



HEALTHTRUST[®]
UNIVERSITY CONFERENCE

July 26, 2021

Pharmacy Rebate Tracking: Are All Your Locations Aligned?

Sherrie Todd, RPh – Director of Purchasing & 340B, Scripps Health, San Diego

Richard Higgins – Strategic Sourcing Analyst, Scripps Health, San Diego

| Disclosures

- The presenters have no real or perceived conflicts of interest related to this presentation
- Note: This program may contain the mention of suppliers, brands, products, services or drugs presented in a case study or comparative format using evidence-based research. Such examples are intended for educational and informational purposes and should not be perceived as an endorsement of any particular supplier, brand, product, service or drug.

| Learning Objectives

At the end of this session, participants should be able to:

1. Explain the importance of tracking rebates
2. Identify how Health Industry Number (HIN) are allocated within their own health system
3. Describe entity and industry steps involved in rebate optimization

Scripps Health At-a-Glance

Who We Are

- Based in San Diego, California
- Founded in 1924
- \$3.5 billion not-for-profit integrated health system
- Treat more than 700,000 patients annually
- Over 3,000 affiliated physicians and 16,000 employees
- 5 acute care hospital campuses
- 32 outpatient clinics



| What We Look Like

- Corporate Offices
- Hospitals
- Clinics
 - Ologies (oncology, rheumatology, hematology.....)
 - Other Physician Practices
 - Rehabilitation Center
- Central Pharmacy Productions
- Retail
 - Ambulatory
 - Specialty



Rebates — Love Them Or Hate Them

| Typical Rebate Requirements

- Growth Incentives
 - Baseline
 - Percent Growth
 - Units Growth
- Total Purchased Units
- Market Share Based
 - Market Basket of Competitive Products
- Bundled
- Combination of Above



Methods of Delivery

- EFT
 - Tends to get lost in the general hospital funds
- Check
 - Can be directed to a specific person in a specific department



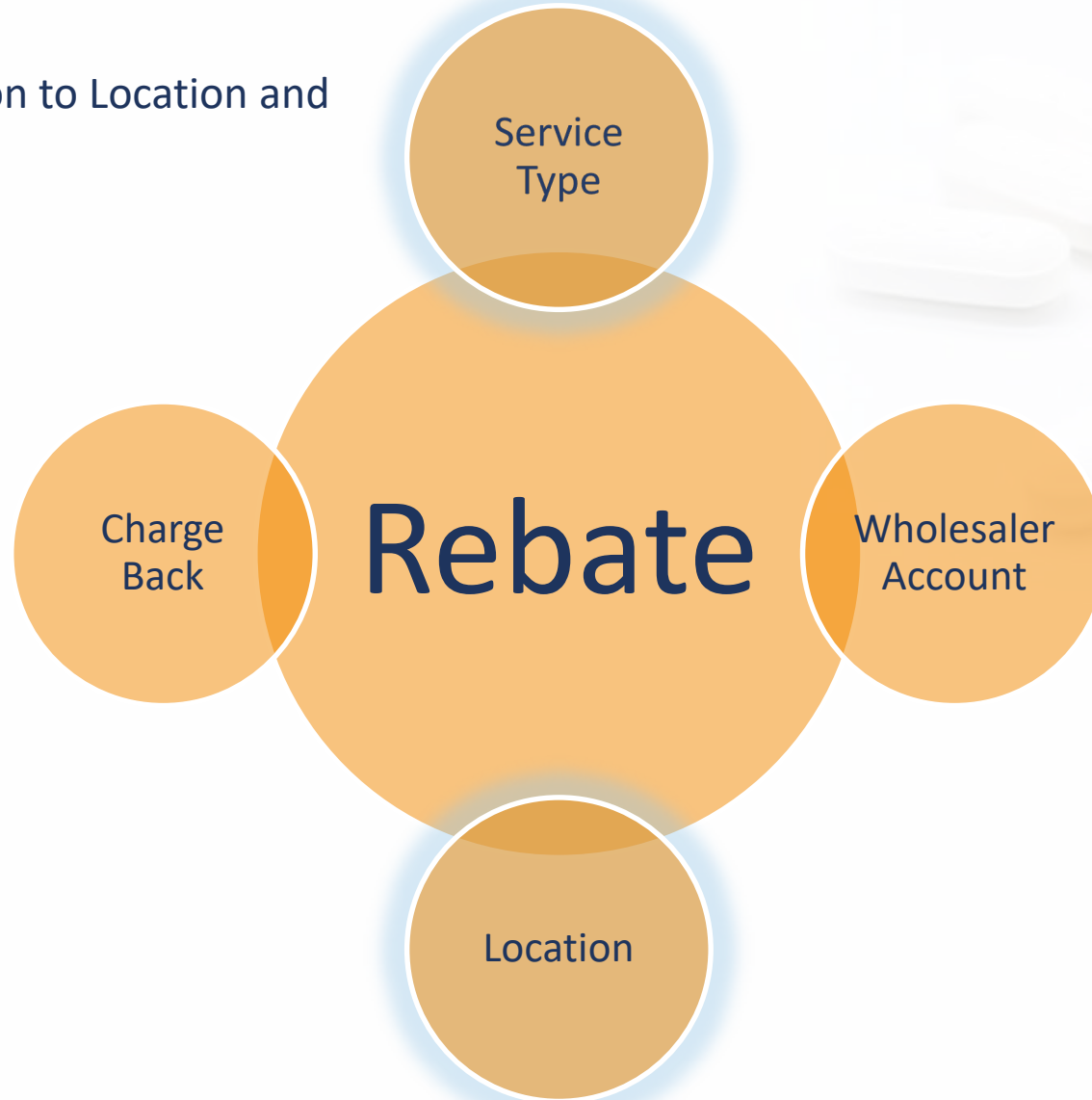
- Direct from the Manufacturer
- Dispersed through the Group Purchasing Organization
 - HealthTrust
 - Clinic GPO (ologies or other)
 - Apexus (340B)
- Dispersed through the wholesaler



