



2018 SJVIA Financial Audit

EmpiRx's Initial Calculations

Retail Performance															
Key Performance Metrics and Trend															
Key Performance Measures	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	Total	Guarantee	(Shortfall)/Overage
Total Claims	7,584	7,034	7,574	6,981	7,112	6,413	6,608	6,771	6,371	7,186	6,755	6,763	83,152		
AWP	\$1,260,391.41	\$1,188,521.38	\$1,311,331.45	\$1,247,236.45	\$1,288,767.25	\$1,192,654.84	\$1,248,302.55	\$1,242,401.29	\$1,106,534.84	\$1,243,043.00	\$1,148,438.72	\$1,158,753.84	\$14,636,377.02		
Ingredient Cost	\$684,110.71	\$646,345.06	\$723,242.74	\$674,635.24	\$708,061.78	\$658,471.48	\$698,161.76	\$672,840.80	\$603,183.98	\$678,520.81	\$614,070.55	\$634,846.16	\$7,996,491.07		
	1,037	907	1,013	968	988	905	957	985	1,026	1,175	962	961	11,884		
	\$503,775.42	\$478,340.64	\$547,521.38	\$514,548.93	\$555,686.67	\$514,455.16	\$557,894.90	\$515,936.89	\$461,337.74	\$523,259.96	\$466,829.14	\$486,684.75	\$6,126,271.59		
	\$426,024.79	\$404,778.93	\$462,880.06	\$434,358.64	\$469,356.69	\$434,895.68	\$472,610.78	\$436,763.29	\$393,480.15	\$442,220.60	\$395,816.41	\$411,703.44	\$5,184,889.46	\$5,100,121.10	-\$84,768.36
Brand Discount off AWP	15.43%	15.38%	15.46%	15.58%	15.54%	15.46%	15.29%	15.35%	14.71%	15.49%	15.21%	15.41%	15.37%	16.75%	(\$84,768.36)
	6,547	6,127	6,561	6,013	6,124	5,508	5,651	5,786	5,345	6,011	5,793	5,802	71,268		
	\$756,615.99	\$710,180.74	\$763,810.07	\$732,687.52	\$733,080.58	\$678,199.68	\$690,407.64	\$726,464.40	\$645,197.10	\$719,783.04	\$681,609.58	\$672,069.09	\$8,510,105.42		
	\$258,085.92	\$241,566.13	\$260,362.68	\$240,276.60	\$238,705.09	\$223,575.80	\$225,550.98	\$236,077.51	\$209,703.83	\$236,300.21	\$218,254.14	\$223,142.72	\$2,811,601.61	\$1,702,021.08	-\$1,109,580.53
Generic Discount off AWP	65.89%	65.99%	65.91%	67.21%	67.44%	67.03%	67.33%	67.50%	67.50%	67.17%	67.98%	66.80%	66.96%	80.00%	(\$1,109,580.53)
	\$7,082.00	\$6,567.00	\$7,086.00	\$6,545.00	\$6,700.00	\$5,992.00	\$6,179.00	\$6,331.00	\$5,990.00	\$6,796.00	\$6,390.00	\$6,363.00	\$78,021.00	\$0.94	\$0.06
Dispensing Fee Per Rx	\$0.93	\$0.93	\$0.94	\$0.94	\$0.94	\$0.93	\$0.94	\$0.94	\$0.94	\$0.95	\$0.95	\$0.94	\$0.94	\$1.00	\$0.06
Generic Dispensing Rate	86.33%	87.11%	86.63%	86.13%	86.11%	85.89%	85.52%	85.45%	83.90%	83.65%	85.76%	85.79%	85.71%		
															(\$1,194,348.88)

