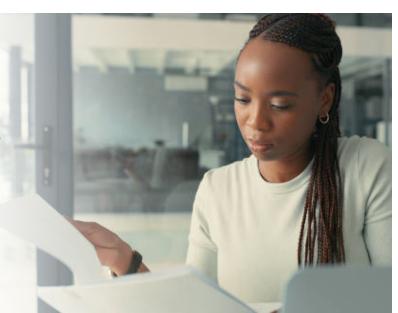


**Payment Validation & Assurance Service** 

# Pay claims right the first time



# Eliminate provider abrasion by validating NICU claims before you pay. The ProgenyHealth service pays for itself with a 4:1 ROI.

Claims processing is complex and demanding. It strains your workload and stresses your relationships with providers.

The pressure to reduce NICU costs through audits and recovery also drives administrative costs. Post-pay audits and recovery drive a vicious cycle of provider abrasion and ever-growing overhead.

Despite the headaches, payment validation and assurance is necessary. Of the \$390 billion paid in CMS claims in 2017, more than 9 percent was remitted in error.<sup>1</sup>

Rather than "pay-and-chase" through audits, ProgenyHealth pays claims right the first time. We verify billed charges, reduce NICU claims costs, and eliminate provider abrasion for all payment methodologies and types of contracts.

\*\*ProgenyHealth only collects when they find savings. That's a low-risk financial model I can get behind.\*\*

**Health Plan CFO** 

## **How the Service Works**



#### **Cost Drivers**

We validate key NICU cost drivers before payment. The service:

- Verifies length of stay billed vs. authorized
- Assures billed charges match the clinical levels of care authorized
- Validates APR DRG for severity risk using 100+ targeted codes to help eliminate up-coding



#### **Claims Data**

Baby Trax® provides complete data history to validate claims by:

- Matching claims data with authorizations
- Intervening proactively upstream within one business day
- Maintaining turnaround time targets
- **Driving** change in hospital billing behaviors
- Maximizing UM benefits



#### **Payment Assurance**

ProgenyHealth pays claims correctly the first time to maximize your value from the program. The service:

- Reduces NICU claim costs
- Verifies billed charges
- Eliminates provider abrasion
- Ends the "pay and chase" process and help eliminate up-coding

## ProgenyHealth addresses your top three reimbursement concerns -



#### 1. Unauthorized Billing

Unauthorized billed days, levels of care, or both, may result in:

- Over-billing in per diem and percent of charge schemes
- Triggering outlier reimbursements from DRG methodology



## 2. Coding Validation

Gaps between physician documentation and coder interpretation:

- Clinical validation requires NICU-specific clinical review to determine whether the patient possesses the documented condition(s)
- Clinical validation is beyond the scope of DRG validation and the skills of a certified hospital coder



## 3. Fraud, Waste, and Abuse

Prevalence of 3M®APR-DRG results in the potential for fraud, waste, and abuse:

- 112 APR-DRGs provide levers for errors and abuse
- Inappropriate diagnosis or procedure codes result in potential "up-coding"
- The absence of appropriate diagnosis or procedure codes results in outliers by potential "down-coding"

#### Results

- Savings identified on a range of 10-20% of reviewed claims
- **Seventy percent (70%) of claims** with identified savings on typical NICU cases,
- Greatest savings on individual claims over \$450K
- On average, savings per adjusted claim is
  50% of billed charges and exceeds \$5K
- Contingent fee structure offers built-in4:1 ROI

# **Savings Example**

### 40-week GA infant, C-section with meconium:

- Poor perfusion, respiratory distress requiring NC O2 initially then weaned to RA, IVF and on full PO feeds by DOL 2
- Treated for possible sepsis with antibiotics for 2 days, blood cultures negative
- Length of Stay: 3 days

**Pre-Review** 

APR DRG: 636-3 Rate: \$16,013

**Post-Review** 

APR DRG: 636-2 Rate: \$9,098

**Recovered Amount** \$6,915

<u>G</u>

76% Overpayment

## **Why ProgenyHealth**

Only ProgenyHealth can validate claims with BabyTrax, our industry-leading NICU-centric technology. This whole-person platform drives intelligent workflows, APR-DRG savings, and better outcomes. Most importantly, our specialized NICU focus reduces the cost of care, aligns payments with the appropriate services, and helps families get off to the best start.

To learn more about how ProgenyHealth's Payment Validation & Assurance Service can lower your costs and promote higher quality care for your members, visit *progenyhealth.com* or call us at 610-832-2001 ext. 227

