

Improve formulary compliance

To increase market access, pharmaceutical manufacturers negotiate contracts with payers and pharmacy benefit manufacturers (PBMs). In return for favorable access on PBMs and payers' formularies, manufacturers agree to pay rebates. While the concept is relatively simple, managing the sheer volume of formularies – all of which have their own unique variations and can change at any time – is a complex task that can lead to inadvertent non-compliance and revenue leakage.

Model N Formulary Compliance is a full-service automated data solution that executes ongoing validations across formularies and products throughout the year. Improving compliance with formularies helps you avoid paying millions in rebate overpayments, increases patient access to your drugs, and improves relationships with payers and PBMs.

Validate formulary compliance on a plan and formulary level

Automatically compare the contractual terms and conditions that drive rebates with published formulary data to determine formulary compliance. Reports on formulary compliance outcomes and trends provide valuable insight to support customer interactions, account management, and future contract negotiations. By ensuring your drugs receive the prioritized positioning outlined in the payer contract, you can mitigate overpayments, protect top-line revenue, and grow market share.

Increase access to formulary data

Validate all plans and drugs on an ongoing basis, instead of focusing on a subset of products or high-value plans a couple times a year. Formulary Compliance collects and consistently stewards formulary data that covers most commercial and government plan formularies across all therapeutic areas.

Improve customer satisfaction

Align compliance validations with rebate payment cycles. Automating this process ensures payments are precisely made on time, which eliminates the "pay-and-chase" process that wastes valuable resources and jeopardizes customer relationships. Based on discussions with Model N customers, this pay-and-chase process typically only results in a 10 to 20% recovery after a prolonged settlement process.

94%

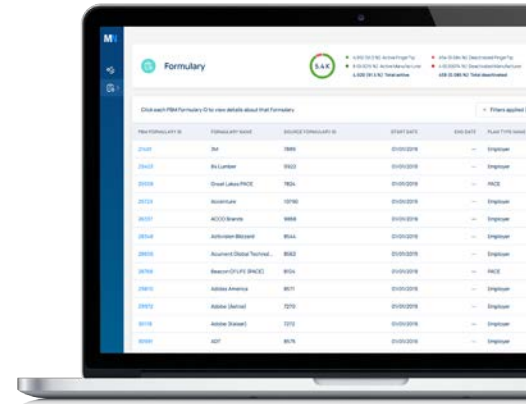
of pharmaceutical manufacturers face challenges with achieving formulary validation and compliance, according to the Model N 2024 State of Revenue Report.

\$75M

Annual audits of individual companies have revealed up to \$75 million in overpayments due to non-compliant formulary plans.


Integrated data validation solution


Formulary Compliance integrates with **Validata** and **Payer Management**, providing an end-to-end solution for managing payer contracts. After Validata scrubs script-level data, compliance evaluation occurs through Formulary Compliance. Payer Management then calculates rebate payments on validated claims. Along with streamlining the process, this level of integration improves calculation accuracy and prevents overpayments from occurring.





Formulary header display
View details on individual formularies by PBM.


Overcome the challenges of ensuring formulary compliance


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Thoroughly audit all products across plans in alignment with payment cycles.
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Gain insight into compliance trends to better enforce contract terms and support future negotiations.
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Automatically access real-time formulary-related data throughout the year for more accurate and streamlined validations.
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Reduce the likelihood of overpayments and decrease time spent on post-payment recovery.
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Reduce the manual effort required to effectively validate formularies against contracts and policies.
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Strengthen your relationships with payers and PBMs.

Reduce revenue leakage caused by formulary non-compliance

Schedule a demonstration to learn how Model N Formulary Compliance can help you ensure patient access and meet revenue and market share goals.