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Claims Strategies<sup>SM</sup>

*"Medical Cost Containment Solutions"*

# *Medical Bill Review & PPO ICING 2017 Year In Review & 2018 Road Map*

*Overview Prepared for:*

**Carlos M. Navarro**  
**Innovative Claims Strategies LLC**  
[cnavarro@icstrategies.com](mailto:cnavarro@icstrategies.com)  
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## *Year in Review Agenda*

- Operational Workflow Review
  - [REDACTED] – Review Workflow Post Implementation – 1<sup>st</sup> Year
    - ← Incoming Bills/Scanning
    - ← CEP – Online Approval
    - ← Daily Payment File from SmartAdvisor to [REDACTED]
    - ← Daily Completed EOR File
    - ← Generating Provider Payments
    - ← Daily Claim/Provider File from Stars to SmartAdvisor
    - ← Weekly W9 File
    - ← Less Paper Dependent Environment discussion



## *Year in Review Agenda*

- ICS Technology
  - CEP Review
    - ← Search Bills/Claims & Customized Search Results
    - ← Claim Comment Utilization
    - ← Claim Calendar
    - ← Claimant Dashboard
    - ← Combined PDF File
    - ← How to use Alerts/Reminders
    - ← New Pend Queue's
  - SmartReports
    - ← Canned Reports & Subscriptions
    - ← Provide Access



## *2017 Year in Review – Comparative Results*

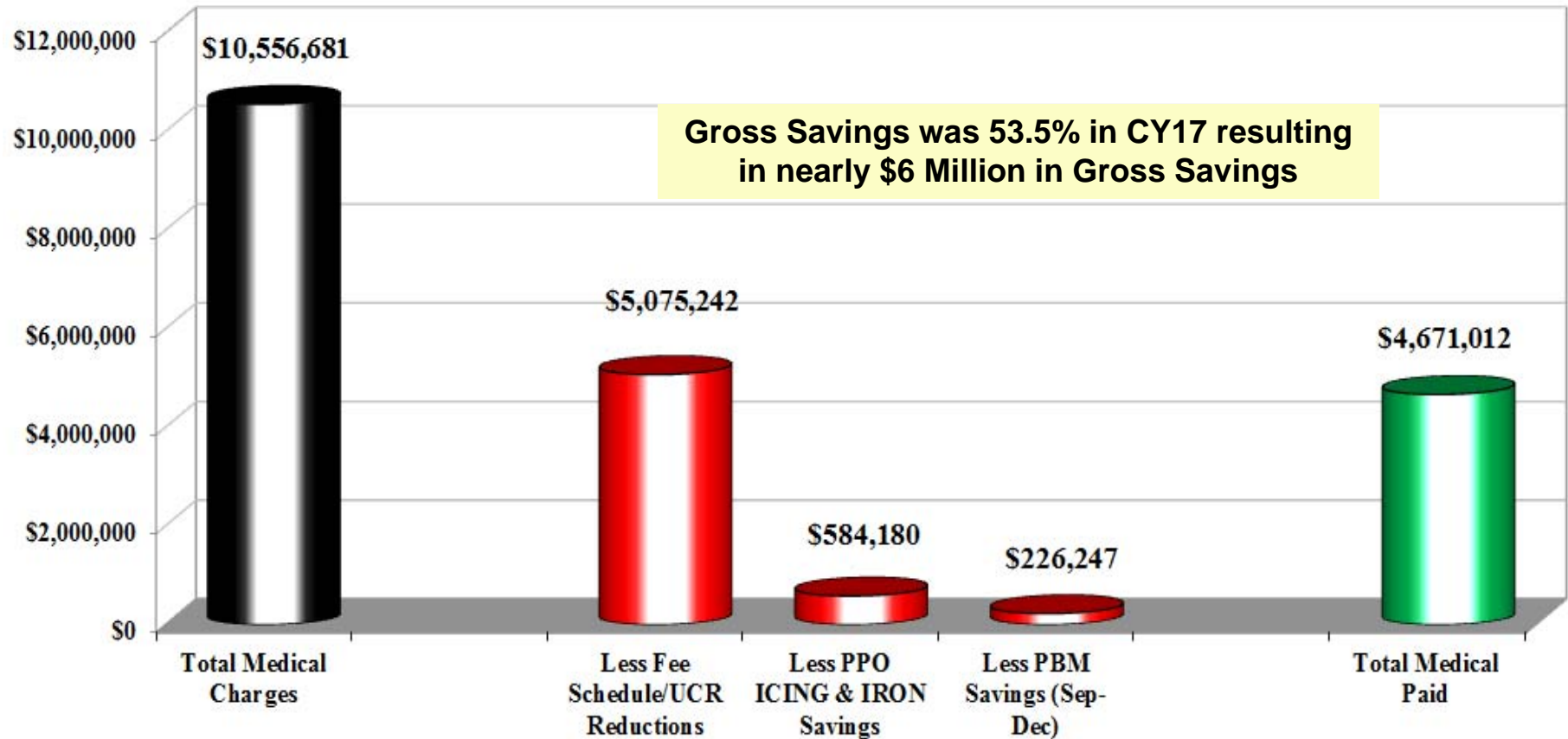


- Total Medical Paid Analysis
- Cash Savings Outcomes
- Medical Bills Received
- Gross Savings
- Net Savings
- Return on Cost
- Savings Below Fee Schedule
- PPO Penetration
- TAT Outcomes





