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BEST PRACTICES

AWARDS

FROST & SULLIVAN

2020 BEST PRACTICES AWARD

covermymeds®

2020 NORTH AMERICAN
PRIOR AUTHORIZATION SOLUTIONS
PRODUCT LEADERSHIP AWARD

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Background and Company Performance

Industry Challenges

Prior authorization (PA) is a requirement when a physician obtains approval from the healthcare insurance provider to pay for a patient's medication or procedure. The idea behind the PA request is to ensure that health care is cost-effective, safe, necessary, and appropriate for each patient.

PA requirements and procedures are complex and continuously changing, resulting in significant time investments from physicians and staff members to meet these needs.

Consequently, PA requests cause numerous challenges for providers, which can lead to treatment delays, an issue for patients receiving the care they need. Specifically, for those with complex conditions requiring extensive treatment and high-cost medications, continual PA applications can hinder the patient's progress and place additional administrative burdens on physicians and their staff.¹

PA requirements differ between insurance providers and are continuously evolving. Therefore, physicians often do not know which medications necessitate a PA request, resulting in rejected prescriptions at the pharmacy and extended time-periods before the patient can begin treatment. Also, when denied, some patients abandon their therapy, leading to lowered health quality and, possibly, increased long-term treatment costs of the associated symptoms of not receiving proper care.

Frost & Sullivan believes that providers need more efficient solutions for identifying prescriptions requiring PA and submitting the proper information faster. Timely PA approvals can decrease time-to-treatment, streamline PA workflows, and bolster patient satisfaction and medication compliance. Electronic PA (ePA) solutions hold the potential to speed up the PA requests submissions compared to conventional manual phone and fax methods. Electronic offerings also make it easier for the provider staff to submit the authorization in remote work situations.

Notably, delays in time to therapy and the burden to healthcare stakeholders due to manual PA have direct implications on the patient's care quality. For example, 91% of providers reported PA-related delays in patient care, and 28% reported that such delays have led to severe adverse events.² Despite the availability and proven benefits of an electronic solution, today, providers' adoption of ePA tools is a challenge the industry faces.

While pioneering an innovative approach, it is crucial to overcome the challenges of a lack of understanding of the benefits of a novel solution. Therefore, there is a need to educate and give healthcare providers clear information about the perspectives and advantages of ePA adoption. Also, the focus must shift toward the benefits of prescription decision support solutions that include ePA, making the prospective PA requests a more organic part of a prescriber's workflow.

¹ *How Prior Authorization Works*, <https://www.verywellhealth.com/prior-authorization-1738770#:~:text=Prior%20authorization%20is%20a%20requirement,to%20performing%20a%20particular%20operation>, accessed June 2020

² *2020 Medication Access Report*, <https://www.covermyeds.com/main/medication-access-report/>, accessed June 2020

Product Family Attributes and Business Impact of CoverMyMeds

CoverMyMeds Sets New Standards with its Industry-leading ePA Platform

CoverMyMeds leverages its innovative mindset and focuses on seamlessly connecting the healthcare network to improve medication access. With considerable experience in the field, the company enables patients to get the medications needed for appropriate and timely treatment. CoverMyMeds commits to centering innovation on all stakeholders across the PA market—i.e., provider, payer, pharmacy, and life sciences companies—ensuring its solutions value each stakeholder segment to provide high value and communication to all.

The company is a past Frost & Sullivan award recipient, recognized for its excellence and innovations in the PA market in 2017. Since then, CoverMyMeds has continued its award-winning performance while strengthening its solutions and solidifying its market position. Frost & Sullivan commends CoverMyMeds for its ongoing excellence and pioneering leadership role to set new market trends that address unmet customer needs within the PA space.

