



**Validation**Institute

# 2022 Validation Report

**Review for: Capital Rx**

**Validation Achieved: Contractual Integrity**

**Valid through: April 2023**



# Company Profile



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<b>Category:</b>	Transparent Marketplace
<b>Website:</b>	<a href="https://cap-rx.com/">https://cap-rx.com/</a>
<b>Public or Private:</b>	Private
<b>Year Established:</b>	2017
<b>CEO:</b>	Anthony Joseph Loiacono
<b>Company contact:</b>	info@cap-rx.com

## Description:

**Capital Rx** is built around the mission of changing the way prescription drugs are priced and patients are serviced. A health technology company daring to reimagine the pharmacy benefits industry, **Capital Rx** is executing on that mission through its Clearinghouse Model® – the first equitable framework for drug pricing. **Capital Rx's** enterprise pharmacy platform, JUDI™, connects every aspect of the pharmacy ecosystem in one platform, enabling patient engagement, and increasing efficiency to achieve the highest standards of clinical care. For more information, visit [www.cap-rx.com](http://www.cap-rx.com).





# Claim Assertion for Validation

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Capital Rx's model contract meets Validation Institute standards for transparency. These standards include definitions of terms, client access to data, and guarantees by Capital Rx.

The Capital Rx contract provides

- NADAC based pricing model, reflects actual National paid costs of prescriptions instead of AWP based model. Eliminates need for brand, generic, MAC or specialty lists.
- Offers claim-level price accountability with single price ledger that client can see “buy & sell side” (835s) with all drugs included in the financial true up and audit purposes.
- No spread taken on any drugs which ensures same ingredient cost across the country at all pharmacies.
- No dispensing assets owned – leverage marketplace competition.
- 100% pass-through of pharma revenue, fully verified and auditable, drug-level rebate reporting to support better plan management decisions.
- Attestation by Capital Rx's Chief Financial Officer that the contract discloses all of the revenue received by Capital Rx.





# Method / Calculation / Examples

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The Capital Rx contract was reviewed by a PhD with expertise in health care fraud detection and pharmacy benefit management contracts. The reviewer compared Capital Rx's model contract to the Validation Institute standards for transparency. Capital Rx responded to comments on each standard.





# Findings & Validation

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Capital Rx's model contract submitted to Validation Institute in May 2022 meets the standards for transparency.



# Limitations

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Fully auditable 100% pass through of drug-level rebates received by Capital Rx however, Capital Rx's program includes services from an aggregator; these services are beyond the scope of the client contract.



# Validation and Credibility Guarantee

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**Capital Rx Transparent PBM services** achieved Validation for Contractual Integrity. Validation Institute is willing to provide up to a \$10,000 guarantee as part of their Credibility Guarantee Program. To learn more, visit

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

## Savings

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

## Outcomes

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

## Metrics

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

## Contractual Integrity

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





**Validation Expiration: April 2023**

# CERTIFICATE OF VALIDATION

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**Applicant:** Capital Rx  
New York, New York 10003, US

**Product:** Capital Rx Transparent PBM services

**Claim:** Capital Rx's model contract meets Validation Institute standards for transparency

**Validation Achieved:** Validated for Contractual Integrity

**Award Date:** May 2022

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**Linda K. Riddell, MS**  
**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.

## Validation Review Process

Validation Institute has a team of epidemiologists and statisticians who review each program. The team focuses on three components:

- Evidence from published literature that a similar intervention had similar results.
- The reliability and credibility of the data sources.
- The rigor of the approach to calculating results.

To achieve validation, the program has to satisfy each of these components. VI's team then summarizes the review into a report which is publicly available. Details of VI's review are available with the program's permission.