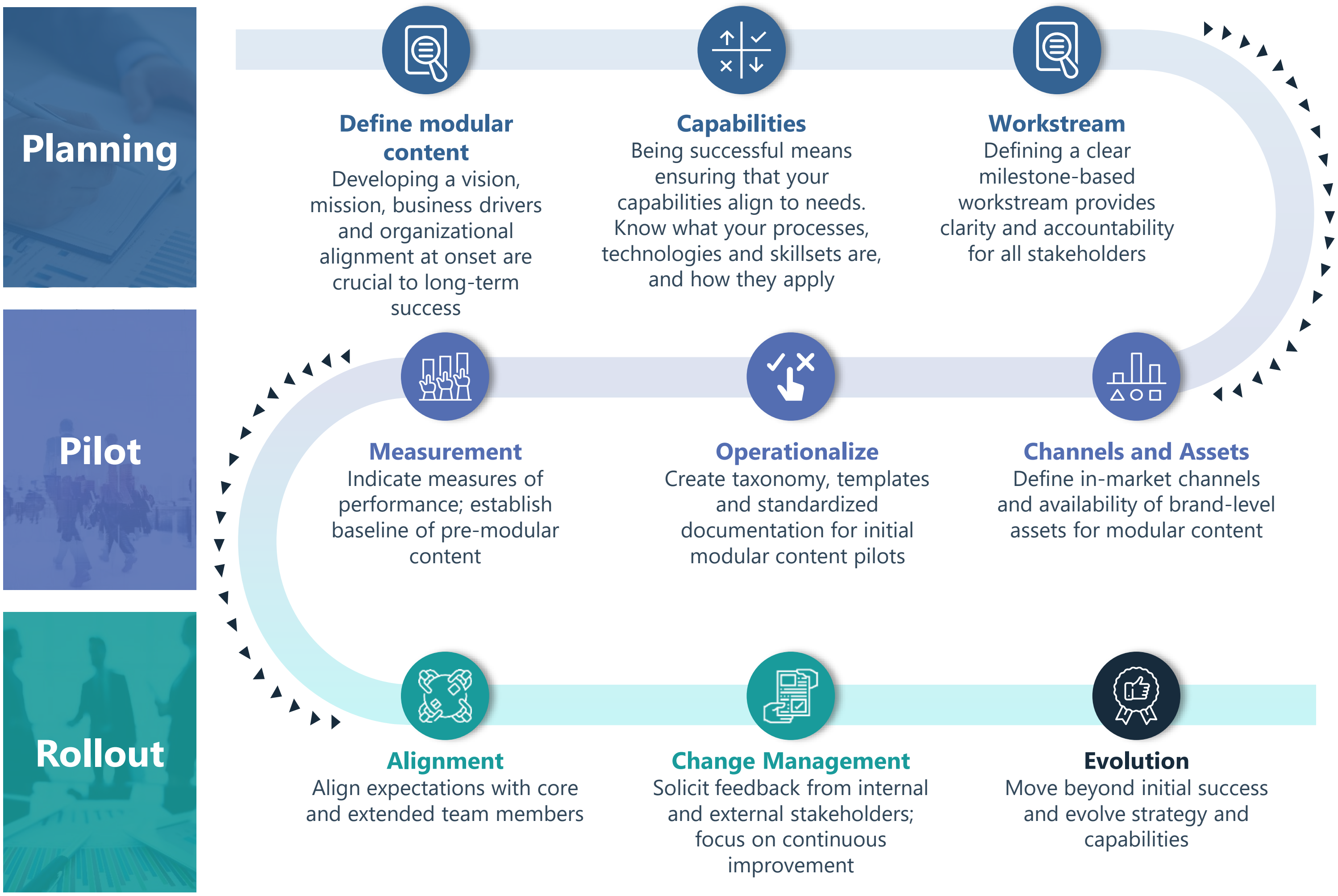
Innovation: Modular Content

Participants shared their journeys with **modular content,** many of which are in the early stages of planning and piloting, recognizing that "at scale" modular content is a multiyear initiative.

Some of **the barriers to adoption** include incompatible technology and difficulty maintaining a marketing champion due to higher rates of marketing turnover compared to commercial operations roles.

Participants expressed that the perception of modular content being able to significantly decrease across-the-board speed to market may be misguided and is largely unknown at this point; the **key perceived benefit to modular content is personalization of content to the consumer.**

