

AUDIT AND RECOVERY SERVICES

Our Audit Services are offered through our sister company HealthLinX (HLX). Over 40 years of experience in PBM employment provide HLX with insight into the inner workings of a PBM including pricing strategies, service expectations, and program function. HLX offers State-of-the-art claim audit services with the addition of industry experience and inside knowledge. HLX uses 100% of the Plan's prescription claims for the audit to ensure the most accurate evaluation of a program. We see this process as the critical foundation to an ongoing relationship between Plan and PBM.



Financial Audit

Financial Audits compare the contract rates with the data to determine if the PBM administered the program according to the pricing guarantees. HLX loads 100% of the claim data into our proprietary claims system and reprices the claims to determine outliers. The claims not matching the contract guarantees are then submitted to the PBM with a detailed request for explanation. HLX reviews the PBM response and coordinates reimbursement when applicable. HLX is familiar with all types of claim guarantees and can also provide guidance to the group as to the advantages, disadvantages, and estimated impact of contract pricing language.

Comprehensive Audit

A Comprehensive Audit reviews and validates all aspects of your prescription drug program. The financial audit is combined with the following to provide a complete review of the administration of your plan.

- Financial True-Up
- Inaccurate NDC's
- DAW Penalties
- Specialty Pricing
- Sales Tax
- Compound Administration
- Claim Balance
- Invoice Verification
- Lesser of U&C
- U&C/MAC/AWP Validation
- Prior Authorization
- Age Limits
- Quantity Limits
- Covered/Excluded Drugs
- Days' Supply Limits
- Duplicate Claims
- Deductible/MOOP Validation
- Service Warranty Validation

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All important documentation is prepared and tracked by HLX. Request for Information and Notification of Audit documents can be provided to the Plan for convenience or sent on their behalf. Send dates on documents requiring signatures from both parties are recorded to ensure the audit process stays on schedule. Our Audit Guide and Timeline outline the expectations of all parties involved ensuring respectful collaboration throughout the audit process.

Rebate True-Up

Rebate True-up Services compare the guaranteed rebates per brand claim with the actual data from the PBM to determine if the program is administering the rebate guarantees accurately. A true-up requires the receipt and loading of all claims plus a statement of performance from the PBM. HLX then loads 100% of the claim data into our proprietary claims system and reprices the claims to determine accuracy of the statement. Any difference in calculations will be thoroughly verified with the PBM. A complete report of the accuracy of rebate administration will be provided to the Plan.

Rebate Administrative Audit

There are three main areas for a rebate administrative audit. HLX has identified a proven process to analyze and report each of these areas for accuracy. These areas as well as a brief explanation follows:

- 1) Rebate Guarantees or Minimums: Each group has rebate guarantees based upon brand only prescription counts. We take actual claim data and calculate your guaranteed rebate by quarter for each one of these scenarios. We communicate our findings to the PBM in comparison to the invoice and we determine what claims they have thrown out of the process. If the rebates exceed the guarantees, we then review the rebate pass through.
- 2) Pass-through or percentage rebate: a percentage rebate may be in combination with a rebate guarantee. The PBM may pass the greater of a guarantee as outlined above or a percentage of the rebate collected. HLX would verify the top 5 manufacturers rebate by dollar and audit the manufacturers contract for pass through accuracy. The process allows HLX to audit the flow of money from the manufacturer through the PBM to the plan.
- 3) Payment of Rebates to the Plan: The final step in the rebate audit is to verify that payment has been made for all rebates owed to the plan. We track the claims guarantee (if applicable), the percentage applicable to the plan, through to the payment to the plan.

This process requires extensive contract analysis and negotiation. As part of a rebate audit, HLX will manage the process with the PBM including negotiation and establishing a remuneration schedule. When the audit project is complete, HLX will provide you with a report identifying the accuracy of rebate administration.