

OUR ANNUAL TRAINING GUIDE

Pharmaceutical REPRESENTATIVE®

Essential Skills for Pharmaceutical Selling

April 2007

Shoulder to Shoulder

Get CSO reps on your side

DIFFICULT PEOPLE

HOW TO DEAL WITH THEM

MD SPOTLIGHT:

A DETAILED LOOK AT OB/GYNS

Plus:

SWEET NEWS
ABOUT CHOCOLATE

RESOLVING CONFLICT
IN THE WORKPLACE

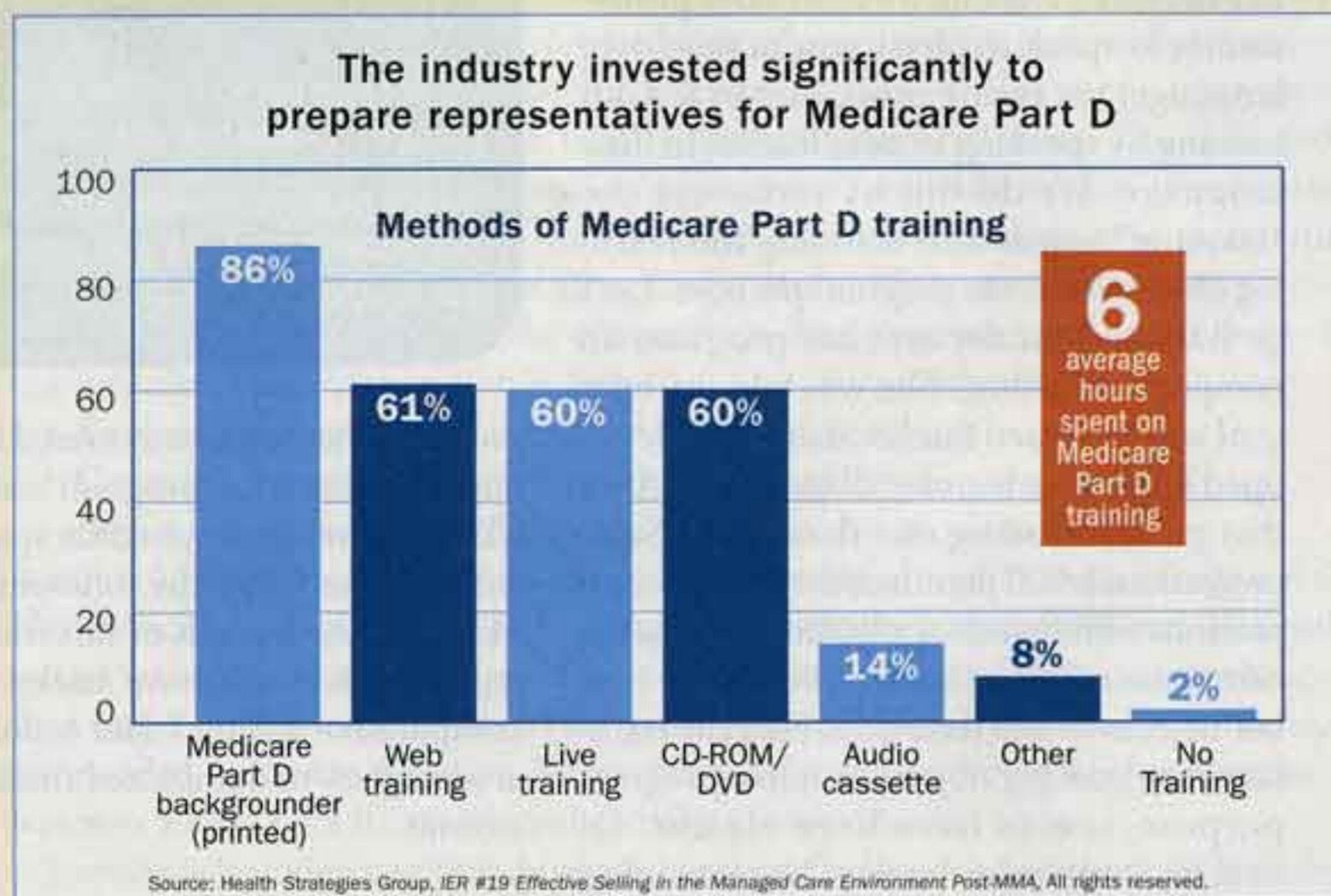
AND
PAM MARINKO
REVIEWS JEFF THULL'S
EXCEPTIONAL SELLING

Finding your way

Mapping the maze of managed care

by Nick Dabruzzo

In late 2005, as the Medicare Modernization Act (MMA) and Medicare Part D loomed large, pharmaceutical training departments made significant investments in preparing sales representatives. On average, sales representatives spent six hours reading backgrounders, participating in online training and attending in-person training about the MMA and Medicare Part D.



This summer, Lambertville, NJ-based Health Strategies Group set out to understand the post-MMA selling environment – what’s changed, what hasn’t and where there are opportunities for improvement. To that end, we surveyed 255 primary care and specialty sales representatives, 16 district managers from 11 pharmaceutical companies, and 415 primary care and specialty physicians. The results have important implications for pharmaceutical training departments.

Diagnosis

Physicians don't think representatives are up to speed on managed care.

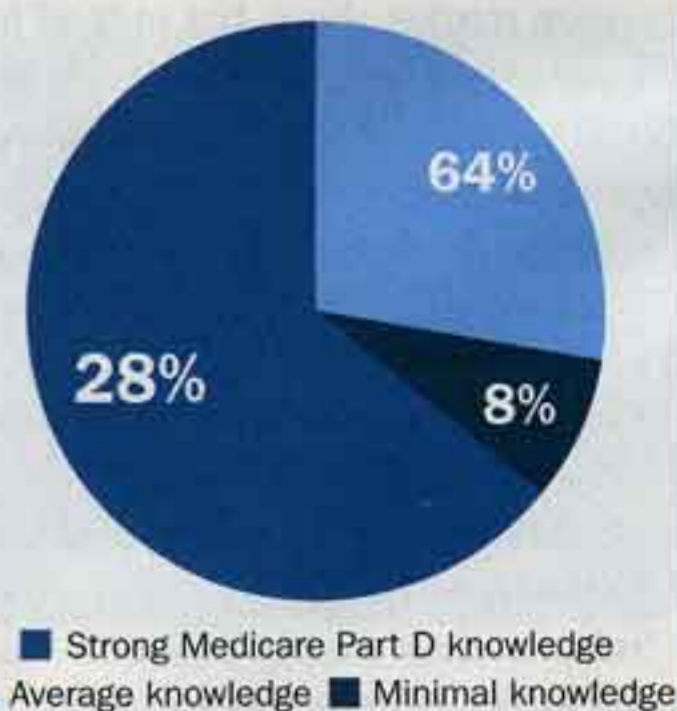
Prescription

Better training will improve interactions between reps and doctors.

The Post-MMA/Medicare Part D environment

As a result of Medicare Part D, physicians constantly struggle over whether or not the products they're writing are "on formulary." They expect most prescriptions to be rejected by call back or fax back from the pharmacy. Physicians try to avoid these headaches by prescribing formulary drugs, but they're not always successful. As a cardiologist from Arizona said,

Representatives' self-assessment of Medicare Part D knowledge



"Prescribing today is like writing a bad check – you know it's going to bounce."

Physicians look to sales reps to help guide them through the maze of managed care plans. And they believe it's a sales representative's responsibility to educate them, and keep them up-to-date, on a product's formulary status.

While most sales representatives talk about formulary during sales calls, the *content* of those formulary discussions rarely meets physicians' needs. Most representatives are conveying a simple message: "We're on formulary." This message frustrates physicians, who seek specific, local formulary messages that will help them decrease pharmacy call backs

Swing, shift

With MMA and Medicare Part D in full swing, formulary discussions have gone from being a small part of the sales call to *the* sales call. Sales training departments that recognize this shift can help pharmaceutical companies accelerate success in the post-MMA/Medicare Part D environment.

and fax backs. “On formulary is not enough,” said a gastroenterologist from Florida. “It would be helpful to know tier and copays for their products and the competitors’.”