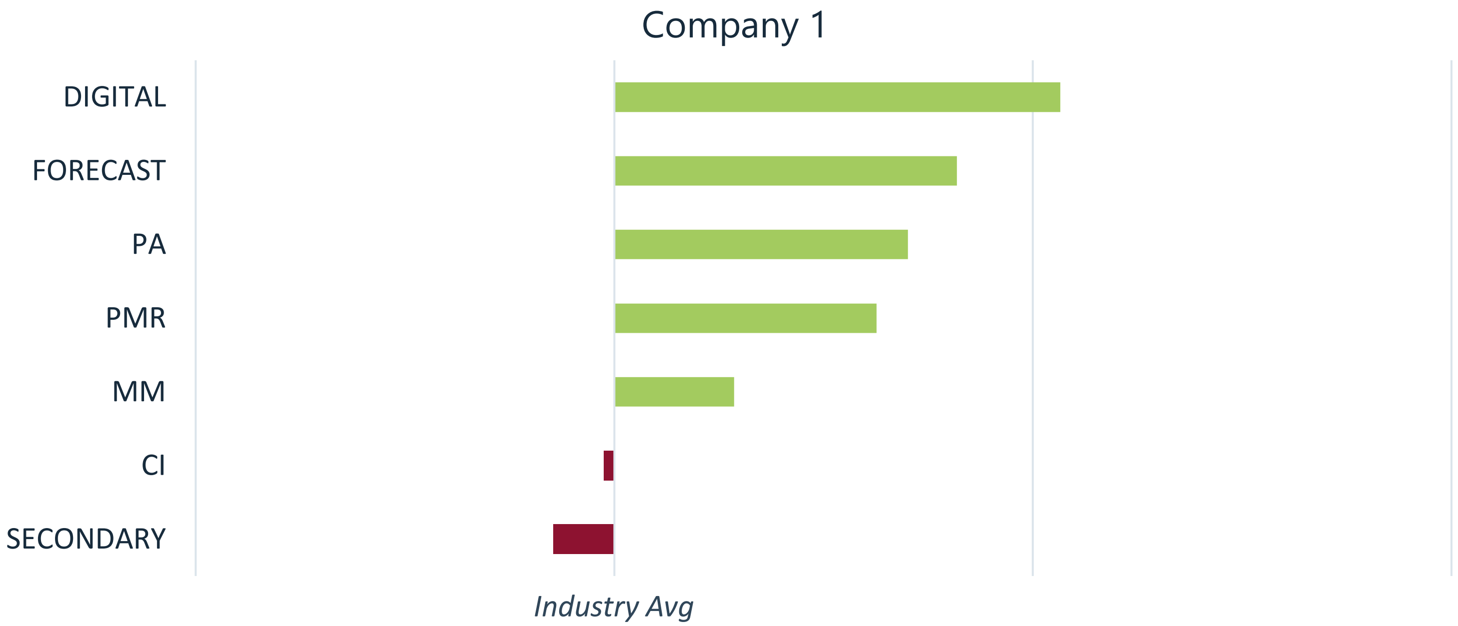
Modular Content Journey

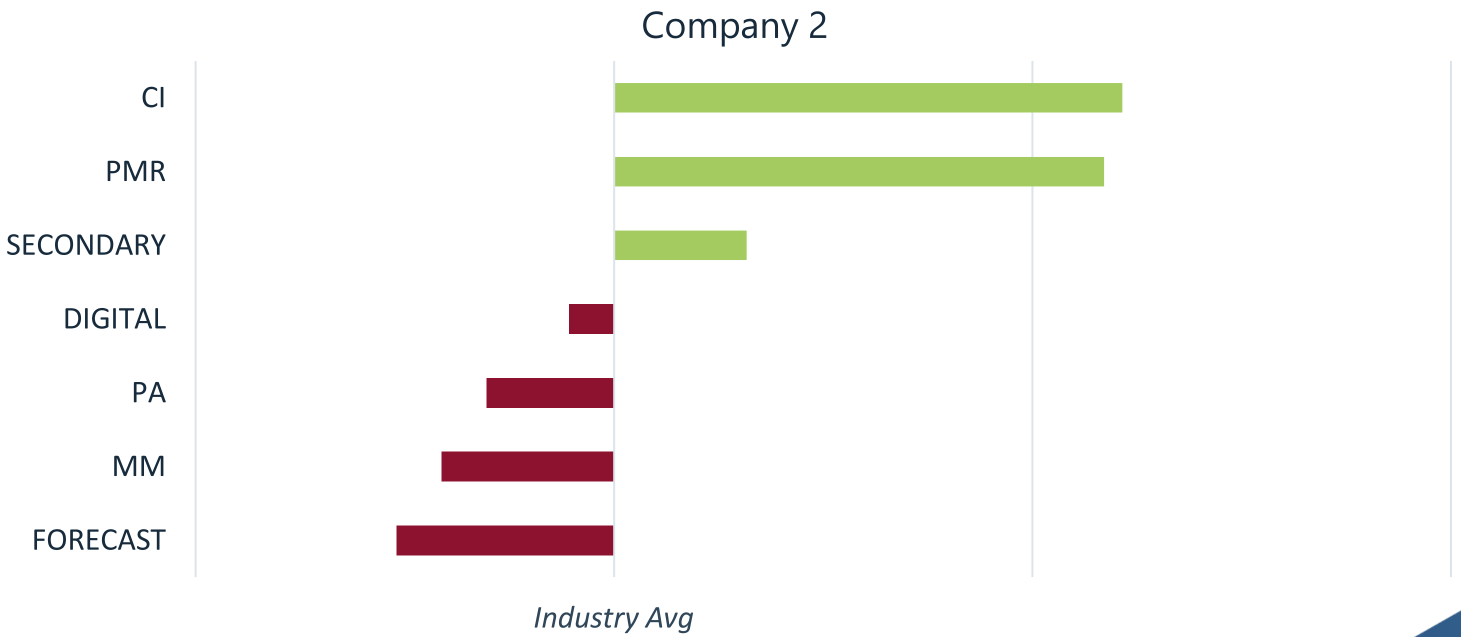


Innovation: Capabilities Diagnostics

Commercial Insights and Analytics participants reviewed a capability diagnostic which enables companies to gain a perspective of **how they compare to industry norms**. A normative database has been created from TGaS Benchmark capability interviews for specific functional capabilities seen within CI&A teams.

Completion of on-line surveys will provide a team's **self assessment of their maturity level** as compared to industry norms. Insights on perceived areas of strengths and opportunities offers teams the chance to **dialog on priorities and areas of growth**.





Innovation: Incentive Compensation Excellence

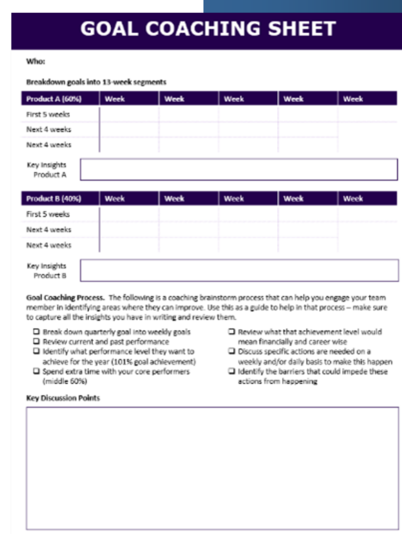
Incentive Compensation Innovation: Moving the Middle

Case study review from our "Best of Benchmark" winner

A partnership between Incentive Compensation, Learning and Development and a behavioral scientist built and rolled out **first line manager training designed to "move the middle**." This initiative utilized behavioral science to focus on helping managers motivate and coach their middle performers along two main areas:

- **Goals** (goal gradient theory, creating milestones, progress principle)
- **Framing** (loss aversion, achievement words, social proof, anchoring effects)

The team rolled out training to sales leaders using a test and control group to evaluate the effectiveness of the learnings. As a result, they've received requests from additional teams to deliver this training.



GOAL COACHING SHEET

Who:

Breakdown goals into 13-week segments

Product A (60%)	Week	Week	Week	Week	Week
First 5 weeks					
Next 4 weeks					
Next 4 weeks					

Key Insights Product A

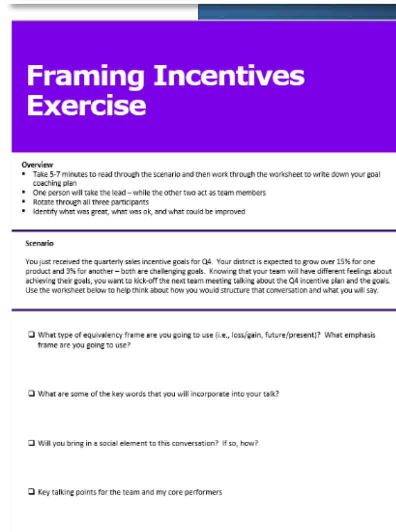
Product B (40%)	Week	Week	Week	Week	Week
First 5 weeks					
Next 4 weeks					
Next 4 weeks					

Key Insights Product B

Goal Coaching Process. The following is a coaching brainstorm process that can help you engage your team member in identifying areas where they can improve. Use this as a guide to help in that process – make sure to capture all the insights you have in writing and review them.

