

Complete 340B Solution Overview

2019



340B. Simplified.®

Powering Compliance & Savings

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What is 340B?

The 340B Drug Discount Program was created in 1992 by the federal government, and requires drug manufacturers to provide significant discounts for outpatient drugs to eligible healthcare organizations, also known as “covered entities.”

The program is designed to provide financial benefits to covered entities that **serve low-income and uninsured patients**. This enables the covered entity to expand healthcare services to better serve their communities, and to improve access to more affordable medications for their low-income and uninsured patients.

The mission of Safety-Net Hospitals is to provide quality, cost-effective care for patients and community, with respect and dignity, and without regard to ability to pay. **The 340B program** helps safety-net Hospitals to **generate savings** which they can use to support their clinical programs, and expand additional services into the community in which they are located.

SUNRx works hard **to simplify, optimizing** the 340B program for Safety-Net Hospitals to maximize savings and extend savings for their self-pay and underinsured patients in real-time.

Eligibility Requirements - Process

Hospital designation (DSH, CAH, SCH, RRH, Cancer, Children's, etc.)

% DSH

Clinics

Hospital Type	Minimum DSH %
Disproportionate Share (DSH)	>11.75%
Critical Access (CAH)	N/A
Freestanding Cancer (CAN)	>11.75%
Pediatric (PED)	>11.75%
Rural Referral Center (RRC)	≥8%
Sole Community (SCH)	≥8%

Registration to Participate in 340B

- In order to participate in the 340B Program, eligible hospitals must register with HRSA/OPA during one of the quarterly registration periods.

[Register On-Line >>](#)

Contracted Pharmacies

- must also be registered once fully executed agreements are in place.

Register	Start Date
January 1-15	April 1
April 1-15	July 1
July 1-15	October 1
October 1-15	January 1

Overview

SUNRx has been managing 340B programs since 2005, and is one of the 340B technology pioneers and has been considered an industry leader.

The **complete 340B solution** includes:

- split-billing technology that provides powerful 340B savings tools that aren't found anywhere else in the marketplace,
- contract pharmacy virtual inventory with an enhanced reporting and analytical platform which are customizable,
- a real-time, point of sale, 340B prescription discount program for the uninsured with sliding scale functionality, and
- Invoice Analysis to recover 340B pricing discrepancies.

SUNRx is an Industry leader for uninsured programs backed by the strength of MedImpact Healthcare Systems, Inc. ("MedImpact"), the largest privately held PBM, supporting our client's mission, values, and objectives in serving their communities.

SUNRx Commitment to Compliance

- Compliance is SUNRx's Focus for all implementations, pharmacy setup, eligibility monitoring and communications.
- Compliance driven eligibility logic to avoid duplicate discounts
- Systems are fully HIPPA and HITECH compliant
- Robust and fully compliant Medicaid process to comply with State requirements

Jacqueline E. Artinger, Esq., VP, Regulatory Affairs and Compliance stays informed of the Federal 340B Drug Pricing Program, including and not limited to the following: all regulations and requirements of the program, contract pharmacy arrangements, virtual inventory management procedures, drug replenishment using 11-digit National Drug Code (NDC) processes, and HRSA and 340B Contract Pharmacy auditing requirements. SUNRx also works with Apexus and 340B Health keeping up-to-date on all communications. Clients have access to Jackie to answer questions around 340B regulations and compliance.

Endorsements/Partners

- Exclusively endorsed by over 30 State Hospital Associations
- State Pharmacy Associations



The Complete 340B Solution

Split-Billing Solutions



PO Optimization



Reporting Solutions



Uninsured Discount Prescription Card



Contract Pharmacy Network



Virtual Inventory Replenishment



Invoice Analysis



How well does your 340B solution fit and is it delivering your expectations?