## Medical Bill Review – Financial Results – CY17



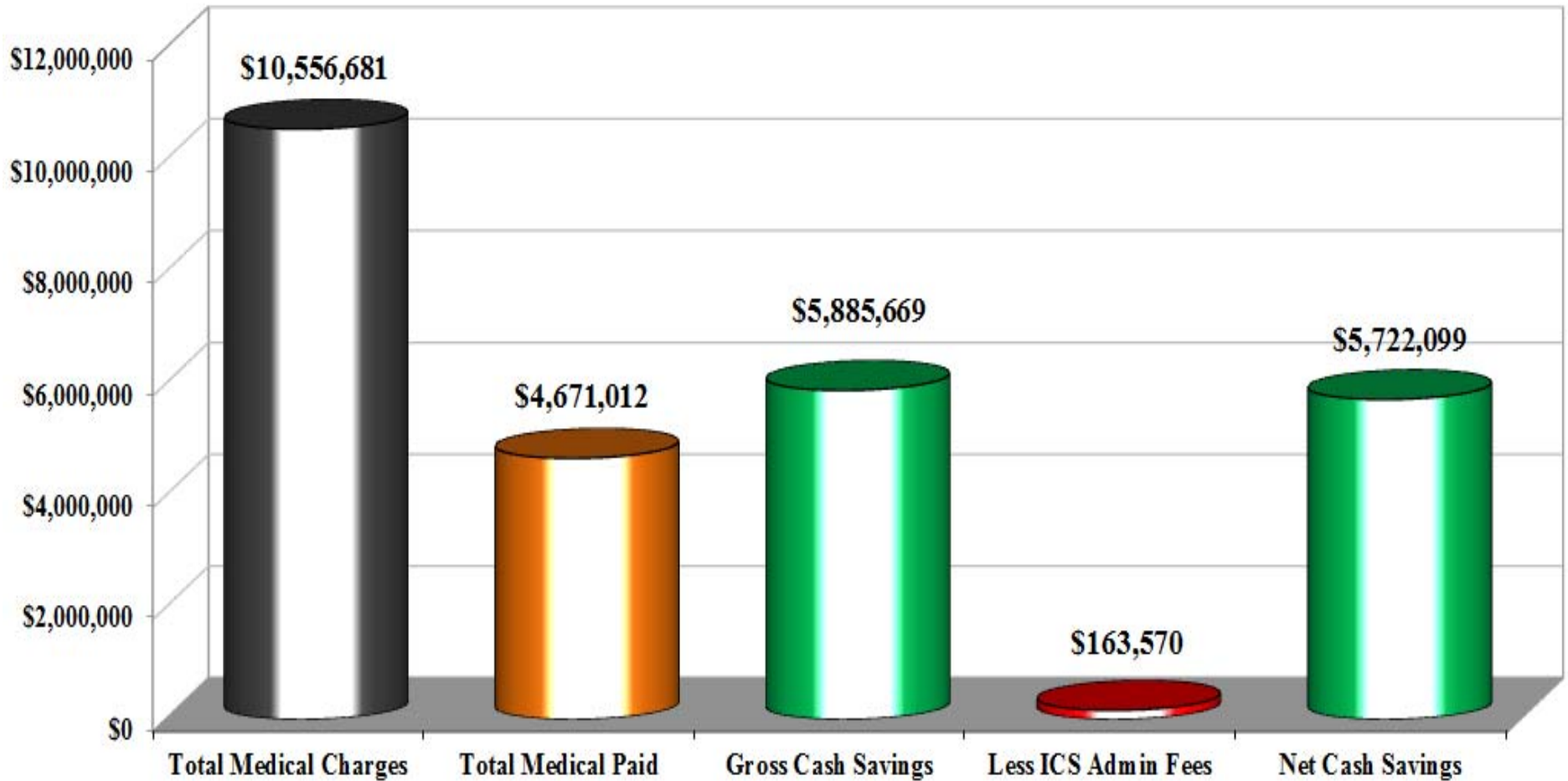


## Medical Bill Review – Financial Results Since Program Inception



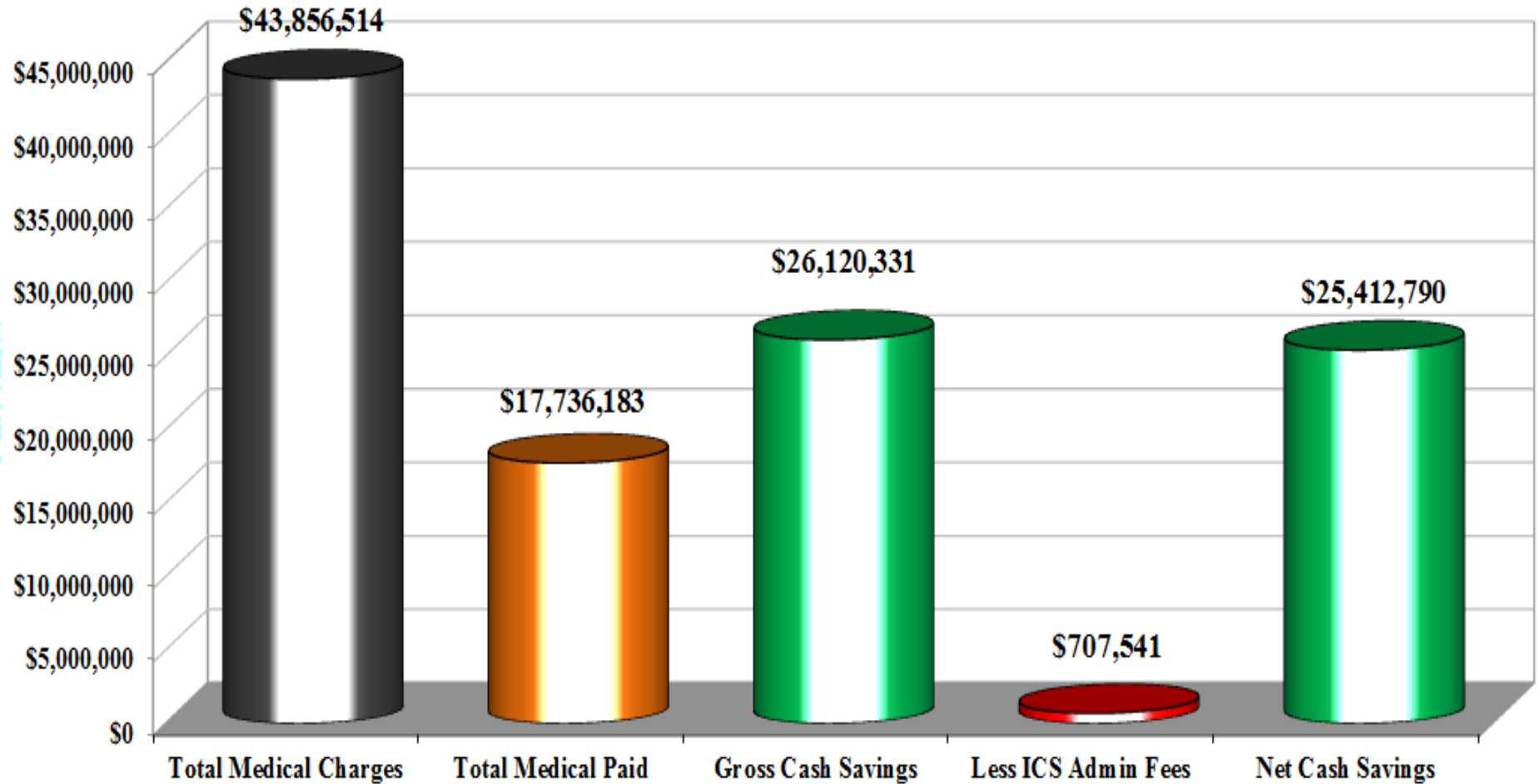


