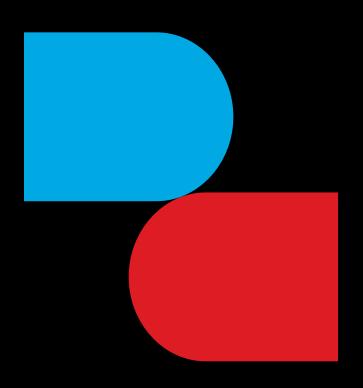


Multi-Regional Operator

Case Study



Details:

23 Facility Operator

Avg. 28 Medicare Pt A / Managed Care Residents Per Building

All information represents actual results though the operator name and associated identifying information is confidential.



Multi-Regional Operator Case Study*

23 Facility Operator Avg. 28 medicare part a/managed care residents per building

- o Submitted over \$260,000 in annual rebates
- o Identified over \$600,000 in errors on contract rate adherence
- o SRX saved \$97,000 through Price Reconciliation & Drug Lookup tools

Operator was unaware of opportunities to capture drug rebates for Part A and Managed Care residents. Though initially skeptical, the client was willing to trial SRX services due to there being no outof-pocket costs / risks.

"When SRX approached us, we didn't even know rebates were a thing. Obviously getting those first checks was shocking-in all the right ways-but what has been even more shocking are the cost savings and efficiencies we have experienced with SRX."

- Operator VP of Operations

2020 Pharmacy Drug Spend

\$6,305,038	\$261,570		4.2%	Total Rebates
	\$670,279		\$12,489	Returns
	\$463,121		\$17,022	Split Bill Opportunities
			\$23,384	Duplicate Orders
	\$256,630		\$617,384	Contract Rate Adherence**
	\$4,653,438		10.6%	Credit Opportunities
		1	\$48,298	Payer Source Discrepancy
		1	\$8,392	Filled After Discharge
		- 1	\$94,483	Over-the-Counter (OTC)
		- 1	\$311,948	Refilled Too Soon
		1	7.3%	Cost Management Opportunities
			4.1%	Drug Utilization Opportunities
Total Annual Pharmacy Drug Spend*	Total Annual Pharmacy Spend with SRX*	=	Lowest Opport	Net Cost unity ***

^{*}All information represents actual results through four quarters
*Includes \$90k in credits obtained through SRX's drug lookup tool.

^{***}Results vary based on number of facilities, patient Medicare populations, eligible states, etc.

Pharmacy Spend Breakdown

SRX technology closely examines each and every line item on a pharmacy invoice, providing greater insight and control into drug spend. By integrating with drug databases and EHRs, and building in cost and waste reduction parameters, SRX provides greater control over spending and helps operators realize the lowest net cost for medication. The following represents actual data and results from a valued customer.

\$6,305,038 Total Pharmacy Drug Spend 2019

Rebates

\$261,570 Rebates

Automated technology allows SRX to identify and submit all eligible rebates, even those hiding in plain sight to provide the highest industry

rebates, guaranteed to be paid quarterly.

4.2% \$261,570 Total

Credit Opportunities

\$12,489 Returns

Automated reporting ensures you receive pharmacy credits for unused /

returnable orders.

\$17,022 Split Bill Opportunities

Identifies amount of prescription expenses that facility is actually responsible for based on resident payer source change during

esponsible for based on resident payer source change du

length-of-stay.

\$23,384 Duplicate Orders

Technology makes identification of duplicate orders to determine root

cause and implement corrective action.

\$617,384 Contract Rate Adherence

Automated controls that cross-check the accuracy of pricing on claims

against your pharmacy contract rate. This also includes \$90k in credits

obtained through SRX's drug lookup tool.

10.6% \$670,279 Total

Cost Management Opportunities

\$48,298 Payer Source Discrepancy

Identifies charges that should have been billed to another payer.

\$8,392 Filled After Discharge

Through integrations with facility EHRs/EMRs, we can identify

prescriptions that are filled after discharge.

\$94,483 Over-the-Counter (OTC)

Technology aggregates opportunities to use OTC alternatives to obtain

additional savings and take advantage of bulk pricing.

\$311,948 Refilled Too Soon

Based on minimum orders and fill requests, SRX technology can identify

if orders were filled unnecessarily prior to refill due date.

7.3% \$463,121 Total

Drug Utilization Improvement

\$256,630 Drug Utilization Improvement

We assist in enforcement of formulary while advising on utilization

improvement.