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Audit Assistance



SUNRx delivers the ONLY Complete 340B Solution and fines tunes it to ensure all the pieces are working at their best for our clients



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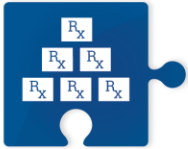


Split-Billing

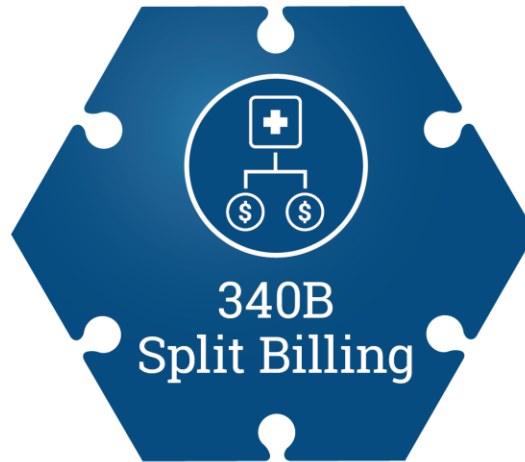
- Affordable
- Implementation Schedule
 - Average 45-60 days, dependent on Customer IS Department/HIS vendor
 - Wholesalers typically create feeds in less than 2 weeks
- Customer service point of contact
 - In system “chat box”
- PO Optimizer
 - ID Options via GCN & GPI numbers
 - Provide intel for substitutions
 - Lower WAC Purchase volume
- Medicaid
 - ID Medicaid claims (Primary Secondary and Tertiary) with appropriate 340B scripts
 - 14-day look-back to validate and capture additional 340B eligible scripts
 - ID claims for reporting to Medicaid Bureaus to satisfy duplicate discount prohibition
- CDM:NDC mapping
 - SUNRx maps and maintains crosswalks on behalf of customers
 - Most split billing companies require CEs to create these maps
- JW modifier solutions
 - Track & keep auditable records of “Waste Charges” by:
 - Daily feed of waste, triggering waste accumulations
 - Pack size (PSTU) changes, deducting waste from accumulations
- Validator Effectiveness
 - Customizable to meet each hospital’s unique needs
 - Combinations of validators to qualify any claim (i.e. Medicaid)

Split Billing: Special Features/Functionality

Inventory Management



PO Splitting



PO Optimization



Charge Master Updates



PO Reconciliation



Ad Hoc Reporting



Standard Split Billing

Split billing functionality includes, Inventory Management and PO Splitting

What makes SUNRx different?

SUNRx adds four additional pieces for the most robust 340B Split Billing Solution; PO Optimization, PO Reconciliation, Charge Master Mapping, and Ad-Hoc Reporting

Split Billing Reports

- **Savings Reports**
 - 340B Invoice Line Item Pricing vs In-Patient Pricing Across Date Range
- **NDC Level Audit Reports**
 - Detailed History on Specific NDC across date range
 - Complete NDC 340B chronology
- **Transaction Level Audit Reports**
 - Recurring Audits – automatic, random audit report
- **Purchase Reports**
 - 340B Purchases in date range NOT in Transaction data
 - In-Patient Purchases in date range NOT in Transaction data
 - WAC Purchases in date range NOT in Transaction data
 - Transactions in date range NOT Purchases on 340B discount
 - 340B Nominal Pricing across date range



PO Optimization



Welcome Wile
DEMO
SUNRx Acct Manager: Manisha Patel
27 Minutes 59 Seconds Before Logoff

Optimize a WacRem PO

EAS MAIN REPLENISHMENT DASHBOARD TRANSACTIONS **PURCHASE ORDERS** CROSSWALK LOOKUPS REPORTS EXPORTS LOGOUT

Current WAC Rem PO Items

	Qty	NDC	Descr	Prod ID	PackSize	CasePack	WAC Cost	GCNSEQ
Select	-5	62332003231	ROPINIROLE HCL 1 MG TABLET	518134	100.00	1	0.0000	029160
Select	-2	00143970201	IRINOTECAN HCL 40 MG/2 ML VIAL	128482	2.00	1	0.0000	062173

