



EXECUTIVE SUMMARY

# Apply Payment Integrity to Your Drug Spend



## Who We Are

HealthPlan Data Solutions gives healthcare payers a way to ensure their pharmacy claims are paid correctly by combining state-of-the-art technology with hands-on expertise. HDS partners with clients and their PBMs to prevent errors, recover payments, protect the brand, and stay competitive.

### Save 3–8%

HDS can save you 3–8% on your annual drug spend by reviewing 100% of your pharmacy claims.

**We help the largest healthcare payers in the country apply payment integrity to their drug spend, including:**

#### **Commercial Plans**

In a highly competitive environment, commercial plans continue to see pharmacy costs increase 5–7% per year. Commercial clients look to HDS to arrest that trend and deliver 100% accuracy on every claim. The result is reduced costs, increased efficiency, market-share growth, and member retention.

#### **Blue Cross Blue Shield Plans**

Often, Blue plans feel obligated to contract with a PBM owned by a competitor. A partnership with HDS can support this type of contractual agreement and add both financial and strategic value to Blue plans by providing them with resources to reduce spending and more efficiently manage plans. Ensuring 100% accuracy in drug spend helps them compete more effectively in their state.

#### **Fee-for-Service and Managed Medicaid**

States and Medicaid plans continue to operate at the slimmest of margins and, in some instances, their member populations drive higher pharmacy utilization. In response, these plans are searching for ways to stretch their pharmacy dollars further while continuing to improve member health outcomes. HDS closely partners with these plans to accomplish their goals.

#### **Medicare Advantage**

Aging populations, increased drug spend, and strict compliance requirements from the Centers for Medicare and Medicaid Services (CMS) demand that Medicare Advantage plans have a stronger understanding of their pharmacy spend. HDS can help them accomplish this and more.

# What We Do

HDS offers a holistic, post-adjudication, pre-payment solution that cuts through contractual complexities and brings order and visibility to your pharmacy spend data. Our reimbursement experts use proprietary technology—Claim Scan™—to inspect complete claims records. This provides actionable insights that help clients collaboratively engage with a PBM to prevent errors and recover funds that can be invested in members and plans.

**We have the unique capacity to review 100% of the claim file prior to payment**—at a line-item level—to identify specific problem areas and recommend immediate, corrective actions as well as long-term adjustments. This empowers clients to optimize performance while driving down costs and improving efficiency. HDS aims to be a natural extension of your internal pharmacy and payment integrity teams.

**Our team of pharmacy benefit experts uses our data-mining platform to provide actionable insights.**



## Identify

Our data mining platform identifies errors using 100+ proprietary scans.



## Fix

Our pharmacy benefit experts collaborate with you to determine the root causes of the errors and implement corrections.



## Monitor

Our claim tracking system continually monitors your pharmacy claims to ensure optimal contract performance.

## HDS Fixes Errors Across a Broad Spectrum

- ✓ Eliminate payment errors
- ✓ Increase efficiency
- ✓ Determine root cause



# Five Savings Domains

When a 100% claim review is conducted, identified errors typically fall into one of the following five domains:



## Treatment Protocols

These clinically oriented scans detect and alert the client to potentially unsafe medication regimens or inappropriate therapies. By incorporating current clinical practice guidelines, the client can optimize drug therapy while simultaneously reducing patient risk.



## Regulatory and Compliance

Regulatory and compliance monitoring makes certain that the client is meeting federal and state requirements for prescription drug coverage. At the provider, pharmacy, and patient level, these scans are essential not only minimize preventable legal breaches that could adversely impact the health and safety of members, but also to protect a plan sponsor's brand from possible public relations crises.



## Market Competitiveness

The proprietary HDS Benchmark pricing tool provides the client a third-party industry reference that ensures drug prices are consistent with the marketplace. These benchmark prices serve to augment competitive contracting practices at the start of an agreement, while also enabling mid-contract course corrections. By verifying competitive drug pricing, the client may realize significant cost avoidance opportunities and savings while increasing transparency and accountability within the pharmacy benefit.



## Contract Adherence

Contract adherence scans ensure the client's PBM contract is optimized and performing at or above the contracted rate. Scans identify deviations in contractual guarantees for AWP, MAC, and U&C pricing, providing actionable opportunities to withhold payment at an individual claim level.



## Plan Design

Due to the growing complexity of pharmacy benefit programs, adjudication platforms struggle to accurately prioritize numerous layers of customization. Scans for plan design ensuring PBMs adhere to individual pharmacy benefit structures, reduce the risk of overspending. Plan design scans safeguard formulary compliance, member cost share, and benefit design integrity.



