



Guide to Revenue Optimization for Medtech Manufacturers

Model **N**

WHITE PAPER

The medtech industry is facing complex and challenging market dynamics. Growing competition and greater provider scrutiny on cost containment have led to significant margin and pricing pressure. Advancements in digital technologies provide incredible opportunities to evolve products and operational processes. To effectively respond to market trends and customer demands, medtech manufacturers must optimize their revenue strategy and execution.

Digital tools hold incredible promise. When leveraged effectively, they enable efficient and real-time collaboration across the business, breaking down silos and providing greater visibility into transactions and their downstream impact. This white paper explores how manufacturers can gain a competitive advantage by automating revenue execution with the right mix of technology, people, and process.

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Market landscape for medtech revenue execution

Medtech manufacturers face business model changes on a scale never before seen, resulting from pricing pressure and payment and pricing model disruption. To minimize margin erosion, sales teams need to drive the best deals more effectively while aligning with the overall pricing and portfolio strategy. Key to success is better coordination between front- and back-office teams. With an end-to-end solution that becomes the system of record for commercialization and compliance processes, you can:



Effectively manage prices

Today's provider marketplace is dominated by group purchasing organizations (GPOs) and integrated delivery networks (IDNs) that often have multiple prices and contracts available to them. To ensure customers receive the right price for the right product at the right time, real-time visibility into pricing, contracting, and memberships is necessary.



Ensure compliance

Compliance with Federal Supply Schedules and value and indication-based pricing is increasingly complex; yet the risks associated with non-compliance have never been higher. Pricing and contracting managers need automated tools to lessen the burden of reporting and tracking compliance, while reducing the risk of fines and penalties.



Craft and manage value-based contracts

Providers face ongoing demands to demonstrate value and add transparency to pricing and billing. Value-based contracting is an innovative contract model that's growing in popularity, as it shows a manufacturer's willingness to partner with their customers while driving more profitable growth. Data management and analytics capabilities can enable you to optimize value-based contracts and pricing and then ensure contractual obligations are met.



Increase tender win rates

With 85% of medtech revenue derived from tenders, strong tendering capabilities are critical to protecting market access, market share, and product profitability. You need to manage the tender process globally while giving local teams the ability to act within specific price floors and ceilings to make decisions that maximize revenue and market share across regions and reference price ecosystems.



Effectively leverage business intelligence

Accurate, real-time pricing and performance data helps you craft the most advantageous contracts and tenders, avoid violating price floors, effectively forecast demand and sales, and ensure contract compliance. By integrating enterprise resource planning (ERP), customer relationship management (CRM), and pricing systems, you can unite the front and back office, putting this valuable data in the hands of sales and operations when they need it.





Together, these factors increase the complexity and cost of doing business in the medtech industry. Organizations that expertly employ people, processes, and technology to address these challenges efficiently have a distinct competitive advantage. They can confidently execute innovative and profitable contracts, successfully manage margins, and become more responsive and adaptable to market trends.