Alternate Equivalent NDCs Available

Accum	Alt Qty	Avail	NDC	Descr	Prod ID	PackSize	CasePack	Alt Cost	Savings	GCNSEQ
InPt	<input type="text" value="-5"/>	4	00054011825	ROPINIROLE HCL 1 MG TABLET	636771	100.00	1	27.7500	138.7500	029160
340B	<input type="text" value="-5"/>	3	00904637461	ROPINIROLE 1MG 100CT TABLETS UD	351338	100.00	1	14.2900	71.4500	029160
InPt	<input type="text" value="-5"/>	3	68462025501	ROPINIROLE HCL 1 MG TABLET	093714	100.00	1	8.2700	41.3500	029160
340B	<input type="text" value="-2"/>	32	59923070202	IRINOTECAN 40MG/2ML	322300	2.00	1	7.1500	14.3000	062173
340B	<input type="text" value="-2"/>	4	61703034916	IRINOTECAN 40MG/2ML	108865	2.00	1	4.8800	9.7600	062173

Contract
Pharmacy Network



Contract Pharmacy



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Contract Pharmacy

- The **Contract Pharmacy Solution** includes 100% capture of 340B eligible claims, compliance driven eligibility logic to avoid duplicate discounts, a complete virtual inventory system, robust reporting platform, pharmacy network expansion, referral prescription capture and self-audit tools.
- Eligibility interface with clients' eHR / HIS system

Referral Capture

A claim can be in pending status if the prescription was written by a prescriber who does not exist within the Virtual Inventory, or if the entity has configured for claims to be reviewed (**referral prescribers**) first prior to capture. Once the claim is reviewed, the user can choose to accept or reject the claim. The top of the Claims Review Screen lists the value of the claims that need review. This tells the user exactly how much potential revenue could be generated for the Health Center if the claims can be verified, and captured as eligible 340B scripts.

SUNRx | Contract Pharmacy

Logged in: Vanessa Castellanos | Logout

User Administration | Order Management | Formulary | Member Enrollment | Inventory Management | Accumulator | Reports | Dashboard

Claims Review

Health Center : ABC Medical Center

Search By : -Select-

Go Reset

Total number of Claims : 9 Value : \$583.91

Status	Prescriber Practice Name	Phone	Prescriber Name	DEA	NPI	# Patients	# Claims	Claim Value	Options	Actions
Existing			ARTURO ECHEVERRI			1	1	\$30.12	View	Change Panel

Patient ID	Division	Patient Last Name	Patient First Name	DOB	# Claims	Claim Value	Options	Actions
	OUTPAT		STACY		1	\$30.12	View Claims	Always Accept Always Reject

