



**Validation**Institute

# 2022 Validation Report

**Review for: EmpiRx Health**

**Validation Achieved: Level 1 - Savings**

**Valid through January 2023**



# Company Profile

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<b>Category:</b>	Pharmacy benefit management
<b>Website:</b>	<a href="http://www.empirxhealth.com">www.empirxhealth.com</a>
<b>Public or Private:</b>	Private
<b>Year Established:</b>	2014
<b>CEO:</b>	Karthik Ganesh
<b>Company contact:</b>	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

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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

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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

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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

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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

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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

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**EmpiRx Health** has achieved a level 1 – Savings validation. Validation Institute is willing to provide up to a \$25,000 guarantee as part of their Credibility Guarantee Program. To learn more, visit

<https://validationinstitute.com/credibility-guarantee/>

## Level 1 – Savings

Can reduce health care spending per case/participant or for the plan/purchaser overall.

## Level 2 – Outcomes

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

## Level 3 – Metrics

Credible sources and valid assumptions create a reasonable estimate of a program's impact.

## Level 4 - Contractual Integrity

Vendor is willing to put a part of their fees "at risk" as a guarantee.





**Validation Expiration: January 2023**

# CERTIFICATE OF VALIDATION

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**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

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**Linda Riddell**  
**VP, Population Health Scientist**  
**Validation Institute**

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**Benny DiCecca**  
**Chief Executive Officer**  
**Validation Institute**



# About Validation Institute

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**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 health care.