Common Factors in Rebate Calculations

Any misalignment will affect the final rebate

Pay specific attention to Location and Service Type





Health Industry Number System

*Richard Higgins – Strategic Sourcing
Analyst*

HIBCC: HEALTH INDUSTRY BUSINESS COMMUNICATIONS COUNCIL

HIBCC (<https://www.hibcc.org/>)

Health Industry Business Communications Council

Setting Safer Standards

HIBCC, the [Health Industry Business Communications Council](#), is an industry supported and internationally accredited nonprofit standards development organization with a global reach. We develop standards that meet the unique requirements of the world's healthcare providers.

Our sole focus is setting safer standards for the healthcare industry. The medical field demands certain patient safety considerations, and our goal is to meet them by developing appropriate standards for information exchange and communication among all healthcare trading partners.

Our scope includes a wide variety of standards, from Auto-ID/bar code labeling and UDI Compliance to location identifiers and electronic commerce. In all cases we continue to emphasize safety first. Whether you're here to [create a UDI](#), learn more about [Unique Device Identifiers \(UDI\)](#), or to access the [Health Industry Number \(HIN\) System](#), we are here to assist. For additional information send us an [email](#), or call us at **855-HIBC-UDI** or **877-GET-HINS**.

Create HIBC UDIs

HIBC Auto-ID/bar code structures provide the first step toward creating the Unique Device Identifier (UDI) and Universal Product Numbers (UPN) that are now required for healthcare trading partners to do business.

Our [Auto-ID/Bar Code Utility](#) will enable you to create HIBC-UDI data structures for product labeling according to the HIBC Supplier Labeling Standard.

The HIN Resource Center

The [HIN System](#) was developed by the health care industry to support the needs of all trading partners participating in the health care supply chain. The HIN Resource Center provides all the tools necessary to manage your HIN processes.

Latest News

19 May 2021
EC publishes guidance addressing MDR requirements in the event EUDAMED is not fully functional
The European Commission (EC) released a guidance on the application and implementation of certain pr...

25 Mar 2021
Is your software considered a medical device under the EU MDR/IVDR?
In March 2021 the European Commission released an infographic to assist manufacturers in determining...

18 Mar 2021
EC publishes MDR guidance on Custom-Made Devices
In March 2021 the European Commission published a guidance document titled "Questions and Answ...

17 Feb 2021
Register now for our HIBCC EU UDI Webinar
The European Union's Medical Device Regulation requires all Basic UDI-DIs and UDIs to be assign...