- ❑ Break down quarterly goal into weekly goals
- ❑ Review current and past performance
- ❑ Identify what performance level they want to achieve for the year (101% goal achievement)
- ❑ Spend extra time with your core performers (middle 60%)
- ❑ Review what that achievement level would mean financially and career wise
- ❑ Discuss specific actions are needed on a weekly and/or daily basis to make this happen
- ❑ Identify the barriers that could impede these actions from happening

Key Discussion Points



Framing Incentives Exercise

Overview
- Take 5-7 minutes to read through the scenario and then work through the worksheet to write down your goal coaching plan
- One person will take the lead – while the other two act as team members
- Rotate through all three participants
- Identify what was great, what was ok, and what could be improved

Scenario

You just received the quarterly sales incentive goals for Q4. Your district is expected to grow over 15% for one product and 3% for another – both are challenging goals. Knowing that your team will have different feelings about achieving their goals, you want to kick-off the next team meeting talking about the Q4 incentive plan and the goals. Use the worksheet below to help think about how you would structure that conversation and what you will say.

- ❑ What type of equivalency frame are you going to use (i.e., loss/gain, future/present)? What emphasis frame are you going to use?
- ❑ What are some of the key words that you will incorporate into your talk?
- ❑ Will you bring in a social element to this conversation? If so, how?
- ❑ Key talking points for the team and my core performers

Sources: Sanofi; Kurt Nelson, The Lantern Group

Growth: Omnichannel, Marketing Operations (MOPs) Field Operations (FOPs), Learning & Development (L&D)

Achieving Commercial Excellence Through Omnichannel Collaboration

Leaders from across the Omnichannel and Marketing space gathered for an interactive discussion on:

- What does an omnichannel approach look like within your organization?
- Do people throughout your organization understand omnichannel?
- What challenges did you overcome to integrate omnichannel across departments like MOPs and FOPs?
- What are one or two critical success factors for achieving omnichannel across departments?
- How has omnichannel changed things like function, strategy, structure and skills across departments?
- How are organizations measuring omnichannel effectiveness in field forces and marketing operations?
- What does the next 12 months look like for your team?

How are teams evolving to support capabilities and innovation?

Panelist Perspectives

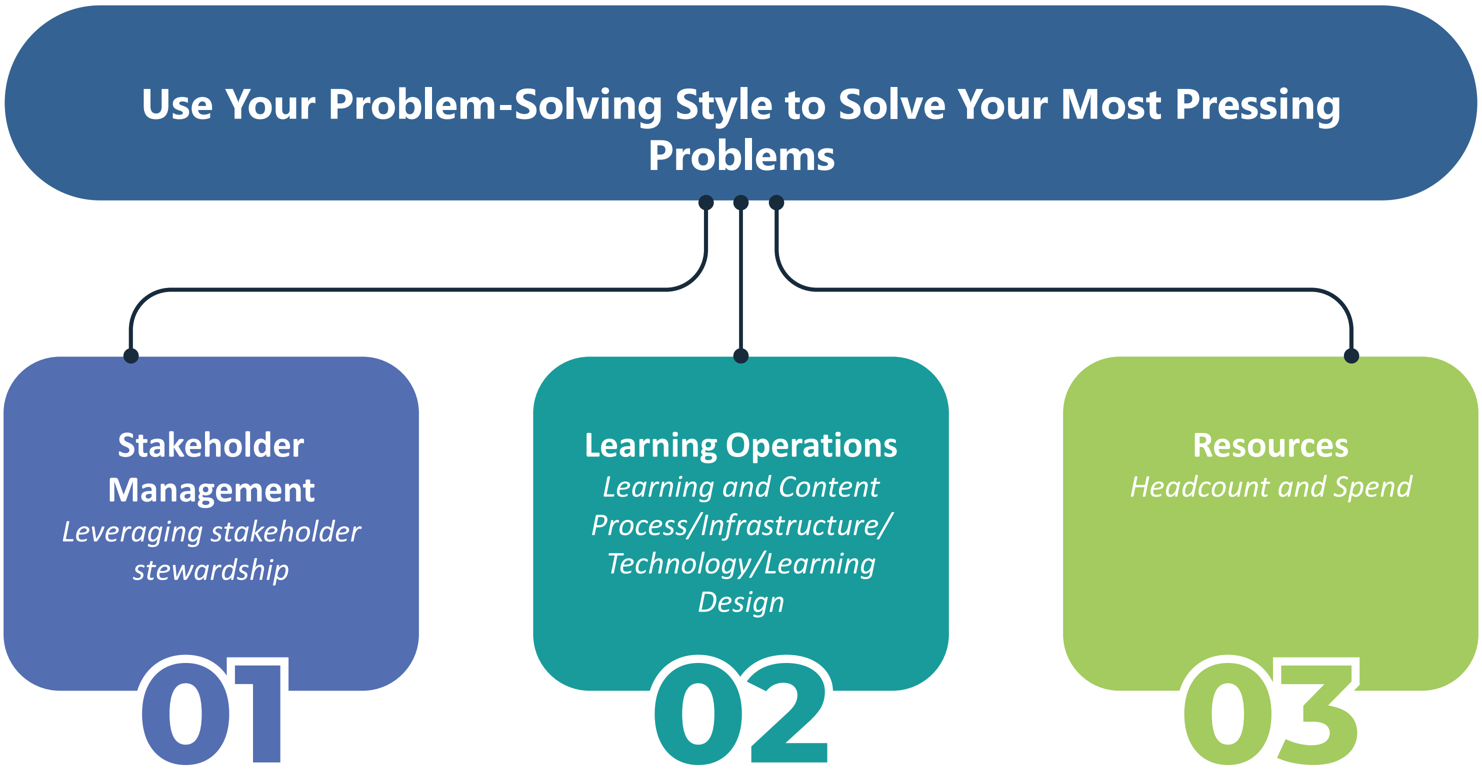
- Internalizing and centralizing both strategy and execution
- Collaborating across functions to align and ensure successful application to unique brands' objectives and imperatives
- Become true subject matter experts
- Dedicating resources to emerging capabilities and innovation
- Keep the goal top of mind – what capabilities are highest priority--and evolve from there
- Ensure processes evolve in cooperation with changing needs
- Allow centralized teams to truly take ownership of execution and strategic expertise specific to omnichannel ecosystems; brand teams can be dedicated to understanding the specific therapy area, customer needs, etc.
- Slower roll-outs that incorporate stakeholders who are already champions of the omnichannel strategy as trainers

Growth: Learning and Development

Given the pace of change and the need for continuous learning, **companies are seeking ways to enable more agile and timely problem-solving skills and techniques.**

During the Summit, learning leaders were asked about their top three problems prior to the summit. These three areas were the most common. Leaders selected a **problem-solving circle** and posed problems and gained insights from other leaders.

Learning leaders **completed a personal problem-solving inventory** and shared their perceptions and approaches to solving problems, as well as barriers to effective problem-solving.



