

# Location Master Data Management

## A visionary investment for MedTech

More often than not, we hear horror stories of [Master Data Management \(MDM\)](#) projects gone awry that are over budget, forever pushed out “go-live” dates, and frustrated stakeholders. Ultimately, when the project does come to an end, you often see less than stellar outcomes on what you set out to do in the first place – which was to identify and pay accurate sales compensation, GPO fees, chargeback, rebate payments, measure contract and sales performance, and, in essence, obtain a 360° view of your end customer.

### MDM SOLUTIONS



#### What is MDM?

MDM solutions create a single source of truth across internal and external data sources in order to automate how business-critical data is governed, managed, and shared throughout applications.

## So, how can you achieve success for your organization? Start by asking the right questions.

The first step is to carefully seek answers to the following questions and fully assess each of your data assets and its purpose.

### 1. How do you deem a location?

Now, ask the following questions to each stakeholder in your organization. For example, a sales representative may look at the “ship-to” location while finance may view “bill to’s” as the primary account for financial reconciliation and reporting.

**2.** What is an outlet vs. affiliated/ owned account vs. a corporate parent? Which is the primary account?

**3.** How do you ensure your product is being accessed by eligible locations through contracts and price tiers that they truly have access to for the transacted period and product?

**4.** How do you know which GPOs to pay fees to with members being part of multiple GPO rosters?

**5.** How do you determine which chargebacks are valid?

**6.** How do you calculate transaction net sale and aggregate spend at the facility level?

After evaluating the inputs, outputs, data sources, and stakeholders for each business process, ensure the answers to the questions asked above are congruent. For example:



#### Sales trace data

You will likely need to tie distributor sales locations to your organization's clean location list (golden ID) that also needs to be enriched with attributes such as parent and child relationships, ownership, managed by, and classes of trade. This can be done through integrating to a good healthcare organization (HCO) reference dataset.



#### Contract eligibility and letter of commitment (LOC) process

It's likely that you have faced the scenario where the different locations in an IDN (lab, Ambulatory Surgery Center, clinic, hospital) are using different GPOs and/or price tiers. The IDNs are also likely going to want the lowest price they are eligible for. It should be clearly written in your contract agreements what determines contract eligibility and which contract wins in the event the provider is eligible to buy the same product under multiple contracts. Having a system that connects all active "bill to's," "sold to's," and "ship to's" to the parent account would be important, as well as having a sound LOC approval process that does not overlap with another GPO or tier.



#### Chargeback data validation and GPO fee calculation

You probably need to tie in your "golden record" with the reference dataset in addition to contract hierarchy level information with roster eligibility. The GPO domain can be complex and challenging as it has the least amount of unique data by volume and because there are no industry standards or naming conventions for data providers.

## How to implement?

Now that you know the function and purpose of each stakeholder, as well as what questions to ask and to whom, you can start assessing current data quality, applications, technology, tools, resources, and talent to create an implementation strategy.

Keep in mind that the MDM application and process must be modular and flexible for each business function. It is important to note that the solve is beyond a simple match and merge process, which is why so many horror stories exist.

**A good MDM strategy has four main objectives:**



Reduce duplication.



Ensure easy access to relevant data attributes.

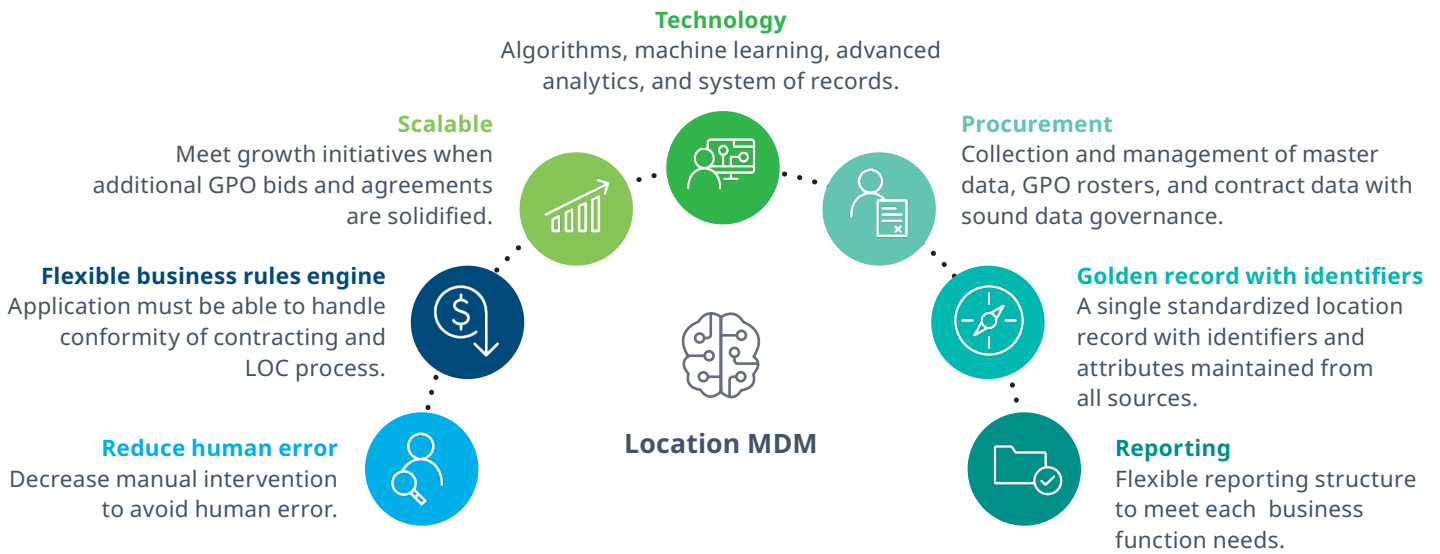


Capability to process large amounts of data at high speeds.



Improved and enriched data quality.

# What are some best practices?



**To summarize: It's all about consistency, quality, and easy access for insight generation.**

This world is not static. Data degrades by 27% every year, 61% in two years, and 104% in three years.\* You need a well-defined [data governance](#) framework to manage the ongoing upkeep.

MDM is not just match, manage, and survive. The MedTech industry should focus on creating a more hierarchical process and requires a solution more rooted in identifying and bridging relationships rather than a simple match and merge process which would require continuous monitoring and management.

The complexity and opportunity lie in your organization's ability to manage hierarchal relationships that are nimble enough for each player involved. To learn more about IQVIA MedTech's [Channel and Specialty](#) and [Master Data Management solutions](#), please [contact us today](#).

\*Gartner, Inc.



## About IQVIA Connected Intelligence™

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