

# Collecting Claim Overpayments

Presented by:

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## ***Pioneering Specialists in Group Health Care Post-Payment Administration for 25 Years***

- First with 100% claim audits
- Introduced the use of claim audits for recovery
- Originated linking of enrollment reconciliation with claim audits
- Started dependent eligibility audits 15 years ago
- Revolutionized data intake with payer-defined data – always successful
- Unblemished track record – no HIPAA violations or employee issues

## Collecting Claim Overpayments

### The “Collection Cliff”

- Audits routinely find 5% to 10% in claim overpayments.
- But collection efforts yield 1% to 3%.

**WHY?**

## Collection Barriers

1. Client reluctance
2. Filing Limits
3. Contractual limits and ambiguities
4. Administrator push-back
5. Provider priorities come first
6. Other liable party dispute

## Collection Focus

- Types of Collection
  - Credits
  - Checks
  - Settlements
- Sources of Collection
  - Medicare
  - Other Plans and Payers
  - Providers

Individual enrollees NOT involved

# Collection Focus

Types of Overpayment	Sources of Overpayment		
	Enrollment	Administrator	Provider Billings
Waste (error)	<b>#1</b>	#2	#3
Abuse (intent)	#3	<b>#1</b>	#2
Fraud (illegal)	#2	#3	<b>#1</b>

# Enrollment Overpayments

## Examples

- Ineligibles
- Inconsistent rosters
- Dependents without a contract holder
- Paid after term

## Collection Push Back

Blame the victim.

## Collection Response

Who knew what when.

Routine Plan Monitoring

# Benefits Administration Overpayments

## Examples

- Missed discounts
- Duplicates
- Claims without members/contract
- Excluded benefits
- Cost sharing calculations
- Stop-loss enforcement
- Data Issues

## Collection Push Back

Contract “loopholes”

## Collection Response

Performance Contract  
Routine Plan Monitoring



## **3<sup>rd</sup> Party Liability Administration**

### **Examples**

- COB known
- COB new
- Subrogation
- Double Payment

### **Collection Push Back**

Filing limits

Correct at time of payment

### **Collection Response**

Who knew what when.

Routine Plan Monitoring

# Medicare Administration

## Examples

- MSP demand letter errors
- Medicare Primary
  - A and/or B
  - ESRD
  - Disabled

## Collection Push Back

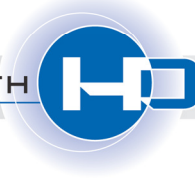
Filing limits

Medicare is always right

## Collection Response

Indirect Payment Process

Routine Plan Monitoring



# Provider Payment

## Examples

- Correct Coding errors
- Fee inflation
- Pay greater than charge
- Double Payments
- Potential Fraud

**Collection Push Back**  
Providers “trump” Plans

## Collection Response

Include as “cost of  
business”

Performance Contract  
Routine Plan Monitoring

# Filling the Collection Chasm

<b>Audit Only Annual</b>			
<b>Collection</b> <ul style="list-style-type: none"> <li>•Credits</li> <li>•Checks</li> <li>•Settlements</li> </ul>			
<b>Routine Plan Monitoring</b>			
<b>Collection</b> <ul style="list-style-type: none"> <li>•Credits</li> <li>•Checks</li> <li>•Settlements</li> </ul>	<b>Correction</b> <ul style="list-style-type: none"> <li>•Sentinel effect</li> <li>•Appeals</li> </ul>	<b>Prevention</b> <ul style="list-style-type: none"> <li>•Early warnings for old and new issues</li> </ul>	<b>Avoidance</b> <ul style="list-style-type: none"> <li>•Benchmark progress</li> <li>•Improvement incentives</li> </ul>

## Past Webinars Available for Download

Recordings of past webinars are available through **Si's Library** ([www.healthdecisions.com/library](http://www.healthdecisions.com/library)) including:

- October, 2011 – Finding Provider Fraud
- September, 2011 – Complete Enrollment Validation
- August, 2011 – New HIPAA Accounting Requirements
- July, 2011 – Dos and Don'ts of Competitive Bidding
- June, 2011 – You've Done a Dependent Audit. Now What?
- May, 2011 – Two Dozen Reasons for Claim Payment Error
- April, 2011 – How Does Your Plan Compare?
- March, 2011 – How Medicare Can Help Employer Health Plans
- February, 2011 – Administrative Fee Inflation
- January, 2011 – Planning for 2011

For More Information  
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We offer no-cost consultations  
to answer questions and discuss options.