Considerations for Effective Problem Solving

- **Distinction** – What is part of the problem and what is not?
  - Stakeholder understanding, high turnover, hiring underqualified people?
- **Systems** – What is the problem a part of?
  - Lack of funding, shared governance, SOP for new initiatives?
- **Relationships** – Is it a direct or indirect problem?
  - Cause and Effect (or Affect)?
- **Perspective** – Whose position do you view the problem from?
  - You? Your Team? Your Client? Your End Users?

Source: Robyn Defelice

Growth: Field Operations

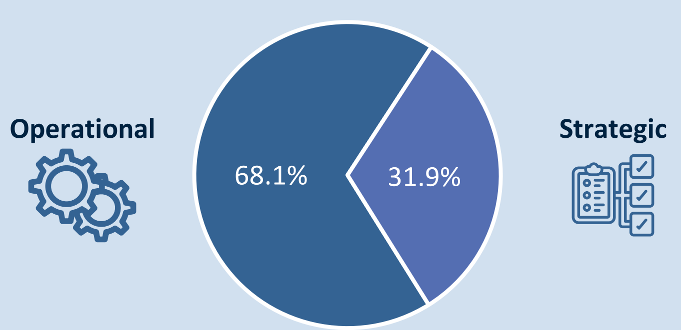
Field Operations Leadership Now and For the Future

Field Operations leaders explored the **shift in their priorities** and the implications for stakeholder partnerships. **Next Best Action (NBA)** was a hot topic bridging into a debate on the evolution of customer facing roles – the rep-MSLs—and what if the industry turned the model on its head?

The Evolution of Field Operations' Top Priorities

	2021	2022	2023	Next 3-5 Years
1	Improving insight generation capabilities	Streamlining/Driving **efficiency**	Supporting **launch** activities	**Development in AI/ML**
2	Driving **efficiency**	Improving insight generation capabilities	Developing/Deploying/ Refining **NBA/Omnichannel**	**Omnichannel and NBA**
3	Enhancements to the data warehouse environment	Creating **efficiencies** in the team	Streamlining/Driving **efficiency**	**Data Insights and Reporting**
4	Improving non-personal promotion capabilities	Enhancing **field reporting**	Enhancing/**Simplifying** field tools/technology	**Product Launch**
5	**Enhancing field tools/ technology**	Adding CRM capabilities to support new business needs	Enhancing **field reporting**	

What percent of the time does Field Operations leadership spend ensuring existing processes are operational vs. strategizing ongoing and future projects?



No matter the future, **Field Operations leaders agreed on the importance of better positioning their teams as strategic advisors** in the evolution of customer engagement. These leaders are uniquely positioned to observe the **disconnect** in measuring success of omnichannel initiatives between senior sales leadership and the field and can advise on bridging the gap.

The group aligned on the importance of **doing a PR tour** to emphasize the value brought by Field Operations teams, especially their perspective around tools, resources and capabilities to drive the business; there is **value to engaging Field Operations** in the formative stages of new initiatives and strategic discussions.

Growth: Access Strategy and Customer Engagement

Pharma will adapt to these market conditions and shift away from siloed, discreet customer facing teams to a more integrated models

Trend: **Integration of regional and IDN teams** either through matrixed execution or shift to enterprise, regional ecosystem models requires capability enhancements and adaptation of national strategies to a more localized regional approach

Traditional BU Model

- While Market Access and Commercial Operations support all business units (BUs), the Sales and Marketing organizations are siloed from each other
- Brand strategies are siloed within the BUs, and typically lack an overall organizational strategy
- Silos limit best practice sharing across the organization

BU Model with Matrix Focus

- Organizations have BUs, but have created a matrix-based approach to customer engagement
- The matrix approach brings in perspectives across teams including Marketing, Sales, Market Access, Medical, HEOR, Govt Affairs, Patient Support, Trade, etc. to be more strategic as an organization
- This model requires teams to be highly synchronized and collaborative

Ecosystem Model (Enterprise)

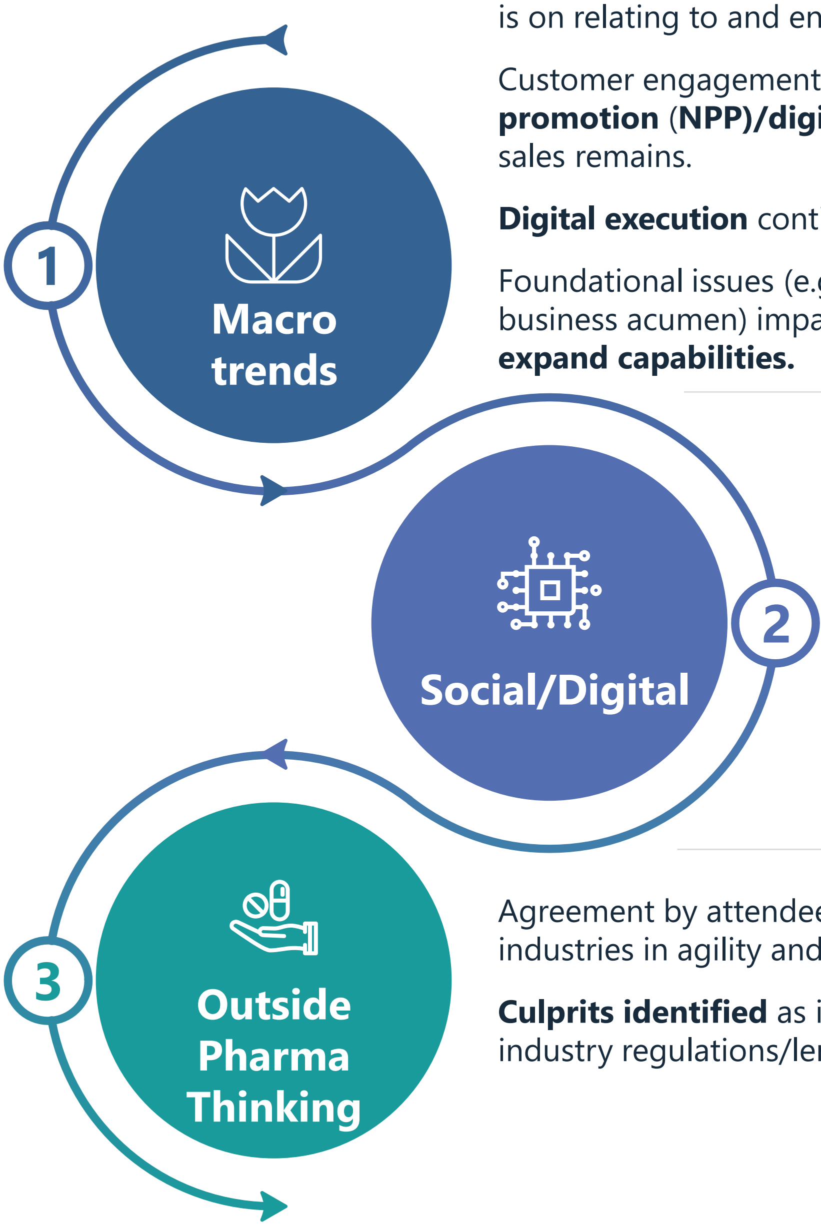
- Organizations have regional ecosystem teams for local needs
- Model has potential to create efficiencies; however, it is challenging to execute
- Skill and capabilities of customer-facing teams evolve as greater emphasis is on a B-B engagement
- This model has a greater emphasis on the role of pull-through at the local/practice level
- Clearly defined roles and responsibilities and accountabilities are key to effective execution

Evolving the Traditional BU Model to an Ecosystem Model

Customer consolidation, vertical integration and customer access are main drivers of transformation from a traditional BU/siloed account model to an ecosystem model

Growth: Marketing Operations

Key areas of discussion were macro-industry trends, social/digital topics and outside of Pharma thinking.



