

White Paper:

Placing Adjuster Approval Prior to Bill Review Increases Savings and Reduces Fees

To ensure that provider reimbursements align with constantly changing state fee schedules and partner review services, Self-Administered Employers, Insurers, and Third-Party Administrators (TPAs) employ bill review companies to analyze providers' bills. Through the bill review process, charges that exceed either the reimbursement amounts specified in the state fee schedule or the contracted arrangements with network/specialty review partners are either disallowed or reduced.

In the Property Casualty Claims bill review workflow, bill review is typically positioned as the final opportunity to catch inappropriate bills in the claims process. Duplicates, incomplete bills, mis-coded bills, inappropriate or unrelated charges, etc. all equate to "improper billings." In addition to delivering network, specialty, and negotiation cost savings, claim operations depend on their bill review partner to find and remove these improper billings in their bill review process before a payment is issued. Far too often in a traditional bill review process this fails to happen, and the bills are pushed through for payment.

Just because inappropriate billings should be identified and removed in a bill review workflow, doesn't mean that is actually taking place. Allowing inappropriate billing through the bill review process is an expensive proposition. Inappropriate billings cost claim payers billions in lost revenue in the form of inappropriate medical payments as well as the associated fees paid to the bill review partner. Since bill review vendors earn revenue for every bill they review, there is little incentive to apply a solution that removes inappropriate bills prior to the bill review process.

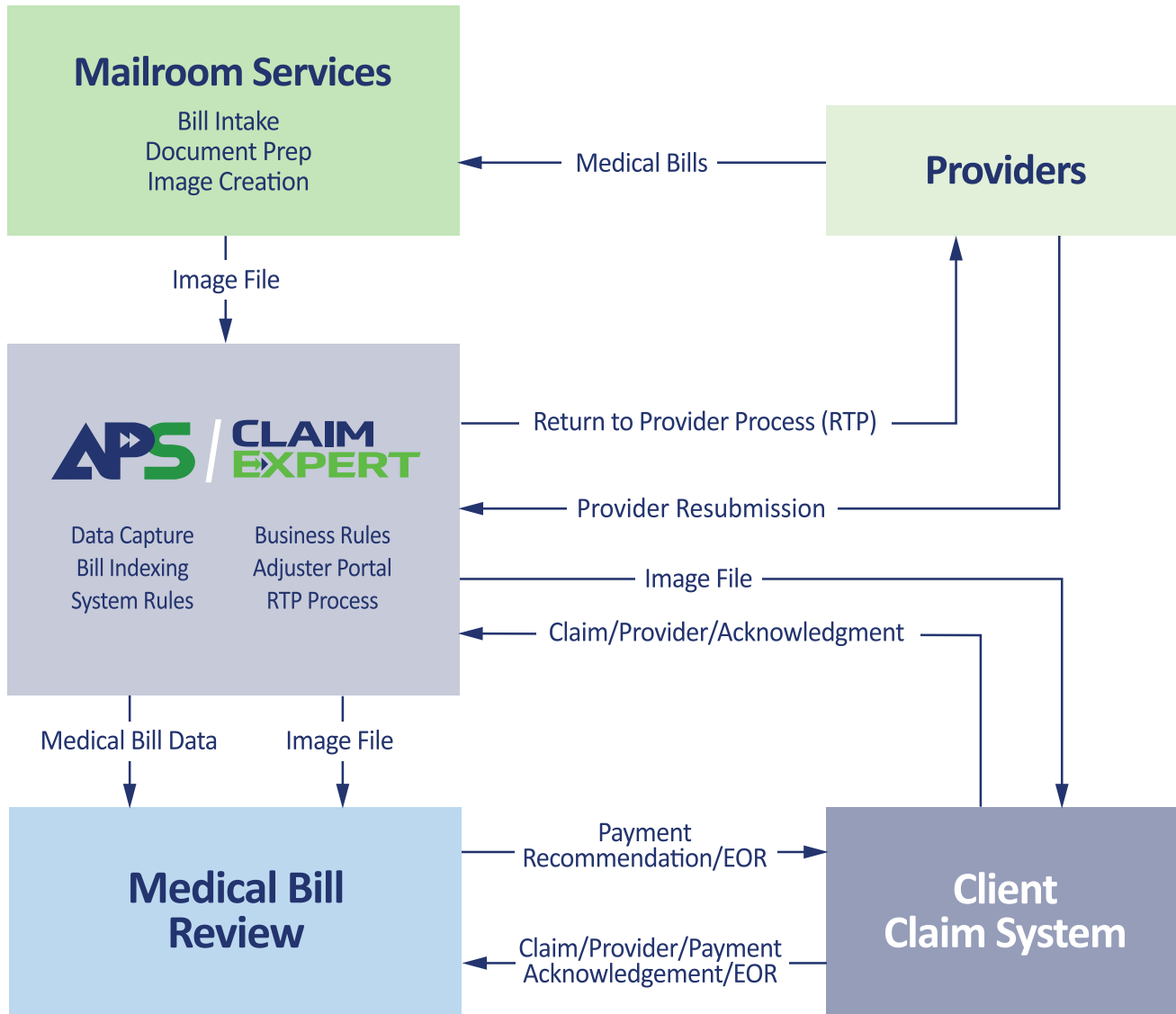
Adaptive Processing Solutions (APS) has a product that "identifies inappropriate billing," removing up to 18 percent of billed charges prior to bill review. ClaimExpert by APS is a data integrity tool that places its adjuster approval portal ahead of bill review, resulting in significant savings to medical spend and associated bill review processing fees. ClaimExpert ensures that only valid medical bills are passed into the bill review workflow, enhancing savings to medical costs as well as reducing bill review related fees and expenses.

