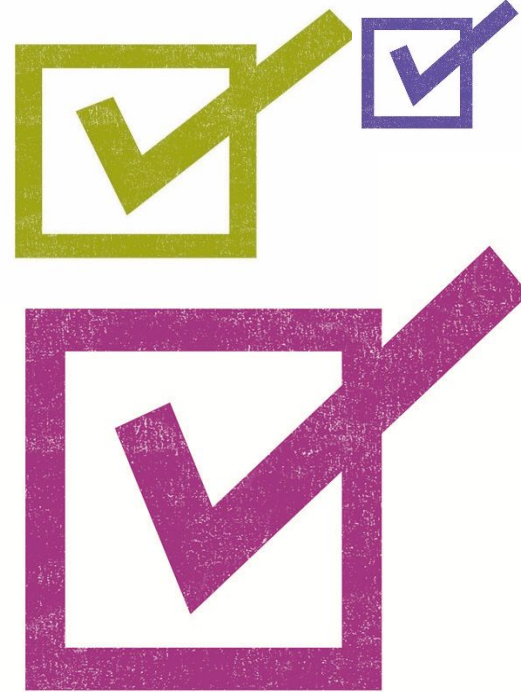




Beyond Transparency: Why future-thinking executives are taking open payments data a step further

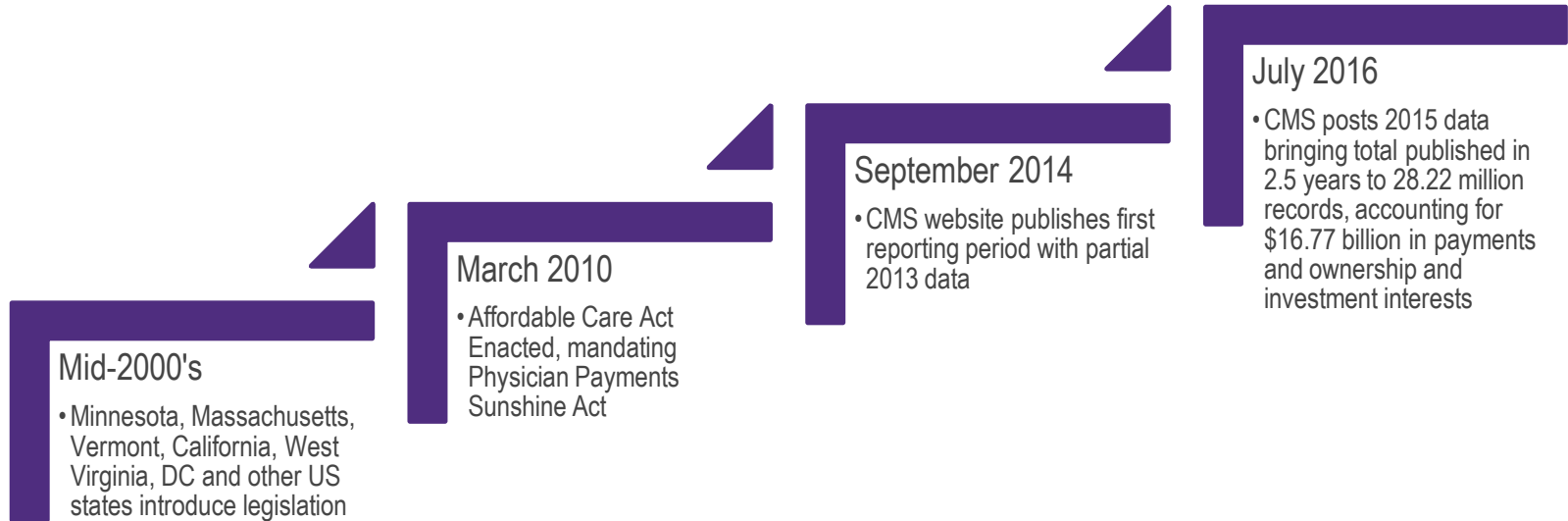
Agenda

- Transparency Overview and Current Environment
- Leveraging Available Data to Enhance Value within Compliance
- Opportunities to Expand the Dataset and Create Value beyond Compliance
- Developing Competencies to Optimize Transparency Data Analysis



Transparency Overview and Current Environment

Evolution of US Transparency Laws



Emergence of Global Transparency

- A number of Laws and Industry Codes have been enacted increasing collection and global reporting requirements
- New requirements all involve payment disclosures but vary in scope
- Every indication is that this trend will continue