Customer acquisition and costs of programs are increasing. Emphasis is on relating to and engaging customers.

Customer engagement strategies are shifting to **non-personal promotion** (**NPP)/digital channels**, yet reliance on traditional field sales remains.

Digital execution continues as an area requiring further optimization.

Foundational issues (e.g., marketing and agency turnover, recruitment, business acumen) impact companies' abilities to further optimize and **expand capabilities.**

Social and digital **strategy execution** is lacking.

Best practices discussed included standards and most experienced teams' utilization of digital/social playbook .

Use of **modular methodologies** was discussed but continues to be a work in progress.

Agreement by attendees, Pharma continues to be behind other industries in agility and personalization of customer content.

Culprits identified as industry's heavy process reliance and the industry regulations/lens of compliance.

Growth: Marketing Operations

Marketing Operations leaders discussed how their **span of responsibilities has shifted** in the last 12 months, with noticeable increases in internal agency/creative responsibilities, digital, as well as expanded stakeholder groups including Medical.

>75% of Companies	51-74% of Companies	26-50% of Companies	<25% of Companies
• MRL Review Operations • Print, Fulfillment and Inventory Management	• Process Excellence • Agency Training • Speaker Program Management • Conventions Management • Meetings Management	• Marketing Training • Internal Agency/Creative • Ad Boards • POA Planning • Exhibits • Sponsorships • External Agency Management	• Omnichannel/ Digital • Consulting Services • HCP Monitoring • Sample Operations

Source: TGaS Advisors Industry Data, n=20

Leaders also compared **their scope of responsibilities versus ex-industry** and whether their scope will migrate to include more data analysis and marketing technology responsibilities.

72%	67%	65%	63%	56%
Designing, implementing and optimizing operational polices	Data analysis, synthesis, reporting	Developing & implementing software or system management	Evaluation of and needs-identification for tech stack	Sales process optimization

Source: State of the Marketing Ops Professional "MO Pro", HubSpot

Growth: Commercial Insights and Analytics

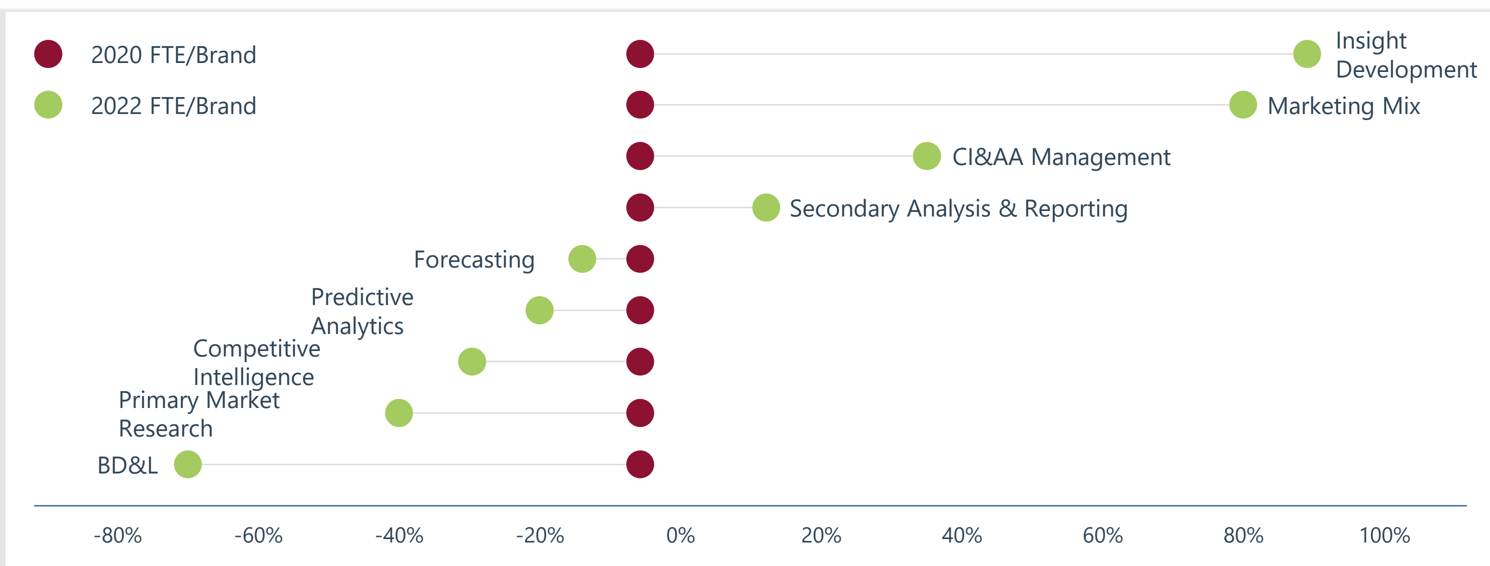
Most Commercial Insights & Analytics departments are characterized by "current state" descriptions below but **are planning for or beginning to implement the "desired state."**

CI&A is shifting focus from project-based, siloed activity to **integrated insight development.**

What is the vision for your Insights & Analytics department?

Current State	Desired State
• Service provider • Soiled "delivery units" • Insights and Analytics (and Data) professionals • Functional/"technical" vs Business/strategic role • Reactive, ad hoc, project based	• A strategic partner, advisor, leader • Proactive, not reactive • Integrated with stakeholders to define and implement strategies and tactics • Knowledge management expert – "long-term memory" of the organization

Change in FTEs per brand by functional area: 2022 vs. 2020



Growth: Medical Affairs

Medical Affairs leaders affirmed as we move into a post-pandemic world, medical teams are taking an **increasingly hybrid approach** to scientific engagement with a look towards developing an **integrated omnichannel scientific engagement strategy.**

90%

Organizations note engagement metrics have returned to pre-pandemic levels

Similar engagement numbers with a hybrid approach (e.g., in-person and virtual)

