

INGENIX[®]

Fee Negotiation Services for Medical Bills

Historically, our clients save an average of 20–25 percent with an average success ratio over 60 percent.

Executive Summary

Out-of-network costs for workers' compensation and automotive injury insurance medical bills represent substantial expenses for most organizations. One option for addressing this challenge is repricing; however, that can lead to lengthy reconsiderations and financial loss, or to a negotiation process that strains provider relationships and complicates the expansion of your network. Most organizations lack the internal resources to effectively recapture lost revenue.

Ingenix can help. Ingenix Fee Negotiation Services can help you save on medical bill payments outside of traditional contracted providers, including non-network or non-participating providers as well as on ER admissions, acute care, skilled nursing, and home health cases. Our services provide:

- **Complete and transparent bill resolution contracted in writing**
- **Complete bill review by expert clinicians and coders**
- **Skilled negotiators with years of experience working directly with providers nationwide**
- **Stronger working relationships with a direct, hands-on negotiation approach for each bill**
- **Contingency-based model for services**

Overview

Ingenix Fee Negotiation Services offers two distinct contingency-based services: Pre-Review, typically performed before or during treatment, and Post-Review, typically performed after treatment but before payment. Whether you utilize one service or both, our cooperative strategy yields signed agreements, no reconsiderations, and perhaps most importantly, stronger relationships with you and your providers and members. And that ultimately contributes to savings for your health plan or workers' compensation program.

Pre-Review Fee Negotiation Service

In our Pre-Review Fee Negotiation Service, management of the bill is typically initiated at the utilization management, care management, or pre-certification phase. Our highly skilled negotiators then work with the facility to contract favorable agreements and considerable discounts. With this focus on the front end of medical care, payers benefit from a substantial savings—historically averaging more than 30 percent.

The charts illustrate the significant contrast in Pre-Review negotiation results versus the conventional Post-Review fee negotiation results

PRE-REVIEW NEGOTIATION RESULTS EXAMPLES					POST-REVIEW NEGOTIATION RESULTS EXAMPLES				
Provider	DOS	Billed \$	Discount %	Savings \$	Provider	DOS	Billed \$	Discount %	Savings \$
Washington	9/15/2008	\$19,036.65	54.00%	\$10,279.79	Washington	4/10/2008	\$11,381.25	20.00%	\$2,276.25
Colorado	9/10/2008	\$22,927.14	44.00%	\$10,087.94	Colorado	2/5/2005	\$10,947.39	30.00%	\$3,284.22
California	8/7/2008	\$28,202.00	46.81%	\$13,201.36	California	2/14/2007	\$36,633.00	0.00%	\$0.00
California (Psych)	6/12/2008	\$53,466.84	57.92%	\$30,967.99	California (Psych)	5/3/2005	\$15,207.31	20.00%	\$3,041.46
Texas	6/22/2008	\$12,154.55	50.00%	\$6,077.28	Texas	8/25/2004	\$5,222.81	4.00%	\$208.91
New Jersey	7/11/2008	\$17,112.58	35.00%	\$5,989.40	Arizona	2/25/2007	\$1,397.63	20.00%	\$279.53

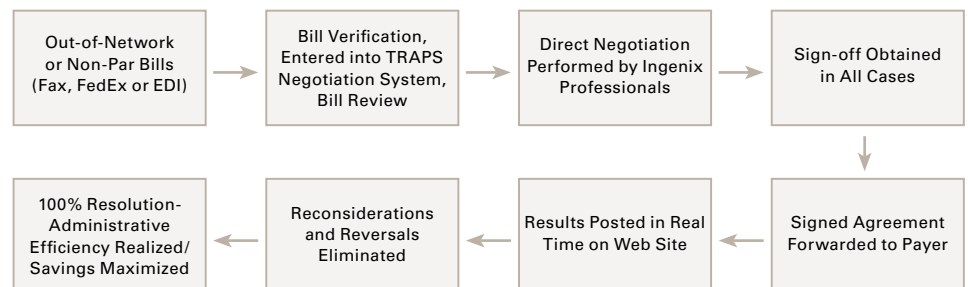
Post-Review Fee Negotiation Service

In our Post-Review Fee Negotiation Service, all received bills are reviewed and settled directly with the provider or facility. Our team of audit nurses and professional coders review each bill for possible overcharges, inappropriate charges, billing errors, and excessive charges. Using normative charges as a benchmark, these reviews are performed by comparing other providers' fees and by using historical proprietary data. Because we base negotiated amounts on plans' allowed charges, historically, we have been able to find a discount average of 23 percent on 60 percent of bills submitted while simultaneously eliminating repricing and costly reconsiderations as well as reducing overall administrative costs.

Direct Negotiation for Improved Provider and Member Relationships

Using direct negotiation on a case-by-case basis, we target inpatient, outpatient, and professional bills of almost all types over certain agreed-upon minimums. Setting recommended bill thresholds minimizes administrative investment and maximizes the savings yield. Our state-of-the-art reporting and case tracking web applications enable us to clearly communicate with clients to deliver results quickly, and all agreements are contracted in writing, with terms that are transparent to all parties, to facilitate total bill resolution. This approach leads to a consistent, credible, and value-added relationship—not just with our payer customers, but with the providers, facilities, and plan members as well.

Stronger relationships and a straight-forward process: Ingenix Fee Negotiation Service



Key Features ↙

Both our Pre-Review and Post-Review Fee Negotiation Services provide real-time reporting and case tracking web applications as well as:

- Bill status posted in real time
- Direct client report access
- Secure data environment
- Customized report applications

In addition, we utilize a proprietary database to effectively maximize savings on each bill. This database offers a clear advantage when negotiating with providers:

- System interface with historical provider data
- Code review and bill edits
- Provider profiles
- Benchmark pricing
- Cost-to-charge ratio benchmarks
- RN line-item reviews and audits

Ingenix Fee Negotiation Services can help you contain your out-of-network costs. For more information, call your Ingenix account executive for the details, or contact us at (800) 765-6034 or ingenuity@ingenix.com today.

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