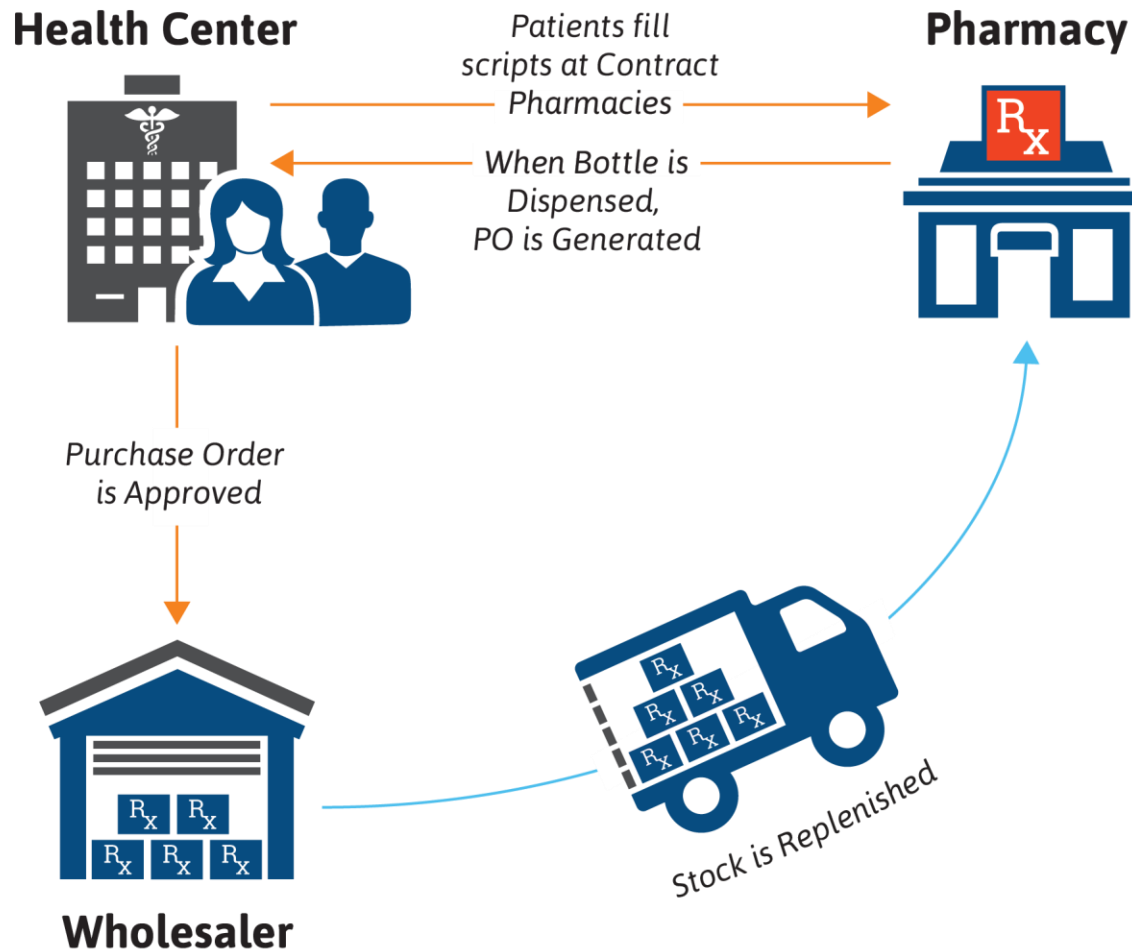
<input type="checkbox"/>	Rx Written	Rx Number	Date of Service	Claim Processed	Dx Code ?	Type	NDC11	Drug Label Name	Days Supply	Profit	Claim Type	Fall out Reason	Options	Actions
<input type="checkbox"/>	03/07/2019	000006788009	03/07/2019	03/08/2019	F10.129	Maintenance	68382014014	TOPIRAMATE 100 MG TABLET	30.00	\$30.12	Third Party - Pending	Diagnosis Match	View Details	

Existing			BARRY		AC7653125	1477646750	1	1	\$503.42	View	Change Panel
Existing			JOHN		BB9172949	1902971732	1	2	\$13.25	View	Change Panel
Existing			MELINDA		ML1088081	1245250703	1	1	\$13.82	View	Change Panel
Existing			MICHAEL		BG5099533	1356399257	1	3	\$7.81	View	Change Panel
Existing			SHARON		MG0083193	1811984420	1	1	\$15.49	View	Change Panel

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Ship to/Bill to

Contract Pharmacy Virtual Inventory



Contract Pharmacy Reports

- **Accounting Report:**
- **Cash Flow Summary Report:**
- **Profit by Tier Report:**
- **Profit by Sliding Scale:**
- **Utilization by Pharmacy:**
- **Performance by Provider:**

- **Claims Detail by Provider:**
- **Claims Detail - Covered Entity:**
- **Claims Detail - Pharmacy:**
- **Utilization Actionable Items:**
- **Rejection Claims Detail:**
- **Rejection Claims Summary:**
- **Inventory Replenished:**
- **Self Audit Report**