Specifically, the company's industry-leading web-based PA platform ensures a streamlined PA process with reduced approval times, from days to merely minutes, and its network includes 75% of EHRs, 96% of pharmacies, 750,000 providers and most health plans and PBMs. With its innovative ePA solution, physicians can submit prescriptions up to three times faster than traditional, manual, phone and fax methods. Providers can initiate ePA requests prospectively at the point of prescribing via their electronic health record (EHR), or on CoverMyMeds' site. PA request started retrospectively by the patient's pharmacy can also be accessed and submitted through integrated EHRs or on the CoverMyMeds site, eliminating the need for manual phone calls and faxes and freeing up time to focus on patient care.

The company's ePA solution bridges all stakeholders for all medications and all plans, including Medicaid and Medicare. Determinations made in minutes, on average, result in 20% higher dispense rates. Moreover, CoverMyMeds' EHR-integrated prescription decision support platform informs providers when PA is needed to fill a prescription, having the option to initiate an ePA request prospectively to send to any health plan.

A recent case study illustrated that patients access their medications an average of 13.2 days sooner when submitting requests prospectively versus retrospectively.³ To date, the CoverMyMeds ePA solution has helped patients get the medicines they need more than 200 million times.

³ 2020 Medication Access Report, <https://www.covermymeds.com/main/medication-access-report/>, accessed June 2020

Bringing Further Innovations with Patient-centric Solutions

With its focus on development, CoverMyMeds continues to solve some of the most common medication access challenges, including solutions beyond ePA. The need for PA decreases as the company expands its solutions with further innovations that bolster real-time prescription decision support, and cash discount programs show the cost of a medication without insurance.

CoverMyMeds understands that cost is the primary predictor of patients abandoning their needed medication. In fact, when patients cannot afford their prescriptions, 29% admit to abandoning their medications.⁵ Thus, addressing how much they must pay before they arrive at the pharmacy can reduce sticker shock and help get medications in hand. These needs inspired the company to create end-to-end solutions for the patient's entire care team, including prescription price transparency tools, to remove common medication access and adherence barriers. At the prescribing point, providers can proactively evaluate insights traditionally only available to pharmacies, such as out-of-pocket cost, the patient's remaining deductible, and formulary alternative options. Also, cash discount programs show the cost of a medication without insurance, allowing them to offer patients affordable options. A configurable administrative view ensures care team members can evaluate prescription benefits, price details, and PA requirements outside of the ePrescribing process.

While focusing on patient empowerment, CoverMyMeds introduced its first solution intended directly for patients, which allows patients to take control of how they fill their prescriptions by evaluating their medication costs at nearly any pharmacy in the country, helping them be the decision-maker throughout their healthcare journey. The solution equips patients with data that enables more informed therapy decisions based on cost, quality, and convenience.

CoverMyMeds also provides an innovative, tech-driven approach to patient support services that streamlines patient access to specialty therapies and enables end-to-end visibility into the patient journey while accelerating time-to-therapy by as much as 27%.⁴

Adding Value in Healthcare While Staying Close to the Customers' Needs

Aiming to deliver the best-in-class value, CoverMyMeds always focuses on direct interactions with customers and aspires to build strong and lasting relationships with them. The company's ability to work across the entire patient journey and its partnerships with all stakeholders in the network makes it unique in the market while helping millions of patients get the medicines they need to live healthy lives.

CoverMyMeds' technology leadership is a result of aligning its remarkable capabilities and resources to provide robust solutions while delivering above-and-beyond service to customers. The company leverages various user and customer feedback mechanisms on its UX team.

⁴ *End-To-End Electronic Support Improves Patient Access for Specialty Medications, 2019*, <https://www.covermymeds.com/main/insights/articles/amp-access-for-more-patients-tm-improves-time-to-therapy-for-specialty/>, accessed June 2020

⁵ *2020 Medication Access Report*, <https://www.covermymeds.com/main/medication-access-report/>, accessed June 2020

CoverMyMeds utilizes several methods such as user interviewing (in-person and remote), focus groups, co-creation, user testing of its design concepts, quantitative studies, and design thinking methods with all stakeholders (users, customers, and internal employees). The company then shares the results across all product teams as best practices to help inform their decisions.

