

# Case Study: High-Dollar Claim Bill Review

## HM's Strategy

As part of the HMConnects™ Cost Containment program, HM Insurance Group (HM) researches discount vendors and works to build relationships with them in order to bring cost savings options to clients on potential high-dollar claims.

## Our Approach

- Create vendor awareness by communicating potential discounting opportunities
- Periodically remind clients of vendors to which HM has access that can help to control/reduce costs 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

A 54-year-old with an automatic implantable cardioverter defibrillator (AICD) developed sudden onset lightheadedness and dizziness while at work May 23 and was admitted to the hospital through the Emergency Department. An EKG showed ST-elevation myocardial infarction (STEMI). The patient was then taken emergently for a right and left cardiac catheterization, percutaneous coronary intervention (PCI) with right coronary artery stent, Impella CP placement and Swan-Ganz placement for cardiogenic shock with refractory hypotension. The patient was discharged home on June 17 with home health care services.

The HM Insurance Group cost containment specialist was notified by the nursing team of a high-dollar claim in the amount of \$1,585,191.08 and sent it to an experienced vendor for bill review.

## Results Achieved

The vendor identified a total of \$281,385.15 in billing errors. The biggest adjustment was the listing of the short-term Impella CP used two times on the left. The second Impella placement was for greater than four days and not in accordance with the manufacturer's recommendations. It was therefore considered experimental and investigational as a non-covered service.

Charge	Initial Cost	Plan Savings	Additional Vendor Savings	Total Savings	Final Cost	Vendor Fee
Inpatient Admission	\$1,585,191.08	\$586,663.14	<b>\$281,385.15</b>	\$868,048.29	\$717,142.79	\$84,415.55
<b>Total Savings = 55% / Net Savings = 49%</b>						

Breakdown of Billing Errors Identified by Vendor				
Supplies Billed in Error	Nursing Services Billed in Error	General Billing Errors	Non-Covered Services	Total
\$77,105.84	\$5,572.89	\$2,741.92	\$195,964.50	<b>\$281,385.15</b>

To learn more about HM Insurance Group's approach to cost containment through our HMConnects™ program, visit [hmig.com](http://hmig.com)