Capturing the Right Information and Ensuring Its Accuracy

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Introductions

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*Disclaimer: The views of the Novartis presenter reflect a personal perspective and should not be considered an endorsement by or specific views of Novartis Pharmaceuticals Corporation*
Aggregate Spend is only as good as the data YOU provide

GO...

G: Getting
R: Right
E: Each &
E: Every
N: Name & Number
Capturing the Correct Information and Ensuring Its Accuracy

AGENDA

♦ Importance of Accuracy

♦ Critical Success Factors

♦ Leverage “Seven Element” Techniques
Reports Are Only As Good As The Data Provided

- Why is accuracy so important?
- Scrutiny could come from internal and external sources

**Internal**
- Aggregate spend / state law
- Legal inquiries
- Policy compliance
- Business decisions

**External**
- Media
- HCOs
- Medical Associations
- Plaintiff’s Bar
- Academic researchers

Capturing the Correct Information

♦ Regulatory Requirements
  • Who received it? What for? When? How much?

♦ Additional context of the spend
  • Who incurred the spend?
  • Source system information and identifiers
  • Additional items for additional uses (e.g., FMV Tier)
Data Integrity: It’s More Than Just the Customer Master!

♦ Finance Systems (e.g., SAP, Oracle)
  • GL Codes
  • HCP/HCO identifiers
  • Multiple addresses
  • Brand/cost center

♦ Travel & Entertainment
  • Expense type
  • Search vs. Add
  • Selecting the wrong participant

♦ Third Party Supplier Data
  • Logistics Suppliers, CROs, CSOs, Partner Agreements
  • Event types
  • HCP and HCO data
  • Standardization with clear definitions
  • Timely submission of data
Critical Success Factors For Accurate Data

♦ Check validity of source systems
♦ Design systems that reduce human error (picklists vs. free text)
♦ Design front end views that make sense (e.g., HCP state in search)
♦ Standardize meeting and event processes with limited number of suppliers
♦ Document business rules as decisions are made and revisit periodically
  ♦ Review the data, validate that decisions were executed as intended
♦ Sufficient unit testing (IT)
♦ Robust user acceptance testing (Business)
Quality Control Mechanisms

♦ Accuracy vs. Bureaucracy
  • “Are you sure?” confirmations or attestations
  • Business monitoring before entry into aggregate spend (e.g., DM Review)
  • Appoint source system data stewards

♦ Automated business rules that flag potential errors (e.g., Albuquerque, MN)

♦ Source system accuracy
  ✓ Upon introduction of new systems
  ✓ Monitor more tightly for first four months
Implementing Written Policies and Procedures

♦ Update policies for spend capture and “rules of the road”

♦ Know How Other Systems Operate
  • Define each spend type / data point
  • Create process to on-board a new supplier
  • Communicate how actions impact data
  • Assign clear roles and responsibilities (and potential limitations)

♦ Know Thyself
  • Business rules and assumptions document
  • List inputs, outputs
  • History of systems and processes
Effective Training and Communication

- Identify stakeholders from departments across the entire organization
  - Develop training that shows how other’s actions impact you
  - Train source systems owners to communicate their system changes
  - Develop business processes to look for and address data anomalies

- Training on policies, processes and best practices
Monitoring

- Develop monitoring plan to review data on a consistent basis
- Designate Aggregate Spend data stewards
- Define exception processes
- Review across systems
  - Why don’t the numbers match?
- Review data anomalies
- Look for outliers and unusual patterns
  - Perform data dumps with filters, sorts, zero people, incorrect roles
Responding to Detected Problems, Taking Corrective Action

♦ Can you make corrections in your system? If so, how?
  • What constitutes a change?
  • Where do you make changes?
  • Who can make the changes? How will that be documented?
  • What constitutes resubmitting a report?
Questions?

Thank You!

Go GREEN!
Appendix - Auditing

♦ Conduct auditing in conjunction with underlying source systems for data integrity
  • Inspect not just what you have but consider also what you may be missing
  • Confirm consistency across sources

♦ Occasionally conduct granular reconciliation of data

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<th>Item</th>
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<th>Receipt</th>
<th>Notes</th>
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Appendix - Certification

♦ Create Validation Reports
  • Provide more transaction level details to examine State or management reports

♦ How much data do you provide and to whom?

♦ How do others ensure accuracy?

♦ What is an “acceptable” error rate?

♦ What is your organization’s risk-averse? What other purposes are there for your data? What other controls are in place?