CoverMyMeds' industry focus ensures product relevance to actual needs and brings value to its customers. The company prioritizes the voice-of-the-user by regularly soliciting feedback and inviting providers to co-create solutions for tough problems in healthcare. Consequently, CoverMyMeds creates solutions where every part of its network can participate for the good of patients. The company's solutions seamlessly connect the healthcare network to help reduce prescription abandonment and improve time-to-therapy. Furthermore, its products reduce the administrative burden on providers dramatically so they can spend more time on patient care.

The company's solutions provide more value because it leverages a provider network that uses its solutions regularly, creating value for stakeholders. The ecosystem includes more than 750,000 providers, 96% of pharmacies, 75% of EHRs, and most health plans and pharmacy benefit managers.

CoverMyMeds' commitment to supplying higher customer value and more opportunity for its employees is an essential building block for its successful operations. Specifically, being a part of the McKesson Corporation helps the company's growth and enables substantial career opportunities for its employees. Additionally, creating the new campus in Franklinton (downtown Columbus) will provide thousands of jobs and bring a \$240 million investment to the community. Furthermore, CoverMyMeds continues to expand how it helps patients, adding value to its network to reinvent healthcare for the good of millions of patients who need better access to medications.

Frost & Sullivan expects that a company responsive to both the industry and customer challenges is well-positioned to gain a market-leading position. With remarkable value behind its solution and a strong commitment to innovation, CoverMyMeds exceeds these challenges, creating best-in-class customer value and sustained leadership in the PA space.

Conclusion

Electronic prior authorization (ePA) aims to minimize the time it takes for providers' medical staff to obtain approval from a health insurance provider before prescribing a specific medication. Nevertheless, PA requirements are one of the leading issues facing healthcare providers today, which can lead to treatment delays, a challenge for patients and the care they need.

CoverMyMeds' industry-leading ePA platform streamlines PA processes and reduces the approval time drastically, from days to merely minutes. With the innovative electronic PA solution, physicians can submit PA requests up to three times faster than the conventional manual, phone, and fax methods.

The company's solutions seamlessly connect the healthcare network to help reduce prescription abandonment and improve time-to-therapy. Moreover, CoverMyMeds' products lessen the administrative burden on providers so they can spend more time on patient care. Furthermore, the company expands its solutions with continuous innovations that provide real-time prescription decision support and patient empowerment solutions.

With its commitment to innovation and strong overall performance, CoverMyMeds earns Frost & Sullivan's 2020 North America Product Leadership Award in the prior authorization solutions market.

Significance of Product Leadership

Ultimately, growth in any organization depends on customers purchasing from a company and then making the decision to return time and again. A comprehensive product line filled with high-quality, value-driven options is the key to building an engaged customer base. To achieve and maintain product excellence, an organization must strive to be best in class in three key areas: understanding demand, nurturing the brand, and differentiating from the competition.



Understanding Product Leadership

Demand forecasting, branding, and differentiating all play critical roles in finding growth opportunities for your product line. This three-fold focus, however, must be complemented by an equally rigorous focus on pursuing those opportunities to a best-in-class standard. Customer communication, customer feedback, pricing, and competitor actions must all be managed and monitored for ongoing success. If an organization can successfully parlay product excellence into positive business impact, market share will inevitably increase.

Key Benchmarking Criteria

For the Product Leadership Award, Frost & Sullivan analysts independently evaluated two key factors—Product Family Attributes and Business Impact—according to the criteria identified below.

Product Family Attributes

- Criterion 1: Match to Needs
- Criterion 2: Reliability and Quality
- Criterion 3: Product/Service Value
- Criterion 4: Positioning
- Criterion 5: Design

Business Impact

- Criterion 1: Financial Performance
- Criterion 2: Customer Acquisition
- Criterion 3: Operational Efficiency
- Criterion 4: Growth Potential
- Criterion 5: Human Capital

Best Practices Recognition: 10 Steps to Researching, Identifying, and Recognizing Best Practices

Frost & Sullivan analysts follow a 10-step process to evaluate award candidates and assess their fit with select best practices criteria. The reputation and integrity of the awards are based on close adherence to this process.

