

Case Study



Solving the Inventory Visibility and Channel Data Challenge



THE NEED FOR INSIGHT

Many pharmaceutical manufacturers rely on third-party logistics (3PL) service providers to manage their supply chain management functions such as warehousing, fulfillment, transportation services, and/or inventory management. Such was the case for a small manufacturer that recently had introduced a new therapy for a debilitating neurological condition that impacts 1 in 4 US households... migraine.

Given the immense size of the patient population and product characteristics, the manufacturer launched into retail pharmacy, coupled with a significant payer contracting strategy. To support this commercialization strategy, the manufacturer engaged with IntegriChain as a trusted partner for government pricing and rebate managed services.

“Given the retail nature of our drug, it is critical that we have accurate and timely visibility into downstream inventory and channel performance. Thanks to IntegriChain, we have that now.

Sr Director,
Trade & Channel

CONTRACT & PRICING SOLUTIONS



Government Pricing (GP) Managed Service. Expert management of complexities and compliance requirements of GP, including comprehensive and auditable control reports covering all price calculation details to ensure contractual commitments around regulated pricing submissions are met.



Rebate Managed Service. Timely, reliable and secure contract management, formulary validation and processing of the full range of claims including Medicaid, Managed Care, Tricare, and Coverage Gap to meet contractual commitments around rebate claims processing.

After successful onboarding of IntegriChain’s Managed Services, the manufacturer sought consulting additional support from IntegriChain expert support for analysis, benchmarking, and best practices workshops around Bona Fide Service Fees (BFSF) and Pre-Deal Analytics.



Contracts & Pricing Advisory

Provide insight, benchmarks, and best practices to develop and implement higher-impact commercial and government contracting and pricing strategies.

Need for Deeper Insights and More Actionable Data

As the manufacturer continued working with its 3PL partner, several issues began to arise:

- Lack of insight into downstream inventory and the potential risk of stock-outs that could impact patients' ability to fill their prescriptions
- Inability to benchmark channel performance against competitors
- Limited analytics to drill into channel partner performance
- Weak channel data and insights were adversely impacting the gross-to-net (GTN) cycle and monthly close



Based on this blossoming relationship, the manufacturer expanded its strategic relationship with IntegriChain, engaging its Channel Advisory team in spring 2020 to perform an analysis of its channel data and operations. The IntegriChain team quickly delivered:

- A list of high-decile or top-performing pharmacies
- A market-basket analysis showing the manufacturer how their product compared against competitors in terms of pricing, availability, etc.
- Analyses using both sales and EDI 867 data to highlight where the market demand was and where the manufacturer may be missing out on opportunities.

Advisory
Services



Channel Advisory

Develop world-class channel data aggregation, refinement, data management and channel analytics strategies leveraging industry best practices and benchmarks.

While discussions were proceeding regarding which IntegriChain products would best fit its needs, the manufacturer initiated discussions with another data provider that claimed they could provide the same channel data services as IntegriChain at a much lower price.



This created an opportunity for IntegriChain to demonstrate why it was the ideal partner including:

- Deep knowledge of the manufacturer's business
- Outstanding reputation and legacy around channel data management
- Proven expertise around data management including the use of advanced statistical techniques and data science
- IntegriChain's unique ability to eliminate integration hassle and improve GTN accuracy by having our GTN managed service leveraging the same platform as channel data and contracts and pricing applications.
- Potential discounts for multi-product and service purchasing



The Solution

After assessing the capabilities of both vendors as well as considering its own internal capabilities, the manufacturer decided to move ahead with IntegriChain as its primary channel data aggregation and analytics provider. The follow channel data solutions were implemented to address the gaps previously identified:

CHANNEL DATA SOLUTIONS		Channel Data Aggregation Aggregate all channel data sets, including distributor sales, distributor inventory, specialty pharmacy inventory, and product returns.
		Inventory Analytics 100% visibility to downstream inventory, from the retail pharmacy shelf to specialty, mail and institutional channels. Reduce risk of channel stock-outs, accrual risks while improving forecast accuracy with total pipeline inventory reporting.

The Results

IntegriChain turned out to be the perfect strategic channel partner for a number of reasons:

- **Improved channel performance.** With the channel data properly and efficiently aggregated and a robust inventory analytics solution in place, the manufacturer is confident they will be able to better manage channel inventory, reduce returns allowances, and eliminate stock-outs.
- **Ideal platform for future drug launches.** With IntegriChain now managing their channel data as well as providing managed services for government pricing and rebate management, the manufacturer finally believes they have a platform that will enable them to efficiently launch new drugs that are in their pipeline. In addition, IntegriChain's participation in more than 100 drug launches in the past three years makes the manufacturer certain in their choice of partner.

With the data and contracts and pricing challenges resolved, the manufacturer anticipates turning their attention to their gross-to-net process. Their vision is for the aggregated channel data to feed into IntegriChain's GTN Accrual and GTN Forecasting managed services to ensure accurate and timely accruals, transparent and audit-ready accrual forecasting calculations, elimination of manual and spreadsheet-bound processes, and the ability to model multiple forecasting scenarios.

About IntegriChain

IntegriChain delivers Life Sciences' only comprehensive data and business process platform for market access. More than 220 life science manufacturers of all size and complexity rely on IntegriChain's analytics, applications, managed services and expert advisors to power their operations and harness the value of their channel, patient and payer data. IntegriChain has played a vital role in more than 70% of product launches over the past two years including 35 first launches. For more information, please visit www.integrichain.com or ic@integrichain.com



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