Uninsured Discount
Prescription Card



Uninsured Prescription Discount Card



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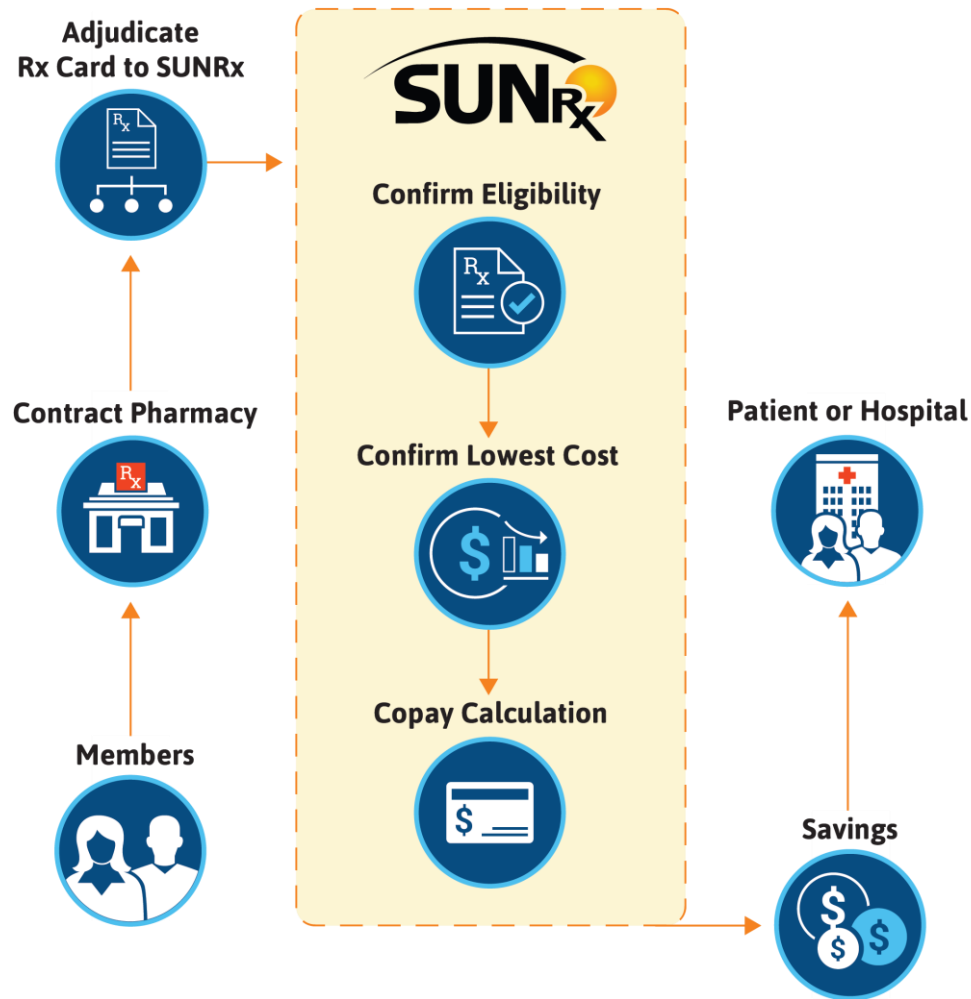
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How it works: The Uninsured Prescription Discount Card