● Dec. 2011
French Sunshine Act,
Loi Bertrand Adopted

● Jan. 2012
Netherlands' Code of
Conduct on Transparency of
Financial Relations

● Jun. 2013
EFPIA General Assembly
formally adopted the
Disclosure Code for members

→ Large amounts of data will continue to be generated and made public, driving the need for a different way of working

New Era of Scrutiny

INTERACTIVE MAP: NJ DOCTORS GOT \$56M IN GIFTS, FEES FROM DRUG AND DEVICE MAKERS

COLLEEN O'DEA | AUGUST 5, 2016

Industry, required to report payments under Affordable Care Act, also gave almost \$3M to hospitals in 2015

Dollars for Doctors
How Industry Money Reaches Physicians

Now There's Proof: Docs Who Get Company Cash Tend to Prescribe More Brand-Name Meds

The more money doctors receive from drug and medical device companies, the more brand-name drugs they tend to prescribe, a new ProPublica analysis shows. Even a meal can make a difference.

March 05, 2015

DOJ Targets Small Pharma: Expects Companies To Mine Their Data For Misconduct; Finds Speaker Programs, Specialty Pharmacies, R&D "Prone to Abuse"

What Percentage of Doctors at Your Hospital Take Drug, Device Payments?

by *Fan Fei, Sisi Wei, Charles Ornstein, and Ryann Grochowski Jones*
ProPublica, June 29, 2016

Where a hospital is located makes a big difference in how many of its doctors take payments from drug and medical device companies. See how your state compares and look up your hospital below. [Related story »](#)

Tennessee hospital leads U.S. in doctors taking drug industry money

Mike Reicher, Holly Fletcher and Kevin McKenzie, USA TODAY Network - Tennessee 10:45 a.m. EDT June 29, 2016

Taking a Proactive Approach

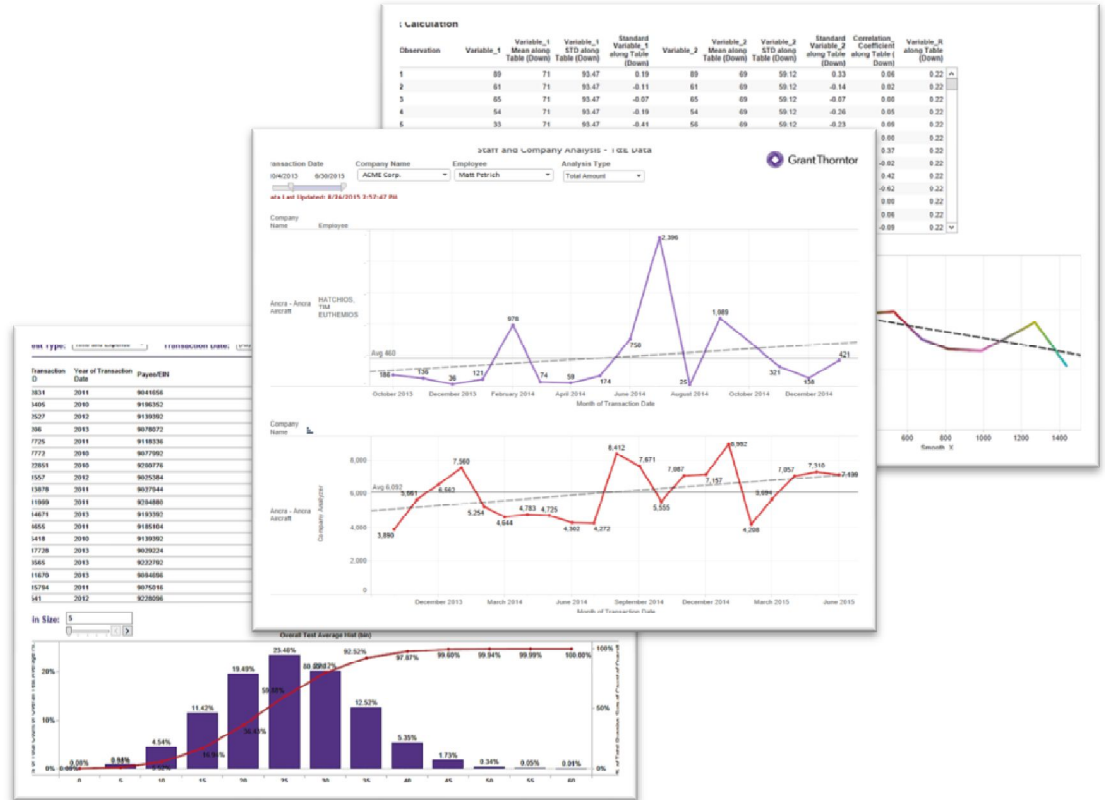
- Mid and Large-size life science firms need to start thinking globally and extend their US process and systems to encompass global compliance as transparency initiatives increase
- Small and Mid-size firms need to build a competency of proactive monitoring using data analytics solutions to optimize compliance and protect their reputations
- Regulators, your competitors, the media, and other organizations are monitoring the data, firms must get out ahead and be prepared to respond using data analytics



