



Government Pricing Services

KPMG ForensicSM
Advisory

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Government pricing programs are socially important, financially significant, and may be subject to potential risk for many reasons, including continued uncertainty in guidance, executive certification requirements, public disclosure, and massive enforcement.

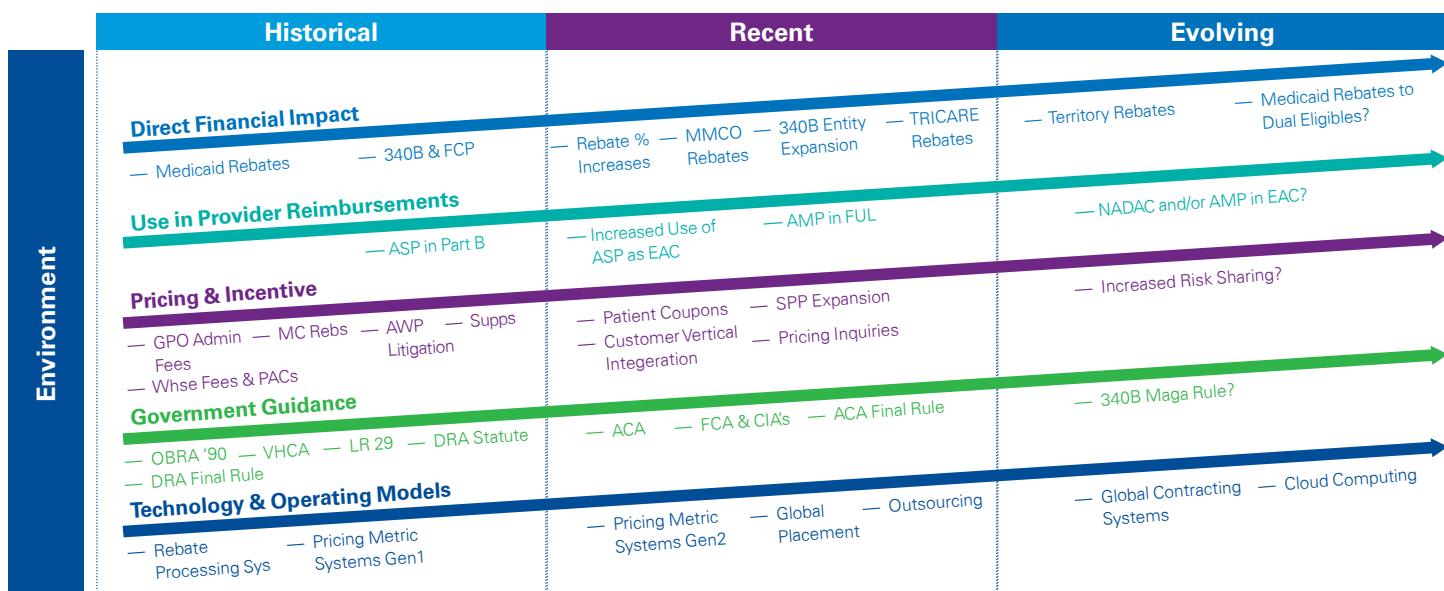
Participation in government pricing programs continues to be a significant challenge for reasons including incomplete, unclear and sometimes conflicting guidance, ever expanding transactional datasets, and required calculation precision. Change continues to be the only constant with continually evolving business models and significant new government programs and guidance such as the Medicaid Final Rule and 340B program developments.

These continuing challenges come in an environment of public scrutiny on pricing, executive certifications, public disclosure, and massive government enforcement in this industry. In this environment, manufacturers may be exposed to significant risk if their methodologies, policies, procedures, underlying data and practices cannot support compliance with the relevant requirements.

Significant areas of focus and challenge include:

- Forecasting the impact of business model changes
- Uncertainty regulatory landscape (e.g. Medicaid expansion)
- Implementation of the Medicaid Final Rule regulation
- Increased usage of government pricing in pharmacy reimbursement

