

Health Systems

Case Study



MedSource®
Maximizing Patient Assistance Program (PAP) recovery

Data-driven projections and exceptional customer service help recoup substantial PAP dollars

Situation

A large not-for-profit health system in Houston, Texas, was using another distributor to help capture its indigent care costs. Annually, the distributor recovered \$500K in pharmaceuticals, provided an on-site employee to manage the program, and estimated the maximum return at the current rate. With an appetite for innovation and increasing revenue, and a desire for stronger customer service, the health system wanted to explore other options to maximize its PAP recovery.

Customer Profile

- Serving Houston, Texas
- 10 facilities

Results Achieved

- \$3M in drug spend savings in first two years
- 280% average annual revenue increase over previous distributor’s projection
- 1,540 patients assisted
- 420% average ROI since program launch

280% average annual revenue increase over previous distributor’s projection

“We saw **six-figure savings** within the first 60 days of using MedSource.”

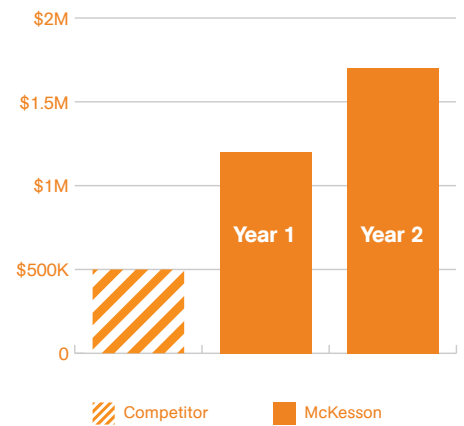
MEDSOURCE CUSTOMER
Director of Pharmacy

Solution

The health system chose MedSource® — McKesson’s PAP recovery program — to meet its growing needs. McKesson’s MedSource experts projected that they could help the health system significantly increase its savings. Additionally, MedSource offered a dedicated on-site manager with exceptional knowledge and expertise, who met with the pharmacy staff at all 10 campuses and quickly got the program up and running seamlessly.

Results

The winning combination of data-driven projections and hands-on customer service enabled MedSource to recover \$3M since the program launch, a 280% average annual increase in savings. In addition, the health system determined that MedSource brought in a higher volume and more diverse set of pharmaceuticals than its current distributor. Since MedSource outperformed the original distributor’s projections at such a successful rate, it is now rolled out to each new site the health system acquires.



McKesson drove an increased savings each year, saving \$1.2M in Year 1, and \$1.7M in Year 2.

Need help managing your PAP program?

To find out how MedSource can help you achieve better business health, contact your McKesson representative today.

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