## *Net Cash Savings Outcome – Calendar Year 2017*





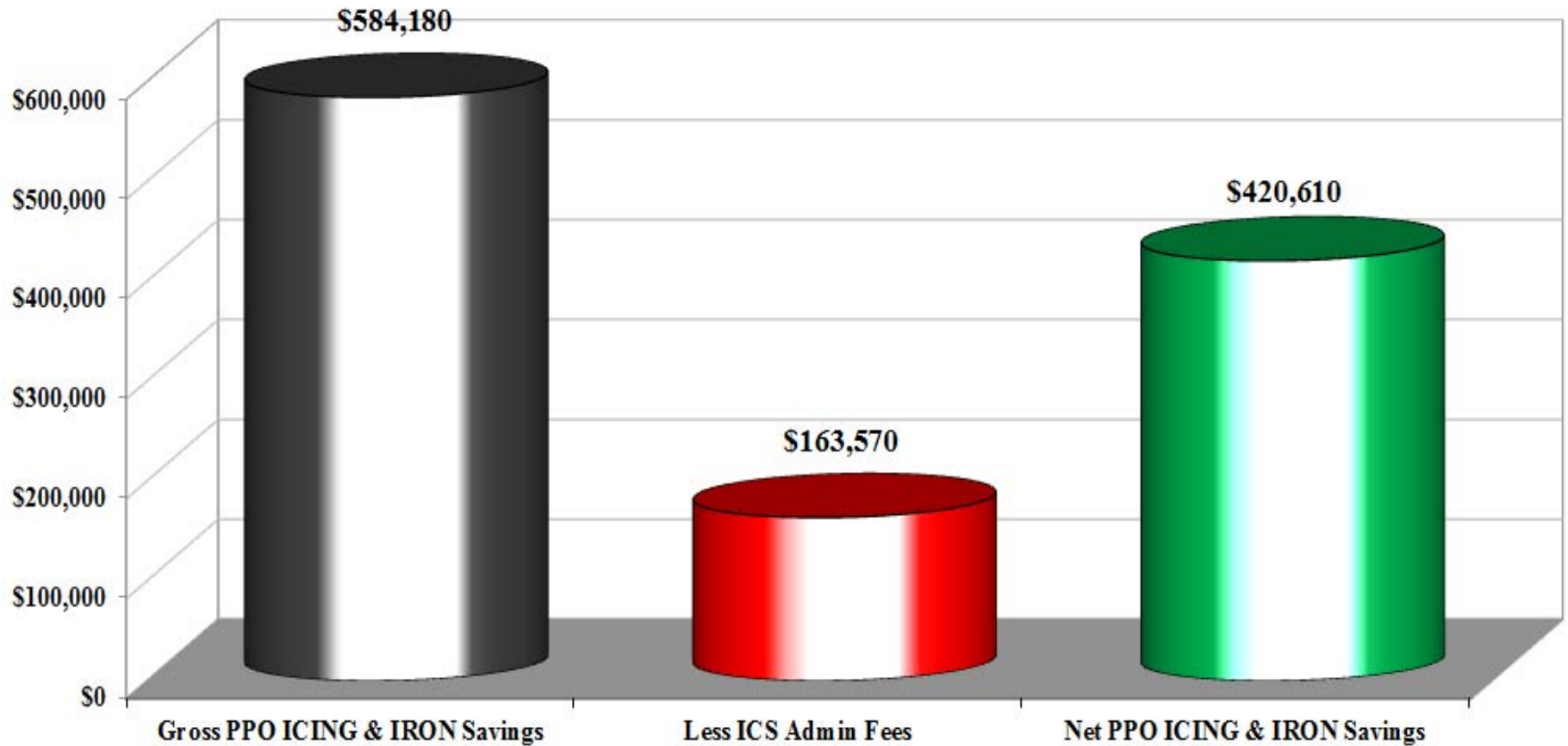
## *Net Cash Savings Outcome – Since Program Inception*