21 Jan 2021

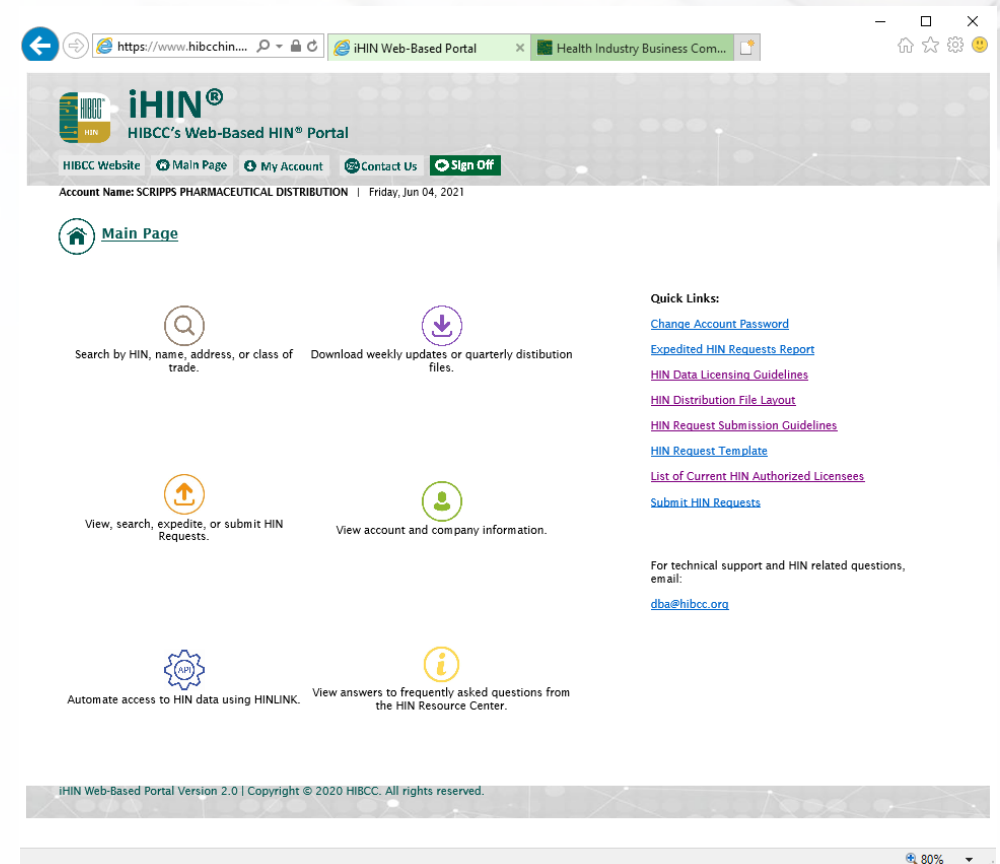


HIN — Health Industry Number

- A unique ID for identifying all trading partners
- Created by the healthcare industry as a universal identifier that would support the business needs of all trading partners in the supply chain during their electronic communications and transactions
- A randomly assigned, nine-character, alpha-numeric identifier
- HIN is user driven; the data originates from information supplied by health care locations and facilities.

