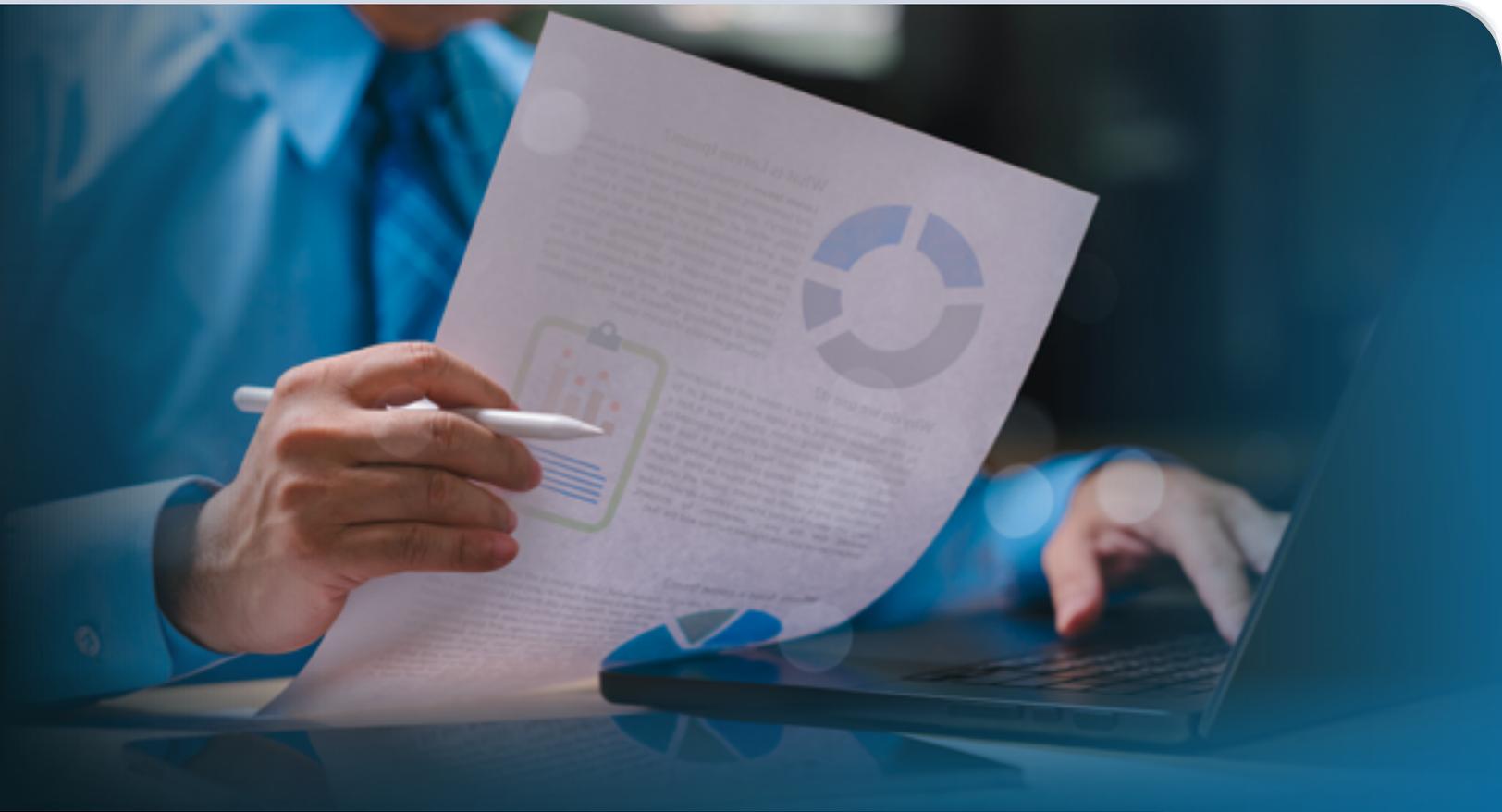




# AscellaHealth®



## **Specialty Drug Management: Strategies to Effectively Control Costs Amid Escalating Prices**

June 2025

# Specialty Drug Management:

## Strategies to Effectively Control Costs Amid Escalating Prices

June 2025

### TABLE OF CONTENTS

● Introduction	3
● Overview of the Current Specialty Pharmaceutical Landscape	4
● Difficulties Payers Face in Managing Specialty Drug Costs	5
● Strategies to Help Payers Control Costs and Improve Outcomes	6
● Preparing for the Future	8
● Conclusion	9
● About AscellaHealth	10

*This white paper represents the views of the author, not America's Health Insurance Plans (AHIP). The publication, distribution or posting of this white paper by AHIP does not constitute a guaranty of any product or service by AHIP.*



## INTRODUCTION

The rising cost of specialty pharmaceuticals presents a growing concern for payers across the healthcare ecosystem. As more innovative and complex therapies enter the market, particularly in the areas of rare diseases—including autoimmune disorders, chronic conditions, and oncology and hematology-related conditions—the economic burden continues to expand. **Specialty drugs now account for over 50% of total prescription drug spending** despite serving a comparatively small percentage of the patient population. Without a strategic approach to cost containment, payers face increasing difficulty balancing access, affordability, and budget sustainability.

From optimizing site-of-care decisions to leveraging advanced analytics and implementing value-based contracts, this white paper will examine a range of challenges and actionable strategies for payers to manage specialty drug costs more effectively—with a core focus on integrating effective cost-control methods to improve clinical outcomes and increase member satisfaction.