Retail-90 Performance															
Key Performance Metrics and Trend															
Key Performance Measures	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	Total	Guarantee	(Shortfall)/Overage
Total Claims	2,240	1,901	2,059	2,230	2,269	2,121	2,235	2,303	2,111	2,314	2,261	2,139	26,183		
AWP	\$1,043,007.45	\$803,667.58	\$886,311.02	\$999,865.80	\$957,287.07	\$871,657.16	\$982,974.22	\$985,770.87	\$926,563.99	\$1,006,649.26	\$929,547.86	\$896,839.74	\$11,290,142.01		
Ingredient Cost	\$492,476.60	\$351,237.13	\$412,101.86	\$442,061.70	\$415,443.72	\$374,667.54	\$444,091.59	\$438,105.27	\$405,941.94	\$433,629.54	\$387,701.51	\$387,325.47	\$4,984,783.87		
	297	218	246	268	278	239	268	280	248	269	253	249	3,113		
	\$398,998.57	\$266,452.42	\$304,437.23	\$345,255.70	\$310,312.52	\$272,839.87	\$344,425.01	\$341,898.22	\$310,471.76	\$324,596.38	\$275,562.99	\$281,094.49	\$3,776,345.16		
	\$318,058.22	\$212,305.39	\$242,536.12	\$273,324.69	\$247,977.42	\$214,805.55	\$274,661.02	\$273,518.69	\$247,075.68	\$252,915.68	\$220,133.30	\$224,227.31	\$3,001,539.07	\$2,926,667.50	-\$74,871.57
Brand Discount off AWP	20.29%	20.32%	20.33%	20.83%	20.09%	21.27%	20.26%	20.00%	20.42%	22.08%	20.12%	20.23%	20.52%	22.50%	(\$74,871.57)
	1,943	1,683	1,813	1,962	1,991	1,882	1,967	2,023	1,863	2,045	2,008	1,890	23,070		
	\$644,008.88	\$537,215.15	\$581,873.78	\$654,610.10	\$646,974.55	\$598,817.29	\$638,549.21	\$643,872.65	\$616,092.24	\$682,052.88	\$653,984.86	\$615,745.25	\$7,513,796.85		
	\$174,418.38	\$138,931.74	\$169,565.74	\$168,737.01	\$167,466.30	\$159,861.99	\$169,430.57	\$164,586.58	\$158,866.26	\$180,713.86	\$167,568.21	\$163,098.16	\$1,983,244.80	\$1,277,345.46	-\$705,899.34
Generic Discount off AWP	72.92%	74.14%	70.86%	74.22%	74.12%	73.30%	73.47%	74.44%	74.21%	73.50%	74.38%	73.51%	73.61%	83.00%	(\$705,899.34)
	\$1,032.50	\$863.00	\$928.00	\$1,005.50	\$1,030.00	\$954.50	\$993.50	\$1,045.00	\$939.00	\$1,048.00	\$1,020.50	\$952.50	\$11,812.00	\$0.45	(\$0.45)
Dispensing Fee Per Rx	\$0.46	\$0.45	\$0.45	\$0.45	\$0.45	\$0.45	\$0.44	\$0.45	\$0.44	\$0.45	\$0.45	\$0.45	\$0.45	\$0.00	(\$0.45)
Generic Dispensing Rate	86.74%	88.53%	88.05%	87.98%	87.75%	88.73%	88.01%	87.84%	88.25%	88.38%	88.81%	88.36%	88.11%		
															(\$780,770.90)

Mail Performance															
Key Performance Metrics and Trend															
Key Performance Measures	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	Total	Guarantee	(Shortfall)/Overage
Total Claims	79	70	64	81	63	70	63	115	53	76	82	73	889		
AWP	\$45,354.88	\$41,662.33	\$35,816.85	\$47,489.42	\$30,384.30	\$48,893.06	\$41,233.93	\$67,347.36	\$29,491.61	\$49,957.36	\$46,530.57	\$46,038.15	\$530,199.82		
Ingredient Cost	\$23,164.14	\$20,671.64	\$21,045.65	\$21,541.59	\$14,369.29	\$27,695.36	\$18,319.84	\$34,664.64	\$16,157.69	\$26,536.52	\$21,135.23	\$17,078.65	\$262,380.24		
	17	9	18	10	10	16	5	24	10	11	9	9	148		
	\$22,839.56	\$18,921.21	\$20,623.34	\$18,958.54	\$12,722.67	\$30,506.20	\$12,004.47	\$33,053.63	\$17,334.97	\$25,913.35	\$12,148.61	\$14,619.57	\$239,646.12		
	\$18,271.64	\$15,136.97	\$16,553.22	\$15,166.83	\$10,178.14	\$24,404.97	\$9,603.57	\$26,442.91	\$13,867.96	\$20,730.69	\$9,718.89	\$11,695.67	\$191,771.46	\$182,131.05	-\$9,640.41
Brand Discount off AWP	20.00%	20.00%	19.74%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	19.98%	24.00%	(\$9,640.41)
	62	61	46	71	53	54	58	91	43	65	73	64	741		
	\$22,515.32	\$22,741.11	\$15,193.51	\$28,530.88	\$17,661.63	\$18,386.86	\$29,229.46	\$34,293.73	\$12,156.64	\$24,044.01	\$34,381.97	\$31,418.58	\$290,553.70		
	\$4,892.50	\$5,534.67	\$4,492.43	\$6,374.76	\$4,191.15	\$3,290.39	\$8,716.27	\$8,221.73	\$2,289.73	\$5,805.83	\$11,416.34	\$5,382.98	\$70,608.78	\$31,960.91	-\$38,647.87
Generic Discount off AWP	78.27%	75.66%	70.43%	77.66%	76.27%	82.10%	70.18%	76.03%	81.16%	75.85%	66.80%	82.87%	75.70%	89.00%	(\$38,647.87)
	\$0.50	\$0.00	\$1.00	\$0.50									\$2.00	\$0.00	(\$0.00)
Dispensing Fee Per Rx	\$0.01	\$0.00	\$0.02	\$0.01	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$0.00)
Generic Dispensing Rate	78.48%	87.14%	71.88%	87.65%	84.13%	77.14%	92.06%	79.13%	81.13%	85.53%	89.02%	87.67%	83.35%		
															(\$48,288.28)

