

Special Topix

THE BUSINESS OF GASTROENTEROLOGY: IMPLICATIONS FOR PHARMA (US)

BACKGROUND

Since 2018, there have been over 25 gastroenterology practice transactions (consolidations) fueled by private equity investments – at an estimated value of over \$1 billion. As 2021 approaches, close to 1,000 gastroenterologists are now part of private-equity funded practices.

These newly formed entities, management services organizations (MSOs), are owned collectively by PE firms and physician partners with the purpose of streamlining administrative functions of medical groups and leveraging economies of scale for specialty practice. In the era of COVID-19, this trend has accelerated, and the three-to-five-year outlook suggests that the gastroenterology practice landscape could be substantially different as more groups migrate to this model.

SERVICE OVERVIEW

Special Topix™: The Business of Gastroenterology (US) is an independent service that will help pharma stakeholders understand the implications of this evolving landscape, as it will affect strategic decisions around field force deployment, contracting, specialty pharmacy engagement, clinical trial scale, and support services that will be expected from pharmaceutical partners.



Fraser Healthcare, a growth strategy consultancy specializing in private equity funded MSO transactions, and **Spherix Global Insights** are partnering to provide an actionable overview for pharma stakeholders in the evolving market to be able to react and plan for future expansion of this model.

METHODOLOGY

A series of **qualitative interviews** will be conducted with:

- Executive leaders at the top MSO platforms in gastroenterology (including both clinical and administrative functions)
- Physicians who have recently joined such organizations and those who are considering the move
- Other influencers, including a policy expert, an MSO infusion operations executive, and a GI group purchasing organization (GPO) executive
- Representatives from two GI-focused specialty pharmacies

Coupled with the qualitative interviews will be a **survey to practicing gastroenterologists (n=120)** from a range of practice types about current structure and ancillary services, practice management patterns, and anticipated future shifts.

INCLUDED IN YOUR SUBSCRIPTION:

- Report and custom readout – fieldwork conducted Oct/Nov 2020
- Quarterly updates on latest acquisitions and emerging trends throughout 2021
- Tailored, commercially-relevant insights

KEY QUESTIONS ANSWERED

- What are the perceived advantages and disadvantages to the MSO structure from the perspective of physician groups?
- What is the process for practice induction to an MSO and what changes occur in structure (infusion service lines), protocols, contracting, and administrative management in these transactions?
- What near, mid, and long-term strategic initiatives are these MSOs pursuing and how can pharma best align with these?