Care Pathway: charting a route to growth and organizational effectiveness
The Care Pathway uses customer insights to create a comprehensive, strategic view of disease areas, and identify the key moments when pharmaceutical companies can accelerate patient journeys on the path to the best care.
What if you understood the patient-physician interaction that determines if a patient gets a prescription and, if so, for what drug? What if you knew the moments a physician would be most receptive to a branded request, and why those moments often fail to generate a prescription? What is you understood what happens when a physician suggests treatment, and why patients often refuse? What if your entire organization knew the answers to these questions specifically and more generally could describe what motivates anyone who suggests, requests, prescribes, or approves a particular drug – from first symptom to end of therapy?

If you and your team had these answers, you could quickly find ways to solve the barriers to therapy, wherever they lie along the "Care Pathway." You could avoid lost revenues and patients could be better treated.

McKinsey & Company’s Care Pathway approach helps companies capture these opportunities both by bringing new insights to the table and by leveraging the full capabilities of the organization to solve the challenge. To capture insights, the approach brings together perspectives gained from physicians, patients, payors, and other stakeholders, to describe a patient’s Care Pathway. The Care Pathway isolates the moments when patients are lost, and, with targeted interventions, significantly increases the odds that a patient receives therapy. Core to the approach is bringing the full capabilities of the organization to solve the problem – it brings people from different functions (including marketing, medical, regulatory, PR, R&D, etc.) across the organization to develop the insights and create a common understanding of the therapeutic area, and its strategic opportunities. This breaks down functional silos and creates more insightful and more tightly focused market strategies.

Our Care Pathway methodology has been tested across a wide range of brands, in different stages of life, and in markets across the globe. We have seen it accelerate launches, increase sales, and even slow product declines.

The Care Pathway does require primary research, particularly in-depth qualitative research on the motivations and attitudes of stakeholders. We often find that companies have most of the information somewhere in the organization – they just need to find it and look at it differently. Typically, this makes the benefits of this approach just a short time and a small investment away.

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The Care Pathway is one of the tools developed by the Commercial Group in McKinsey’s Pharmaceutical Practice. The group specializes in helping clients create tailored commercial solutions by leveraging best practices from other industries and developing pharma-specific tools and approaches.

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In the following pages, we will explain how Care Pathway works, how a pathway is constructed, and the benefits that accrue.
1. Care Pathway: a tool for unlocking the value of customer insights

Care Pathway offers a new perspective that is remarkably useful in addressing many of the most challenging issues facing pharmaceutical companies. Growth, of course, tops the list: Major drugs that drove sales in the past decade face end-of-exclusivity in coming years and new drugs in the pipeline do not have the sales potential of the fading blockbusters.

Care Pathway offers a cost-effective way to capitalize on the untapped growth potential in existing and pipeline products by answering four strategic questions:

1. **Where is the biggest untapped value in the disease area?** Companies typically focus on a single point in time to influence prescribing: the moment when the drug is prescribed. That represents only about 20-30% of the total opportunity to capture value during the course of treatment. Other occasions include when the patient first describes symptoms, follow-up visits, and encounters with nursing staffs – all the times when patients and doctors make decisions (often independently) about what treatment is appropriate. By developing a comprehensive view of the disease and using customer insights about how treatments are prescribed, used and adhered to, Care Pathway helps companies tap the other sources of value.

2. **Which stakeholder is the key decision maker critical to unlocking the untapped value?** To market a drug successfully today, companies need to anticipate the motivations of many stakeholders. Patients want better and more convenient solutions. Regulators are concerned about how drugs are prescribed. Physicians are asking for simplicity and payors are demanding proof of economic benefit. Using Care Pathway, companies can develop a clear picture of how the motivations of all these potential decision-makers will come into play—and pinpoint when each is driving care decisions.

3. **What would it take to unlock value for this brand?** Management teams are understandably concerned about returns on marketing investments. They want to see a clear link between activities and product growth—and understand which activities merit highest priority. Care Pathway helps isolate when and how to create value, allowing management to measure results and set clear priorities.