65%

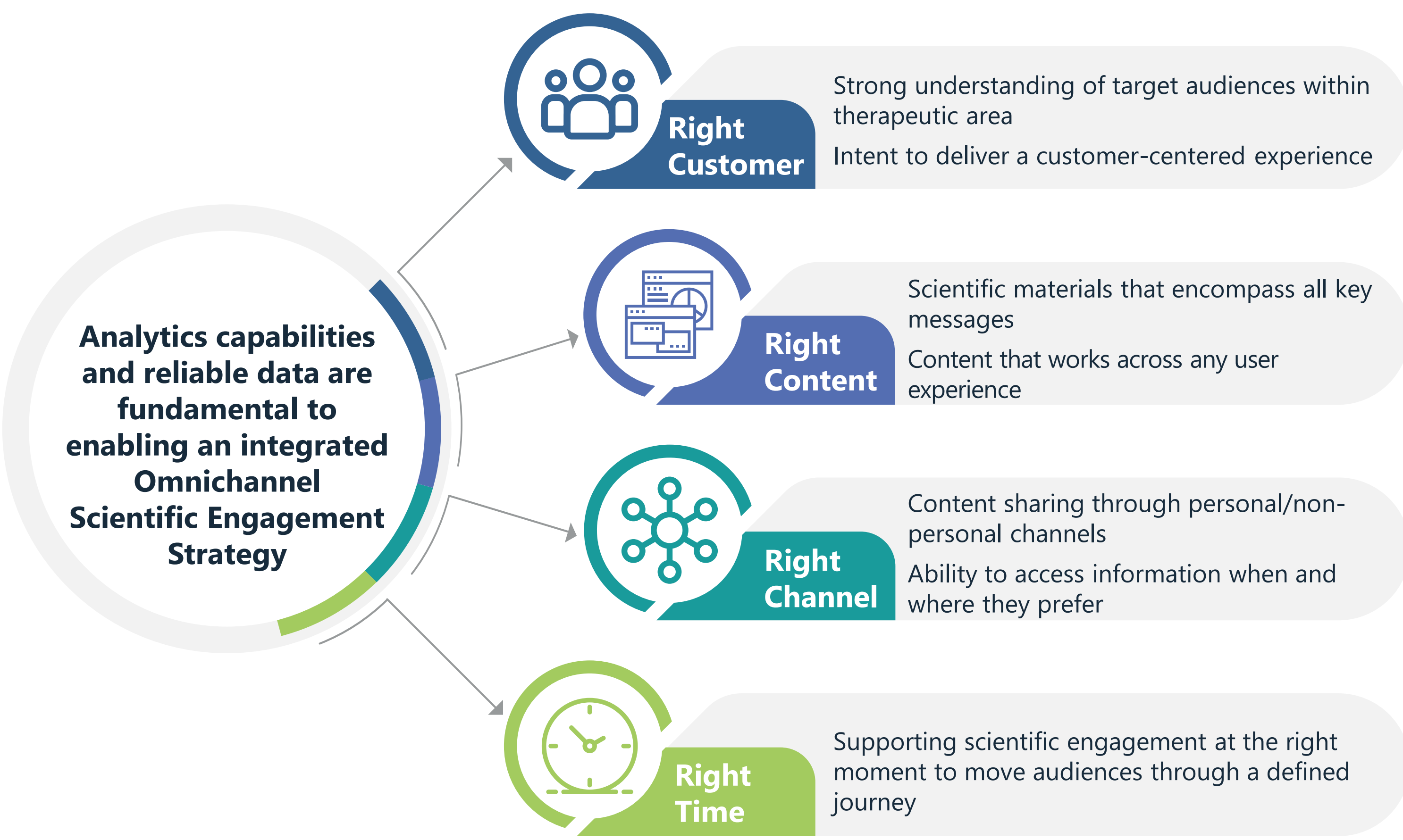
Field teams are still experiencing barriers with thought leader engagement

MSL field teams are facing challenges with thought leader availability and restrictions with in-person clinic visits

60%

Organizations developing an integrated omnichannel approach to scientific engagement

Medical Affairs leaders are partnering with cross-functional digital leads



Productivity: Medical/Regulatory/Legal

Review Tiering, Field Direction Memos and Review Metrics

Leaders discussed a variety of areas for productivity improvements

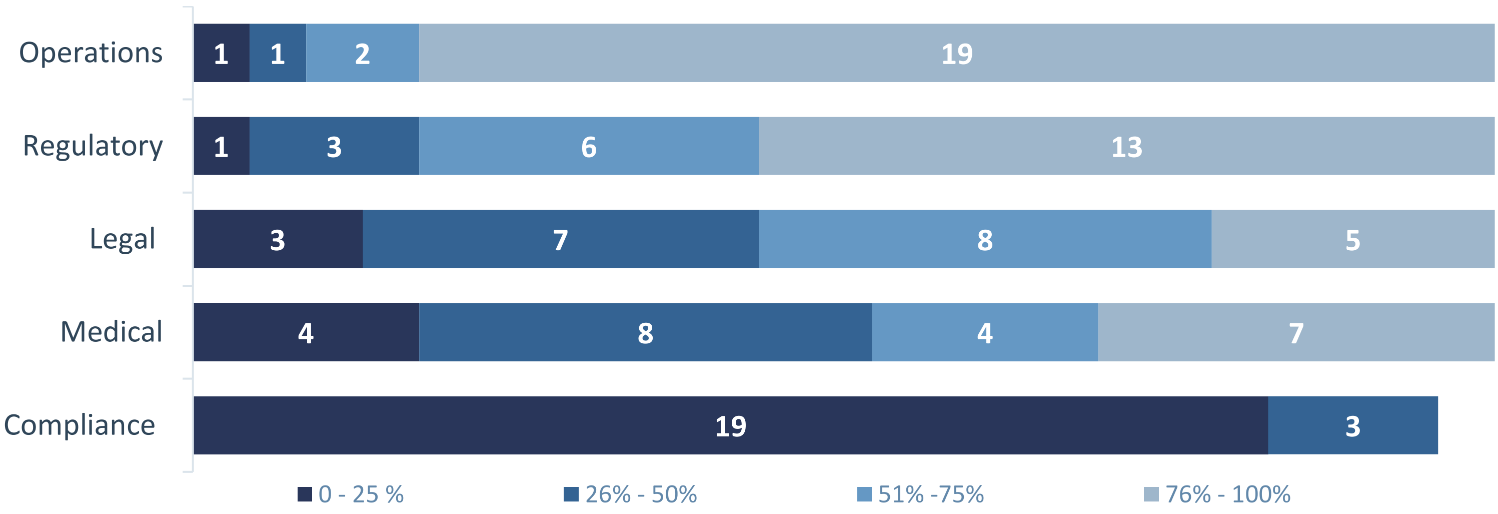
For tiering, most appear to include within their promotional review committee (PRC) processes, and some are removing legal reviewers and/or reducing legal review requirements, ***which is an emerging trend in industry***

For **modular approaches and tiering** there are unsolved challenges - how to handle pre-approved content (templates/modules) within reviewer tiering, and management of organizational mindsets that approving content requires contextual renderings and/or brand specific requirements

Field Direction Memos (FDMs): Best practices shared on **leveraging Veeva capabilities** to manage FDMs; including enabling isolated metric generation to track sources of excess FDMs, to assess appropriate follow-up action, minimize excess material production, and optimize communications

Review Metrics: Nearly half of attendees indicated use of formal dashboards for stakeholders. **Transparency metrics** (e.g., expedited review requests) were highlighted for enabling behavior change and accountability through cross-functional communication and improved adherence to processes.

