

# Efficiently comply with complex government pricing requirements

For pharmaceutical manufacturers, ensuring compliance with ever-evolving, complex government regulations is an ongoing struggle. Often rules and calculations are open to interpretation, which can create inconsistency in how legislation is translated into operations across divisions. Gaps in data availability hinder teams' ability to accurately perform timely calculations and generate the reproducibility and audit trails necessary to demonstrate compliance.

Validating results and then approving and filing reports are time-consuming, labor-intensive processes – which are only made more difficult by the lack of connection to the commercial side of the business.

The pressure on government pricing teams is further compounded by the reality that a slight error in calculations can result in large fines, overpayments, and a tarnished brand. Manufacturers need a robust application that will give them visibility and control over their government pricing processes, so they can ensure compliance.

Model N Government Pricing does all that and more. This powerful application enables you to manage policies, map accurate data to policy requirements, correctly perform calculations, analyze and validate results, establish audit trails, and generate filing output.

## Optimize business processes

Decisions made by the commercial side of your business can have substantial impacts on government pricing. For example, any discount offered to a commercial provider may directly impact the best price (BP) and possibly increase the Medicaid rebate liability. Therefore, it's critical that your government pricing team be part of any decision that your commercial team makes.

Model N Government Pricing connects payer and provider contracting and Medicaid claims processes together, giving all teams the visibility they need to assess the impact of commercial pricing strategies, make necessary adjustments, and discover issues on a timely basis.

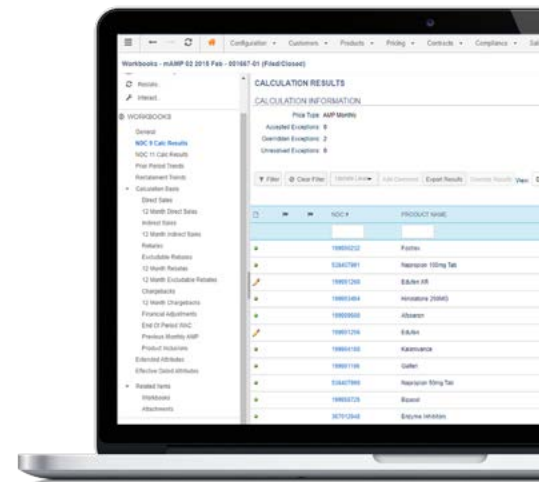
Through the optional GP Alerts module, you can add or configure alerts to notify users about events or data updates. These triggered email messages inform users about data or contract changes and prompt them to view potential issues before filing reports.

## Manage policies

Through Model N Government Pricing, you can incorporate various regulations from agencies – including Centers for Medicare and Medicaid Services (CMS), Department of Veterans Affairs (VA), U.S. Public Health Service (PHS) programs, and others – into one application. From here, you can leverage preconfigured calculations or modify formulas based on your understanding of the regulation. The application manages all your policies, giving you the flexibility to modify them without IT intervention.

## Receive and validate data

Data is integrated from multiple sources – external transactions, prices, contracts, and historical data – to create a centralized repository. A series of checks and balances validates the data before it enters the application, so you know it is complete and accurate. Once the data is in the system, it can't be altered or deleted, ensuring its integrity for use with pricing and auditing.



### View calculation results in the Government Pricing workbook

A one-stop location for reviewing results, drilling into transactions, overriding final prices, commenting, and attaching documents.

## Perform calculations

Upstream processes, such as updates to master and customer data, direct sales uploads, chargeback processing, and rebate processing, are automatically completed before any pricing calculations are performed. This enables your teams to efficiently meet monthly, quarterly, and annual calculation requirements for:

- Average manufacturer price (AMP)
- Best price initial (BPI) and best price restated (BP)
- Average sales price (ASP- Medicare Part B)
- Part B and Part D inflation rebate per unit
- Non-federal average manufacturer price (NFAMP)
- Federal ceiling price (FCP)
- PHS (340B)
- TRICARE

Model N automatically performs the government calculations, accurately to six decimals or more. All calculations are reproducible, giving you confidence that even if you need to rerun a previous calculation, you'll get the same result.

## Approve and file reports

Workflows are built directly into the government pricing calculations, allowing for seamless approvals. The application generates reports in the required formats, so your team can quickly upload them to the appropriate government agency.

## Make your government pricing solution even more powerful

Along with GP Alerts, Model N offers a number of add-on modules to help you address your organization's specific government pricing requirements.

- **Discount Reallocation Management (DRM)** – Remain compliant with the mandates for bundled drug sales outlined in the Deficit Reduction Act. DRM reports resulting discounts, enabling you to confidently execute complex contracting strategies.
- **Federal Supply Schedule (FSS) compliance** – Track commercial pricing to ensure any prices offered that are commercially better than the "Big Four" and/or other government agency (OGA) prices are reported to the VA in accordance with required timelines.
- **GP Intelligence** – Slice and dice the data used and created within Model N Government Pricing for more complex analysis into trends, comparative variances, exceptions and outliers, inclusions and exclusions, and more.

*“Since Model N fully integrates Government Pricing with Medicaid claims processing, it gives us the flexibility to implement processes and solutions to address the Deficit Reduction Act compliance and other government regulations.”*

– VP of finance for a leading pharma manufacturer

## Reduce risk of non-compliance with government price regulations



### Let Model N handle government pricing on your behalf

Model N Business Services combines industry expertise, proven processes, and our purpose-built technology in one end-to-end solution. We take care of everything – legislation tracking, policy management, calculation and validation, and report generation – so you can focus on strategic initiatives.

- ✓ **Align commercial and government price management processes through inherent integrations with Model N Medicaid, Provider Management, and Payer Management.**
- ✓ **Construct reproducible methodologies and calculations for government pricing, while generating an audit trail.**
- ✓ **Efficiently manage monthly, quarterly, and annual reporting requirements for AMP, BP, ASP, NFAMP, FCP, and 340B.**
- ✓ **Effortlessly calculate Medicare Part B and Part D inflation rebates per unit, seamlessly integrated with master data for potential inflation rebates processing.**
- ✓ **Reduce the likelihood of overpayments and costly overcharge penalties in Medicaid rebates, 340B prices, and TRICARE rebates.**
- ✓ **Perform analysis to support decision-making directly in Model N or a third-party application.**
- ✓ **Stay up to date with current guidance through timely released regulatory update packs.**

## Elevate your government pricing processes

Schedule a demonstration to learn how Model N Government Pricing can help you support the three pillars of government pricing: accuracy, reproducibility, and auditability.