STEP	OBJECTIVE	KEY ACTIVITIES	OUTPUT
1 Monitor, target, and screen	Identify award recipient candidates from around the world	<ul style="list-style-type: none"> • Conduct in-depth industry research • Identify emerging industries • Scan multiple regions 	Pipeline of candidates that potentially meet all best-practice criteria
2 Perform 360-degree research	Perform comprehensive, 360-degree research on all candidates in the pipeline	<ul style="list-style-type: none"> • Interview thought leaders and industry practitioners • Assess candidates' fit with best practices criteria • Rank all candidates 	Matrix positioning of all candidates' performance relative to one another
3 Invite thought leadership in best practices	Perform in-depth examination of all candidates	<ul style="list-style-type: none"> • Confirm best practices criteria • Examine eligibility of all candidates • Identify any information gaps 	Detailed profiles of all ranked candidates
4 Initiate research director review	Conduct an unbiased evaluation of all candidate profiles	<ul style="list-style-type: none"> • Brainstorm ranking options • Invite multiple perspectives on candidates' performance • Update candidate profiles 	Final prioritization of all eligible candidates and companion best practices positioning paper
5 Assemble panel of industry experts	Present findings to an expert panel of industry thought leaders	<ul style="list-style-type: none"> • Share findings • Strengthen cases for candidate eligibility • Prioritize candidates 	Refined list of prioritized award candidates
6 Conduct global industry review	Build consensus on award candidates' eligibility	<ul style="list-style-type: none"> • Hold global team meeting to review all candidates • Pressure-test fit with criteria • Confirm inclusion of all eligible candidates 	Final list of eligible award candidates, representing success stories worldwide
7 Perform quality check	Develop official award consideration materials	<ul style="list-style-type: none"> • Perform final performance benchmarking activities • Write nominations • Perform quality review 	High-quality, accurate, and creative presentation of nominees' successes
8 Reconnect with panel of industry experts	Finalize the selection of the best practices award recipient	<ul style="list-style-type: none"> • Review analysis with panel • Build consensus • Select recipient 	Decision on which company performs best against all best practices criteria
9 Communicate recognition	Inform award recipient of recognition	<ul style="list-style-type: none"> • Announce Award to the CEO • Inspire the organization for continued success • Celebrate the recipient's performance 	Announcement of award and plan for how recipient can use the award to enhance the brand
10 Take strategic action	Upon licensing, company is able to share award news with stakeholders and customers	<ul style="list-style-type: none"> • Coordinate media outreach • Design a marketing plan • Assess award's role in strategic planning 	Widespread awareness of recipient's award status among investors, media personnel, and employees

The Intersection between 360-Degree Research and Best Practices Awards

Research Methodology

Frost & Sullivan's 360-degree research methodology represents the analytical rigor of our research process. It offers a 360-degree view of industry challenges, trends, and issues by integrating all 7 of Frost & Sullivan's research methodologies. Too often companies make important growth decisions based on a narrow understanding of their environment, resulting in errors of both omission and commission. Successful growth strategies are founded on a thorough understanding of market, technical, economic, financial, customer, best practices, and demographic analyses. The integration of these research disciplines into the 360-degree research methodology provides an evaluation platform for benchmarking industry participants and for identifying those performing at best-in-class levels.



About Frost & Sullivan

Frost & Sullivan, the Growth Partnership Company, helps clients accelerate growth and achieve best-in-class positions in growth, innovation and leadership. The company's Growth Partnership Service provides the CEO and the CEO's growth team with disciplined research and best practices models to drive the generation, evaluation, and implementation of powerful growth strategies. Frost & Sullivan leverages nearly 60 years of experience in partnering with Global 1000 companies, emerging businesses, and the investment community from 45 offices on 6 continents. To join Frost & Sullivan's Growth Partnership, visit <http://www.frost.com>.