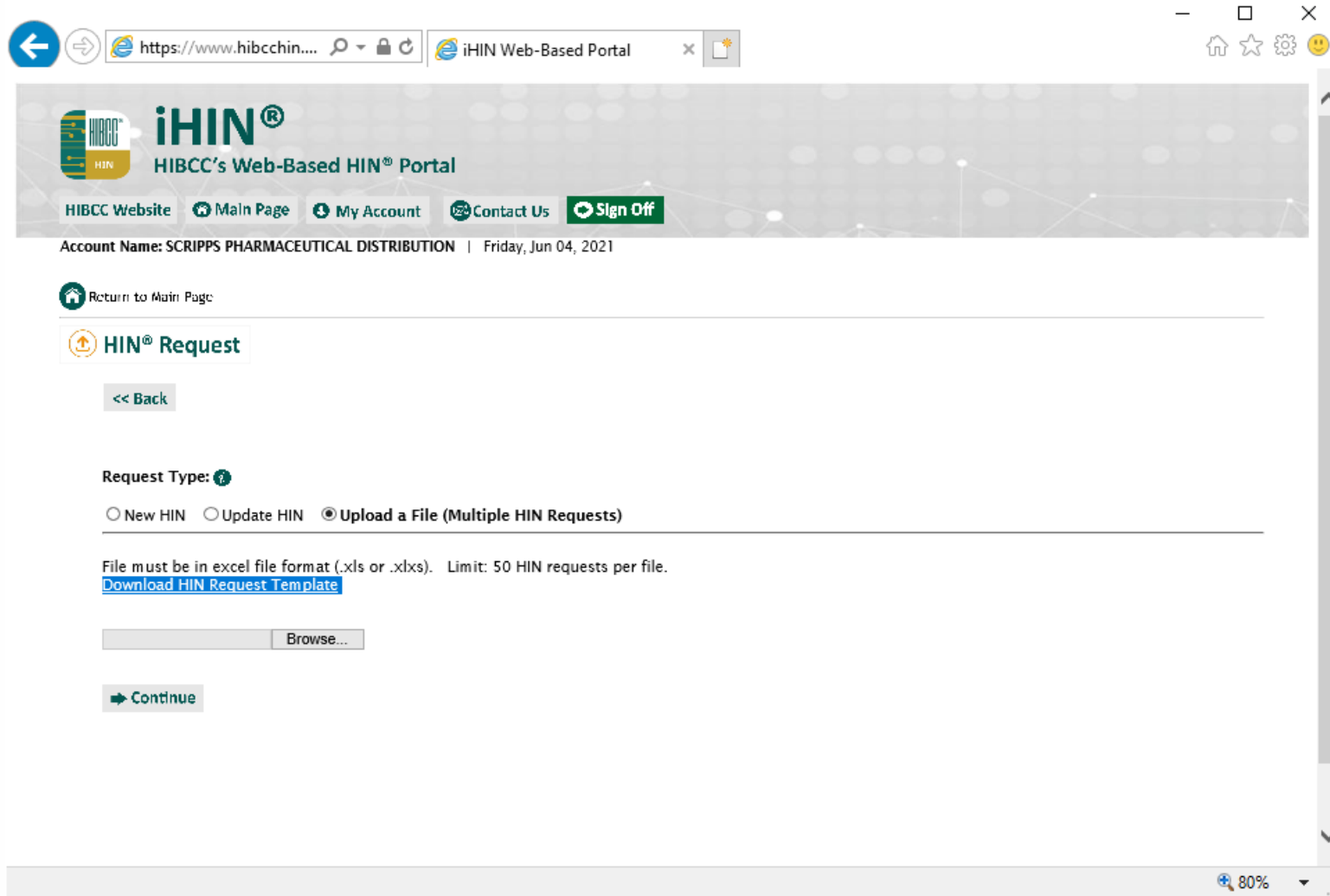
- Guidelines

- [HIN Data Licensing Guidelines](#)
- [HIN Distribution File Layout](#)
- [HIN Request Submission Guidelines](#)



HIN Request Submission

Download HIN Request Template



The screenshot shows a web browser window with the URL <https://www.hibccchin.com>. The page header includes the iHIN logo and navigation links: HIBCC Website, Main Page, My Account, Contact Us, and Sign Off. The user is logged in as SCRIPPS PHARMACEUTICAL DISTRIBUTION on Friday, Jun 04, 2021. The main content area is titled "HIN® Request" and features a "Return to Main Page" link, a "HIN® Request" heading, and a "<< Back" button. Under "Request Type:", there are three radio button options: "New HIN", "Update HIN", and "Upload a File (Multiple HIN Requests)". Below this, a note states: "File must be in excel file format (.xls or .xlsx). Limit: 50 HIN requests per file." A blue link "Download HIN Request Template" is provided. A "Browse..." button is present for file selection, and a "Continue" button is at the bottom. The browser's zoom level is set to 80%.



Lessons Learned

| Lessons Learned

- Understand who your internal contacts are when establishing a new location or department (PM, logistics, leadership)
- New location timeline to go-live
- 4–6 week minimum for HIN assignments with HIBCC
 - Check status of work order online
 - Be persistent in following-up with HIBCC
 - There is an expediting HIN request option (\$25 fee per HIN)
 - Allow for additional time for GPO contract alignment and wholesaler / manufacturer account setup once HIN is assigned

Examples of Clean-Ups & Monitoring

Per our conversation, can you please confirm you would like these below **HIN** locations added to your [redacted] agreement:

Thank you for the confirmation. We'll plan to remove them from your contract as soon as possible. Talk with you soon!

under paid. See addition below.
 under paid. See addition below.
 under paid. See addition below.
 under paid. See addition below.
 under paid. See addition below.
 under paid. See addition below.

