Top 5 Reasons to Outsource Your Site Payments Process

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Pharmaceutical companies are improving hundreds of millions of lives by providing essential drugs and treatments to patients and families around the world. Clinical site relationships and satisfaction are critically important to ensure this success, yet sponsors cannot be expected to be experts in administering every aspect of a trial when they have more important things to focus on regarding drug development and testing.

As a result, sponsors look to outside vendors to manage the non-core activities of their clinical trial processes, such as site payments. While 60% of site payments are being outsourced today through CROs or stand-alone site payment providers, industry experts predict this outsourcing trend is on the rise with an increase to ~80% in the next five years.

Historically, site payments have been performed by CROs as a natural extension of managing the entire clinical trial process on behalf of their respective sponsor clients. However, due to the very small percentage of revenue associated with this activity, CROs typically do not invest in making the payments process effective and efficient.

Sites benefit from monthly payments, which isn't generally offered by sponsors or CROs. Many believe use of a CRO will allow for a centralized vendor approach, however, this is only applicable where the sponsor is limited to one CRO, which is typically not the case. It becomes increasingly confusing for the sponsor in the multiple CRO model to get an accurate consolidation of investigator spend, implement a consistent process, and to adequately address site satisfaction. Thus, the lack of consistency and transparency with payments has sites more vocal than ever about their dissatisfaction with the current process, whether outsourced to CROs or managed internally.

This dissatisfaction is leading sponsors to adopt a "best of breed" approach by outsourcing to specialty payment providers or by partnering with a technology company with expertise in site payments to supplement and support their internal teams.

TO OUTSOURCE OR NOT TO OUTSOURCE:
5 reasons to consider outsourcing your site payments

Refocus on Core Competencies:
Site payments are not a core competency of internal sponsors teams. By outsourcing this non-core activity, these internal teams can focus resources on core activities of the organization. Alternatively, sponsors can partner with a technology company with expertise in site payments to supplement and support their internal teams.

Alleviate Internal Constraints:
Site payment management is a complex business process that has dramatically increased in complexity due to the globalization of clinical trials. With specialty providers, the focus is on continual reinvestment in technology and domain expertise within the site payment function to effectively and efficiently support these ever-evolving needs. Specialty service providers can also augment sponsors lack of internal resources, i.e. financial, headcount, and/or domain expertise, to effectively provide site payment management for those companies that prefer to keep this activity internal.

Decrease Cycle Times:
Sponsors have come to realize that inefficient contracting processes and lengthy payment cycle times have become a real pain point for sites and has ramifications on the viability of sites to participate in clinical trials due to cash flow issues, the ability to attract and recruit clinical trial sites, and the performance of sites once they are in a sponsor's trial. Specialty site payment service providers focus their investment into making the site payment processes more efficient by integrating budgeting and contracting into the payments process, which means that CTA agreements are executed and investigator grant payments are processed faster than current industry benchmarks.

Improve Reporting and Compliance:
U.S. Open payments reporting, growing global aggregate spend reporting requirements, and, if necessary, Corporate Integrity Agreement requirements, have created a much greater need to get accurate, timely, and detailed site payment spend reporting to fulfill these reporting requirements. Additionally, an increased focus on ensuring budgets adhere to Fair Market Value guidelines is forcing sponsors to provide enhanced reporting and forecasting capabilities. This capability requires robust technology, which in-house and CRO systems historically have not been sophisticated or powerful enough to support. Specialty service providers help sponsors meet these reporting requirements by supplementing their overall site payment management with powerful reporting technology.

Keep your Sites Happy: Site payments are a consistent source of frustration for sites. Lack of standards, multiple providers, and payment frequency all impact site recruitment and impedes performance. Whether you manage your site payment process in-house by utilizing SaaS technology from outsourcing providers or by fully outsourcing, ensure a consistent and efficient payment experience by implementing the following best practices:

- Utilize a single provider globally
- Provide sites with SOX level internal controls
- Integrate budgeting and contracting within the payments process
- Provide support tools such as invoice recommendations to ex-US sites, an easy-to-use portal to view payment details, and a globally supported infrastructure
- Proactively manage VAT by planning your tax strategy early by using a provider who specializes in contracting models that avoid VAT regimes and by choosing a provider that can provide transparency into VAT spend and reclamation

In Summary...

It is rare to run across a company that does not outsource at least a portion of their clinical trial management process to an outside vendor, with more and more companies adopting a "best of breed" outsourcing approach when it comes to site payment management. Sponsors that choose to keep their site payments process in-house can benefit greatly from utilizing a self-service SaaS technology, but in most cases, site relationships and internal efficiencies will likely improve by adopting a fully outsourced approach or through a hybrid approach of in-sourced technology with experts available for project management and overflow support.

DrugDev is the largest specialty provider of site payment management outsourcing. DrugDev has grown to own 90% of the site payment specialty outsourcing with over $1.6b in payments to-date and is on pace to exceed $2b this year. DrugDev's innovative approach to site payment management leverages a unique technology platform which allows us to contract and pay investigator sites more efficiently than a sponsor or CRO.

Schedule a free consultation and we'll make specific and actionable recommendations so you can improve the efficiency, reliability and transparency of your site payments process.

COMPLIMENTARY
CONSULTATION

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