A BETTER WAY TO PAY SITES: AUTOMATING SITE GRANT PAYMENTS

Investigative site payments have long been recognized as a major pain point along the drug development continuum. Too often, the processes by which payments to sites by contract research organizations (CROs) and Sponsors are made are complicated, burdensome, time-consuming, and frustrating, which can significantly impact a site's performance. Additionally, sites are often left waiting for timely payments, which can leave them with resource shortfalls.

Results from 2017 joint survey from Society for Clinical Research Sites (SCRS) and Greenphire

According to a recent survey from the Society for Clinical Research Sites (SCRS) in conjunction with Greenphire, approximately 40% of sites indicate that slow payments are a primary operating concern. In 2016, 66% of sites globally reported having less than three months' worth of operating cash. A contributing factor to the lack of timely payments is administratively driven. In the majority of sites, the manual processing of invoices and reconciliation of payments is done by staff whose primary role is not related to this task. On the flip side, CROs, which are responsible for managing site grant payments, face the challenge of their Project Managers spending a significant amount of time verifying milestones for payments, calculating payments, and fielding inquiries from sites regarding payments and payment status.

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SCRS and Greenphire's recent global survey of sites focused on financial operational processes for handling study payments as well as patient reimbursements, and how the payment processes and systems used by sponsors and CROs interact to impact site financial stability. This survey demonstrates that sites globally all have the same expectation to be treated as valued business partners, and the same need for four key improvements from CRO payers:

- Timely payment (30 days)
- Electronic payment (electronic funds transfer)
- Site access to their financial information in CRO payers' electronic systems
- Automatic payment with reduced need for manual invoicing, which is a primary operating concern

Research spanning from the December 2016 to February 2017 survey found:

- 84% of sites prefer payment in 30 days or less
- 75%+ of sites reported that reimbursement timelines have an impact on their ability to pay stipends and reimbursements to patients
- 74% of sites report that personnel spend more than 15 minutes per patient visit on accounting activities
- 63% of sites prefer electronic payments
- 44% of sites employ personnel involved in accounting who also have other study-related duties

"Sites are looking to streamline the way payments are processed and received," said Christine Pierre, president of SCRS. "These survey findings demonstrate that sites, both in the US and abroad, want to find new ways to cut down on administrative burdens and focus on research. We are excited about the advances being made by solution providers both in the US and around the world."

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In April 2017, Greenphire conducted another survey of CROs, sponsors, and site networks to understand current processes for initiating and reconciling site payments at CROs, and the impact of current payment processes on study sites and clinical trials.

FAST FACTS

Greenphire and PharmaVOICE survey

- The study received 31 responses from individuals who are employed by sponsors, CROs, or site networks.
- More than 38% of respondents hold a clinical operations position, nearly 20% work in a clinical trial management role, and 16% in a project management role. The remaining roles include clinical research and finance.
- More than 44% of respondents work for a company with more than 1,000 employees; nearly 41% of respondents work for a company with fewer than 250 employees.
- Among the respondents, 55% work for a company that conducts clinical trials in 11+ countries.

Survey Respondents

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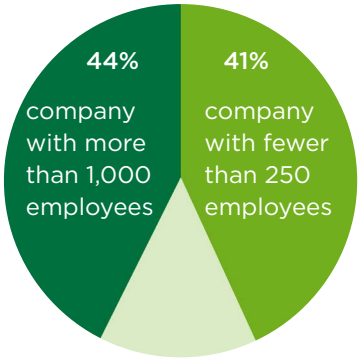

Current processes for initiating and reconciling site payments

Overall, respondents reported that the current processes CROs use to manage site grant payments are manual, burdensome, and inefficient. Additionally, CROs are not able to provide details to sites on when payments will be received and for what milestones or expenses. CROs' site grant payment processes are contributing to employee turnover, site dissatisfaction, and putting sponsor confidence and collaboration at risk. Respondents also noted that sites — whether a single investigator site or a large academic medical center — need online access to information regarding scheduled payments for services provided. Automating the process would optimize payment processes for sites leading to greater site satisfaction and allowing sites to operate at peak performance and reduce errors.

"With the exception of a few large dedicated research sites, most sites use clinical trial coordinators to manage invoice creation," says Dave Espenshade, VP of CRO Partnerships, Greenphire. "Oftentimes, the person at a site who is responsible for managing site grant payments is tasked with other study-related duties that include providing patient care. Approximately 35% of sites are using a hybrid approach to managing site grant payments."

This hybrid approach includes manual processes combined with an EDC or CTMS system. There is a need to streamline the process for managing site grant payments at the CRO level. Many CROs also are still using manual processes, relying on MS Excel spreadsheets and resource heavy processes to match site invoices with completed and contract compliant milestones. Once invoices are verified, the finance team works to execute payment via paper check. Forty percent (40%) of CRO survey respondents report that their organizations have a team of people dedicated to just these types of tasks. The long-term implication of managing site payments in this manner results in site frustration with the process, lack of transparency, and slow payments.

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Survey respondents were also asked whether supporting site payments by fielding and answering questions from sites on the status of a payment was a drain on the organization's time and resources. Nearly 62% of respondents somewhat agree or strongly agree with this statement, which indicates a need to enhance the ability of CROs to provide greater visibility into the status of site grant payments.