Guaranteed Discount	Surplus/Shortfall	Claims
16.75%	(\$104,626.75)	11,882
80.00%	(\$900,772.50)	66,916
	(\$1,005,399.25)	78,798

Guaranteed Discount	Surplus/Shortfall	Claims
22.50%	(\$90,908.59)	3209
83.00%	(\$523,313.03)	20,617
	(\$614,221.62)	23,826

Guaranteed Discount	Surplus/Shortfall	Claims
24.00%	(\$9,476.53)	169
89.00%	(\$41,269.61)	742
	(\$50,746.14)	911



2018 SJVIA Financial Audit

EmpiRx's Initial Calculations

Specialty / Retail Performance

Key Performance Metrics and Trend

Key Performance Measures	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	Total	Guarantee	(Shortfall)/Overage
Total Claims	68	63	75	54	70	55	68	72	60	72	60	56	773		
AWP	\$166,377.01	\$189,479.79	\$237,783.95	\$150,502.50	\$219,009.10	\$160,866.75	\$211,938.98	\$230,800.26	\$186,614.41	\$188,955.37	\$157,153.03	\$173,411.88	\$2,272,893.03		
Ingredient Cost	\$139,720.73	\$157,078.50	\$198,245.01	\$123,801.16	\$182,525.60	\$132,481.82	\$173,875.08	\$192,587.81	\$153,398.40	\$152,386.43	\$126,726.26	\$143,434.24	\$1,876,261.04		
	47	43	51	37	49	37	46	50	38	43	39	39	519		
	\$154,247.62	\$172,649.75	\$220,495.74	\$136,601.91	\$202,732.61	\$147,867.50	\$192,874.17	\$215,729.82	\$170,507.47	\$166,509.10	\$138,906.87	\$160,557.85	\$2,079,680.40		
	\$134,082.48	\$150,205.27	\$191,831.31	\$118,843.65	\$176,377.38	\$128,644.75	\$167,800.54	\$187,684.97	\$148,341.51	\$144,862.94	\$120,849.00	\$139,685.35	\$1,809,209.15	\$1,731,333.93	-\$77,875.22
Brand Discount off AWP	13.07%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%	13.01%	16.75%	(\$77,875.22)
	21	20	24	17	21	18	22	22	22	29	21	17	254		
	\$12,129.39	\$16,830.04	\$17,288.21	\$13,900.59	\$16,276.50	\$12,999.25	\$19,064.82	\$15,070.44	\$16,106.94	\$22,446.27	\$18,246.16	\$12,854.03	\$193,212.64		
	\$5,638.25	\$6,873.23	\$6,413.70	\$4,957.51	\$6,148.22	\$3,837.07	\$6,074.54	\$4,902.84	\$5,056.89	\$7,523.49	\$5,877.26	\$3,748.89	\$67,051.89	\$160,849.52	\$93,797.63
Generic Discount off AWP	53.52%	59.16%	62.90%	64.34%	62.23%	70.48%	68.14%	67.47%	68.60%	66.48%	67.79%	70.83%	65.30%	16.75%	\$93,797.63
	\$68.00	\$63.00	\$75.00	\$54.00	\$70.00	\$55.00	\$68.00	\$72.00	\$60.00	\$72.00	\$60.00	\$56.00	\$773.00		-\$1.00
Dispensing Fee Per Rx	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$0.00	(\$1.00)
Generic Dispensing Rate	30.88%	31.75%	32.00%	31.48%	30.00%	32.73%	32.35%	30.56%	36.67%	40.28%	35.00%	30.36%	32.86%		