# Bending the Cost Curve

Unlike other solutions, the HDS platform exists in a pre-payment environment. This means that we are there before payments are ever made. The solutions HDS provides help create guardrails around the pharmacy benefit, which results in continuous improvement and ultimately bends the cost curve.

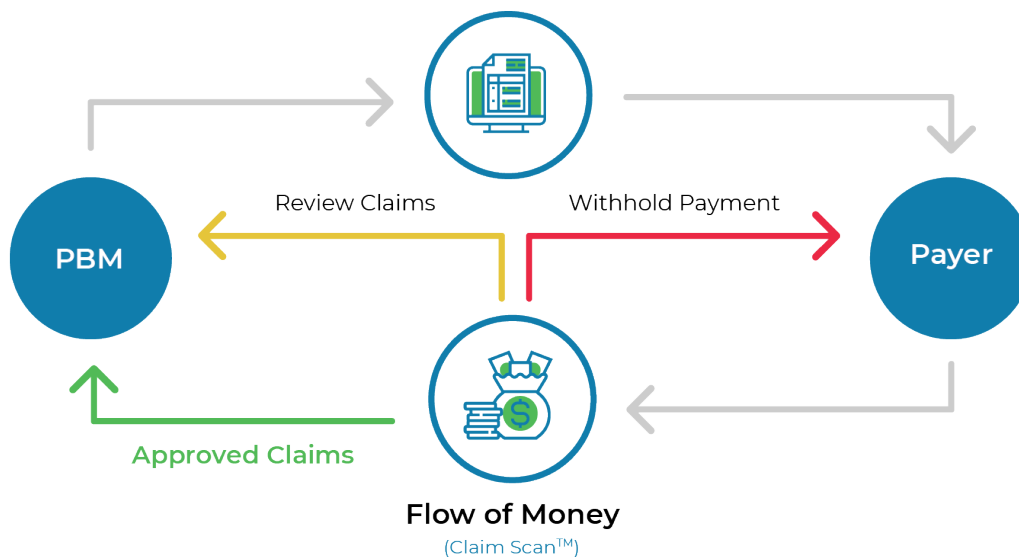
**Our pharmacy-benefit experts use Claim Scan™ to inspect complete claims records** against nearly 100 known pricing-error algorithms and to provide actionable insight. HDS equips our clients with the hard data and human intelligence needed to prevent errors and recover funds. This process leads to a 3–8% savings in annual pharmacy spend, all without disrupting the healthcare plan.



oxycontin				
Details	Transaction #	Drug Name	Day Supply	Review Amount
	180322361275001	OXYCONTIN TAB 80MG CR	28	\$2,340.13
Drug Info	Fee Type	Charges	Max Price	Pharmacy Info
Rx #: 00003044703 Tx#: 180322361275001 Rx Date: 02/01/2018 NDC: 5901048010 Generic Indicator: N Specialty Indicator: N Quantity: 168 Withhold Review Amount: 2340.13 Price: 3513.69 FDA Max: 2				Pharmacy Name: WILBROWNS #2145 Pharmacy NPI: 1235144239 Pharmacy Chain Code: 00226 Category: Formulary Indicator: Y Submission Classification Code: FDA Quantity II: Y

## Payment Integrity Delivery Model

Invoices & Claim Files (Claim Scan™)



# Clients



**“In the first year, Rx costs for the group were reduced by 22%. They experienced another 5% reduction in the second year with flat utilization. I would recommend HDS because of their unflinching determination in bettering the understanding and culture of their clients, while also helping them realize year-to-year cost savings.”**

President & CEO HDS Client



**80%**

of our staff is made up of  
IT professionals and  
pharmacists.

## Staff

HDS is a team of experienced pharmacists and technologists. We offer the right blend of technology and pharmacy expertise to effectively manage the drug spend problem of our clients.

Our clinical team understands the complexity of pharmacy contracting, the challenges of calculating accurate payment for claims, and the consequences of confusing contract language. Approximately 80 percent of our staff is made up of IT professionals and pharmacists. We leverage this staffing model to deliver the most professional level of support in our clients' strategy for drug spend management.