4. **How do I align the organization around necessary actions?** As pharma companies have attempted to deal with the shifting stakeholder environment, they have created new functions such as health economics outcomes research (HEOR), managed markets, and patient and physician marketing groups. Often, this also creates silos of expertise, increasing complexity, reducing clarity, and delaying action. By laying out the story of the patient’s experience over the course of a disease, Care Pathway provides a common language and narrative, which allows experts from different functions to collaborate on strategies that meet complex stakeholder needs.
2. Building the Care Pathway

We build the Care Pathway from the patient’s experience of treatment for a condition or disease, from onset of symptoms through diagnosis, information-gathering, physician conversations, treatment, and compliance. We determine when and why the patient, physician or other stakeholders chose certain therapies, and not others.

How it works

In many cases, pharma companies have extensive quantitative and qualitative data about treatment with their products. However, they sometimes find it difficult to translate this information into insights. The Care Pathway helps do this by organizing information that describes when patients, physicians and other caregivers have insights, interact, and make treatment decisions. Each of these moments is a potential opportunity to influence prescribing, or a bottleneck that prevents it. Quantitative data shows how the bottlenecks substantially reduce the number of patients who continue using a particular treatment all the way to the end of their Care Pathway. In-depth qualitative research tells us why patients drop out of the Care Pathway. These insights are typically based on a range of methodologies, including observations of real patient-physician conversations (or transcripts of these conversations), interviews to uncover “moments of truth,” simulated patient-physician dialogues using actors, patient diaries, and ethnographic research that follows real patients’ activities through their days.

Consider the disguised chronic disease example in Exhibit 1. We will see that there’s a critical moment that determines the outcome. Patients with this disease typically experience muscle pain as a side effect. While 66% initiate a conversation about this pain during their first visit with a physician, 60-70% of these patients
fail to convey a sense of urgency about their pain. Without this urgency, the physician usually fails to ask detailed questions about the pain. As a result, just 22% of these patients get a prescription for pain. Of the patients that do convey this urgency, but do not request a specific brand, about 66% get a prescription. Of those who request a specific brand, 95% get a prescription for that brand.

So, here’s a clear opportunity. If more patients convey a sense of urgency to treat pain and request a brand of pain reliever, the chances of the physician’s writing a script for that brand improve enormously. For example, out of 100 patients, if 60 conveyed this urgency, then 40-57 patients (66-95%) would leave with a pain reliever prescription. And, if 20% of these patients asked for a drug by brand name (compared with 10% now), then the net result would be 11-12 prescriptions for the brand instead of 3-4, out of the original population of 100.

The odds can be improved further by influencing the physician’s perspective. For example, if research showed physicians that treating pain helped treat the underlying disease, they would be far more attentive to the symptoms. That would increase the number of patients whose pain is diagnosed, and who get a prescription for that pain.

So, in this example, the company’s top priority should be changing the nature of the conversation between patients and doctors, so the patients convey this urgency more often. That means the company should educate patients about the significance of this pain, and tell them how to describe its symptoms in ways that will prompt appropriate treatment. A secondary priority will be to establish a link in the minds of patients between their pain and company brand. Longer-term, the company can influence physicians by generating research that demonstrates how treatment of pain with its product can improve outcomes for the underlying disease.

Finding hidden gems while building a Care Pathway

The process of building a Care Pathway is highly interactive, and involves cross-functional participation. It typically brings out hidden gems of insight buried in existing data. Quite often, it also reveals overlooked capabilities and knowledge in the organization. The process has three phases:

1. **Digging for existing knowledge nuggets.** We usually start this phase with a “deep immersion session.” The project team reviews all research about the disease area that the organization possesses. This provides the initial outline of the Care Pathway. In many cases, it also generates surprising insights because it is often the first time that the company looks at patient and physician research side-by-side. It also quickly identifies any gaps that might exist in the research.

2. **A voyage of discovery.** Once the team has sketched the basic route of the Care Pathway, it works to answer the questions that shaped the route. What goes on emotionally and cognitively when the patient interacts with the physician and office staff? What do patients who proceed with treatment believe and feel? What triggers the doctor’s recommendation of a therapy along the route? For brand teams, this becomes a journey of discovery because they have rarely looked at treatments through the eyes of patients in this way. Sometimes, they are able to take the ethnographic research, first-person accounts, and other qualitative research that they’ve had all along to understand the forces working on patients and physicians at different points in the pathway, and their underlying motivations and feelings. Other times, it requires more research to get there. In either case, the output provides a fuller
qualitative picture of the steps in the Pathway. Then, we use quantitative data to fill in the numbers on how many patients fall away at each step.