HIN® : BPUC76JF7		
SCRIPPS CLINIC RANCHO SAN DIEGO	Market Segment:	HOSPITAL
10862 CALLE VERDE ALLERGY LA MESA, CA 91941-7340 US	Status:	ACTIVE
	Phone:	(619) 670-5400

- * still in dispute w/ [redacted]
- * still in dispute w/ [redacted]
- * still in dispute w/ [redacted]
- * still in dispute w/ [redacted]
- * still in dispute w/ [redacted]

- Alignment end date 4.30.18; not eligible for a rebate*
- Alignment end date 4.30.18; not eligible for a rebate*
- Alignment end date 4.30.18; not eligible for a rebate*
- Alignment end date 4.30.18; not eligible for a rebate*

48N9NJEF2	SCRIPPS CLINIC RANCHO BERNARDO	15004 INNOVATION DR FL 4 RHEUMATOLOGY LAB	SAN DIEGO	CA	92128	LABORATORY	HH	Active	Add To View
48N9NJEF3	SCRIPPS CLINIC RANCHO BERNARDO	15004 INNOVATION DR FL 4 RHEUMATOLOGY	SAN DIEGO	CA	92128	MEDICAL SERVICES	HH	Active	Add To View

Rebate Tracking

Q1 2020	Q1 Verified Date	Q2 2020	Q2 Verified Date	Q3 2020	Q3 Verified Date	Q4 2020	Q4 Verified Date
\$ 22,266.00	6/11/2020	\$ 35,214.00	10/8/2020	\$ 34,425.00	2/17/2021	\$24,187.91	3/5/2021
\$ 1,124.08	7/9/2020	\$ 1,607.14	10/21/2020	\$ 6,038.90	12/22/2020		
\$ -		\$ 5,406.00	10/28/2020				
\$ 19,127.00	7/9/2020	\$ 24,824.68	10/15/2020	\$ 15,062.16	2/17/2021	\$45,824.05	5/24/2021
\$ 32,173.00	7/27/2020	\$ 26,430.00	11/12/2020	\$ 11,407.00	2/17/2021		
\$ -		\$ -					
\$ 15,184.00	6/28/2020	\$ 15,745.00	10/28/2020	\$ 15,840.00	1/28/2021	\$14,921.44	4/27/2021
\$ -		\$ 2,081.00	10/28/2020				
\$ 46,959.00	8/17/2020	\$ 44,818.00	11/12/2020			\$27,779.90	5/28/2021
\$ 675.00	7/20/2020	\$ 1,316.28	10/8/2020	\$ 1,283.00	3/10/2021	\$1,350.03	4/27/2021
\$ 1,376.00	7/27/2020	\$ 2,324.00	11/12/2020	\$ 2,415.00	2/17/2021	\$1,524.20	4/27/2021
\$ 7,209.00	\$ 2,009.28	\$ 3,969.00	10/8/2020	\$ 103.00			
\$ 9,575.00	7/9/2020	\$ 4,787.00	10/26/2020	\$ 1,063.88	2/17/2021		
\$ -		\$ 279.00	9/15/2020	\$ 3,626.00	3/10/2021	\$6,043.96	3/5/2021
\$ 59,656.00	7/9/2020	\$ 79,526.00	10/15/2020	\$ 58,160.23	2/17/2021	\$89,827.33	5/28/2021
		\$ -					
\$ 3,525.00	7/9/2020	\$ 3,619.00	10/15/2020	\$ 2,444.00	3/10/2021	\$1,363.00	3/5/2021
\$ -		\$ 1,739.00	10/26/2020	\$ 1,925.00	2/17/2021	\$1,755.96	4/13/2021
						\$36,651.70	4/13/2021
\$ 1,142.00	7/9/2020	\$ 921.00	10/8/2020	\$ 585.16	2/17/2021		
				\$ 3,596.99	1/14/2021	\$23,158.95	4/13/2021
\$ 214,414.00	6/28/2020	\$ 179,358.00	10/15/2020	\$ 100,549.83	1/4/2021	\$95,962.08	4/7/2021
		\$ 2,939.27	11/25/2020	\$ 10,742.58	3/26/2021		
\$ 2,011.00	7/9/2020	\$ 2,395.00	10/8/2020	\$ 2,037.42	2/17/2021	\$1,733.13	5/28/2021
		\$ 31,111.00	11/12/2020	\$ 29,429.00	2/17/2021	\$26,836.52	5/24/2021
\$ 31,996.00	7/14/2020	\$ 31,025.00	10/28/2020	\$ 34,763.00	3/10/2021		
\$ 85.00	7/9/2020	\$ -				\$124.05	6/2/2021
\$ 72,971.24	7/9/2020	\$ 62,459.29	10/15/2020	\$ 19,433.95	2/17/2021	\$106,574.40	5/24/2021
\$ 1,363.57	7/9/2020	\$ 789.00	10/15/2020	\$ 1,513.00	2/17/2021		
		\$ 524.00		\$ 877.00		\$29,611.01	5/28/2021
\$ 16,633.00	8/17/2020	\$ 18,199.00	11/12/2020	\$ 16,825.00	2/17/2021	\$10,377.43	5/24/2021
\$ 45,624.00	9/17/2020	\$ 64,117.00	10/28/2020	\$ 74,414.28	2/17/2021		
\$ 7,318.00	7/9/2020	\$ 12,872.00	10/26/2020	\$ 12,025.79	2/17/2021		
		\$ -					
				\$ 4,021.00		\$6,110.03	5/28/2001
\$ -		\$ 2,501.00	10/15/2020	\$ 2,501.00	1/14/2021		
\$ 17,986.00	8/17/2020	\$ 24,125.00	11/12/2020	\$ 22,121.00	1/28/2021	\$21,159.60	4/27/2021
\$ 13,530.00	6/28/2020	\$ 10,780.00	10/15/2020	\$ 8,965.00	1/14/2021		
		\$ 562.60	11/29/2020	\$ 4,163.28	3/5/2020		
\$ 4,548.44	7/9/2020	\$ 3,852.00	10/15/2020	\$ 3,167.25	2/17/2021		

