



FINANCIAL RECOVERY STRATEGIES

## **Settlement Summary**

# **AWP Track 2 TPP**

If you or your business is a third-party payor (TPP) and made reimbursement for certain drugs between January 1, 1991 and March 1, 2008, a class action settlement may affect you.

**SETTLEMENT FUND: \$125 Million**

**Covered Period: January 1, 1991 through March 1, 2008**

**Filing Deadline: March 16, 2009**

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**Case History:** The lawsuit claims that defendants reported false and inflated Average Wholesale Prices (AWP) for the 145 drugs at issue in this case. The lawsuit claims that the reported AWP's were used to set reimbursement amounts that were paid by Medicare and its beneficiaries and to set the reimbursement by private health insurers and consumers making percentage co-payments under private health insurance plans. The lawsuit asks the Court to award money damages to TPPs who made reimbursements under Medicare Part B for the drugs at issue or who reimbursed outside of Medicare Part B based on AWP.

**Definition of TPP:** A TPP is an entity that is (a) A party to a contract, issuer of a policy, or sponsor of a plan; and (b) At risk, under such contract, policy, or plan, to pay or reimburse all or part of the cost of prescription drugs dispensed to covered natural persons. TPPs include insurance companies, union health and welfare benefit plans and self-insured employers. Entities with self-funded plans that contract with a health insurance company or other entity to serve as a third-party claims administrator to administer their prescription drug benefits qualify as TPPs. Private plans that cover government employees and/or retirees are also included.

**Next Step:** Once you execute and return our service agreement, we will provide immediate advice on the limited, specific documentation which should be preserved to support/enhance your future claim.

**The Services Provided to Our Clients Include:** FRS will work within your guidelines to enhance your claim value. We will review data and documentation for settlement eligibility and minimize any burden on your internal resources. FRS will prepare and file the claim forms with supporting documentation, including verifying and cataloging information into concise schedules. FRS will locate independent sources for your required data, and, if not available, will identify the easiest way for your organization to produce the data. If data is not available we will negotiate acceptable alternatives with the claims administrator. FRS will provide advice on any rule changes agreed to as part of the settlement. We monitor the progress of the settlement and provide periodic updates and are always available to answer all questions. When the settlement is complete we will verify accurate distribution amounts, take steps to correct underpayments and provide a detailed accounting of the claim. In addition, FRS will always identify new settlement and recovery opportunities that will be sent directly to you.

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