3. **Navigating the Care Pathway.** Ultimately, the Pathway defines how the company can identify more patients for therapy and help them stay treated. What does the company need to do to reduce or eliminate the biggest bottlenecks? How can it motivate physicians and other stakeholders to keep patients moving ahead? This problem-solving process requires significant cross-functional participation to develop the broadest set of approaches. To make it work, we usually apply “ideation” practices that have been used so successfully by consumer goods companies. These companies have achieved breakthroughs in thinking about how customers make buying decisions, and have used those insights to fine-tune their marketing efforts.

**Case example.** The following case example, involving another chronic disease, illustrates how insights into the nature of bottlenecks lead to the appropriate solution. This Care Pathway demonstrates that patients with this disease often fail to clearly articulate its symptoms, leading most of them to quickly fall away. In fact, fewer than 1 in 100 receive a proper prescription, and adhere to their treatment. The explanation for this steep attrition came from transcripts of patient-physician conversations.
As Exhibit 3 shows, 84 out of 100 patients with this disease visit a doctor annually, but only 25 of those with symptoms discuss them with their doctor. We found that patients often failed to use “spark” phrases to describe symptoms, which drew the attention of physicians. In this disease, one such spark phrase was that patients suffered from “frequent accidents.” As a result of this failure, only 20 patients are diagnosed with the disease, just 17 discuss prescription drug treatments with their doctor, and just 7 actually get a prescription. Of that 7, only 1 gets a specific prescription for the brand in question, and something less than that number actually stays in treatment.

Clearly, part of the solution is to give patients the spark phrases, and also encourage them to be more open with their doctors about describing the frequency and severity of their “accidents.” But this isn’t enough. This disease is subject to significant competition, and patient brand requests drive only 19% of scripts. So, it is also necessary to convince physicians to associate specific symptoms with the company’s product. For example, if the company could prove, through clinical research, that the product is superior to others in preventing particular types of accidents, it could undertake a special detailing effort, making physicians aware of the research. This would greatly improve the chances that the doctor would prescribe a medicine, and would prescribe the company’s brand.
3. How Care Pathway captures and creates value

Creating a Care Pathway provides a range of benefits, including identifying the right growth opportunities and allocating the right resources toward them, aligning the organization around opportunities, improving forecasting, and helping top management set strategic priorities for the company.

- **Growth opportunities and efficient resource allocation, for existing and new products.**
  By creating a Care Pathway for every relevant disease area and current products, a pharma company can quickly identify opportunities to influence when different stakeholders make their critical decisions, and what bottlenecks the company needs to open. Care Pathways can also help companies tailor their approaches to specific patient populations (see sidebar on multi-cultural opportunities). All this translates into targeted actions with measurable ROIs, and helps the company use its resources more efficiently. Executives can see more clearly where their investments will pay off. ¹ We also see the Care Pathway as a useful tool for preparing pipeline products for product launch, ensuring they reach their full potential (see sidebar on pipeline products).

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**Using Care Pathway to capture multi-cultural opportunities**

Clients have also applied the Care Pathway approach to understanding the differences in care dynamics for specific patient segments. In one instance, the client wanted to understand whether Hispanic patients have different care paths compared to non-Hispanic patients. The Care Pathway analysis revealed that Hispanics with this particular disease have higher trust in all sources of healthcare information (PCP, media, online, community groups) than other patients, and the role of community/family is much greater in their healthcare decisions. Hispanics are also more likely to have positive views of Rx therapy and more brand loyalty. Finally, Hispanics appear to place higher trust in pharmacist’s advice than other patients with this disease. Clients have used this information to design tailored programs to address Hispanic communities and activate relevant stakeholders (e.g., churches, local pharmacies, etc.) for this population.

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**The Care Pathway and pipeline products**

When McKinsey & Company began working on Care Pathway, our mission was to help clients exploit overlooked opportunities to capture value for existing products. As we have refined the approach, however, we have become convinced that is just as valuable (if not more so) for pipeline products.