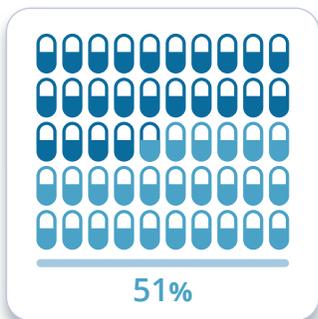
*This white paper represents the views of the author, not America's Health Insurance Plans (AHIP). The publication, distribution or posting of this white paper by AHIP does not constitute a guaranty of any product or service by AHIP.*

## OVERVIEW OF THE CURRENT SPECIALTY PHARMACEUTICAL LANDSCAPE

The specialty pharmaceutical market is experiencing remarkable growth, attributed to an increasing demand for targeted therapies that harness cutting-edge advancements in commercial life sciences. This surge is fueled by a combination of factors, including significant breakthroughs in drug development and supportive regulatory frameworks that facilitate expedited approvals for these types of treatments.

### Key Trends and Statistics:

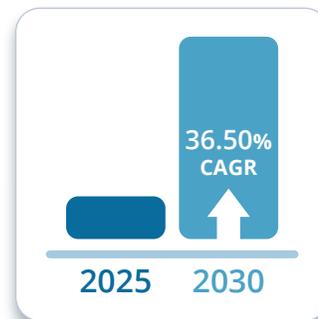
Specialty drugs now represent **51%** of healthcare costs, underscoring their dominant share in pharmaceutical expenditures ([IQVIA Institute, 2023](#)).



The cell and gene therapy (CGT) market, valued at **\$3.22 billion in 2022**, is projected to reach **\$25.58 billion by 2028**, with a compound annual growth rate (CAGR) of 41.25% ([Market Research Future, 2023](#)).



The broader specialty pharmaceutical market is anticipated to grow from **\$16.03 billion in 2025** to **\$75.94 billion by 2030**, representing a CAGR of 36.50% ([Grand View Research, 2023](#)).



As the specialty pharmaceutical market continues to evolve, it is crucial to comprehend the complex dynamics surrounding the introduction of new therapies. Specialty pharmaceuticals often entail intricate manufacturing processes that differ substantially from traditional medications. They may also require cutting-edge technologies, rigorous quality control measures, and robust supply chain management to ensure their effectiveness and safety.

