



Insightful Open Payments Data Compliments of Huron Life Sciences

On June 30, 2015, CMS released 2014 Open Payments spend data containing approximately 11.4 million transactions that equaled \$6.4 billion worth of transfers of value to over 600,000 HCPs and Teaching Hospitals.

The official CMS factsheet can be found at openpaymentsdata.cms.gov.

With this new dataset spanning 18 months and largely more complete than 2013 data, both manufacturers and the government agencies are analyzing trends and mining the data for potential patterns or tendencies. From a manufacturer's point of view, the data may be used to identify potential compliance risks or to monitor HCP engagement activity. As the datasets become more robust, stakeholders of the organizations may request the information to gain insights into such areas as competitor speaking bureau, consulting and research composition and geographic coverage.

From a regulatory perspective the government may utilize this information to cross reference activities with data from other organizations in order to manage compliance. As stated by CMS, effective July 2014, the new system of record allows CMS to share Sunshine data with other agencies when disclosure is deemed "reasonably necessary by CMS to prevent, deter, discover, detect, investigate, examine, prosecute, sue with respect to, defend against, correct, remedy, or otherwise combat fraud, waste or abuse in such programs."¹ Combined with other data publications (Medicare Part-D, -B, etc.) regulators have ever increasing opportunities and avenues for investigative inquiries of providers and drug and device companies.

With publicly available information an opportunity exists for Life Sciences companies to leverage the Open Payments data to internally identify potential compliance risks, and to potentially gain tactical insights into commercial business functions. For example data analysis can assist with:

- Identifying activity outliers, both to internal policies and to the broader industry
- Updating KOL utilization strategy to ensure engagements are in executed in accordance with established or planned needs (e.g., in line with a needs-assessment or similar plan)
- Developing an understanding of peer speaker bureau composition and geographic coverage
- Identifying KOLs or PIs experienced with certain products or therapeutic areas

Conducting data analyses usually requires more effort than simply reviewing online data provided in the public website. The effort to access and load data into an analysis model is complex and should be approached as a carefully planned, formal project. Actionable goals and measures of success should be established from the onset. Careful consideration must also be paid to organizational dynamics. As Open Payments touches multiple business units (Sales, Research, Compliance, Marketing and Medical, etc.), all stakeholders should have a seat at the table. Instead of undertaking these efforts in a silo'd fashion, a cross-functional team can often generate significant insight while still adhering to applicable regulations and policies.

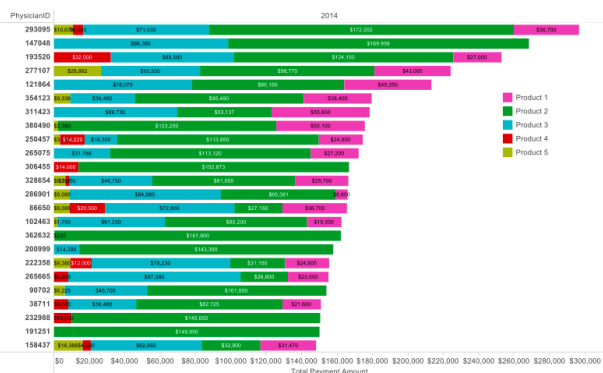
¹ 79 Fed. Reg. 32547 (Jun. 5, 2014)

Open Payments information is accessible via the CMS website, and through several respected media publications. These sources can provide interesting facts, but using them is often cumbersome and cannot generate the meaningful comparisons and visualizations necessary to answer the questions being asked. For this reason, significant analysis should be conducted using data sourced from the original, raw CMS publication. However, accessing, loading and managing raw data presents several challenges, such as:

- Selecting and using the proper technology to manage this large a dataset (excel will not work)
- Establishing and adhering to a well thought-out methodology, such as how to allocate value to multiple products on a single transaction
- Cleaning and associating unstructured fields to master data like company, product and specialty
- Selecting and creating meaningful comparisons by company, product, or therapeutic area which is critical when analyzing entities with varied product portfolios
- Creating the proper visualization and efficient presentation of the data to allow for effective analysis
- **Interpreting these analyses in an organized and useful manner for compliance, commercial operations and company leadership**

Understanding these challenges, Huron developed a platform and methodology that allows the interactive review of Open Payments data. For example, this visualization allows users to compare the overlap in HCP utilization for two products of interest:

Click the following to open interactive version:



This and other interactive visualizations from the Huron Open Payments platform can be found at <http://tinyurl.com/HuronOpenPayments2014>.

For more information on the comprehensive analytics Huron Life Sciences offers, please contact: Paul Silver at 678-672-6160 or psilver@huronconsultinggroup.com or Mark Linver at 646-520-0054 or milver@huronconsultinggroup.com.

ABOUT US

Huron Life Sciences serves the continuum of life sciences organizations, from biopharmaceutical to large multinational pharmaceutical companies to device and diagnostic manufacturers and the law and investment firms that support these organizations. Our unmatched expertise and collaborative approach enable us to deliver unique solutions that bridge the process of scientific discovery and sustainable business-model creation with strategies that reduce the risks associated with regulatory and government scrutiny. Huron Life Sciences has helped hundreds of organizations across the globe achieve financial, operational and strategic objectives to drive innovation and, ultimately, deliver value to patients.

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The data presented in this summary should only be used for directional purposes and should not be relied upon for advisory or legal guidance.

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