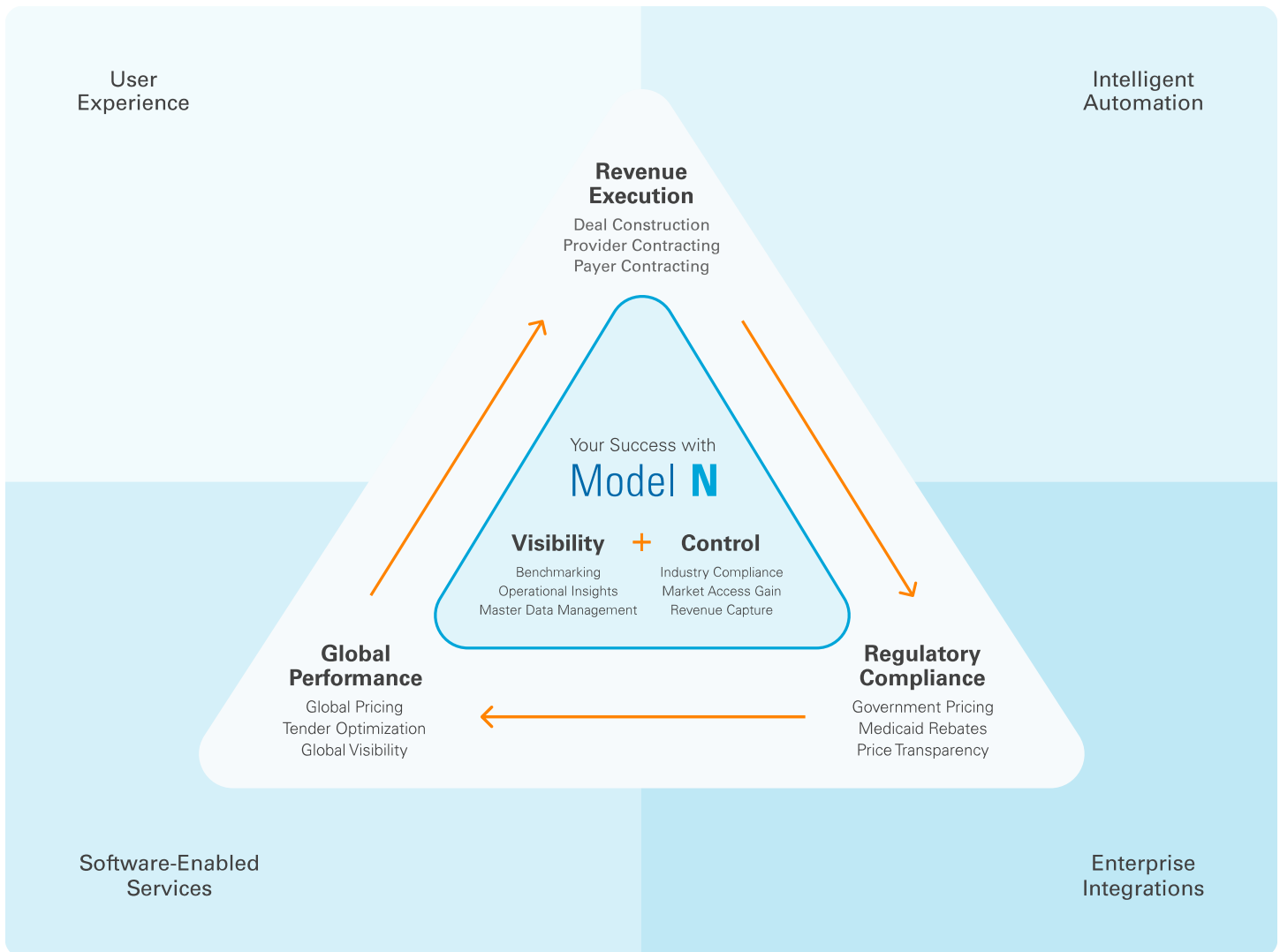
The right solution

To succeed in this complex and changing environment, it's time to rethink your approaches, practices, and initiatives. By adopting a commercial system of record for revenue optimization and compliance, you can reveal hidden intelligence that enables you to better manage contracts and tenders, improve cross-functional alignment, and mitigate risk.

Model N purpose built Revenue Cloud to help medtech manufacturers optimize revenue and reduce risk. Our intelligent platform combines technology, data and analytics, and expert services to deliver insight and control over the complexities of commercial operations and contract compliance.

Leading medtech companies rely on our robust SaaS solution to empower the front and back office to master today’s trends and prepare for tomorrow. With Model N, you get:

- 
An integrated back-office system for membership management, distributor rebate processing, and accruals management
- 
The flexibility to address all current and future complex contracting needs without customization
- 
Integration with your ERP and CRM to provide “real-time” price and membership visibility with actionable analytics to field sales and national accounts
- 
An end-to-end platform to manage every iteration of pricing, contracting, tendering, and customer alignment





Model N Provider Management

Managing agreements with GPOs, IDNs, health systems, and local hospitals is often a cumbersome, manual process comprising spreadsheets and aging systems. Model N Provider Management proactively eliminates overpayments of fees and chargebacks and provides visibility into customer commitment tracking. There is power in using the massive amounts of data available to address customer purchasing behaviors and manage price-tier commitments. With clean and accurate data in a single solution, you can achieve greater than 98% clean first-pass rates in processing chargebacks.