Moreover, unique storage and handling requirements present additional challenges in the specialty pharmaceutical sector. Many therapies are sensitive to environmental factors such as temperature and light, necessitating precise conditions for transportation and storage to preserve their potency. These factors add layers of complexity that stakeholders must learn how to navigate, from manufacturers to patients and providers.

Personalized administration protocols are also an aspect to consider, as many specialty drugs are tailored to specific patient populations or individual genetic profiles. This personalized approach not only enhances treatment efficacy but also imposes specific logistical and healthcare delivery considerations, requiring ongoing collaboration among providers, pharmacists, and patients.

Specialty pharmaceuticals exist within a dynamic and multifaceted environment where technological innovation, regulatory direction, and patient-centric approaches represent the future of therapeutic development and delivery. Its steady market growth reflects an expanding pipeline of specialty treatments, particularly in gene therapies, immunotherapies, and biosimilars. However, it also introduces volatility in forecasting and payer planning, increasing the need for more refined and strategic cost management strategies.

## DIFFICULTIES PAYERS FACE IN MANAGING SPECIALTY DRUG COSTS

---

The financial implications of the upward trajectory of specialty pharmaceuticals extend well beyond drug acquisition costs. Payers encounter a host of operational, clinical, and economic challenges as they navigate the evolving landscape, including:

**Escalating Financial Burden:** The rising cost of specialty drugs places direct pressure on payer budgets, with some therapies priced in the range of hundreds of thousands or even millions of dollars. This steep increase in costs makes affordability a major concern for payers looking to offer their members a fair balance of access and coverage.

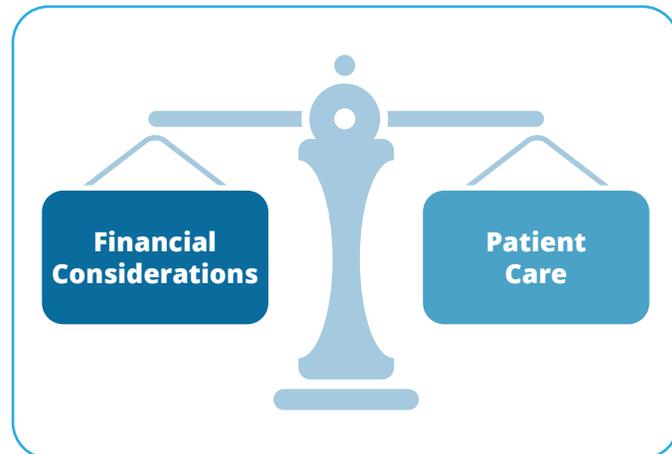
**Increased Patient Demand:** As awareness of new treatments grows, so does patient and provider demand—often before comprehensive coverage policies or reimbursement mechanisms are entirely in place. This surge of activity can overwhelm resources, especially when compounded with the administration of patient assistance programs.

**Complexity of Therapy Management:** Many specialty therapies require customized care coordination, prior authorization, specialized testing, or post-treatment monitoring. Managing these additional factors increases the administrative burden and raises the risk of delays, denials, and suboptimal therapeutic performance.

**Market Access and Reimbursement Gaps:** Novel therapies often launch before long-term clinical results are well-established. Without sufficient evidence of cost-effectiveness, payers may hesitate to offer broad-based coverage, resulting in limited access and potential disparities in care.

## STRATEGIES TO HELP PAYERS CONTROL COSTS AND IMPROVE OUTCOMES

To effectively address the complex challenges associated with specialty drug management, payers must implement a comprehensive and integrated strategy that prioritizes stakeholder collaboration, operational efficiency, and data utilization. This multifaceted approach should be designed to not only control costs but also improve treatment outcomes. By applying best practices and adopting innovative solutions, payers can build a framework that balances financial considerations with a commitment to patient-centered care.



The following strategies outline a clear pathway for effectively managing costs while helping enhance the patient experience in the rapidly evolving specialty pharmaceuticals landscape.

