Post Payment Administration (PPA): The Missing Link in Health Plan Management and Cost Control

Presented by: Si Nahra, Ph.D., President

October 26, 2010
Pioneering Specialists in Group Health Care

Post-Payment Administration for Over 20 Years

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

Post-Payment Administration for Over 20 Years

Add another 1st to our accomplishments.

1st to offer payers (and self funded plans)

Customized Web Portal

That Links the Best of Claim Payment Automation with

The Best of Post Payment Administration
Post Payment Administration (PPA): Why So Important Now?

Leave for next month the impact of NAIC Medical Loss Ratio regulations.

Post Payment Administration has grown in importance to compensate for the limits of claim payment automation.
Post Payment Administration (PPA): Scope

- Payment Verification
- Internal Audit
- COB
- Medicare Compliance
- Medicare Recovery
- Subrogation
- Stop-Loss Review
- Fraud and Abuse
- Retrospective review
- Provider billing review
- Administrative audits
- Contract compliance
- Enrollment verification
- Special data requests
**Post Payment Administration (PPA): Evolution**

<table>
<thead>
<tr>
<th>Manual Claim Payment</th>
<th>Automated Claim Payment</th>
<th>Current PPA</th>
<th>Future PPA</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Time consuming</td>
<td>• Fast</td>
<td>• Many special reviews</td>
<td>• Specialists use common tool</td>
</tr>
<tr>
<td>• High cost</td>
<td>• Lower cost</td>
<td>• Uncoordinated</td>
<td>• Coordinated</td>
</tr>
<tr>
<td>• Human error</td>
<td>• Machine error</td>
<td>• Duplicative</td>
<td>• Management oversight</td>
</tr>
<tr>
<td>• Facts validated</td>
<td>• GIGO</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Unknown error</td>
<td>• 3%-10% payment error</td>
<td>• Recovers under a quarter of errors.</td>
<td>• Collect, Correct, Monitor all errors</td>
</tr>
<tr>
<td>• Unsustainable</td>
<td>• 5%-15% enrollment error</td>
<td>• Staff costs offset gains from automation</td>
<td>• Eliminate excess costs</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Realize full value of automation.</td>
</tr>
</tbody>
</table>
Post Payment Administration: Status Quo for Hypothetical Payer

Addresses automation issues
Provides focused expertise
Redundant Duplicative
Inefficient
Post Payment Administration: Current Options

1. Maintain status quo
   (ultimately not competitive)

2. Build Internal PPA Tool
   (2-3 years of effort)

3. Buy PPA Tool
   (3 months to implementation with Health Decisions)
Post Payment Administration: Health Decisions Web Portal

Web Portal Integrates results from:

Every case, and every claim from every source is accounted for.

Web Portal “Deliverables Delivery Mechanism”
Post Payment Administration: Web Portal Users

Web Portal
Single Source for All PPA Users

Executive Management Review
Post Payment Administration: Web Portal User Permissions

Users & Roles
- Administrator
- Manager
- Data Operator
- Mailer
- Reviewer
- Verifier
- Collector

Rules & Activity
- One PPA area/All PPA areas
- Specific line of business/All LOB
- Selected clients/All clients
- User activity automatically documented
- Passwords and log-ins maintained
Post Payment Administration:
Web Portal Executive Level

Performance metrics for all PPA activities in one place

Real-time status for all reviews

E-mail notification for events of interest
Post Payment Administration: Web Portal Management Level

Initial set-up and scope

Production schedule

Custom Training

Assign work activity

Monitor tasks and timelines

Real-time processing status
Post Payment Administration: Tri-Level Shared Review

One Screen Supports Three Levels:
1. Verification
2. Confirmation
3. Collection

One Screen Supports Seamless Sharing of Facts
No redundancy
No duplication
Post Payment Administration: Common Facts for All Users

Select any available data of interest

Choose and order any fields of interest

Query the selected data using simple menu prompts
Post Payment Administration: The Missing Link

Valid Data for All Users

- Initial set-up supports ongoing data transfers
- Rigorous data quality testing
- Routine submittals from all sources monitored and verified

Post Payment Administration: The Missing Link
Post Payment Administration: Support for All Users

- Work requests for specific questions
- FAQ and Knowledge Base
- Contacts Roster and Documents Retrieval
Post Payment Administration (PPA): Where Are You?
For More Information
Contact
si@healthdecisions.com

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