If a pharma company understands the disease area dynamics, key bottlenecks and drivers of stakeholder behavior prior to the product launch, it can shape the product during development to reduce some of these barriers. Even more importantly, companies can refine their product development process based on discovered insights. For example, based on Care Pathway work that we did for some clients, they have redesigned Phase III clinical trials to incorporate patient and physician insights in the product design. Clients have also used Care Pathway insights about payors to adjust pricing and have launched early marketing efforts to influence decisions on the care pathway.

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¹ To get to the next level of ROI precision on commercial mix optimization, please refer to the McKinsey RCQ approach.
Organizational alignment. The very process of constructing the Care Pathway helps break down the organization’s barriers to collaboration and knowledge-sharing. By creating a fact-based narrative about patient behaviors, the organization gains a common language for productive dialogue across functions. For example, let’s say the marketing team learns that Product X might command a premium price if it addresses a specific patient need for pain relief. The team could engage with company clinical researchers to determine if they could find evidence that Product X meets this need. This conversation could continue with the regulatory team (can Product X achieve this label?), the pricing team (can we increase price based on this label?), and the commercial team (can we reach the right stakeholders to make this work?). When people across the company understand the Care Pathway, it becomes far easier for them to align around a few critical opportunities, reduce complexity, increase efficiency of commercial and R&D resources, and align the brand and product teams around goals that can be clearly articulated to senior management.

More robust forecasting. A well-built patient-care model based on Care Pathways can provide the foundation for far richer and more useful forecasting models than the “market and share growth” financial models that companies typically use. The Care Pathway framework supports hypothesis-driven forecasting for which the underlying drivers can be tested. And, it explicitly links forecasting to commercial strategy.

Setting strategic priorities. The Care Pathway approach also provides valuable insight for senior leadership. Knowing where the greatest growth opportunities exist – by therapeutic area and product, across the company – gives management new intelligence about how to prioritize its strategic initiatives and investments.

Exhibit 4 (facing page) provides additional examples of business issues that the Care Pathway approach can address.
### EXHIBIT 4

**Care Pathway approach: issues, insights and recommendations**

<table>
<thead>
<tr>
<th>Client and issue</th>
<th>Care Pathway insights</th>
<th>Recommendation</th>
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<tbody>
<tr>
<td>Later entrant with modest share. Heavy DTC seems to work, but is it doing all it can? Is DTC the best investment to drive the business?</td>
<td>- The role of the patient is limited mostly to disclosing symptoms during the initial dialogue with physician; patients make almost no requests for a specific branded medication</td>
<td>- Scale down broad-based DTC in favor of physician-focused activities; re-focus patient outreach education to help them describe their symptoms in the way that triggers the physician to prescribe the company’s brand</td>
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<td>Company is developing a new entrant with a ground-breaking MOA in a symptomatic therapeutic area. Others are following – company sees a need to build market and build brand at the same time</td>
<td>- Patients self-manage the condition using Rx and OTC on a daily basis depending on severity of symptoms. They constantly live “in the shadow of pain” waiting for it to come back any moment</td>
<td>- Revise design of Phase III clinical trial to demonstrate longer-lasting efficacy vs. current treatment options</td>
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<td>Rx market leader with strong competition from OTC and alternative treatments. Recent safety issues put its brand strategy in jeopardy. How big is the downside impact on the brand? How much does it need to address with physicians? Patients? How should it divide resources across stakeholders?</td>
<td>- Patients drive the majority of scripts in the disease area. Physicians feel comfortable granting these requests as long as they see a well-informed patient</td>
<td>- Shift focus to patients as scripts drivers – doctors just need to grant requests. Drive patient education to proactively inform them about potential side effects of the product</td>
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<td>Brand faces strong competition from Gx in the disease area, along with low patient adherence and a lack of urgency to treat from both patients and physicians. How can the company differentiate the brand and simultaneously increase the urgency to treat?</td>
<td>- This condition is a co-morbidity to a serious disease that both physicians and patients prioritize. Holistic management of the disease engages physicians</td>
<td>- Develop real-world evidence that treating the brand’s condition positively impacts the treatment of the underlying disease</td>
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Of course, the Care Pathway is not the only tool to use to unlock value of customer insights. While the Pathway helps to generate insights into the strategic direction for increasing value for the brand, it does not answer all the questions required to fully extract that value. For that, additional customer insights techniques and approaches might be helpful.