### Enhanced Operational Workflows

Streamlining operational processes can yield significant cost savings. By expediting claims processing, proactively managing prior authorizations, and centralizing case management, payers can significantly reduce delays, cut administrative waste, and improve the member experience. Efficient workflows enable payers to respond more effectively to the dynamic specialty pharmaceutical market.

### Site of Care Optimization

Not all treatment sites carry the same cost or clinical suitability. By partnering with a progressive service provider like AscellaHealth, payers can utilize member-level data—including diagnosis, comorbidities, and geographic proximity—to direct care to the most cost-effective and clinically appropriate setting. For example, [shifting eligible infusions from hospital outpatient departments to ambulatory infusion centers or in-home care](#) can yield substantial savings without compromising standards of care or target health goals while at the same time improving patient satisfaction.

### Patient-Centric Care Coordination

Comprehensive patient care coordination is vital in delivering effective specialty therapy management. Payers can streamline the patient journey by managing critical details such as referral logistics, appointment scheduling, and provider communication. This improved support leads to better treatment adherence, reduces the likelihood of missed appointments, and helps prevent inefficiencies and unnecessary visits to emergency care.

## Collaborative Care Models

Integrating care delivery across stakeholders—payers, providers, specialty pharmacies, and patients—reduces friction points and fosters shared accountability. These collaborative models align therapy goals, reduce duplicative services and simplify communication. Cross-functional care teams are tasked with proactively managing side effects, monitoring adherence, and identifying cases where early intervention may be necessary. This improved approach to care delivery reduces waste and increases cost efficiency across the healthcare system.

## Comprehensive Specialty Network

Establishing a broad specialty drug network ensures payers have access to new and breakthrough therapies, including limited distribution drugs. Centralizing procurement through a comprehensive specialty network provider like AscellaHealth—which provides 100% access to all specialty medications on the market—enables better pricing transparency, supports budgeting accuracy, and reduces delays in therapy initiation. This streamlined approach supports both clinical effectiveness and operational efficiency.

## Value-Based Contracts (VBCs)

Value-based contracts (VBCs) effectively align financial incentives with the real-world success of therapeutic interventions. These agreements can include outcome guarantees, indication-based pricing, or bundled payment structures—prioritizing value over volume. By tying reimbursement to therapeutic effectiveness, VBCs enable payers to control healthcare costs while facilitating the adoption of therapies that demonstrate actual performance rather than the promise of performance. This shift fosters a more accountable healthcare environment and pharmaceutical marketplace and ensures patients receive the most effective treatments for their specific health conditions.

## Leveraging Data and Advanced Analytics

Data-driven insights enable payers to make informed decisions regarding therapy selection, formulary placement, and member engagement. Real-world evidence (RWE) plays a crucial role in identifying cost-effective alternatives within therapeutic classes, supporting value-based decision-making. Additionally, predictive analytics and AI tools are becoming increasingly effective at recognizing patients at risk of non-adherence, enabling timely and targeted interventions.

## PREPARING FOR THE FUTURE

As specialty drug innovation accelerates, it is crucial for payers to not only keep pace but also evolve their strategies to remain agile, efficient, and focused on patient needs. The future of specialty drug management will depend on the development of adaptive infrastructures and embracing predictive, proactive solutions that enhance decision-making and improve the overall quality and coordination of patient care.



