



Fighting copay fraud

Keep medicine accessible and affordable for all

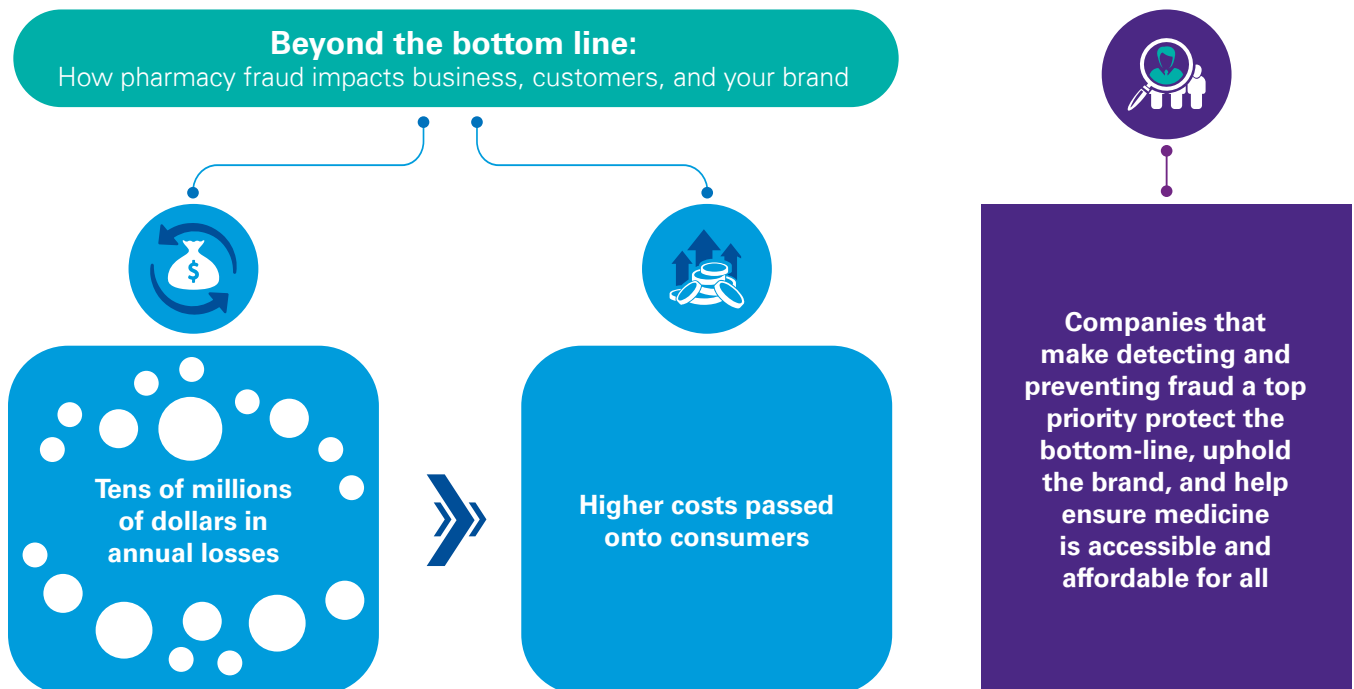
Data is data, but information is data that can make a difference—not only within your business, but with the people and customers you’re dedicating to helping each day.

This is especially important for pharmaceutical companies that rely on an array of programs to help reduce out-of-pocket costs for patients (copay, rebates, coupons, etc.). The overwhelming amount of data-heavy transactions, funding, and resources these manufacturers devote and expend for copay/coupon programs—combined with the inherent regulatory, financial, and operational risks associated with them—makes securing and protecting these valuable programs a business, consumer, and reputational imperative.

Enter-in pharmacy fraud and abuse

Depending on the structure, spend and volume of a manufacturer’s portfolio of copay/coupon programs, KPMG estimates that fraudulent claims can cost manufacturers’ upwards of tens-of-millions of dollars in financial losses per year.

The sheer amount of spend and volume of transactions running through these copay programs opens a web of opportunity for those looking to exploit and profit from organizations with lax security, weak monitoring, and lack of control associated with many copay/coupon programs.



Common copay risks

Common risks include fictitious pharmacies, fictitious pharmacy claims, and reimbursement maximizers, in which pharmacies submit multiple claims for the same copay card or multiple copay cards for the same prescription.



Fictitious pharmacies

Claims submitted from entities that did not purchase any physical product or for which claims submitted far exceed amount of physical product purchased.