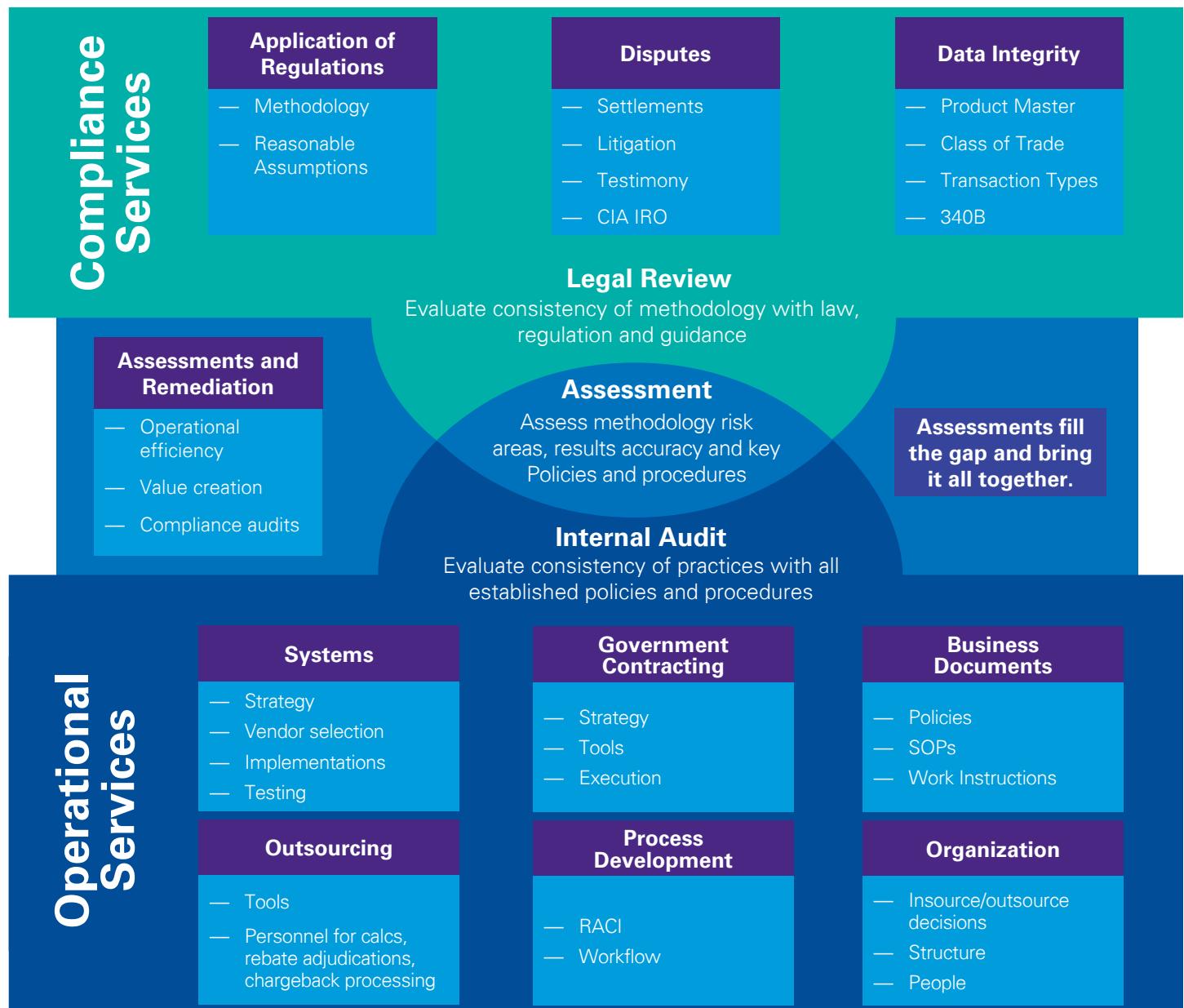
- Transaction type classification and eligibility (e.g., bona fide service fee, return in good faith, eligible coupons, excludable nominal price sale, etc.)
- Class of trade schema definitions, and customer assignment
- Bundled discount identification, definition, reallocation and application.



GP's strategic importance is increasing with its larger F/S impact, expanded use in provider reimbursement, and greater transparency. Enormous opportunities exist to enhance its value proposition with more responsive methodologies, data analytics-driven insights, enhanced integration, and embedded forward-looking strategic approaches.