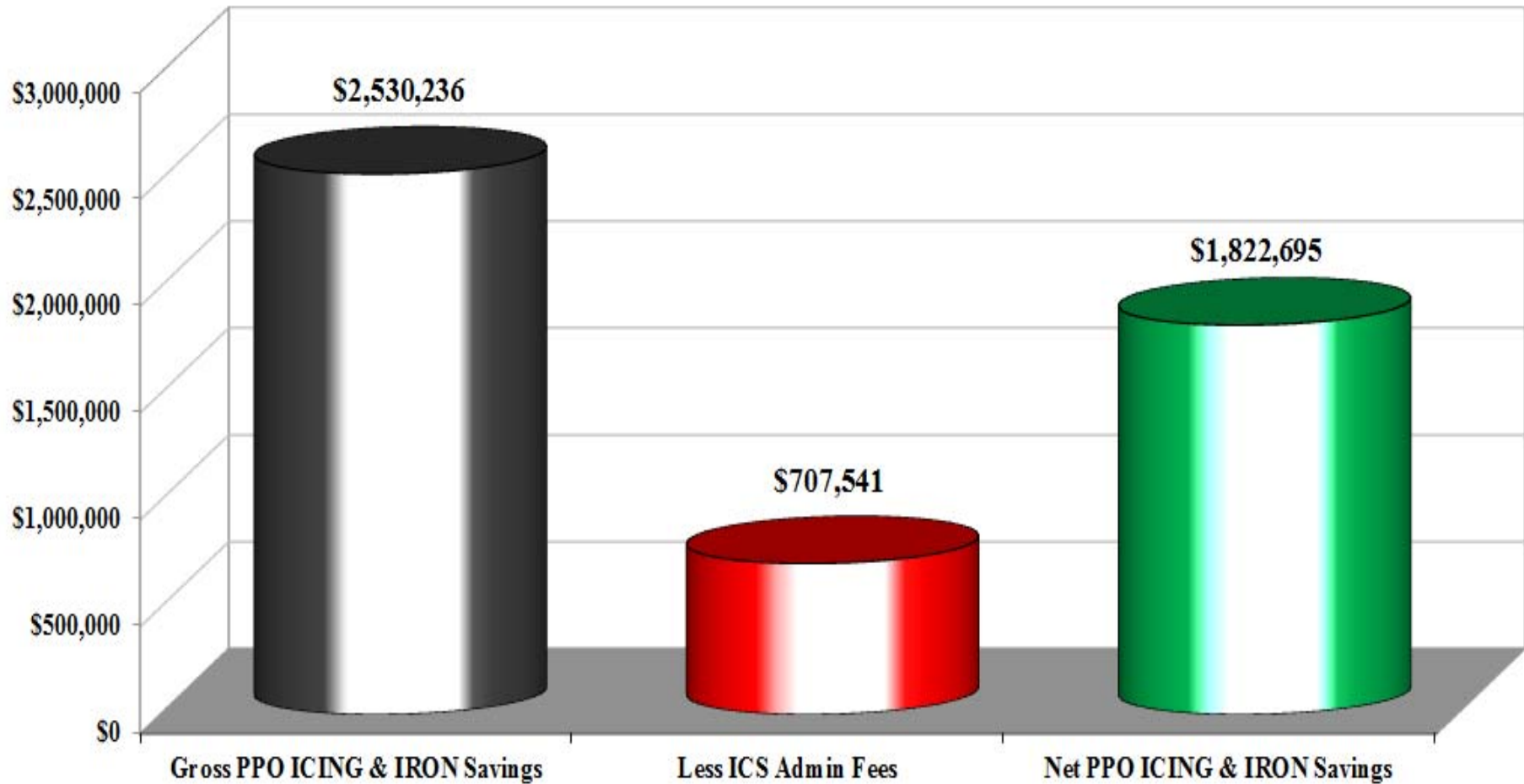


## *PPO ICING Savings Outcome – Calendar Year 2017*



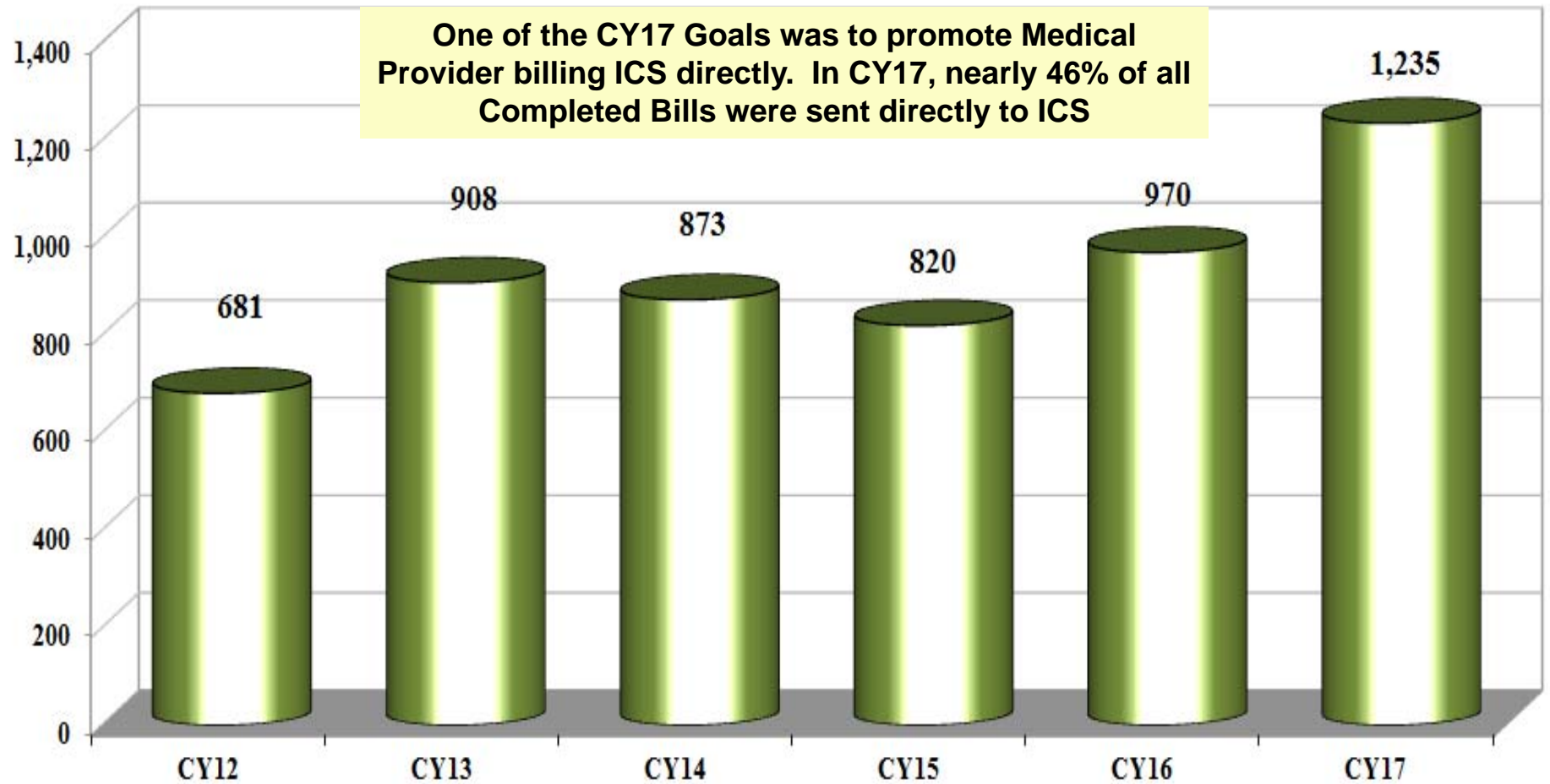


## *PPO ICING Savings Outcome – Since Program