Leveraging Available Data to Enhance Value within Compliance

Expanding ROI of Reporting Efforts

- Time and effort put into transparency reporting and other compliance monitoring initiatives
- Failure to recognize data captured as an asset rather than an obligation fulfilled
- Opportunity to leverage internal and external data further
- Creating a repeatable solution, leveraging data visualization for improved exploration and insights



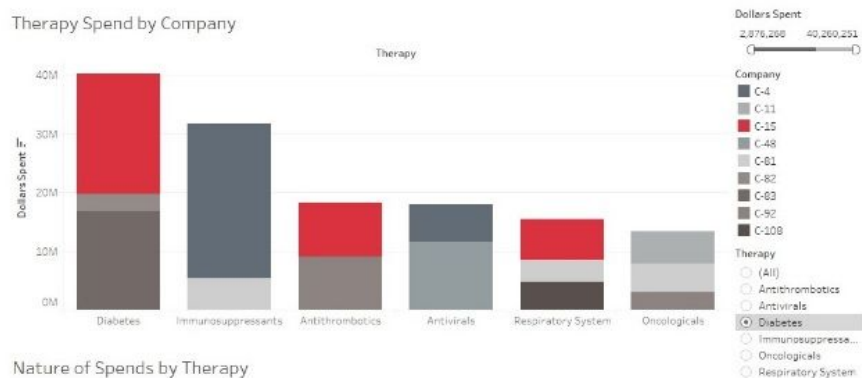
Benchmarking, Comparisons and Trends



- Average spend in a given category
- Categories or Physicians for which spend is significantly high
- Assessment of FMV and KOLs
- Discovering Trends

Competitive Analysis

Therapy Spend by Company



Nature of Spends by Therapy



- Direct Product or Therapeutic area spend comparisons
- Geographic analysis
- Spend by category and physician specialty
- KOL Relationship Management

Spends vs Claims

Total Spend Plot



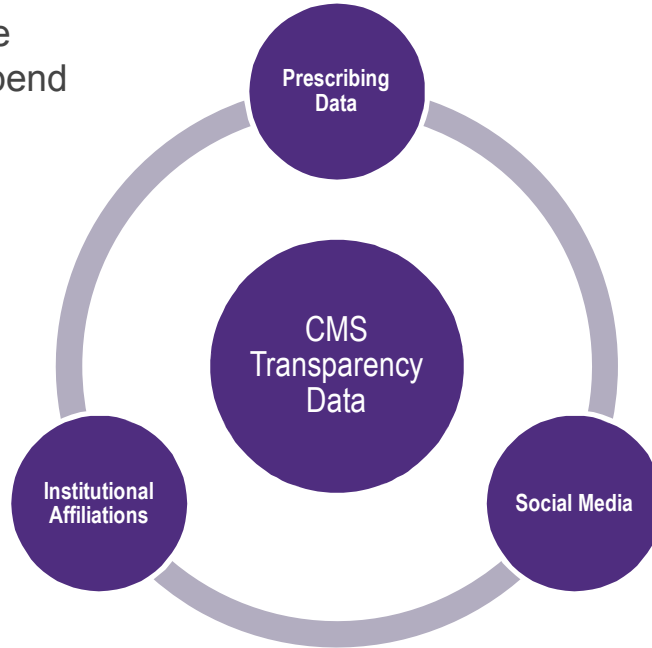


Opportunities to Expand the Dataset and Create Value beyond Compliance

Creating Value and Insight Beyond Compliance

Prescribing Data: Understand the relationship between reportable spend and prescribing behavior