Fictitious pharmacy claims

Pharmacies submitting claims (copay, rebates, etc.) for which no physical product was ever purchased or for which claims far exceed amount of physical product purchased.

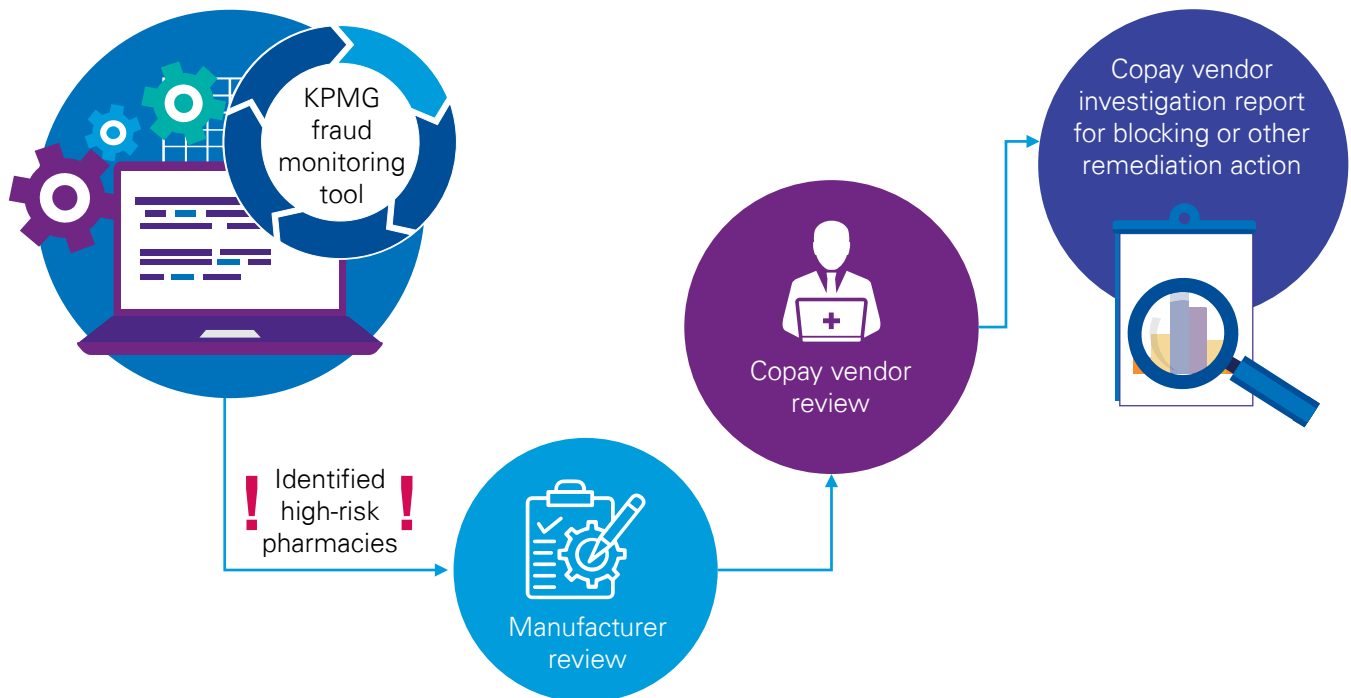


Reimbursement maximizers

Pharmacies submitting multiple claims across the same copay card to extract maximum reimbursement benefits or pharmacies utilizing multiple copay cards for the same fill.

Fighting pharmacy fraud







KPMG has developed an innovative and market enhancing tool that allows for the identification of high risk pharmacies potentially engaging in various types of fraud through manufacturer copay/coupon programs. The KPMG solution provides enhanced line of sight into copay/coupon programs not readily available to most pharmaceutical manufacturers.



KPMG’s low-cost digital design operates across the business—holistically connecting core commercial datasets that are publicly available, data provided by third party vendors, and specific manufacturer owned data to detect potential instances of pharmacy fraud.

By quickly dissecting various value streams, the solution is able to identify certain patterns that exhibit strong indicators of fraud. Our intelligently automated workflow flags abuse so manufacturers can proactively coordinate with their vendors to immediately exclude pharmacies engaging in fraudulent behavior or conduct customized audits to confirm fraud.