340B Uninsured Discount Prescription Card



The SUNRx Solution for Self-Pay/Uninsured Patients



340B Card

In 2018, saved patients approximately

\$74.4M

Minimizes Risk of Increased Charity Care

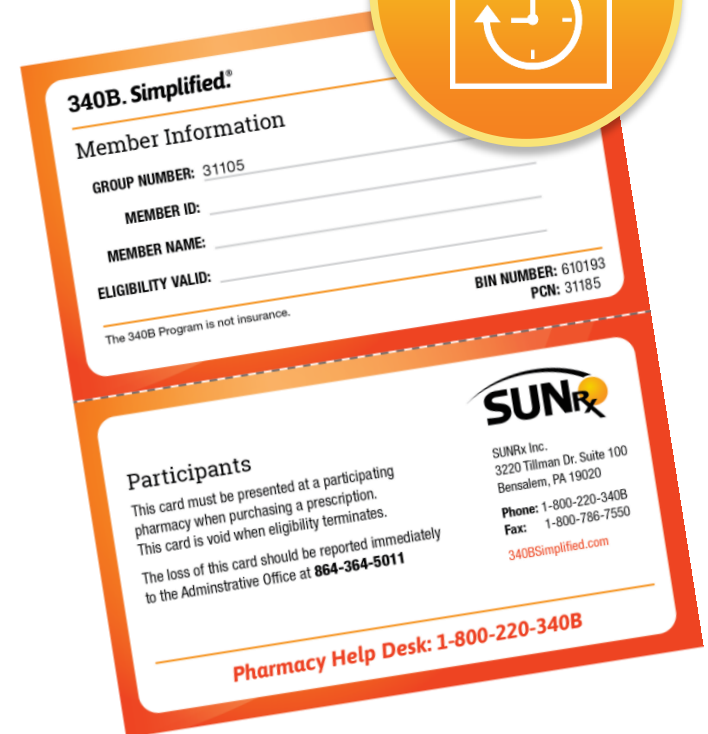
Minimizes Risk of Medicare Readmissions

The Lowest Price... Every Time

Fact: For nearly 60% of prescriptions, 340B is NOT the lowest available price

The Lowest Price: SUNRx scans all available prices, and processes the script using the lowest price

Individualized Cards



Cash - Tracking the Benefit - Reports

NDC11	Drug Name	Indicator	Tier	Qty Disp	Days Suppl	Patient Typ	Claim Processed a	Patient Pay
43547036109	LOSARTAN POTASSIUM 50 MG TAB	G		1	90	Cash	340B	\$16.65
55111012960	RANITIDINE 150 MG CAPSULE	G		2	60	Cash	340B	\$32.17
43547036109	LOSARTAN POTASSIUM 50 MG TAB	G		1	90	Cash	340B	\$16.60
43547036109	LOSARTAN POTASSIUM 50 MG TAB	G		1	90	Cash	340B	\$16.60
16729018201	HYDROCHLOROTHIAZIDE 12.5 MG TB	G		2	90	Cash	340B	\$16.02
16729018201	HYDROCHLOROTHIAZIDE 12.5 MG TB	G		2	90	Cash	340B	\$16.02
60505014200	GLIPIZIDE 10 MG TABLET	G		1	60	Cash	U&C	\$8.99
16714048203	LORATADINE 10 MG TABLET	G		1	30	Cash	U&C	\$3.99
00093834401	GLYBURIDE 5 MG TABLET	G		2	120	Cash	U&C	\$13.98
51672400101	NORTRIPTYLINE HCL 10 MG CAP	G		2	30	Cash	U&C	\$8.99
00093834401	GLYBURIDE 5 MG TABLET	G		2	120	Cash	U&C	\$13.98
51672400101	NORTRIPTYLINE HCL 10 MG CAP	G		2	30	Cash	U&C	\$8.99
51672400101	NORTRIPTYLINE HCL 10 MG CAP	G		2	30	Cash	U&C	\$8.99
00093834401	GLYBURIDE 5 MG TABLET	G		2	120	Cash	U&C	\$13.98
65862006301	METOPROLOL TARTRATE 50 MG	G		2	180	Cash	U&C	\$9.99
00093834401	GLYBURIDE 5 MG TABLET	G		2	120	Cash	U&C	\$13.98
23155005801	GLYBURIDE 5 MG TABLET	G		2	120	Cash	U&C	\$13.98
65862006301	METOPROLOL TARTRATE 50 MG	G		2	180	Cash	U&C	\$9.99
50383070016	FLUTICASON E PROP 50 MCG SPRAY	G		2	16	Cash	U&C	\$8.99
68180051901	LISINOPRIL-HCTZ 20-12.5 MG TAB	G		2	60	Cash	Network	\$10.94
16714010102	GEMFIBROZIL 600 MG TABLET	G		1	60	Cash	Network	\$15.26
65862057490	MONTELUKAST SOD 10 MG TABLET	G			30	Cash	Network	\$9.14
16714050401	GABAPENTIN 300 MG CAPSULE	G		1	90	Cash	Network	\$14.54
43547036109	LOSARTAN POTASSIUM 50 MG TAB	G		1	30	Cash	Network	\$8.06
65862019901	GABAPENTIN 300 MG CAPSULE	G		1	90	Cash	Network	\$14.54
43547036109	LOSARTAN POTASSIUM 50 MG TAB	G		1	90	Cash	Network	\$16.70