Institutional Affiliations: Understand the implications of reported spend on institutions and the physicians associated with those institutions



Social Media: Understand the potential relationship between what HCPs say in social media and the payments that they receive from manufacturers

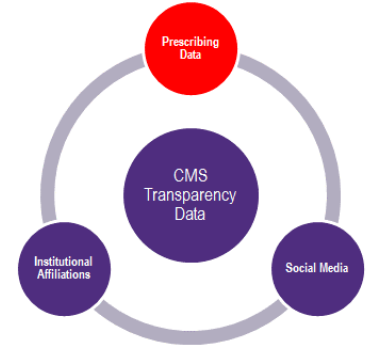
Prescribing Data

Compliance:

- Are there outliers that we should be concerned about and proactively address?

Beyond Compliance:

- Are we investing in the right relationships?
- Could we be spending less?
- Are competitors doing better?



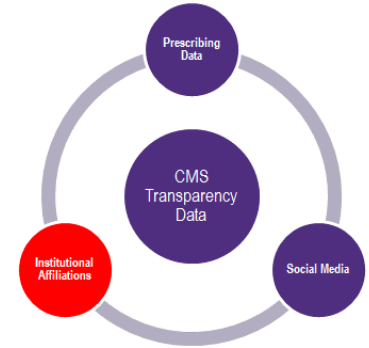
Institutional Affiliations

Compliance:

- Are there physicians that are accepting payments from us when they are barred from doing so by their institutions?
- Does competitor data provide insight on FMV?

Beyond Compliance:

- What is the full nature of our relationship with this institution?
- Are competitors engaging with key stakeholders that we are not?
- Should we be doing more or less?



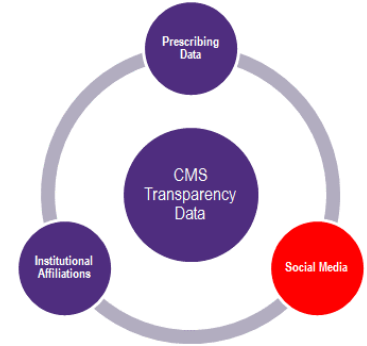
Social Media

Compliance:

- Is there a correlation between what HCPs say in social media and the payments that they receive from manufacturers?
- Are we monitoring this? Should we be?

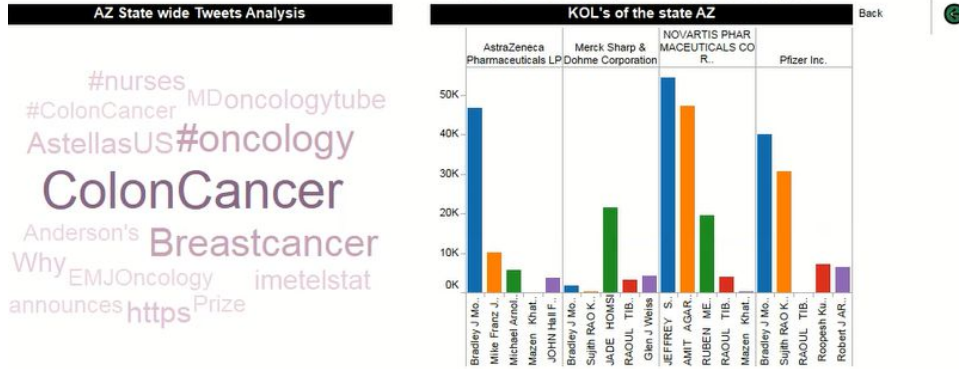
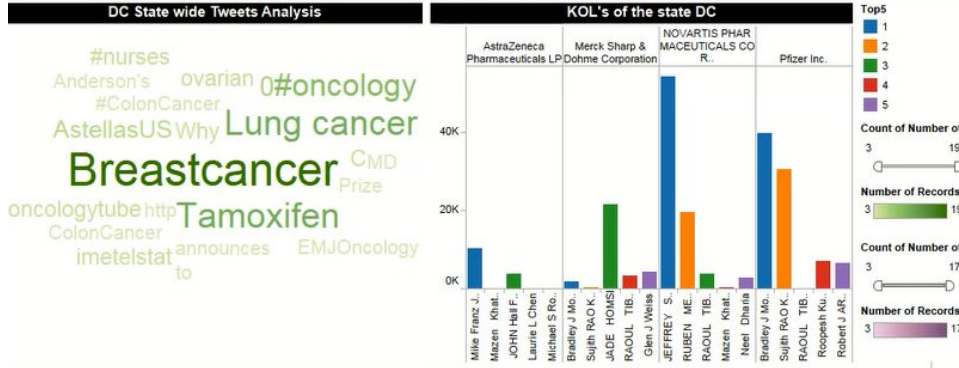
Beyond Compliance:

- Are there differences in social media sentiment across regions or territories that are impacted by our broad relationships with KOLs or key institutions?