\$15,922.41

Specialty / Mail Performance

Key Performance Metrics and Trend

Key Performance Measures	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	Total	Guarantee	(Shortfall)/Overage
Total Claims	39	35	55	44	53	53	61	67	64	62	74	61	668		
AWP	\$147,082.98	\$117,261.93	\$167,803.12	\$134,058.69	\$209,941.88	\$164,816.89	\$221,883.01	\$331,588.86	\$313,213.74	\$202,868.96	\$266,534.97	\$183,307.17	\$2,460,362.20		
Ingredient Cost	\$117,226.65	\$90,977.16	\$134,718.08	\$105,443.65	\$165,769.25	\$132,654.37	\$178,352.49	\$267,291.30	\$256,048.56	\$163,969.08	\$211,527.60	\$149,634.57	\$1,973,612.76		
	22	17	31	25	33	33	44	49	48	43	54	46	445		
	\$121,462.26	\$85,366.94	\$137,024.04	\$102,672.56	\$175,285.12	\$146,128.75	\$197,210.67	\$296,745.07	\$286,330.78	\$178,807.21	\$237,994.36	\$151,538.61	\$2,116,566.36		
	\$100,813.67	\$70,854.57	\$113,787.64	\$85,218.25	\$145,486.69	\$121,286.89	\$163,684.91	\$246,298.45	\$237,654.59	\$148,410.00	\$197,535.32	\$125,777.06	\$1,756,808.04	\$1,672,087.43	-\$84,720.61
Brand Discount off AWP	17.00%	17.00%	16.96%	17.00%	17.00%	17.00%	17.00%	17.00%	17.00%	17.00%	17.00%	17.00%	17.00%	21.00%	(\$84,720.61)
	17	18	24	19	20	20	17	18	16	19	20	15	223		
	\$25,620.72	\$31,894.99	\$30,779.09	\$31,386.12	\$34,656.76	\$18,688.15	\$24,672.34	\$34,843.79	\$26,882.95	\$24,061.75	\$28,540.61	\$31,768.56	\$343,795.84		
	\$16,412.98	\$20,122.59	\$20,930.44	\$20,225.40	\$20,282.56	\$11,367.48	\$14,667.58	\$20,992.85	\$18,393.97	\$15,559.08	\$13,992.28	\$23,857.51	\$216,804.72	\$271,598.71	\$54,793.99
Generic Discount off AWP	35.94%	36.91%	32.00%	35.56%	41.48%	39.17%	40.55%	39.75%	31.58%	35.34%	50.97%	24.90%		21.00%	\$54,793.99
	\$1.00		\$1.00										\$1.00		0.00
Dispensing Fee Per Rx	\$0.00	\$0.00	\$0.02	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(0.00)
Generic Dispensing Rate	43.59%	51.43%	43.64%	43.18%	37.74%	37.74%	27.87%	26.87%	25.00%	30.65%	27.03%	24.59%	33.38%		

(\$29,926.62)

BASED ON MEDISPAN GENERIC OR BRANDED

KPS Calculated Shortfall (\$2,037,412.28)
 KPS Identified Additional Shortfall (\$355,526.49)

Total Shortfall (\$1,681,885.79) Not Correct

Total Claims 121,764
 AWP \$34,744,363.52
 Ingredient Cost \$19,792,800.97
 Dispensing Fee \$99,550.00

U&C VALUE		Claim Count	Ing Cost	AWP	
RETAIL	B	122	\$25,947.27	\$43,370.81	40.17%
	G	4,899	\$460,235.70	\$870,650.63	47.14%
RETAIL-90	B	54	\$17,574.33	\$43,739.51	59.82%
	G	2,453	\$349,557.69	\$776,672.89	54.99%
		7,528	\$853,314.99	\$1,734,433.84	

- BASED ON MEDISPAN
- GPI beginning with 97 (MEDICAL DEVICES)
 - GPI beginning with 81 (DIETARY PRODUCTS)
 - RX-OTC Indicator Code = O or P (OTC PRODUCTS)
 - Exceptions: GPI beginning with 27 or 94100030
 - Dosage Form = CREA or AEPB or POWD or LOTN or LIQD or LQCR or LQPK

