



# PBM Auditing Services

*You may not be receiving the proper discount rates from your Pharmacy Benefits Management provider. Here's how to spot and correct errors that may be costing your organization money.*

Since the inception of the PBM industry, PBMs have had the luxury of operating unchecked, leaving clients no easy way to verify that the rates negotiated with their PBM were actually being applied.

Whether due to improper system configuration or outright fraud, your organization may not be receiving the proper rates. Whatever the reason, the financial damage is almost always borne by the client. Many such stories have appeared in the media, and many more discrepancies are settled without public exposure, given that there are no PBM oversight organizations, such as the SEC in the securities industry. As for now, it is up to the client to keep the PBM in check.

## Identify Overcharged Claims

Seneca Consulting Group uses a leading technology system, RxAnalyzer™, to analyze your pharmacy claims in search of overcharged claims. RxAnalyzer identifies overcharged claims and calculates the loss to the client. Easy-to-read, Web-based reports tell you at a glance whether you are being overcharged by your PBM.

## Recover Past Overpayments

RxAnalyzer offers both retrospective and prospective auditing services:

- **Retrospective Auditing** — RxAnalyzer will look at your past billings and generate reports to show where you were overcharged for claims. You can present these reports to your PBM to recover those payments.
- **Prospective Auditing** — RxAnalyzer helps you keep constant tabs on your PBM. Bi-weekly claim reports show where you've paid too much *and* how much you really owe your PBM — so you can stop overpaying with every bill. You can include the report as evidence along with payment for the proper amount to your PBM.

**"87% of all pharmacy audits identify some non-compliant billing."**

## RxAnalyzer™

### Key Benefits

- Discover where your PBM overcharged you for claims
- Gain evidence to recover overpayments
- Stop overpaying with each PBM invoice
- Identify areas where you can achieve greater cost savings and efficiency
- Negotiate more favorable plan terms

### Seneca Consulting Group

Founded in 1994, Seneca Consulting Group, Inc. provides quality, cost-effective health benefits consultation to employer organizations, Third Party Administrators, unions and municipalities through clinical expertise, benefits design, and advanced technology systems.

As a client of Seneca Consulting Group, you will be able to better understand and manage the issues and risks related to medical and pharmacy claims costs. You will gain more control over pharmacy costs without compromising appropriate therapy for plan members.

## RxAnalyzer: Drug Utilization Reports

**Client Profile** — Simply put, this is a summary of your contract terms with your PBM. RxAnalyzer uses this data to monitor the claim charges. All rates are broken down by brand, generic, retail, and mail order rates.

**Price Summary** — This report details the amount of claims, and breaks down ingredient cost and dispensing fees by totals and averages. It also shows you the actual savings percentages for brand and retail drugs in both retail and mail order categories.

**Price Summary by Group** — If your organization is divided into several groups, this report will break down the claims by group and show the results individually. You can see if one group has received a better savings rate than another.

**Overcharged Claims Summary** — This report shows how much money your organization lost by paying too much for claims. It is broken down into brand and generic drug categories for both retail and mail order services.

**Overcharged Claims Detail** — This report details every claim that was overcharged for a specific time period. It shows the RX number that identifies the actual prescription, the date and place it was filled, and the discount percentage actually received. You can compare this percentage to your contracted rate to see the difference.

**Medical Supplies** — If your plan covers various medical supplies, such as syringes and diabetic test strips, you can see how much you pay for these and discover ways to be more cost effective. For example, if your organization pays monthly for diabetic test strips, you may be better served covering an electronic test machine at a one-time cost.

**Cost Quantity Discrepancy Summary** — This report shows claims where your organization has paid less than the contracted rate. It is useful in cases where your organization's total savings are calculated based on an average percentage discount on claims over a certain time period. This average can be altered if the PBM purposely undercharges you for claims, and you may end up paying more in the long run based on contract terms.

**Mail Order Analysis** — This report shows if your organization will realize greater savings by moving certain "maintenance" drugs to a mail order list. The actual cost to your organization of mail order and retail claims are shown vs. how much you will save if certain drugs were purchased through mail order.

**Please contact us at 631-577-4092.**

## Audit & Analytic Services

### Claims Audit

- Duplicate claims
- No discount
- Eligibility
- Multiple procedures

### Performance Audit

- Effective discount analysis
- Specialty drug analysis
- OTC opportunities
- Top 25 pharmacies
- Maintenance drug analysis

### RFP Support

- Rx claims re-pricing
- Medical claims re-pricing
- Facility utilization
- Vendor analysis