APS Clients currently see an average of 32% of submitted billings returned to providers as inappropriate, incorrectly billed, improperly documented, or due to the presence of rarely used or unrelated billing codes. On average 58% of these returned bills are never re-submitted for processing by the providers.

The ClaimExpert system can be integrated with a client's existing bill review partner and is compatible with all bill review vendors. APS also offers medical bill review services among its suite of end-to-end process automation solutions for the workers' compensation and auto casualty claims industries.

Illustrated below is a standard bill review workflow, enhanced with the addition of the ClaimExpert solution.

ClaimExpert Integrated Work Flow



In addition to maximizing medical cost savings, APS also helps improve the effectiveness of the adjuster team. Adjusters using ClaimExpert close medical claims more than 10-percent faster. By automatically processing 62% of incoming medical bills and non-medical documents with no user intervention, adjusters can focus on complex issues, keeping all claims on track to be settled quickly at appropriate values.

Case Studies

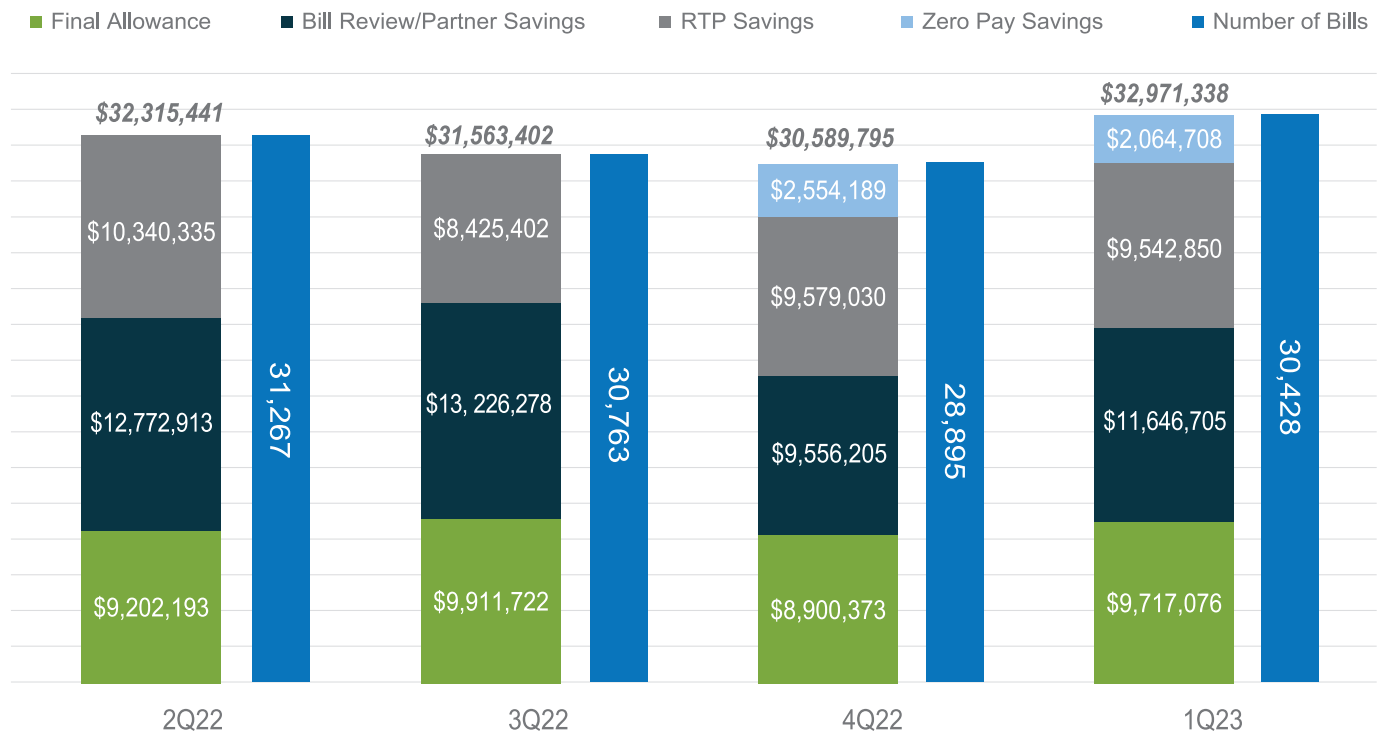
APS is generating real and substantial medical savings for its clients every day.

These case studies represent actual client activity. Savings are captured either as Return To Provider (RTP) or as Zero Pay EORs processed through the bill review system. RTP savings represent either systematic or Adjuster designated returns to the provider for denials or additional information to substantiate the billed services. Zero Pay savings represent Adjuster designated denials in jurisdictions that require an explanation of review or if additional documentation is preferred to support their action.

Case Study #1:

This self-insured/self-administered employer has been on the ClaimExpert platform for eight years after transitioning from a “traditional” bill review model. ClaimExpert-based savings over this period have exceeded the original bill review vendor performance by over \$14M per year. The quarterly performance for this client from 4/1/22 to 3/31/23 is detailed below.