To achieve this, organizations should look to partner with an experienced specialty pharmacy and healthcare solutions provider like AscellaHealth to help them transform their approach to specialty drug management across several key areas:

- **Advanced Utilization Management:** Modernizing utilization management protocols—through streamlined prior authorization, dynamic formulary design, and evidence-based therapy pathways—can reduce administrative burden while maintaining clinical efficiency. These enhancements help ensure the right patients receive the right therapies at the right time.
- **Investment in Patient Support Infrastructure:** Expanding services such as financial assistance, dedicated care coordination, medication counseling, and extended support can reduce non-adherence and improve overall patient success. In addition, leveraging proactive engagement tools (e.g., mobile apps or SMS reminders) can further reinforce long-term therapy adherence.
- **Monitoring Regulatory and Market Trends:** Staying ahead of new drug launches, biosimilar competition, and pricing legislation will be critical. Payers must strengthen internal capacity to quickly assess and respond to emerging therapies, particularly those with accelerated approval pathways. This flexibility will be essential to control costs and maintain clinical relevance in a rapidly evolving environment.

## CONCLUSION

As the specialty drug market evolves, payers face a pivotal opportunity to redefine their approach to cost management. Rather than relying on traditional containment strategies, forward-leaning organizations must embrace integrated, data-informed, and patient-centered solutions. By enhancing operational workflows, optimizing care settings, building comprehensive networks, and investing in collaborative, value-based care models, payers can successfully manage costs while simultaneously improving clinical outcomes.

If your organization is struggling with rising drug costs amid an increasing demand for specialty treatments—look no further than AscellaHealth. As a trusted partner in Specialty Pharmacy Management, AscellaHealth provides flexible and scalable specialty pharmacy management solutions to optimize cost savings, streamline operations, and improve access to breakthrough treatments for your members.

- **Reduce Costs by Up to 50% with Site of Care Optimization\*** – Transition patients from high-cost hospitals to ambulatory infusion centers (AICs) or home-based settings.
- **Ensure 100% Access to Specialty Therapies** – Gain full access to all Limited Distribution Drugs (LDDs) and Exclusive Distribution Drugs (EDDs).
- **Unlock Sustained Drug Savings with GPO Discount Management** – Including direct access to 60+ medical and pharmacy specialty drugs with no bundling requirements.
- **Gain Real-Time Financial Control with Integrated Claims Management** – Achieve full financial visibility and accurate claims processing powered by real-time data insights.
- **Deliver Seamless Patient Support with White-Glove Care Coordination** – Go beyond access with hands-on care coordination that guides patients from first call to final dose.

*\*Results will differ per client and per patient depending on the drug regimen and site of care utilized for infusion.*

Visit [AscellaHealth.com](https://ascellahealth.com) or email us at [businessdevelopment@ascellahealth.com](mailto:businessdevelopment@ascellahealth.com) to learn how our proven suite of solutions optimizes specialty drug management, reduces unnecessary costs, and supports enhanced patient experiences for your members.



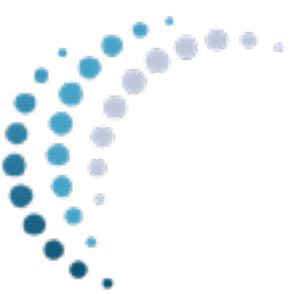
## ABOUT ASCELLAHEALTH

AscellaHealth is a global partner that delivers proven end-to-end solutions to both life sciences and healthcare companies to enhance quality of life for patients with complex, chronic conditions. Every day our team gets critical healthcare products from manufacturers to patients while ensuring an efficient flow of funds between payers and pharma.

AscellaHealth partners with life sciences manufacturers around the world, enabling them to successfully commercialize therapies for complex, chronic conditions. Our comprehensive suite of services guides clients through every stage of the process, from clinical trials through approval, pre-commercialization support and ultimately transitioning patients on to therapy.

Our global expertise in specialty fulfillment, data analytics and patient support/HUB services allows us to streamline product launch, provide an ecosystem of financial support to our partners and ensure patients have access to therapies they need for better outcomes.

Visit [www.AscellaHealth.com](http://www.AscellaHealth.com)



1055 Westlakes Dr., Suite 200

Berwyn, PA 19312

877.389.9040

info@ascellahealth.com

AscellaHealth's Specialty Pharmacy is located in St. Louis, MO. AscellaHealth Europe is comprised of locations in Dublin, Ireland and Manchester, England.