



ValidationInstitute

2022 Validation Report

Review for: DisclosedRx
Validation Achieved: Savings
Valid through: July 2023

Company Profile



Category:	Pharmacy Benefit Management
Website:	https://disclosedrx.com/
Public or Private:	Private
Year Established:	2020
CEO:	Zack Robinson
Company contact:	info@disclosedrx.com

Description:

Everyone should have access to the right medicine, at the right time, at the right cost: and they shouldn't have to navigate a cumbersome and daunting system to access it.

DisclosedRx's vision is that truthfulness and innovation will drive greater access to prescription medications for their members at a lower net cost to their client, as well as make them the easiest PBM to partner with.

DisclosedRx offers a fully disclosed pharmacy benefit service to employers. **DisclosedRx** is contractually obligated to only derive revenue from their clients, allowing them to optimize pharmacy spend without worrying about commitments to the supply chain. **DisclosedRx** does not earn money by reselling drugs at a higher price than it obtains them

Company Profile

(“spread pricing”); it credits all rebates and supply chain credits to the payer; and it charges only one administrative fee. DisclosedRx systems and processes provide claims processing oversight that incorporate active risk management of pharma spend. The risk management programs include mitigation strategies for specialty and high-cost brand medicines. No allegiance to the supply chain allows **DisclosedRx** to pursue all possible channels for lower cost medications. Payers not only have clear data about their benefits but also gain the advantage of lower costs.

Claim Assertion for Validation

DisclosedRx's Agile Channel Management program applies drug manufacturer copay discounts and patient assistance programs to lower the plan's expenses. DisclosedRx also uses international sources for certain drugs to deliver a lower cost. Together, these programs reduced a plan's costs by 23% in a six-month period.

Method / Calculation / Examples

For each of the three programs – copay discounts, patient assistance programs, and international sources – the analysis compared what the plan would have paid under DisclosedRx contracts (net of rebates) to what the plan ultimately paid. Note: copay programs savings reduced the plan’s costs; member copays may have been reduced or eliminated, but those savings are not shown here.

The patient assistance and international programs had the effect of reducing rebates the plan would have received. These rebates were estimated based upon rebates the plan received in the first quarter, and calculated for the exact number of claims that filled through patient assistance or international channels through the 6 month time period. The estimated rebates reduced the “Without Program” amounts as well as the “With Program Amounts” to a varying degree.

The plan’s total costs reflect estimated rebates for the time period. Rebates were estimated using actual rebates received in the first three months of the time period.

The savings is expressed as a percentage of the plan’s total costs, net of rebates.

Findings & Validation

Table 1 summarizes the three elements of the Agile Channel Management program and their impact on the plan's expenses for a six-month period.

	Without Program	With Program	Savings
Copay Cards	\$447,221	\$264,372	\$182,849
International Sourcing	\$87,278	\$62,082	\$25,197
Patient Assistance Programs	\$153,588	\$42,118	\$111,469
Total Savings			\$319,515
Total Plan Cost			\$1,370,960
Savings			23%

Table 1

Limitations

Seasonal patterns of drug use were not analyzed. A six-month period may not be representative of a year.

Demographics of the plan members were not analyzed, though there is no reason to expect these to vary significantly from the average. Therefore, most employers could expect similar results to the extent the group had similar opportunities for copay discounts, international sourcing, and patient assistance programs.

Validation and Credibility Guarantee

DisclosedRx's Agile Channel Management program achieved validation for Savings. 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/>.

Savings

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

Outcomes

Product/solution has measurably improved 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: July 2023

CERTIFICATE OF VALIDATION

Applicant:

DisclosedRx

4848 East Cactus Road, Ste 505 PMB 1001
Scottsdale, AZ 85254

Product:

Agile Channel Management program

Claim:

DisclosedRx applies drug manufacturer copay discounts and patient assistance programs to lower the plan's expenses. DisclosedRx also uses international sources for certain drugs to deliver a lower cost. Together, these programs reduced a plan's costs by 23% in a six-month period.

Validation Achieved:

Validated for Savings

Validation Award Date:

August 2022

Linda K. Riddell, MS
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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 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.