Patient Directed Programs: Patient Support

or Good Corporate Citizen?



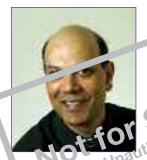
Anne Miao, BScPhm, MBA, Director, Business Development, McKesson Canada

or many years, corporate executives For many years, corporation fo corporation's responsibility to society. The key issue has been to reconcile the corporation's economic goals with its role and obligations to the society in which it exists. Today, with globalization in many industries, the issue has become even more difficult. Corporate charity, the traditional seat of corporate citizenship can run the range from pure philanthropy to development of brand awareness and even cultivation of relationships with important stakeholders. However, the latest reorientation is between social responsibility and social responsiveness. Corporate social performance (CSP) is an all-encompassing way to evaluate corporate social responsibility, responsiveness and the entire spectrum of socially beneficial activities in which a business engages. Recognizing its elements propels the corporation into formulating and articulating its social goals and the programs that will advance these goals.

It is suggested that there are four kinds of social responsibilities that make up the total CSP:

- 1. Economic
- 2. Legal
- 3. Ethical
- 4. Philanthropic

Figure 1 shows these four components.



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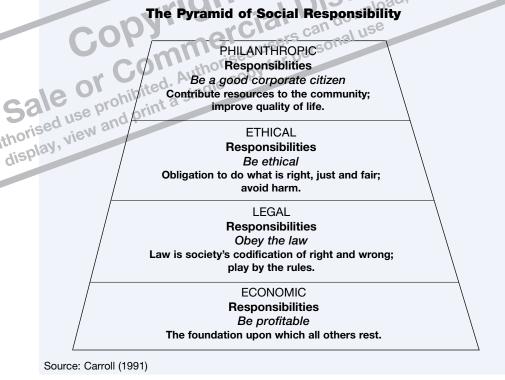


Figure 1. Four components that make up the total CSP.

If we apply this framework to pharmaceutical company-sponsored patient programs, it is easy to see how a corporation can adhere to the four components to advance all aspects of CSP. Let us start with the bottom of the pyramid.

Economic responsibility

Desire to make pharmaceutical products successful in the marketplace often leads companies to sponsor patient programs. Patient reimbursement coordination, removing barriers such as drug injection, or providing partial financial assistance are common ways to improve the chance of product success. However, in order to support this activity, many companies try to develop return on investment (ROI) analyses for their programs. Often, these ROI analyses are inconclusive or, in some cases, negative. Does that mean that the patient program should be abandoned? Not necessarily. There are two important further considerations. The first, are the spin-off benefits of the program. Does it allow more patients and physicians to experience the use and benefits of your drug? If so, this should be quantified and a value assigned to it. What is a new use by a physician worth to your company? How much would you have to invest in other marketing activities to achieve that? Second, the CSP pyramid encourages us to examine the program within the context of overall CSP goals for your company. The program may serve a corporate responsibility goal that goes beyond the economic. At this point, many companies discover that they, in fact, do not have well-articulated CSP goals, or that they live in isolation from most of the company's

activities. As a consequence, marketers are uncertain of what to do with a program that does not have a clearly demonstrated economic ROI.

Ethical responsibility

If a patient program cannot unequivocally be shown to provide economic ROI, it may still serve a purpose. Does your program do what is fair? Does it reduce harm or have a potential to reduce harm? If your CSP stresses these as corporate goals, then the program may be justified.

Philanthropic responsibility

Does your CSP define what philanthropic role your company should have? How does your patient program fit with that goal? Again, where economic ROI is unclear, management must define these parameters to allow program sponsors to make consistent decisions about programs for pharmaceuticals.

In conclusion, patient programs are often designed with the goal of making your product an economic success while also serving an important role in your CSP.

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