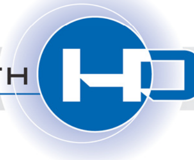
Health Decisions, Inc.

Complete Enrollment Validation

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

October 4, 2011

HEALTH  DECISIONS, INC.

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

© Copyright 2011
Health Decisions, Inc.

Health Decisions, Inc.

Complete Enrollment Validation

Why All the Fuss?

- Up to 10% of claim payments for non-existent employees.
- Up to 9% of claim payments after coverage termination.
- Up to 12% of ineligible dependents enrolled.
- Up to 10% of other coverage opportunities missed.
- Up to 10% of Medicare liability not known.
- Up to 15% of addresses wrong.

Enrollment errors increase costs 5% to 15% per year.

© Copyright 2011
Health Decisions, Inc.

Complete Enrollment Validation

My Plan Administrator Handles This.
WRONG

- Every plan administrator when presented with an error in enrollment facts blames the self-funded plan.
- Plan administrators have a disincentive to manage enrollment since it both costs them more to do and can reduce their income.
- The responsibility for enrollment validation resides with the self-funded plan.

© Copyright 2011
Health Decisions, Inc.

Complete Enrollment Validation

I do annual Open Enrollments and did a Dependent Audit.
Aren't I Done?
NO

- Both are important.
- Neither are sufficient.

But I don't have enough time!
YES YOU DO.

- Reacting to enrollments issues is more disruptive.
- Costs of enrollment issues make it time well spent

© Copyright 2011
Health Decisions, Inc.

HEALTH HD DECISIONS, INC.

Complete Enrollment Validation

What	When
1. Information Verification	After Open Enrollment
2. Dependent Documentation	After Open Enrollment and With New Enrollee
3. Vendor Files Reconciliation (Individual and Cross-Files)	Monthly Data Files Quarterly Review Annual Audit
4. Claim Payment Confirmation	

© Copyright 2011
Health Decisions, Inc.

HEALTH HD DECISIONS, INC.

Complete Enrollment Validation

1. Information Verification

Done annually after open enrollment.

- Report results of open enrollment elections for confirmation.
- Sent to all enrollees with Response Required
- Verify all enrollment facts are current and correct.
- Confirm COB and Medicare facts.
- Correct and update enrollment facts.
- Communication reinforces value of benefits.
- Communication reinforces positive employee relations.

© Copyright 2011
Health Decisions, Inc.

Complete Enrollment Validation

2. Dependent Documentation

Initial

•Compile all existing dependent documentation.

•Scan documents and associate with enrollment record.

New Enrollee

•Confirm eligibility of dependents.

•Send documentation request to employees with new dependents.

•Response Required with Additional Documentation.

© Copyright 2011
Health Decisions, Inc.

Complete Enrollment Validation

2. Dependent Documentation

Annually with Information Verification

•Confirm any changes to dependent status

•Collect missing documentation.

•Enforce divorce decrees.

•Monitor 26+ eligibility.

•Identify other coverage for coordination (COB).

•Establish Medicare enrollment status.

© Copyright 2011
Health Decisions, Inc.

HEALTH HD DECISIONS, INC.

Complete Enrollment Validation

3A. Individual File Reconciliations

1. Benefit Record Keeper (BRK) reconciled to Employer “Payroll” Roster

2. BRK reconciled to Employer Retiree Rosters

3. Each Benefit Plan reconciled to BRK
   - Self-funded
   - HMO
   - RX
   - Others
4. COBRA election reconciled to BRK

© Copyright 2011
Health Decisions, Inc.

Complete Enrollment Validation

3A. Individual File Reconciliations

- Eligibility verification
- Employment/Retiree status verification
- Contract status verification
- Termination date verification
- COBRA verification
- Missed employee
- “Phantom” employee

© Copyright 2011
Health Decisions, Inc.

Complete Enrollment Validation

3B. Cross File Reconciliations

- BRK is “control”
- Each enrollment roster cross-referenced to BRK and to each other
  - Self-funded
  - HMO
  - RX
  - Others

© Copyright 2011
Health Decisions, Inc.

Complete Enrollment Validation

3B. Cross File Reconciliations

- Person enrolled in wrong plan
- Person enrolled in multiple plans
- Coverage status differences across plans
- Factual discrepancies across plans

© Copyright 2011
Health Decisions, Inc.

Complete Enrollment Validation

4. Claim Payment Confirmation

- Establish routine (monthly) claim data feeds with all payers.
- Apply new enrollment facts to historic annual baseline.
- Repeat analysis quarterly to monitor corrections.
- Include results in annual audit

© Copyright 2011
Health Decisions, Inc.

Complete Enrollment Validation

4. Claim Payment Confirmation

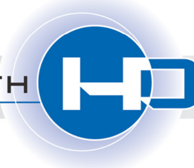
- Claimants not on employer/BRK roster
- Claimants not on payer roster
- Claims incurred outside periods of eligibility
- Claims incurred after termination
- Claims with COB opportunity
- Claims paid where Medicare is primary

© Copyright 2011
Health Decisions, Inc.

What It Takes

1. Have a plan.
2. Make this part of the benefit “routine”.
3. Stress Positive Value to the employee and their family in all communications.
4. Control data from all vendors.
5. Execute Validation steps 1-4.

© Copyright 2011
Health Decisions, Inc.



Past Webinars Available for Download

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

- 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

© Copyright 2011
Health Decisions, Inc.

For More Information

Contact

si@healthdecisions.com

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

© Copyright 2011
Health Decisions, Inc.