



# Generics Customer Case Study

## Challenges

### Lean Margins, Complex Rebates, and Strict Regulations

Today, nearly 8 in 10 prescriptions filled in the United States are for generic drugs; however the cost of a generic drug is 80 to 85 percent lower than the comparable branded product — leading to razor thin margins. As a leading generics manufacturer, this company contends with growing competition, tightening regulatory scrutiny, and increasingly complex pricing and rebating strategies with wholesalers and government entities. This fast changing and highly regulated business environment caused them to realize the need for a revenue management solution.

## Results

### Integrate Disparate Platforms into Single Revenue Management System to Fuel Efficiency and Drive Insights

The company was a lighthouse generics company and is a continual early adopter of innovations in the industry. The generics company continues to pioneer the cutting edge of revenue management, in order to provide the best value and service to their customers. With Model N’s full suite revenue management solution, the company now drives best practices in contracting, rebating, and channel management, increasing their operational efficiency, and reducing errors and billing changes.

The pharmaceutical company now manages the full lifecycle of their institutional, channel, and managed care contracts and incentives, as well as their regulatory compliance in a single system. They now enjoy enhanced visibility into leading indicators for net revenue, and more accurate and efficient pricing, rebating, and accruals processes.

## Live On Model N

- North America •

*Optimize complex pricing and rebating, while minimizing errors and risk.*

## Merged Commercial, Contracts, and Regulatory into Single System



## New Capabilities

- Actively manage pricing and contracts
- Drive better, faster decisions by increasing data transparency across the organization
- Manage the full lifecycle of institutional and managed care contracts and incentives
- Reduce administrative burden in terms of cost, time, and effort
- Optimize channel processes
- Quickly adapt to government price and Medicaid, Medicare, and Tricare program changes



## Model N Customer Since 2007

This top generics company has been at the forefront of developing, manufacturing, marketing, and distributing safe, innovative and cost-effective pharmaceuticals that help improve patient quality of life for more than three decades. Every week in the US, more than one million of their prescriptions are dispensed.

## Model N Solutions

### 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.

### Chargebacks

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 overpayments, ensures accurate and timely payment processing rules and conditions, supports complex rebate terms, and provides full auditability.

### Government Pricing

Allows for superior price management by providing free updates of new government regulations with seamless integration to commercial pricing.

### 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.

### NEW! ScriptValidate

Potentially saves companies millions from rebate overpayments, by scrubbing incorrect Rx lines and verifying rebate eligibility against contractually negotiated business rules and thresholds. The company is currently implementing this solution.

#### KEY INTEGRATIONS

PeopleSoft

#### SOLUTIONS REPLACED

Legacy

Homegrown

Model N is the leader in Revenue Management Cloud solutions. Model N helps its customers maximize their revenues by maximizing sell time, revenues per opportunity and number of opportunities. Model N Cloud solutions manage every dollar that impacts the customer's top line and transforms the revenue lifecycle from a series of disjointed operations into a strategic end-to-end process. With deep industry expertise, Model N supports the unique business needs of life science and technology companies across more than 100 countries. Global customers include: Actavis, Amgen, Atmel, Boston Scientific, Johnson & Johnson, Linear Technology, Merck, Marvell, Micron, Nokia, Novartis, and STMicroelectronics. Learn more at: [www.modeln.com](http://www.modeln.com). Copyright © 2015 Model N, Inc. All rights reserved.