



ValidationInstitute

2021 Validation Report

Review for: EmpiRx Health
Valid through January 2022



Company Profile

Category:	Pharmacy benefit management
Website:	www.empirxhealth.com
Public or Private:	Private
Year Established:	2014
CEO:	Karthik Ganesh
Company contact:	1-877-241-7123



Description:

EmpiRx manages pharmacy benefits and bears some of the risk for achieving cost savings. The EmpiRx program uses data from the health plan to find patients whose medication needs can be met at a lower cost. High-cost patients and chronic disease patients are reviewed. EmpiRx's pharmacists reach out to the prescriber to discuss the new medication approach, and to coordinate the change with the patient.



Claim Assertion for Validation

Employer groups who use EmpiRx's program have decreases in per member per month pharmacy benefit costs year after year. This contrasts with the overall market, whose costs go up each year.

Method / Calculation / Examples

The analysis focused on four employer groups and on the calendar years of 2018, 2019, and 2020. The year 2018 is the first year that EmpiRx had the groups in the program; the cost difference between the groups' previous program and EmpiRx ranged from 14 to 24 percent in 2018. These savings are not addressed here.

Pharmacy benefit costs were calculated, including all billable costs for specialty and non-specialty claims net of rebates. Member eligibility months were totaled. For each year a per member per month pharmacy cost was calculated and compared to the subsequent year's PMPM cost.

Findings & Validation

See the table below for a summary of the costs and trends. EmpiRx clients PMPM costs decreased by 9% from 2018 to 2019. While United States employers' pharmacy expenses rose by 5% in 2020, (Cox, Amin, & Kamal, 2021), EmpiRx's clients had a decrease of 7%, outperforming the market by 12%.

Year	Total Costs	Member Months	PMPM	% Change
2018	\$4,912,817	60,964	\$80.59	
2019	\$5,133,937	70,234	\$73.10	-9.29%
2020	\$4,982,529	73,439	\$67.85	-7.18%

Works Cited

1. Cox, C., Amin, K., & Kamal, R. (2021, March 22). Peterson KFF. Retrieved from Health System Tracker: <https://www.healthsystemtracker.org/chart-collection/how-have-healthcare-utilization-and-spending-changed-so-far-during-the-coronavirus-pandemic/#item-start>

Limitations

The analysis did not take a random sample of EmpiRx clients. Groups were selected based upon having a steady number of lives and consistent benefit plan design during the time period. Groups who did not meet these criteria may have different results.



Validation and Credibility Guarantee

EmpiRx Health has achieved a level 1 – Savings validation. Validation Institute is confident that **EmpiRx Health** performs as they state they are willing to provide up to a \$25,000 guarantee as part of their Credibility Guarantee Program*.

Level 1 - Savings

Can produce a reduction of health care spend including the cost of the provider. Product/solution has produced, and replicated a lower cost for healthcare overall or a specific component of healthcare

Level 2 - Outcomes

Product/solution has measurably “moved the needle” on an outcome (risk, hba1c, events, employee retention, etc.) of importance.

Level 3 - Contractual Integrity

No outcomes or savings has been shown, but vendor is willing to put a part of their fees “at risk” as a guarantee

Level 4 - Metrics

Claim is made with sourced, overridable assumptions linked to peer-reviewed or government sources





Validation Expiration: January 2022

CERTIFICATE OF VALIDATION

Applicant: **EmpiRx Health**
155 Chestnut Ridge Rd
Montvale, NJ 07645

Claim: EmpiRx clients have decreases in pharmacy costs year after year.

Validation Achieved: **Level 1 - Savings**

Validation Award Date: April 2021

Linda Riddell
VP, Population Health Scientist
Validation Institute

Benny DiCecca
Chief Executive Officer
Validation Institute



About Validation Institute

Validation Institute is a professional community that advocates for organizations and approaches that deliver better health value - stronger health outcomes at lower cost. We connect, train, and certify health care purchasers, and we validate and connect providers delivering superior results. Founded in 2014, the mission of the organization has consistently been to help provide transparency to buyers of healthcare.

To strengthen our offering and provide additional credibility around our service, the **Validation Institute** recently announced a Credibility Guarantee* that offers customers of validated solution providers up to a \$25,000 guarantee. This guarantee confirms that a validated solution provider will, achieve what the validation language on a marketing claim says it will achieve.