



# GROSS-TO-NET IMPROVEMENT THROUGH HOLISTIC REVENUE ENHANCEMENT

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Consistent price increases have long been a staple of commercial strategy for pharmaceutical manufacturers. From this uplift in topline revenue, more sizable discounts can be provided to industry middlemen, like pharmacy benefit managers (PBMs), in order to secure more favorable formulary positioning.

However, due to increasing competition, public pressure, and government scrutiny in recent years, manufacturers have been reticent to rely as heavily on price hikes. Concurrently, given the increasingly more consolidated nature of pharmacy benefit managers (PBMs) and their integration with managed care organizations, manufacturers have employed more aggressive contractual strategies to acquire or preserve market access. Left unaddressed, a reliance on heavy discounts can precipitate a reduction in net revenue.

Even if manufacturers do employ the countermeasure of increasing the wholesaler acquisition cost (WAC), this action may not deliver the desired results and paradoxically, can sometimes even cause a further decline in net revenue. For example, an especially large price increase can trigger price protection, increase Medicaid rebate liability, and lower revenue received from the 340B Drug Pricing Program. Rather than continue forward with traditional market access strategies, this changing dynamic implores manufacturers to consider revenue management in new ways. Instead of simply confining gross-to-net activity to the pragmatic exercises of forecasting and accrual, manufacturers can expand its scope to include a strategic analysis of how liabilities can be prospectively reduced. In broadening the focus of financial planning from the perfunctory to the proactive, expenses can be viewed more as mitigatable variables and less as immutable assets. Accounting then becomes a valuable tool in the effort to reduce revenue leakage.

#### HOW DOES EVERSANA HELP REALIZE CHANGES IN GROSS-TO-NET ACTIVITY?

Understanding the complicated interplay between product costs, commercial contracting and government pricing is a difficult task for grossto-net analysis, even in the traditional sense. Integrating those concepts into a comprehensive revenue enhancement plan across an organization is exponentially more challenging.

From industry-leading patient service and adherence support to global pricing and revenue management, EVERSANA has the expertise and capabilities to help manufacturers take on this endeavor across the entirety of the product life cycle.

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## PRE-LAUNCH

- Customized market research analysis and insight into payer activity, industry trends, and developments within therapeutic class, geared towards informing commercial strategy
- Market access strategy and agency services to drive market presence, coupled with assistance in payer negotiations and contract drafting to secure favorable terms
- Global pricing roadmap development using proven and proprietary software to both optimize product launch sequencing and manage bids and tenders on an ongoing basis

### **PRODUCT LAUNCH**

- Field solutions to support and provide recruitment, training, and call centers for commercial and clinical teams to ensure active market engagement and augment efficiency
- Third party logistics including warehousing, distribution, order fulfillment, and specialty pharmacy services to optimize supply chain management and reduce operational costs
- Patient support services to manage onboarding, affordability, and adherence while detecting and deterring coupon and co-pay card fraud, waste and abuse

#### **ONGOING OPERATIONS**

- Financial management solutions, systems and consulting to identify and prevent revenue leakage while supporting day-to-day processing of sales, rebates, and government pricing
- Data driven accruals, forecasting, and analysis to help manage finances, compare outcomes to initial expectations, identify liabilities and feed into future market access strategy
- Clinical data modeling and outcomes analysis through health economics and outcomes research and real-world evidence to assess and validate in-market product value



#### About EVERSANA™

EVERSANA is the leading independent provider of global services to the life science industry. The company's integrated solutions are rooted in the patient experience and span all stages of the product lifecycle to deliver long-term, sustainable value for patients, prescribers, channel partners and payers. The company serves more than 500 organizations, including innovative start-ups and established pharmaceutical companies to advance life science solutions for a healthier world. To learn more about EVERSANA, visit <u>EVERSANA.COM</u> or connect through <u>LinkedIn</u> and <u>Twitter</u>.