Government Pricing – KPMG Practice Overview

KPMG's government pricing group is, we believe, the oldest, largest, most accomplished, and most respected of all government pricing service providers. It originated with the relevant government programs nearly 25 years ago. The team currently consists of partners, and directors across all major geographical regions that are nationally recognized thought leaders along with an extensive group of supporting associates experienced in GP. We have managed many of the landmark GP matters, have led numerous GP discussions with government officials, and are, we believe, the only practice to have a practitioner testify as a GP expert. Much of what is considered "standard industry practice" today can be traced back to original source presentations by KPMG at major industry conferences. We have extensive depth of experience in numerous GP service areas including:



Other Services Areas

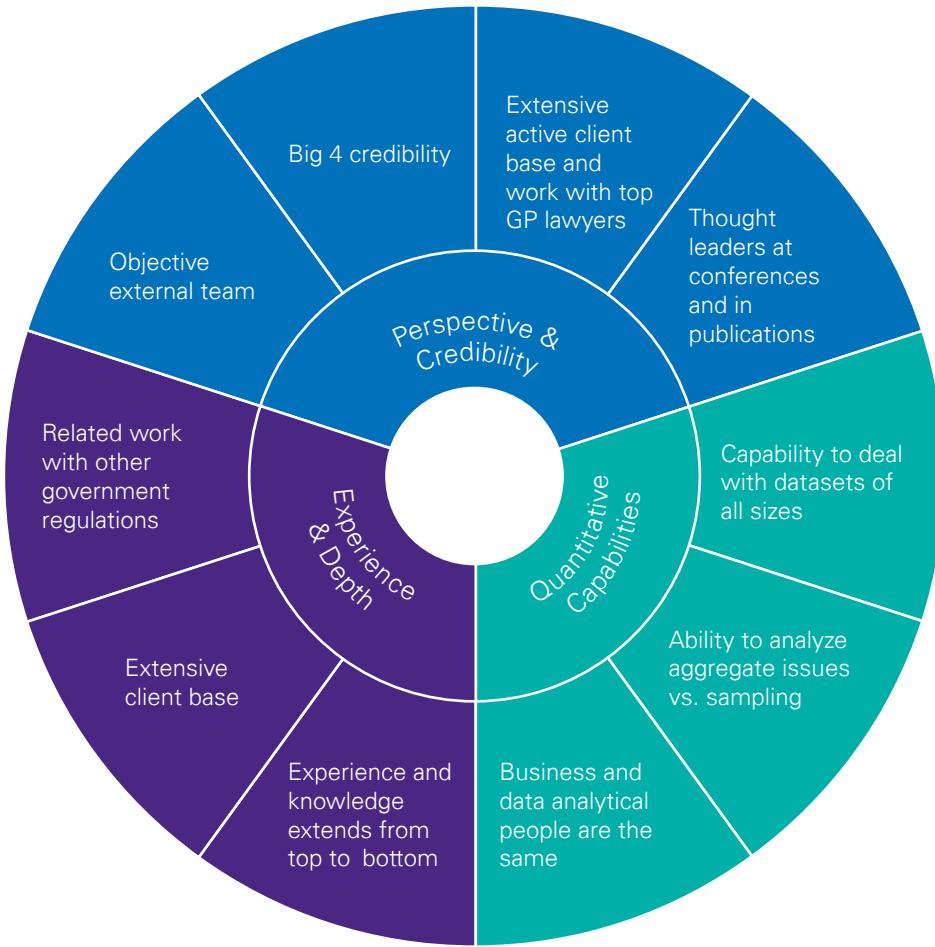
Our skills and experience have led to numerous engagements and deep capabilities in other areas including:

Market Modeling	Gross To Net	Commercial Processes	Government Contracts	Coupons/DTC Compliance	Aggregate Spend
<ul style="list-style-type: none">— Biosimilar— General Product Launch	<ul style="list-style-type: none">— Rev Leakage— Fin accuracy	<ul style="list-style-type: none">— Value Based Processing	<ul style="list-style-type: none">— BARDA, etc.— FAR & CAS— OH, Billing, etc.	<ul style="list-style-type: none">— Government Patient Exclusions	<ul style="list-style-type: none">— Compliance— Value— Dashboarding

The KPMG difference

KPMG has extensive experience providing assistance in many aspects of government pricing operations, from methodology development through operations, monitoring, and dispute resolution.

KPMG has experience with the services previously mentioned and brings numerous other advantages to your government pricing projects including the following:



KPMG's clients benefit from our perspective, credibility, quantitative capabilities, and depth of experience.

Contact

For more information about how KPMG can help your company meet its government pricing obligations, please contact:

Rick Zimmerer
Partner
Advisory Pharmaceuticals
T: 213-630-8068
E: rzimmerer@kpmg.com

kpmg.com/socialmedia

