

Case Study: Inpatient Cardiac Claim

HM's Strategy

To help bring cost savings options to TPAs on potential high-dollar Stop Loss claims, HM Insurance Group (HM) researches discount vendors, uses a testing period and performance tracking to vet them and then works to build strong relationships with those selected.

Our Approach

- Create vendor awareness by communicating discounting opportunities to TPAs
- Periodically remind TPAs of available vendors that they can work with to help with cost-saving measures on certain procedures
- Work with vendors to negotiate savings on high-dollar procedures
- Select vendors based on specialty programs, historical data, fees and a demonstrated history of results

Client Scenario

After receiving an inpatient cardiac claim for more than \$1 million, a TPA reached out to HM for discounting assistance. Upon review, it was determined that the claim was on par with the typical 43 percent discount associated with the particular large carrier network in use.

The discounting request involved a tight turnaround time since the TPA was preparing the claim to be sent to HM as an advance funding reimbursement request in order to adhere to the expected payment timeframe set forth by the provider network.

The HM cost containment specialist enlisted a specialized vendor with significant experience in dealing with large carrier network claims.

Results Achieved

The vendor was able to secure an additional \$101,148 in savings (with provider sign-off) in just seven business days, bringing the overall savings on this case to 53 percent or \$571,824.

Charge	Initial Cost	Network Discount	Vendor Discount	Final Cost
Inpatient Cardiac Claim	\$1,071,823	\$470,675	\$101,148	\$500,000
Total Savings	\$571,824 = 53%			

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