# Strategic and Financial Value

HDS clients view our organization as a trusted strategic partner. Our qualifications, background, and experience position us to deliver results such as:

## Improving Operational Efficiency

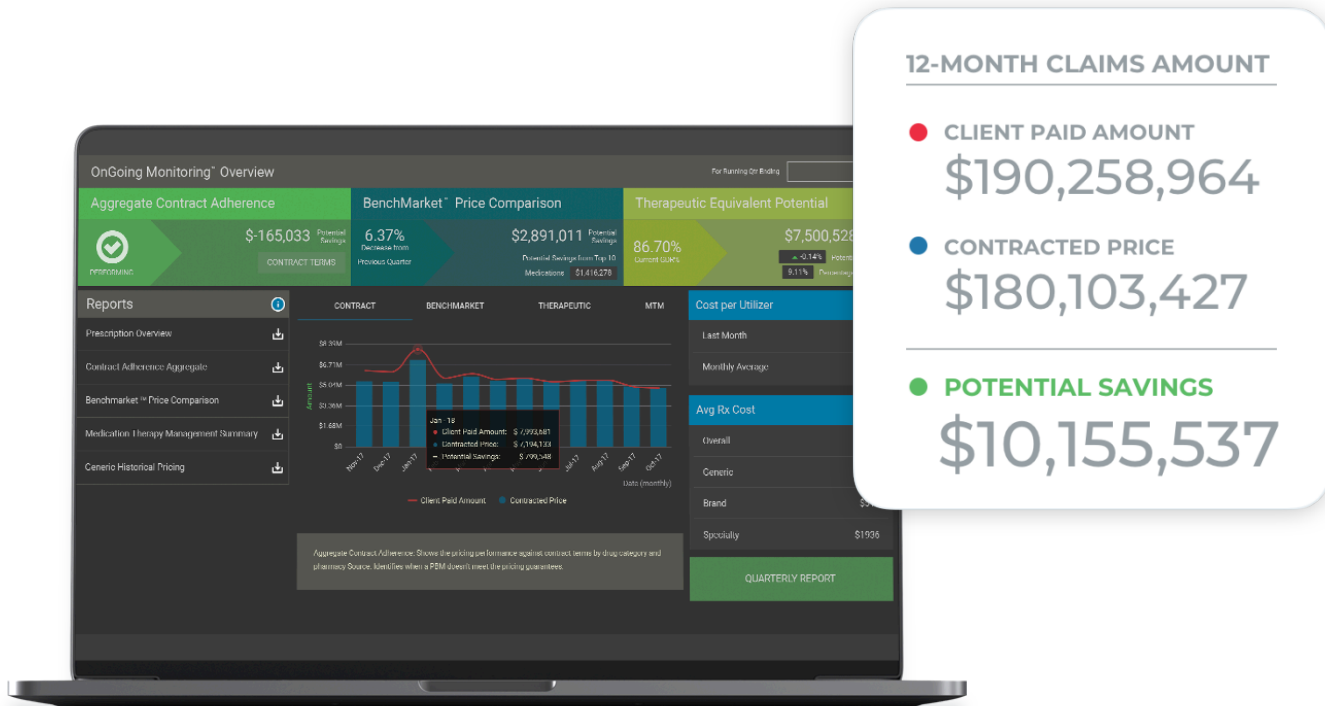
We understand that the demand for operational support in the health plan pharmacy departments is growing with the ever-increasing compliance and reporting requirements. We propose an approach that incorporates a team of experienced pharmacists and a technology solution to analyze pharmacy claim data in a short period of time. This approach allows our clients to take pre-payment actions to manage costs and improve member outcomes.

## Bending the Cost Curve

Pharmacy costs continue to rise 5-7% per year, impacting the health plans and their members. At HDS, we review 100% of every pharmacy claim at the line level to determine the accuracy of the invoiced price. Claims invoiced in error are then reviewed by an experienced team of pharmacists to validate the error. We work with both the plan and the PBM to maintain effective control over the client's drug spend.

## Leveraging State-of-the-Art Technology and Pharmacy Reimbursement Experience

The HDS team is a group of highly experienced pharmacists and technologists focused on the challenge all plans face in managing their pharmacy spend. We offer our clients scale and optimization capacity to achieve their key performance metrics that drive pharmacy benefit performance. Our clients count on us to deliver insight into contract optimization, increase competitiveness in their PBM offering, drive out errors, and ensure contract terms are met in their claim experience. The result is a seamless relationship built to achieve financial and strategic excellence.







# Thank You

*Contact us to see how much you can save*

**Travis Watson, RPh**  
Vice President,  
Business Development

**P:** +1 (614) 515-2700

**E:** [info@hds-rx.com](mailto:info@hds-rx.com)

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444 N. Front St., Suite 101  
Columbus, OH 43215