



Customer Case Study

Challenges

Complex Rebating and Business-Growing Acquisitions

Over a third of the revenue of this Top 10 pharmaceutical company is tied to commercial and Medicaid rebating. Many of these rebates require complex calculations that take into account a slough of variables — including drug categories, inflation, divestiture, and launch date. The pharmaceutical manufacturer suspected that their former platform — Revitas — was unable to adequately create and manage the necessary multifaceted formulas needed for this critical aspect of their business. Business acquisitions, as well as continued growth across the company, caused them to realize the need for an integrated solution they could trust with all the company's revenue management needs.

Results

Reclaimed Millions in Previously Lost Revenue and Reduced Risk

With Model N in place, the company has reclaimed millions in revenue over the first year of deployment. On the very first day live with Model N, the company discovered over \$250K in over-payments from their previous system in a single state. In the same week, the company discovered they were paying Medicaid rebates on expired drugs not identified as such by their legacy systems. The result translated into significant price change adjustment claims in the company's favor. By the end of the first week, the company uncovered over \$2.9MM in previously lost revenue. With a significant portion of their business in rebates and Medicaid, the company discovered first-hand how quickly such over-payments add up, and have successfully plugged the leak with Model N.

By replacing dozens of home-grown and legacy systems with a single, integrated, and robust platform, the company has eliminated serious data gaps, greatly improved accuracy, reduced regulatory exposure, streamlined once-cumbersome processes, and recovered significant revenue.

Saved over \$2.9MM in previously lost revenue in the first week of turning on the Model N Solution.

Captured more than \$35MM with the integrated solution in the first 18 months.



New Capabilities

- Consolidate and roll out a single system across both the existing business and newly acquired companies
- Easily calculate and validate even the most complex Unit Rebate Amounts (URAs)
- Reduce administrative burden in terms of cost, time, and effort
- Generate mandated reports which comply with all federal guidelines and regulations
- Accurately forecast accruals
- Greatly improve accuracy and eliminate the risk of rebates over-payments to avoid costly fines and revenue loss

Live On Model N

- North America

Model N Customer Since 2010

Founded over a century ago, this pharmaceutical company is one of the largest pharmaceutical manufacturers in the world. The company develops, manufactures and markets new therapies that treat and prevent disease.

Model N Products

Contract and Price Management

Simplifies the implementation of the most complex contracts and offers, while mitigating business and regulatory risk.

Performance Pricing and Compliance Management

Automates visibility of revenue exposure and customer performance, and enables interventions when customer purchasing performance does not match contractual commitments.

Charge Backs

Eliminates errors and over-payments, and reduces administrative burden while ensuring complete regulatory compliance.

Channel Management

Provides accurate processing of payments based on contract terms and automatically issues timely payments to customers.

Purchase Based Incentives

Eliminates errors and potential over-payments, ensures accurate and timely payment processing rules and conditions, supports complex rebate terms, and provides full auditability.

Discount Reallocation Management

Manages all aspects of the discount reallocation process, from setting up reallocation policies to reallocating, analyzing, and publishing the results.

Medicaid Claims Management

Provides channel inventory insights, and automates service fee management processes to ensure accurate and timely Medicaid rebate payments.

Utilization Based Incentives

Provides powerful capabilities for setting up and maintaining contract deal structures and plan eligibility, while administering commercial Managed Care, Medicare Part D, and Tricare processes.

FSS Compliance

Allows users to define and manage Tracking Customer and Most Favored Customer policies, monitor multiple net price points, and resolve and report violations, while maintaining full compliance transparency and auditability.

Tricare

Delivers the controls and visibility needed to ensure complete compliance with all Tricare program mandates, minimizes operational burden through accurate rebate calculations and payments, and enables accurate reporting of net revenue impact and liability related to Tricare.

KEY INTEGRATIONS	SOLUTION REPLACED	IMPLEMENTATION PARTNER
	 Homegrown	

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