Potential headline benefits

-  **Opportunity to identify and help prevent financial losses**
-  **Proactive risk identification and remediation using data analytics**
-  **Incorporates and analyzes data sets not available to third-party vendors**
-  **Opportunity to identify and help prevent patient and customer disruption**
-  **Ability to enhance and evolve the tool to align with current industry trends**
-  **Customized and built to suit your needs with ongoing support and maintenance**

Doesn't my vendor do that?

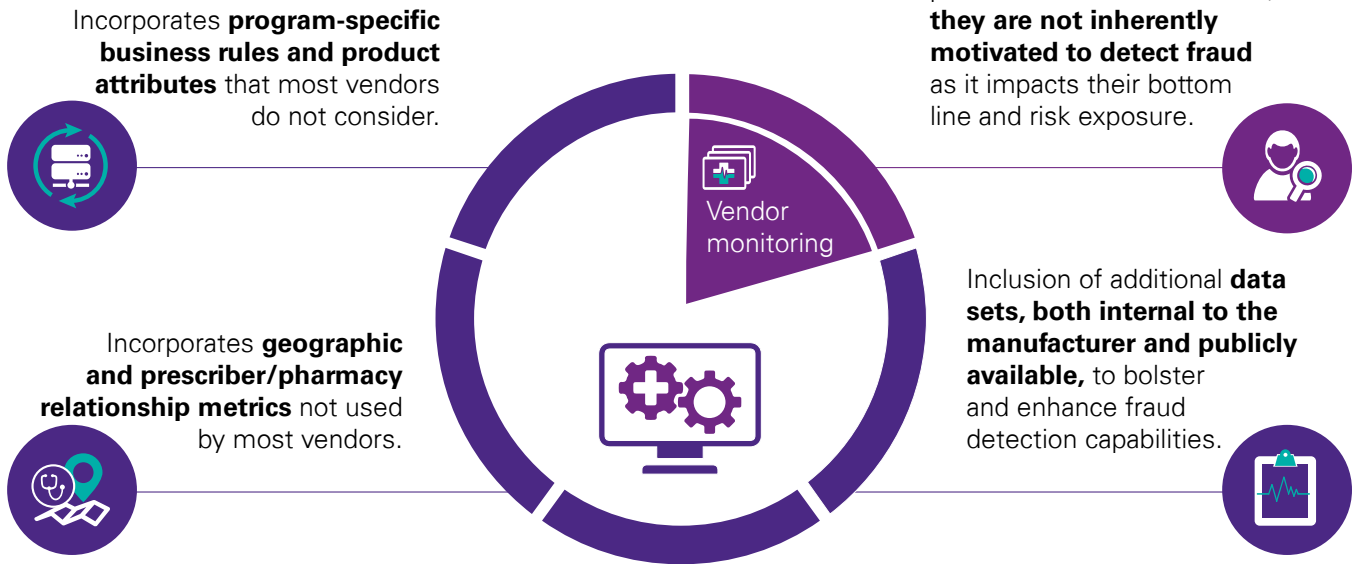
Copay program vendors are limited and constrained by data access.



KPMG’s collaborative monitoring approach enables clients to identify potential instances of fraud with its vendors, perform follow-up investigations, and block pharmacies temporarily or indefinitely, depending on results and manufacturer preference.

KPMG’s solution provides manufacturers with increased line of sight into programs, including utilizing the analytics conducted by its vendors—providing a transparent, 360-degree view of pharmacy activities. This delivers more meaningful information than what typical vendors can provide, allowing the organization to unlock hidden value across the business.

Provides 360-degree view of pharmacy activities



Data delivers value beyond your copay program

Once you have the different data sources required for the fraud solution gathered in one place, you can apply a different lens to the data and gain profitable new insights for other areas including:

- Transforming broken processes into an opportunity to boost performance and efficiency
- Increasing the speed and accuracy of capturing the right KPIs across your organization
- Enabling digital decision management capabilities to identify opportunities to enhance business processes

Contact us

Evan Bartell
Managing Director
T: 212-872-3849
E: ebartell@kpmg.com

Why KPMG ?

- Because we know the industry well and live and breathe operational and business compliance issues.
- We help our clients understand what is contained in their data to assist with detecting fraud and misconduct.
- Our solution can be applied to specific projects or business units to best meet a variety of specific business needs.
- We are able to quickly customize a solution and operate on an accelerated timeline thanks to our leading-edge technologies and data science.
- Our deep bench of professionals provides a full spectrum of services to help organizations manage their data and valuable information.

Some or all of the services described herein may not be permissible for KPMG audit clients and their affiliates or related entities.

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