"The site grant payment process creates a lot of tension between CROs and sites," says Lenny Parrnelli, VP, Finance, inVentiv Health. "Slow site payments can impact the timeline for study completion. In some cases, sites will slow down their efforts on a study if their payments are delayed. And in some cases, sites will withdraw from a study if they feel they aren't being paid the correct amount."

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Areas for improvement

"The improvements I'd most like to see in how site grant payments are managed is to receive payments in a timely manner, for sites to be paid for work that is completed, and to pay patient reimbursements directly to patients," says Vivienne van de Walle, MD, PhD, CPI, Director, PreCare Trial and Recruitment.

More than 84% of survey respondents indicate that the ability to pay sites monthly — and automatically — with a complete audit trail of all transactions is a competitive advantage. Sites would be much more likely to work with a CRO that had these capabilities.

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"If CROs could automate a few key areas, study sites could focus more on the protocol, patient, and trial, and not on the administrative work that goes along with clinical trials," van de Walle says. "Key areas to automate are documenting completion of milestones at each visit, patient reimbursements, advertising reimbursements, pharmacy reimbursements, reimbursements for training site staff, and archiving study materials."

Survey respondents indicate a number of areas that should be automated to improve CROs' ability to pay sites quickly, including:

- 69% of respondents said reconciliation (ie, matching invoices with contracts) was the most impactful area to automate to improve the ability to pay sites quickly
- 61% said triggering CRO payments by linking with an EDC/CTMS/other data collection platform would allow sites to be paid more quickly
- 50% said automating invoice generation would ensure sites submit invoices in a timely manner
- 42% said automating visibility/reporting information on what a payment is for would positively impact the ability to pay sites quickly
- 30% said allowing electronic payments from a sponsor would improve the process

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Clearly, automation tools are critically important if CROs are going to streamline the payment process — internally and externally.

"Being able to respond to inquiries with confidence around timing of payments, accuracy of payments, backup details on what the payments are for are important to improving the customer

experience for study sites," Parnelli says. "CROs managing site grant payments are seeing turnover among their staff who are being asked to support these manual process."

A centralized approach also helps CROs leverage advanced analytics for greater financial insight and better decision-making. Analytics include long-term predictability and budget management, budgeted costs vs. actual expenditures, accruals management, and cash flow predictability. As the industry becomes more and more focused on transparency, reporting, and compliance, comprehensive and real-time financial reports are more critical than ever.

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Overall, survey respondents indicate there is a need for improved ability to pay study sites in a timely and automatic manner, and with a comprehensive audit trail of all transactions. In the survey, 46% of respondents indicate that site dissatisfaction/complaints have resulted because of a CRO or sponsor's payment process. Additionally, approximately 69% of survey respondents indicate that sponsors are interested in the ability to effectively manage global site payments.

ABOUT GREENPHIRE

Greenphire's eClinicalGPS® solution

Greenphire's eClinicalGPS solution automates site grant payments and provides flexibility and broad features and functionality to fit the workflows and processes of CROs without disruption. This technology solution empowers CROs to reduce the resource draining, error prone manual payment processes the industry has used for many years.

"There are several platforms available to manage site grant payments, but most of these platforms are designed from an accounting or drug development perspective," inVentiv's Parnelli says. "The Greenphire eClinicalGPS solution is developed with study sites and CROs in mind. An additional enhancement that is valuable is the ability to link the development and creation of the

The Greenphire eClinicalGPS solution has the ability to link the development and creation of the site budget with the payment system and the EDC platform.

site budget in concert with the payment system and the EDC platform. A unique feature of the eClinicalGPS is that it knows the native language preferences for all users, and the platform will oftentimes provide communications in the user's native language."

eClinicalGPS: Benefits to CROs

CROs that automate their payment process can confidently answer site questions such as:

- When will my payment arrive?
- What is this payment for?
- Why isn't this item being paid?

Centralized financial transparency and automated reconciliation keep sites satisfied and operating at peak performance. As a result, less time is spent on manual payment and reconciliation processes, allowing sites to focus on patient care and the clinical trial.

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"We are very pleased with the eClinicalGPS," PreCare Trial and Recruitment's van de Walle says. "We receive timely payments, can access an overview of what will be paid in each payment, and have access to a wonderful help desk when it's needed."

"Implementing the eClinicalGPS platform has been a tremendous efficiency gain for us as a CRO," Parnelli says. "We are able to turn around site payments more quickly, with fewer people, and with greater transparency into what is included in each payment. Additionally, sites can log into the platform at any time and access what invoices are being paid on upcoming payments. If a site sees that a milestone payment was denied, the platform provides information on why it was denied, and the site can fix this error and submit the invoice for payment a second time."

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Greenphire has extensive experience with global study sites and can help partners through the complexities of global payment and compliance.

Greenphire's exclusive focus on optimizing payment processes for sites makes them the partner of choice for more than 500 clients, including industry-leading CROs and sponsors looking to navigate increasingly complex and highly regulated site payments around the world. To learn more, visit www.greenphire.com.