Inception*



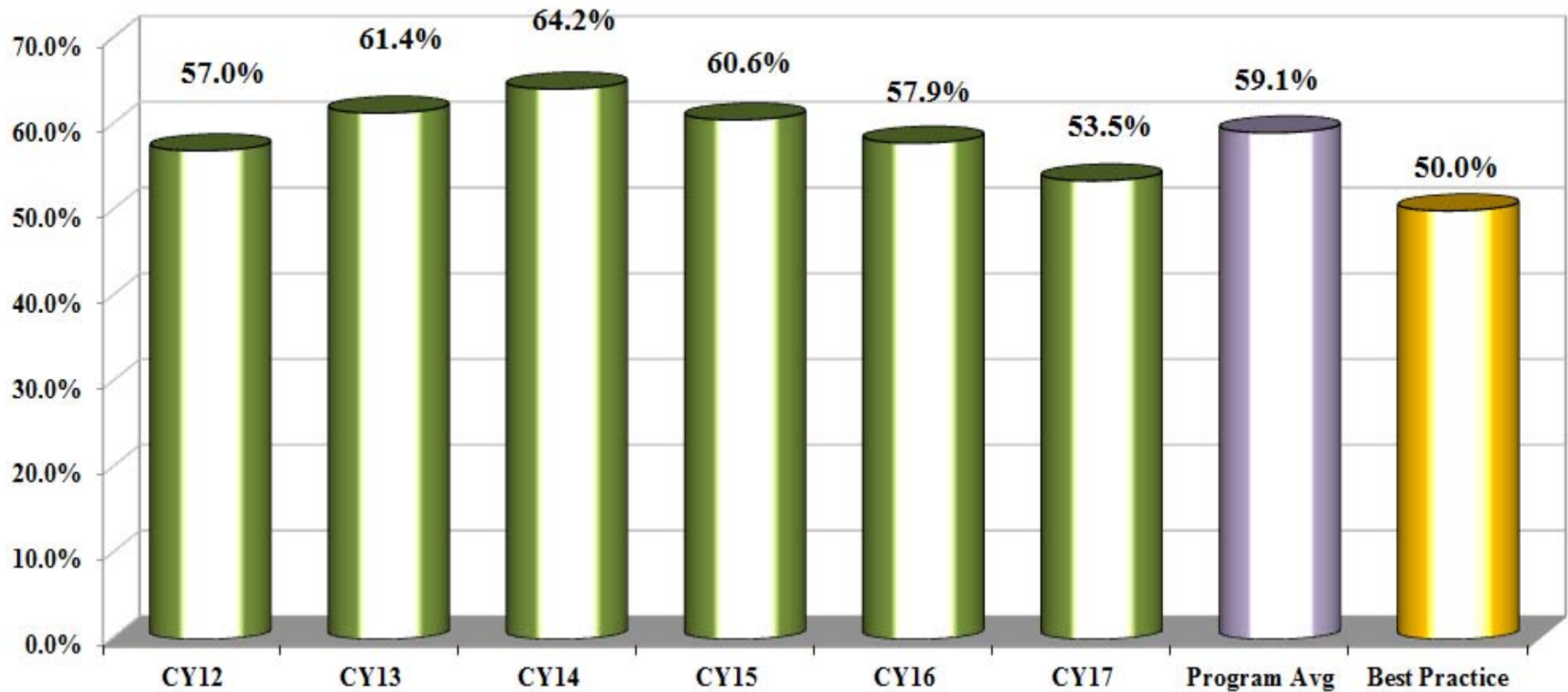


## *Average Monthly Medical Bills Completed Results*





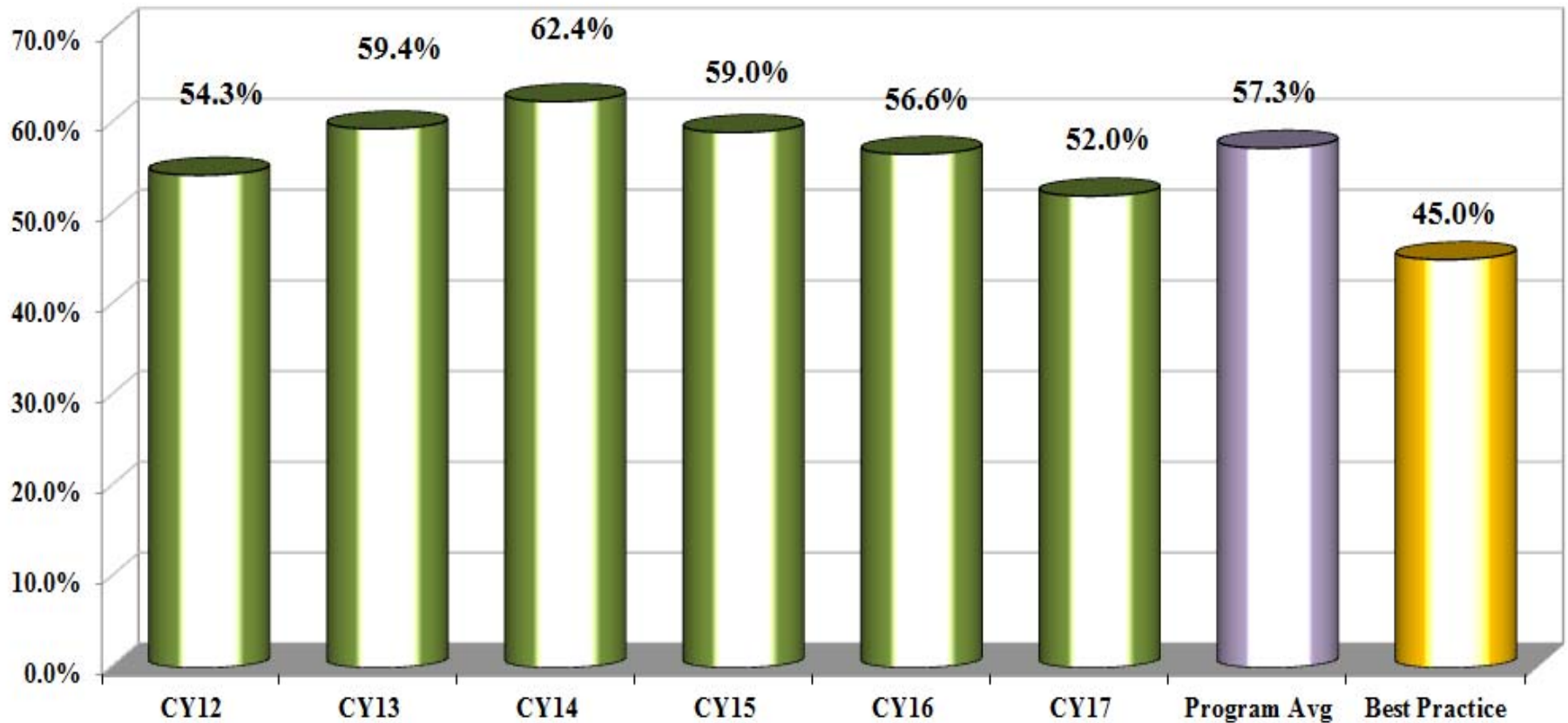
## Gross Savings Comparative Analysis



The Gross Savings results achieved since Program Inception or 59.1% is approximately 20% higher than the National Best Practice Benchmarks for a Self Insured/Self Administered Employer