Please indicate the approximate percentage of time (as a percentage of overall role/remit) that the following functions allocate to supporting your MRL promotional review process: *(n = 23)*



Productivity: Marketing Operations

Leaders discussed how the **complexities of inflation and the post COVID world** has created an environment **requiring agility, clean data and advanced systems** more than ever. Challenge areas were identified, with consensus from leaders on areas where opportunity exists to improve processes.

How to best define sponsorships (financial risks and payment are key factors); companies can define this differently due to lack of pharma and regulatory guidance but are looking to better address the definition across exhibits, meetings and occasionally speaker programs

Speaker selection may be positively impacted with AI and better data management implementation; less reliance on field-based reps within the process

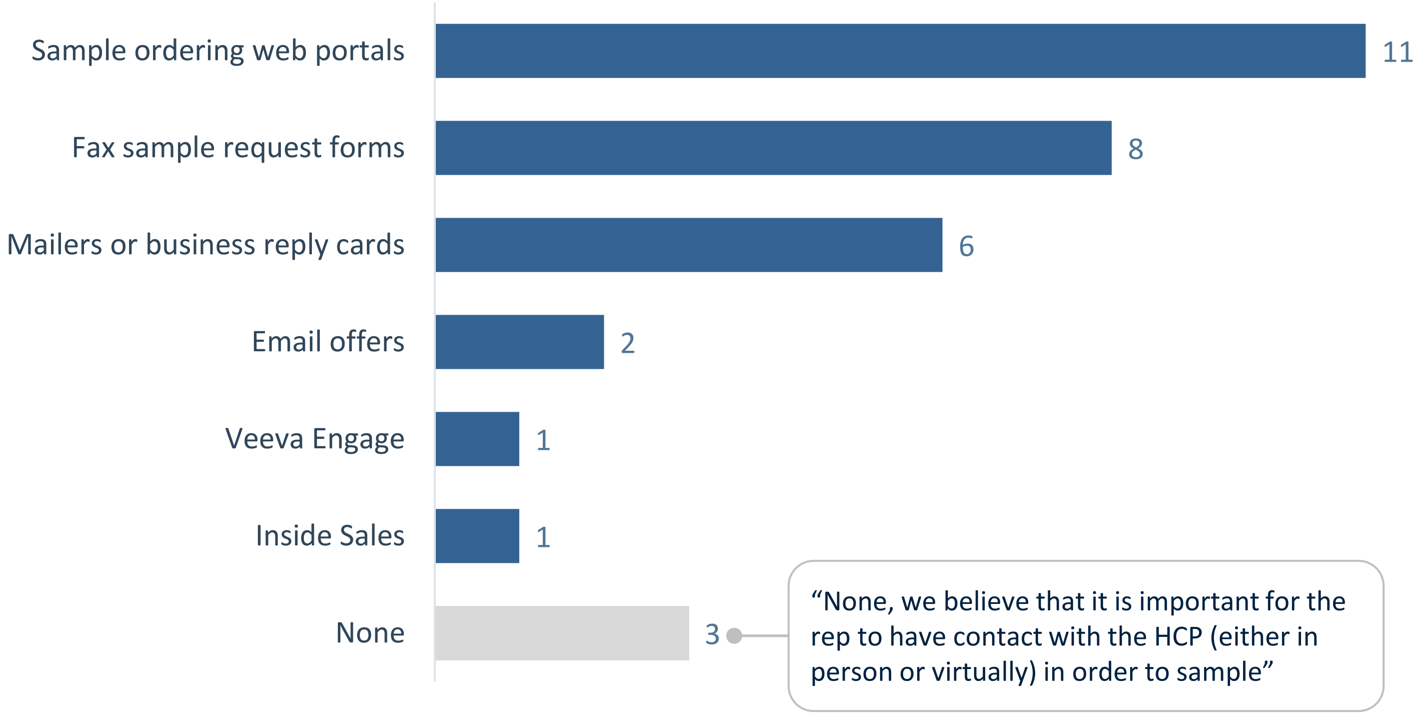
On-demand speaker training is conducted for product/disease-state and compliance training (compensation is variable by company). Re-training is a pain point across many companies; the reality is feedback from speakers can be difficult to collect from field reps

Post-program follow-up can be a paint point across many companies, including lead generation via marketing and sales channels

Institutional contracting with HCPs is a challenge due to delays in the process with strict guidelines and lack of allowed participation in the speaker bureau

Productivity: Sampling

What types of non-personal sampling methods are used by your organization? (Please select all that apply) (n=20)



When budgeting sample allocations for non-personal sampling methods, 4 companies are done by marketing, 4 by brand sample allocation budget, 4 by metrics, and 5 have no budget or are unsure

Companies are directing HCPs to their portal using multiple technique such as brand websites, through the call center, and/or reps providing direction to their HCPs

64% of companies (7 of 11) allow closure of acknowledgments (AOCs) through their web portal, but only 3 of those 7 companies allow non-HCPs to do so

Aside from ordering samples, contacting sales reps and closing acknowledgments are popular features of sample portals

Productivity: Sampling

What do you feel are the future needs of sampling in the next 12-24 months?

Improved Digital Capabilities

- **Greater focus on IT security/competence** – security breaches will crush the system faster than any manufacturing issue
- **AI/Big Data/RWE** (Real World Evidence) and what that means for sampling and how/if it can be utilized for sampling programs
- **Greater connectivity of different sampling channels** (i.e., reps, inside sales, digital) to improve collaboration vs. disparate programs

Evolving Customer Needs

- Improved tools for a representative to be more effective as their role becomes more focused on quarterbacking the HCP's experience – **getting the right resources to the right customer at the right time**
- Consider **differences in strategy** for launch brand sampling vs legacy/mature brand sampling
- Is there a trend toward DTP or Hand Sampling?

Distribution

- Increased sampling of biologics is driving need for **more cold chain facilities**
- Agility to comply with **new state reporting requirements** as they arise

"There is a need for a strong partnership between Sampling, Compliance, Brand teams and Analytics especially when sample folks internally wear many different hats, so they need the partnership to help support their efforts."

Productivity: Learning and Development

Microlearning Strategy

Microlearning is everywhere. This is one of the hottest topics in L&D across the industry.

Today's Commercial roles are ever more complex and rapidly changing, requiring individuals to absorb and retain massive amounts of data and information. **Continuous learning is essential.**

Although our research shows that companies define and describe microlearning differently, a simple definition is that **microlearning is a training approach based on brief learning modules, just in time, with a focused learning outcome.** It is often delivered using mobile devices.