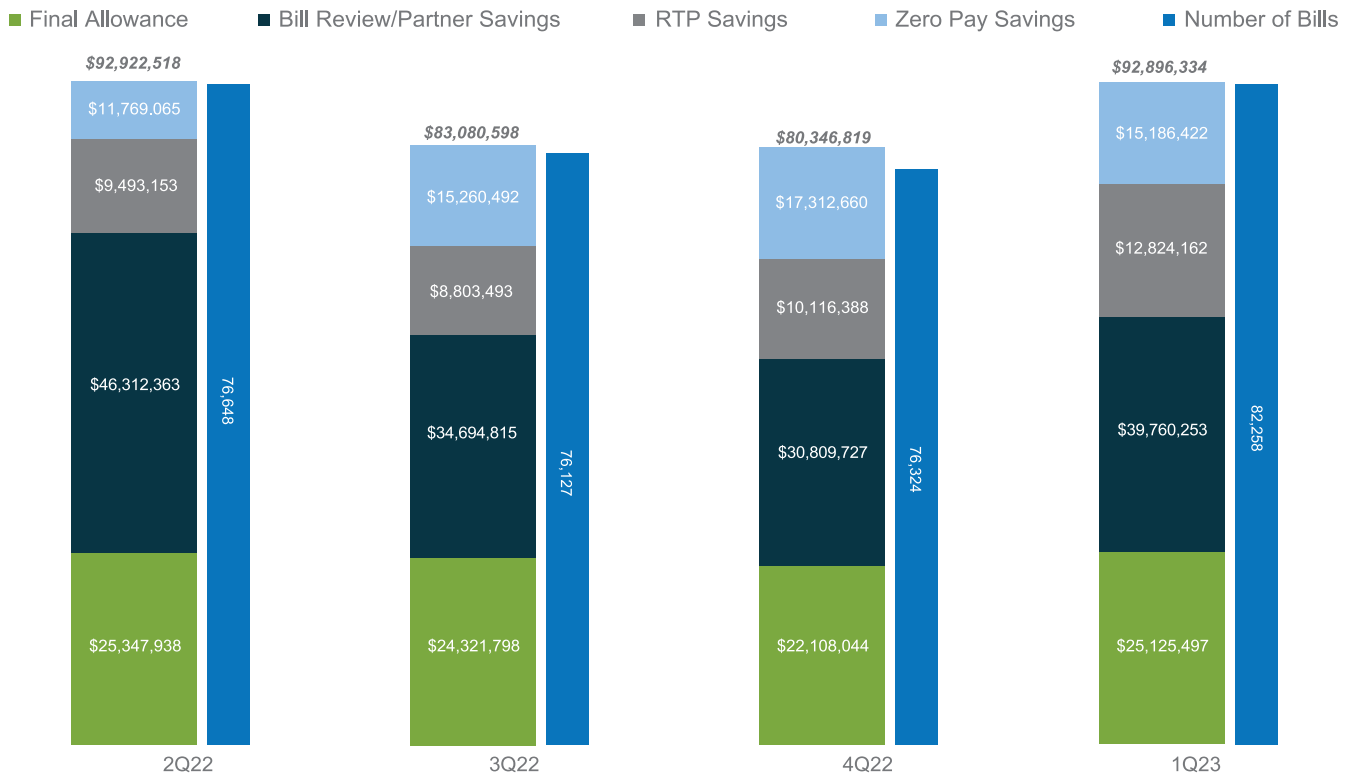
Source of Savings – Self-Insured/Self-Administered Employer Q2 2022 – Q1 2023



Case Study #2:

This national property casualty carrier is experiencing similar savings via the sustained identification and removal of inappropriately billed provider charges. ClaimExpert based savings exceed \$20M annually. The quarterly performance for this client from 4/1/22 to 3/31/23 is detailed below.

Source of Savings - Property Casualty Carrier Q2 2022 – Q1 2023



ClaimExpert is a SaaS-based workers' comp and auto casualty medical bill management platform that integrates with existing claims systems and partner connections to control medical spend and streamline the claims handling process.

Conclusion

ClaimExpert is a claims processing platform that works with existing claims systems and bill review processes to make APS's clients more efficient while delivering significant reductions in medical loss and dramatic time savings. By placing this adjuster approval portal ahead of bill review, ClaimExpert removes up to 18 percent of billed charges, resulting in medical spend savings and reduction of associated bill review processing fees. In addition, adjusters are freed from mundane tasks so that they can focus on the critical process of adjusting complex claims and getting injured workers back to work quickly.

In addition to ClaimExpert, APS offers Electronic Billing clearinghouse services, Provider Payments services, Digital Mailroom (centralized document intake), Bill Review, PPO, Complex Review and Negotiation services, and a robust packet generating product, among other tools intended to automate the entire medical bill cycle. APS truly takes the claims management process from inception to resolution.

To learn more about how APS can streamline claims operations and to request a ClaimExpert impact analysis, call 1-855-282-1476 or visit AdaptiveProcessing.com today.