CONTRACTUAL EXCLUSIONS	
TOTAL	
Total Claims	10,099
AWP	\$3,554,389.43
Ingredient Cost	\$2,699,271.99
Dispensing Fee	\$8,941.00
LDD	
Total Claims	109
AWP	\$1,750,082.97
Ingredient Cost	\$1,522,572.07
Dispensing Fee	\$109.00
U&C	
Total Claims	
AWP	
Ingredient Cost	
Dispensing Fee	
MEDICAID	
Total Claims	927
AWP	\$103,208.44
Ingredient Cost	\$50,063.05
Dispensing Fee	\$882.00
DNC	
Total Claims	767
AWP	\$129,313.88
Ingredient Cost	\$102,234.44
Dispensing Fee	\$657.50
DMR	
Total Claims	17
AWP	\$2,320.24
Ingredient Cost	\$973.38
Dispensing Fee	\$13.00
OTC	
Total Claims	2,705
AWP	\$63,840.95
Ingredient Cost	\$24,930.78
Dispensing Fee	\$2,136.50
DOSAGE FORM	
Total Claims	5,480
AWP	\$1,219,875.19
Ingredient Cost	\$984,018.62
Dispensing Fee	\$4,906.50
COMPOUNDS	
Total Claims	79
AWP	\$279,127.87
Ingredient Cost	\$10,202.00
Dispensing Fee	\$221.50
MFN	
Total Claims	15
AWP	\$6,619.90
Ingredient Cost	\$4,277.65
Dispensing Fee	\$15.00

FIELD: Not in claims file, identified by EmpiRx

- Specialty Drugs with unique pricing, such as new-to-market products, those under patent litigation or those which have a limited distribution channel mandated by the manufacturer or a government authority are not subject to price or performance guarantees effective as of the date the limited distribution methodology commenced.

FIELD: 'BASIS OF COST DETERMINATION' = 7; I don't see this in the claims file

NOT ALLOWED TO BE EXCLUDED

FIELD: 'PRESCRIBER FIRST NAME' contains "Medicaid"

- The following will not be eligible for pricing guarantee reconciliation or rebate payment as defined above (i) appliances, devices, bandages, heat lamps, braces, splints, and artificial appliances, (ii) health and beauty aids, cosmetics and dietary supplements, (iii) other than diabetic supplies, OTC products, (iv) drugs purchased by a pharmacy pursuant to the 340 B program, (v) university pharmacy claims, (vi) government subrogation claims, (vii) secondary claims, and (viii) duplicate claims, (ix) GPO claims and in house pharmacy claims.

FIELD: 'ADDITIONAL MESSAGE' contains "Drug Not Covered"

- The following will not be eligible for pricing guarantee reconciliation or rebate payment as defined above (i) appliances, devices, bandages, heat lamps, braces, splints, and artificial appliances, (ii) health and beauty aids, cosmetics and dietary supplements, (iii) other than diabetic supplies, OTC products, (iv) drugs purchased by a pharmacy pursuant to the 340 B program, (v) university pharmacy claims, (vi) government subrogation claims, (vii) secondary claims, and (viii) duplicate claims, (ix) GPO claims and in house pharmacy claims.

FIELD: 'CLAIM MEDIA TYPE' = 4

- All financial guarantees will be measured on an aggregate basis and shall exclude creams, compounds, DMR claims, inhalers, powders, lotions, devices, and liquids and will include the addition of financial value generated by EmpiRx Health Care Management programs.

FIELD: Not in claims file, identified by EmpiRx

- The following will not be eligible for pricing guarantee reconciliation or rebate payment as defined above (i) appliances, devices, bandages, heat lamps, braces, splints, and artificial appliances, (ii) health and beauty aids, cosmetics and dietary supplements, (iii) other than diabetic supplies, OTC products, (iv) drugs purchased by a pharmacy pursuant to the 340 B program, (v) university pharmacy claims, (vi) government subrogation claims, (vii) secondary claims, and (viii) duplicate claims, (ix) GPO claims and in house pharmacy claims.

FIELD: Not in claims file, identified by EmpiRx

- All financial guarantees will be measured on an aggregate basis and shall exclude creams, compounds, DMR claims, inhalers, powders, lotions, devices, and liquids and will include the addition of financial value generated by EmpiRx Health Care Management programs.

FIELD: COMPOUND FLAG' = Y

- All financial guarantees will be measured on an aggregate basis and shall exclude creams, compounds, DMR claims, inhalers, powders, lotions, devices, and liquids and will include the addition of financial value generated by EmpiRx Health Care Management programs.

Discount and dispensing fee guarantees do not apply to most favored nation drug pricing state.