What is Community Benefit?

Under the Affordable Care Act, many nonprofit hospitals must meet new requirements to retain their tax-exempt status.

The ACA added Section 501(r) to the Internal Revenue Code, which contains four new requirements related to community benefits that nonprofit hospitals must meet to qualify for 501(c)(3) tax-exempt status.

- They are as follows:
- Conducting a community health needs assessment with an accompanying implementation strategy;
- Establishing a written financial assistance policy for medically necessary and emergency care;
- Complying with specified limitations on hospital charges for those eligible for financial assistance; and
- Complying with specified billing and collections requirements.
- The new ACA requirements do not include a specific minimum value of community benefits that a hospital must provide to qualify for tax-exempt status

Financial Assistance Policy

Each nonprofit hospital must develop a written financial assistance policy that contains basic information about whether the hospital offers free or discounted care; the eligibility requirements for financial assistance and a description of how to apply for the assistance; the basis for how much patients are charged for care; the collection procedures they will use; and measures the hospital will take to widely publicize the policy in the community.

The policy must apply to all emergency and medically necessary care. Hospitals may exclude some services not considered medically necessary (as defined by the hospital). In addition, there must be a separate policy that states that the hospital will provide emergency medical care to all individuals, regardless of whether they qualify for financial assistance.

Financial Assistance
Financial Assistance is provided based on Income and Financial needs. If you feel you may qualify, please contact a Financial Counselor for more details

Benefits of a Sliding scale / discount card Program

Deliver a true community benefit to the uninsured/indigent population in the community

- Something that provides a valuable benefit to the local community and that can be marketed as such. Publish in newsletters and publications to the community
- A marketable public relations program
- In line with the mission of the 340B program intent
- Improve customer satisfaction

Medicare Readmission Penalty benefit

- Not all Medicare Patients have Part-D prescription coverage
- The 340B cash program provides significant discounts for the patients that don't
- Medicare patients without Part-D coverage that use the 340B cash card are more likely to fill their prescriptions
 - This potential could reduce the risk of Medicare Readmission Penalties

Charity Care Costs/Uncompensated Care

- This program allows deep discount prescription access to your uninsured/indigent population
- Providing discounted medications to your uninsured/indigent population helps assure they get their prescriptions filled
 - This reduces the risk of Charity Care cost increases throughout the Fiscal Year

Example: sliding scale program

Our claims adjudication system allows for multiple levels of coverage for patient populations. For example: **build a prescription plan for your uninsured patients**

Patient Division	Patient Population	Tier 1	Eligibility Period (this is the time the patient is eligible to be in this division)	Tier 2 – various tiers can be set up to provide a different range of coverage for certain prescriptions	Hospital/Clinic Fee (this amount goes directly to your 340B savings and can subsidize the cost of running the program.	Maximum Coverage Per Prescription	Maximum Number of Prescriptions per Patient per Month
Division 1	Indigent division 1	Flat copayment or % of coverage; i.e. \$5 copayment	1	Copayment or % of coverage (different from tier 1)	\$0.00	\$200	4
Division 2	Indigent division 2	Flat copayment or % of coverage; i.e. \$10 copayment	2	Copayment or % of coverage (different from tier 1)	\$5	\$200	3

Formulary can also be added.

Thank you

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