Leveraging Social Media and CMS Open Payments Data

Top Physician spend with Tweet Sentiment



- Analyzing Twitter feeds for key opinion leaders in a particular therapeutic area or specialization in a geography can potentially lead to actionable insights
- The word cloud gives a picture of the companies, products and diseases being talked about on social media in specific geographies
- This information can be used to understand the potential relationship between spend on HCPs and what is being said about a company or product in a geography
- The insight from this view could be used to proactively address any concerning matters or to identify an opportunity to improve a relationship with key stakeholders in a particular region or territory

Developing Competencies to Optimize Transparency Data Analysis

What have we learned?



-
- Regulatory and therefore reporting requirements and will continue to expand

More Regulation



-
- Regulators and competitors are improving their abilities to analyze the available data

More Analysis



-
- Public scrutiny by media and other outlets will increase with more data available

More Scrutiny

Benefits of Transparency Analytics

Proactive Approach to Compliance

- Identify Trends
- Measure Changes
- Ask the Right Questions
- Inform Decision Making



Increased Insight on Promotional Activities


- Market Analysis
- Product/Therapy Strategy
- KOL Utilization Exploration
- FMV and ROI Analysis



Fully Leverage your Investments in Transparency Reporting

Key Challenges

COMPILING DATA



Difficulty in obtaining, accessing and/or compiling the data

KNOWLEDGE OF DATA ANALYTICS



Lack of understanding about data analytics

TIME



Time required to develop and execute analytic procedures

MANAGEMENT BUY-IN



Lack of management buy-in

TRAINED PERSONNEL



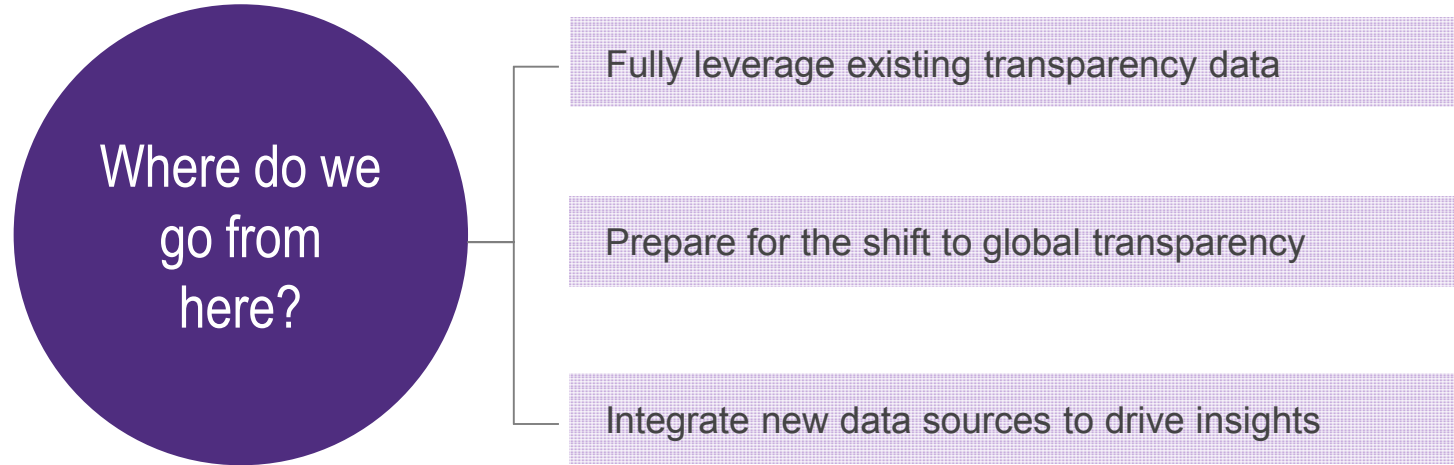
Insufficient resources or the need train personnel

INTERPRET RESULTS



Inability to interpret results

The Path Forward



Questions?



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