To optimize provider management processes, our solution integrates:

- Contract and price management
- Calculations of incentives, fees, and accruals
- Rebate and chargeback processing
- Federal Supply Schedule compliance
- Membership management
- Contract and tiered-pricing compliance

Real-time visibility and insights into chargebacks, contracts, pricing, and compliance enable you to interact seamlessly with providers. These tools also help you make informed decisions and optimize revenue.



Model N Global Tender Management

As the complex bidding process becomes more competitive, global tenders must be managed efficiently to allow for planning and prioritization of tender response activities. Departments can shape and respond to tenders with limited resources – acting locally, but coordinating globally – by streamlining auditable approval workflows, tracking and analyzing tenders for continuous improvement, and developing best practices as the number of tenders grows.

Utilizing a unified application to help plan, create, execute, track, and analyze global tenders has been proven as the key to winning more bids. Model N Global Tender Management gives teams visibility into global opportunities and the ability to generate winning strategies proactively. With a centralized view, clear workflows, and organized approval processes, teams can focus on value-added activities, such as tracking and analyzing wins and losses to improve future submissions.

Furthermore, by integrating a tender marketplace search directly into the platform, tender managers can easily search public marketplaces for new publications and convert them into tender opportunities. This application offers enhanced controls and insights to streamline the bidding process, promote cross-functional collaboration, reduce risk, and increase top-line revenue.



Model N Deal Management

When sales and operations systems aren't integrated, unnecessary bottlenecks occur, and the likelihood of errors increases. By bridging the gap between the front and back office, sales teams can easily access the information they need to ensure customers get the right price and adhere to contract terms and conditions. With fewer demands from the sales team, operations can focus on value-added tasks like analyzing data and evaluating deals.

Model N Deal Management is purpose-built to alleviate friction and stress on sales and operations teams, enabling them to work together more efficiently. This innovative application embeds real-time contracting and pricing data and insights directly into the CRM for on-demand intelligence. Now sales has access to all the tools they need to execute deals and have proactive conversations about contract performance with their customers. Operations teams no longer have to duplicate contract entries or drop everything to field last-minute requests from sales.



Model N Intelligence Cloud

Data and analytics enable you to become more responsive and agile in the wake of changing market conditions. Model N Intelligence Cloud extracts timely, operational business insights from your revenue data. With data-driven alerts, robust reporting, and discovery dashboards, you can quickly identify opportunities, issues, and trends and take appropriate action to drive revenue.

Powered by advanced analytics, Intelligence Cloud helps you:

- Use dynamic pricing and analysis to develop, monitor, and drive optimal pricing strategies.
- Integrate direct pricing and analytics into your CRM, enabling sales to have more productive conversations with customers regarding their pricing, performance, and contract compliance.
- Optimize bids and streamline tenders through what-if scenario modeling, competitive and account insights, and win-loss analysis.

The right partner

With deep industry expertise, Model N supports the complex business needs of the world's leading medtech innovators. In addition to delivering an intelligent platform that combines proven technology with data and analytics, our team of industry specialists can help you improve operational and revenue processes.

Through Model N Expert Services, you can access the technical, operational, and industry expertise you need to utilize and adopt our applications, streamline processes, and maximize the value of Model N applications. We continuously evolve our services portfolio to further help you optimize revenue, manage risk, and focus on innovation.

Model N Application Services drive adoption and value realization while aligning applications to your business's changing needs. These high-touch technical services free IT teams to focus on strategic initiatives and keep internal processes running effectively.

The scalable training, change management solutions, in-app guidance, and customized learning available through Model N Education Services help you onboard and cross-train team members, improve process efficiency and accuracy, and roll out new applications and updates globally.

Optimize revenue with Model N

The Model N Revenue Cloud for Medtech is the only end-to-end global revenue optimization platform that drives consistency, compliance, and accuracy across global contract and tender management processes. Our combination of integrated technology, data and analytics, and expert services enables you to gain insight and control over the complexities of commercial operations and compliance. Let Model N help you:



Streamline operations and improve cross-functional collaboration.



Mitigate risk of non-compliance with financial controls and contract terms and conditions.



Uncover actionable business insights that fuel innovation.



Grow revenue, performance, and market share.

Visit modeln.com for more information or contact us at info@modeln.com to receive a complimentary revenue execution assessment and ROI analysis from a medtech revenue management expert.