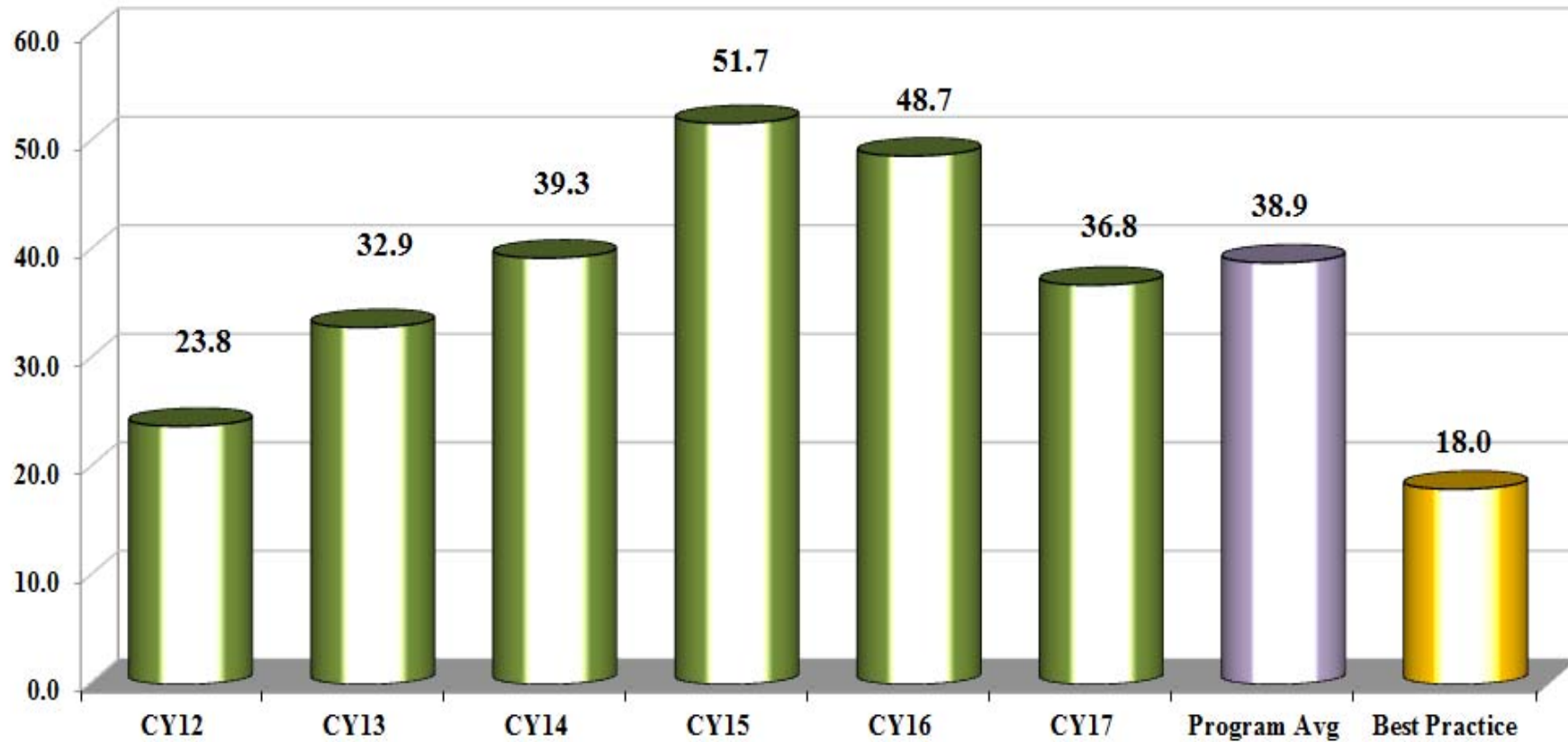
## *Net Savings Comparative Analysis*



**The Net Savings results achieved since Program Inception or 57.3% is approximately 30% higher than the National Best Practice Benchmarks for a Self Insured/Self Administered Employer**