- Review contracts for rebates prior to quarter end.
- Incorrectly calculated rebates can affect the bottom-line significantly.



| Assessment Question #1 of 3

The importance of tracking rebates includes:

- a. Identifying contract misalignments
- b. Financial benefits
- c. B and C
- d. None of the above

Assessment Question #1 of 3: Correct Response

The importance of tracking rebates includes:

- a. Identifying contract misalignments
- b. Financial benefits
- c. **B and C**
- d. None of the above

| Assessment Question #2 of 3

Where does the data originate from that is used to assign Healthcare Industry Numbers (HINs)?

- a. HIBCC
- b. Health care locations and facilities
- c. GPO
- d. None of the above

Assessment Question #2 of 3: Correct Response

Where does the data originate from that is used to assign Healthcare Industry Numbers (HINs)?

- a. HIBCC
- b. **Health care locations and facilities**
- c. GPO
- d. None of the above

Assessment Question #3 of 3

Which of the following is a step to optimize rebates in health systems?

- a. Routinely review contracts for missing locations
- b. Review contract compliance prior to rebate term
- c. Request and review for accuracy data used for contract calculations
- d. Maintain a tracking document and follow up on missing rebates
- e. All of the above

Assessment Question #3 of 3: Correct Response

Which of the following is a step to optimize rebates in health systems?

- a. Routinely review contracts for missing locations
- b. Review contract compliance prior to rebate term
- c. Request and review for accuracy data used for contract calculations
- d. Maintain a tracking document and follow up on missing rebates
- e. **All of the above**

References

- HIBCC (<https://www.hibcc.org/>)
- The core content of this presentation reflects the internal workflow and thought processes of Scripps Health



Thank you...

Sherrie Todd – todd.shohreh@scrippshealth.org

Richard Higgins – higgins.Richard@scrippshealth.org

Take advantage of these valuable member resources

- Clinical Evidence Reviews
- Product Feature Summaries & Technology Reviews
- Clinical Question Documents
- Conversion Guides
- Live & On-demand Webinars
- Annual HTU Conference Education
- *The Source* magazine
- 10-Spot Video Recordings
- Collaborative Summits & Communities
- Service Line Consulting & Toolkits
- Innovation Center



Questions or more info:
clinical.research@healthtrustpg.com

www.healthtrustpg.com/clinical-resources/

All-member access to resources designed for clinical integration product discussions between facility supply chain leaders & clinicians

www.healthtrustpg.com/education

All-member access to live and on-demand education opportunities, in a variety of disciplines, throughout the year

www.healthtrustpg.com/thesource/

24/7 online access to HealthTrust's member magazine, *The Source*. Also published quarterly in print format

www.healthtrustpg.com/healthtrust-innovation-center

Members can invite suppliers with new technology to submit their innovative products for review