Sales representatives agree local formulary information is important. Sixty percent of representatives state formulary coverage drives prescribing decisions for their products. Yet, only one in five calls mentions *any* local, specific formulary information.

Physicians simply don’t believe most sales representatives have a good understanding

of managed care and how it affects physicians. Sales representatives support this observation – only one-third self-assess as having strong Medicare Part D and managed care knowledge (See Figure 3).

Improving interactions between reps and physicians

Based on these findings, Health Strategies Group recommends a managed care training approach that will build sales representatives’ credibility as a source of managed

care formulary information. We’ve identified the following skills and knowledge to succeed in the post-MMA/Medicare Part D environment:

Managed care knowledge. Revisit training on managed care terminology (“tiers,” “copays,” “step-edits,” etc.) and the effect of managed care on the physicians (call backs, fax backs, etc.). That knowledge goes a long way toward establishing credibility.

Building relationships. The office staff can be a valuable ally in the post-MMA/Medicare Part D environment. Training the representatives how to build relationships early will allow them to ask for favors later.

Asking targeted questions. Asking the right questions to obtain physician-specific managed care information from the office

RECOMMENDED TRAINING CONTINUUM

Skill/knowledge	Proposed workshop	New hire training	Tenured representative training	Specialty representative training	Other – includes POAs and launch meetings
Managed care knowledge	Basics of Managed Care (<i>terminology, how managed care affects the physicians’ practice and prescribing</i>)	●			
	Advanced Managed Care Knowledge (<i>understanding benefit designs, copays, etc.</i>)		●		●
	Managed Care Knowledge in the Specialists Practice (<i>how managed care affects a specialist’s practice and prescribing</i>)			●	●
Building relationships	The Total Office Call in the Primary Care Office (<i>identifying the office staff and their influence on prescribing</i>)	●			
	The Total Office Call in the Specialist’s Office (<i>identifying the office staff and their influence on prescribing</i>)			●	
Asking targeted questions	Probing for Managed Care Success (<i>What plans are denying access to my product? What are physicians prescribing in its place? What plans are approving access to my product?</i>)		●	●	●
Knowing and communicating local formulary information	Applying Managed Care Knowledge in the Local Primary Care Office (<i>discussing local benefit designs, copays, interventions in a primary care office</i>)		●		●
	Applying Managed Care Knowledge in the Local Specialists Office (<i>discussing local benefit designs, copays, interventions in a specialists office</i>)			●	●
	Applying Managed Care Knowledge with a Launch Brand (<i>discussing local benefit designs, copays, interventions with a launch product</i>)				●

staff will allow sales reps to tailor their formulary discussions with physicians.

Knowing and communicating local formulary information. Representatives need to understand the access situation for their products

Assessing your managed care training curriculum

Five questions trainers need to ask

Do our new hires leave training with a basic understanding of managed care and how it affects physicians' practices?

Do our tenured representatives have a comprehensive understanding of managed care? Can they identify implications for their product and deliver appropriate formulary messages to address physicians' needs?

Do our specialty representatives possess advanced formulary messaging required for selling to specialists and key opinion leaders?

Do our new and tenured district managers receive ongoing training in managed care?

Do our regional managers leave training with an advanced understanding of managed care and its effect on regional business?

and competitors' products. This includes the benefit design and copays of the major plans in their territories. Training representatives to communicate this information will set them apart from their competitors.

Training departments should incorporate managed care training into the curriculum to reach all representatives – new hires, tenured representatives and specialty representatives – on a regular basis. On the previous page is our recommendation on the training continuum.

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Nick spent eight years at Bristol-Myers Squibb where he held roles in sales planning, sales management, sales training and marketing. Nick spent the first five years of his career with Eli Lilly & Company. His academic background includes a bachelor's degree from the Philadelphia College of Pharmacy & Science and an MBA from LaSalle University in Philadelphia.

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