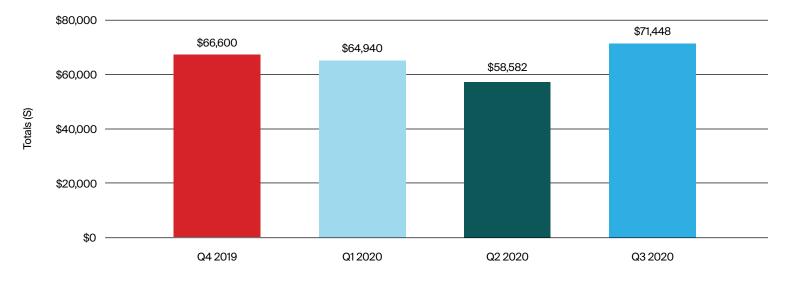
4.1% \$256,630 Total

\$4,653,438 Lowest Net Cost Opportunity

Rebates 03

Rebates are a critical component of well-planned medication cost management efforts. SRX has captured significant savings for this client through drug manufacturer rebates. When paired with a lowest net cost formulary, maximum lowest net cost savings are achieved. Results below show rebate dollars obtained over the annual period from Q4 2019 through Q3 2020.

All Facilities – Q4 2019 through Q3 2020 Summary



\$261,570

Total Annual Rebates

4.2%

of Total Pharmacy Drug Spend

Historical Assessment

With SRX Pricing Proposal Tool, we can provide a robust analysis of historical data that allows us to identify areas of opportunity based on pricing schedule and facility utilization. These tools provide incredible insight into your pharmacy spend and offer simplified data that becomes actionable. Below is a sample report with the type of savings we are able to identify.

\$93,628 in Identified Annual Cost Savings*

Current Annual

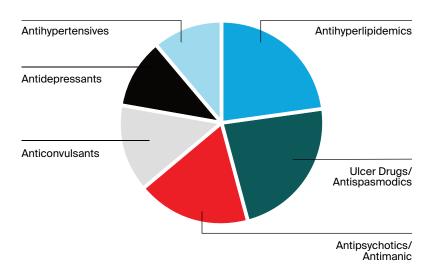
Rx Count	24,782		
Invoiced Amt	\$874.4675		

Proposed Annual

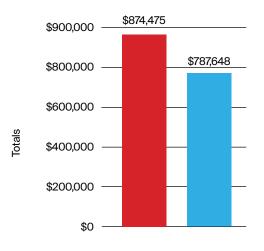
Gross Savings	\$93,628		
Invoice Amt	\$787.468		
Rx Count	24,782		

New Cost Savings

Therapeutic Class

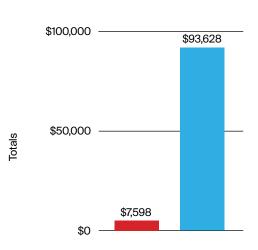


SRX Price by Source



Proposed Contract

Gross Savings by Source



Current Contract

Drug Lookup Tools

Price Reconciliation and Drug Lookup

SRX also provides ongoing reconciliation and reporting tools that hold pharmacies accountable and allow operators to take control of their pharmacy spend. This operator saved \$97k in 2020 due to our Price Reconciliation and Drug Lookup Tools (where we give users line of sight to published pricing benchmarks such as AWP and WAC). Clients can leverage the SRX Drug Lookup tool to monitor drug pricing on a daily basis.

- "The SRX Drug Lookup tools allow our facility admins to verify pricing is being adhered to and also allows us to see benchmark pricing."
- Operator VP of Operations

Drug Lookup Tool

Enter NDC	Search drug by NDC		
Enter GPI	Search drug by GPI		
Enter drug name	Search by drug name		

Identify Lowest Net cost by Manufacturer

NDC	GPI	Drug Name	RX	Price Code	Unit Price			
XXXX-XXX-XX	16270030002130	DAPTOmycin SOLR 350MG	Yes	AWP	\$534			
XXXX-XXX-XX	16270030002140	DAPTOmycin SOLR 350MG	Yes	WAC	\$445			
XXXX-XXX-XX	16270030002140	DAPTOmycin SOLR 350MG	Yes	AWP	\$584			
XXXX-XXX-XX	16270030002130	DAPTOmycin SOLR 350MG	Yes	WAC	\$528			
Show Price History for Selected NDCs								

Medispan Price History for Daptomycin Solr 350mg



\$97,000

Savings from SRX Price Reconciliation and Drug Lookup tools