Most importantly, the research shows most companies don't have a strategy or a platform to drive the strategy.

L&D can position themselves as business partners by taking a **proactive approach in leading and defining microlearning** for their stakeholders.

With the right strategy, microlearning **fundamentally shifts the design, development, delivery and evaluation of training** effectiveness.

What Makes a Great Strategy

Requires a shared language model

Other Key Trends: Pricing, Contracting & Analytics

Inflation Reduction Act (IRA)

Three key provisions : MFP/Price negotiation, Part D restructuring, and Medicare inflation rebates

Maximum Fair Price (MFP)/Price negotiation:

- Many companies are unsure of the outcome of government negotiations, as CMS lacks the capabilities to process information manufacturers must provide. It's likely the statutory ceiling price will be utilized.
- Concern expressed on operationalizing the effectuation of MFP within 14-day window given challenges of dispensing data and validating / reimbursing the entities. Additional guidance from CMS is needed.
- Participants shared concerns about potentially using serialization data to track MFP product sales, particularly that dispensing entities are not required to scan every unit and wholesalers will charge for serialization data, increasing costs for manufacturers.
- There will be an increased focus on utilization management and formulary validation, as historically, commercial and Part D plans have been aligned on one WAC which drove rebates and feeds.

Medicare Part D restructuring:

- Many companies believe Payers/PBMs will negotiate higher rebates and admin fees to cover increased costs, impacting commercial agreements. Some manufacturers are considering shorter term contracts.
- Some expect there will also be a shift of utilization from Part D to Medicare Advantage programs.
- Most participants believe that Medicare inflation rebates will be validated by Government Pricing teams given the similarity to Medicaid inflation rebates.

340B

- **PBMs are still disputing 340B findings** and asking to audit manufacturer's validation methodology. Some companies are being asked to provide advanced notice and estimated financial impact before implementing new validation processes.
- **Contract pharmacy initiatives** are growing in the industry, and some companies have updated their policies based on the recent court ruling in favor of manufacturers.
- Some companies are hesitant to agree to implement **caps on 340B exclusions** without assurance that PBMs are validating data upfront.
- Most companies and Payers/PBMs are using **HRSA-based data sources,** however, duplicates are still being identified at a concerning rate.

Technology

- More large-tier companies are planning to move to **Model N cloud** this year. Existing users report a mix of benefits and challenges. Due to system customizations, Model N upgrades on the cloud still present a significant amount of work.
- Some companies are looking at **other Revenue Management systems,** but other vendors' capabilities are not as robust as what **Model N** currently offers.
- **Robotic Process Automation** is the most common application of the innovative technologies (not much advancements reported using Artificial Intelligence), but while process bots are great when they work, they do break down a lot.
- Some companies are evaluating **Blockchain** and see it as a viable future technology, but there are concerns that not all required players are fully invested yet.

Other Key Trends: Access Strategy and Customer Engagement

While the true impact of the IRA will be realized over time, payers do have some initial perspectives on the potential impact of their business

Negotiated Part D and Part B

While the **effects of the IRA** will not be fully realized for another few years, nearly 3/4 of peers believe that they will have to **re-evaluate and amend their Part D benefit design**

- More restrictions, step edits for drugs across the board to offset costs
- Changes in premiums, co-pay and co-insurance (will increase)
- Non-negotiated drugs in same class will be expected to have more aggressive rebating structures to be more in line with the negotiated drug to ensure broad access
- For oral oncolytics, shifting away from Part D orals to Part B infused for a better reimbursement structure
- Increase in value-based contracting for payers; risk partnerships for providers

"So, we're going to respond with more restrictive formularies, tighter utilization and management requirements. There will be more formulary exclusions, more step therapy, requiring rebates from manufacturers, looking at novel contracting arrangements, value-based contracts with manufacturers to minimize costs. You also may see premiums increase and other supplemental benefits be a little bit leaner as a result. So, I think those are some of the impacts you're going to see."

-Pharmacy Director, Regional Plan

"By nature, and the way it's set up, there will be changes to drug pricing and net costs whether oral or injectables. Copayments will change, co-insurance will change. I think there will be big changes in influence space and copay space. Big changes in outpatient cost sharing; big picture changes happening in pharmacy space; vaccine included in IRA; will hit across the board."

-VP Pharmacy, National Plan

Fifth Annual Best of Benchmark Awards

TGaS Advisors announced the winners of the fifth annual Best of Benchmark (BoBs) Awards during an awards ceremony held at the Summit. **The Awards are given for operational excellence within the pharmaceutical industry** and are based on TGaS benchmarking of large, midsize and emerging life sciences companies. This year, **TGaS presented 10 awards to 6 companies**. Click here to see the complete the list of awards and winning companies.

While the specific BoB criteria subtly changes from function to function, **the underlying factor for recognition is a pharma operations team that demonstrates the best capability relative to peers in the industry for a specific department, function or process.** Winners are chosen based on TGaS benchmarks executed within the prior two calendar years, which gives TGaS a deep understanding of all eligible clients.

"**The operations leaders are often the 'unsung heroes' in the pharmaceutical organization**," said Gary McWalters, President, TGaS Advisors, a division of Trinity. "It's an honor to recognize these deserving leaders and the winning companies for demonstrating superior capabilities that set them apart from their peer group. Congratulations to all the winners!"

TGaS has a long-standing history of providing benchmarking and advisory support to our clients. We rely on our proprietary benchmarking knowledgebase, a network of thousands of industry contacts from >100 pharmaceutical companies and a team of >50 professionals—most with senior-level experience who have walked in the shoes of our clients. For the past 18 years, TGaS has been helping our clients answer the question, "How do other companies do 'it'?" and there is hardly a question we can't answer.

Commercial Operations Executives: Leading the Evolution

Future-focused decisions to evolve and accelerate the Commercial Model

In conclusion...

Tomorrow's most successful leaders will continually seek data, information and emerging trends in this increasingly innovative, fast-paced global environment. Building critical skills and capabilities for the future is essential. Data management is foundational. Implementing next level ways of working, Next Best Action, and Generative AI will propel Commercial Operations and position your organization well for the continued commercial evolution that lies ahead.

TGaS Advisors are your partners in providing insights and data to inform critical decisions in 2023 and beyond.

Reach out to your TGaS contact or info@trinitylifesciences.com for support for these topics or other business challenges you are facing.

About Trinity

Trinity Life Sciences is a trusted strategic commercialization partner, providing evidence-based solutions for the life sciences. With 25 years of experience, Trinity is revolutionizing the commercial model by providing exceptional levels of service, powerful tools and data-driven insights. Trinity's range of products and solutions includes industry-leading benchmarking solutions, powered by TGaS Advisors. To learn more about how Trinity is elevating life sciences and driving evidence to action, visit trinitylifesciences.com.

For more information, please contact us at info@trinitylifesciences.com.