Government Pricing

Overview

Model N Government Pricing is the only fully integrated government pricing solution that provides complete compliance visibility, built-in best practices and the ability to quickly respond in a changing regulatory environment. The best-in-class application is available standalone or as part of a packaged bundle with Model N Medicaid. The solution integrates with the Model N Commercial applications to create an end-to-end solution suite that insures compliance and maximizes contracted revenue across your commercial and government business.

Key Features

Stay Compliant with Regulations
The rules are always changing. Extensive flexibility allows authorized business users to rapidly update calculation policies in order to quickly respond to new regulations.

- Update formulas and data sources quickly and confidently with built-in formula builders
- Create and modify filters using intuitive UI configuration
- Create new policies while retaining older policies for prior periods
- Control smoothing of lagged data
- Define product blending for relabels, AGs, and custom packs
- Automatically receive Regulatory Update Packs for major rule changes

Produce Accurate, Consistent and Auditable Filings
Manage all aspects of the government pricing process, from setting up government pricing methodologies to calculating, analyzing, and filing with government agencies.

- Automatically apply inclusion rules
- Calculate results
- Validate result accuracy and detect variances
- Drill down into variances to determine root causes and specific transaction details
- Generate analytical reports
- Override automatic results if necessary
- Approve route-based publishing of the results
- Create government agency-specific filings
- Audit calculation policies, overrides and approvals
Facilitate Innovative Contracting Strategies

Bundled sales can be an effective part of innovative contracting strategies. A flexible discount reallocation system for those bundled sales can enable commercial teams while reducing the burden on government pricing calculations.

- Create reallocation policies
- Automatically reallocate discounts on identified contract programs
- Review results with full drilldown and export capabilities, override if necessary
- Publish results
- Gain full auditability of the entire government pricing process

Optimize Government and Commercial Contracting

Once calculated values are filed with the government, the results can drive contract prices and be used to monitor commercial prices. If a commercial contract price will violate the current Best Price or FSS, relevant users are alerted to take action.

- Use contract price floor triggers tied to Government Pricing prices to protect margins
- Efficiently handle Best Price and AMP restatement downstream events, such as new Medicaid rebate amounts, revised 340B prices and potential 340B refunds

The Future of Government Compliance

In recent years, federal and state governments have produced a complex array of drug pricing regulations, which continue to present increased challenges for biopharma manufacturers. Furthermore, increased legal scrutiny and resulting civil and criminal fines by the government have brought a sense of urgency to the issue of government compliance. As a result, pharmaceutical manufacturers are investing in establishing major government compliance initiatives both inside and outside the company to manage the legal and business risk associated with these challenges.

Additionally, the rate of regulatory change has quickened. Currently, a new major update is occurring every 3 to 4 years. These changes are predicted to continue as the government tries to contain healthcare expenditures which are consuming an increasing percentage of the national budget. It is clear that manufacturers need the capability to quickly respond to the changing regulatory environment. Model N Government Pricing can play an important role in handling regulatory change with confidence.