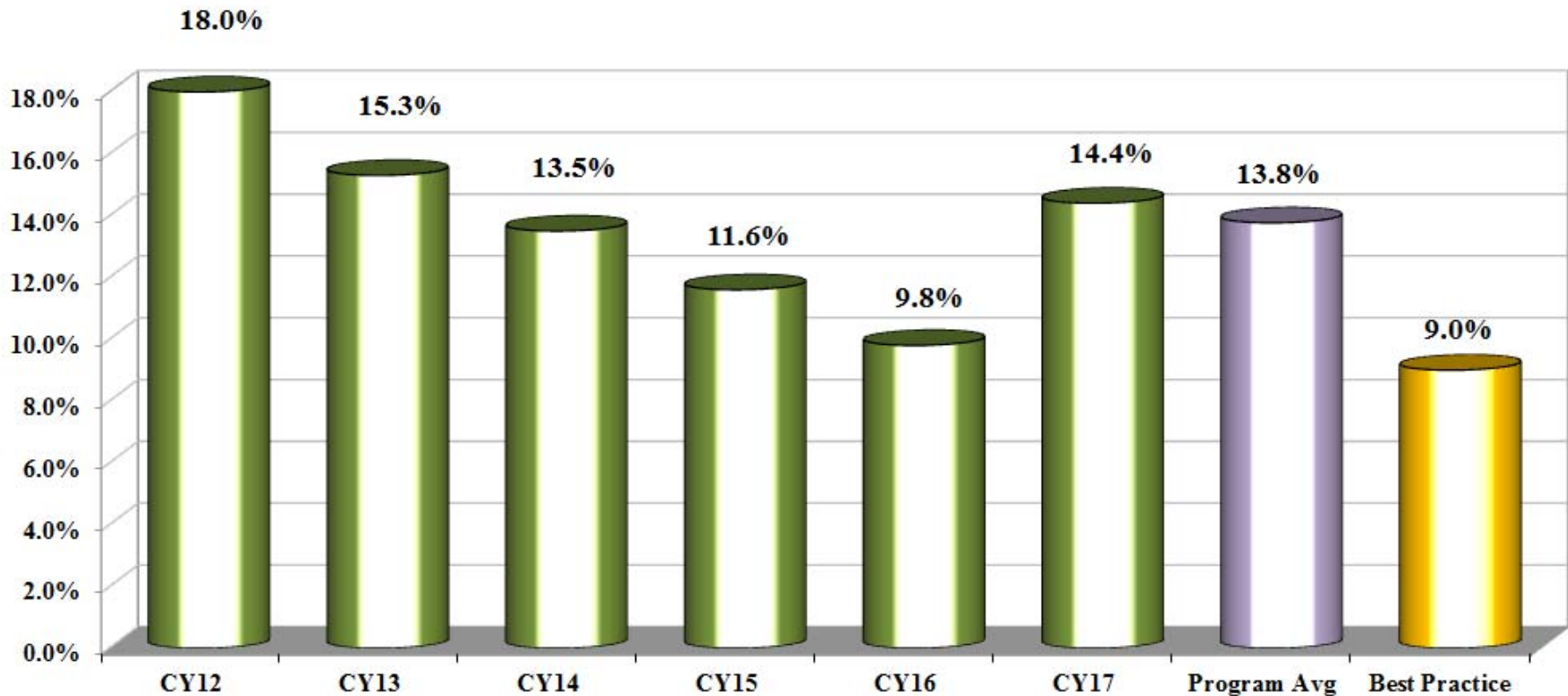
## *Return on Cost Results Comparative Analysis*



The ROC results achieved since Program Inception or 38.9 is approximately 118% higher than the National Best Practice Benchmarks for a Self Insured/Self Administered Employer



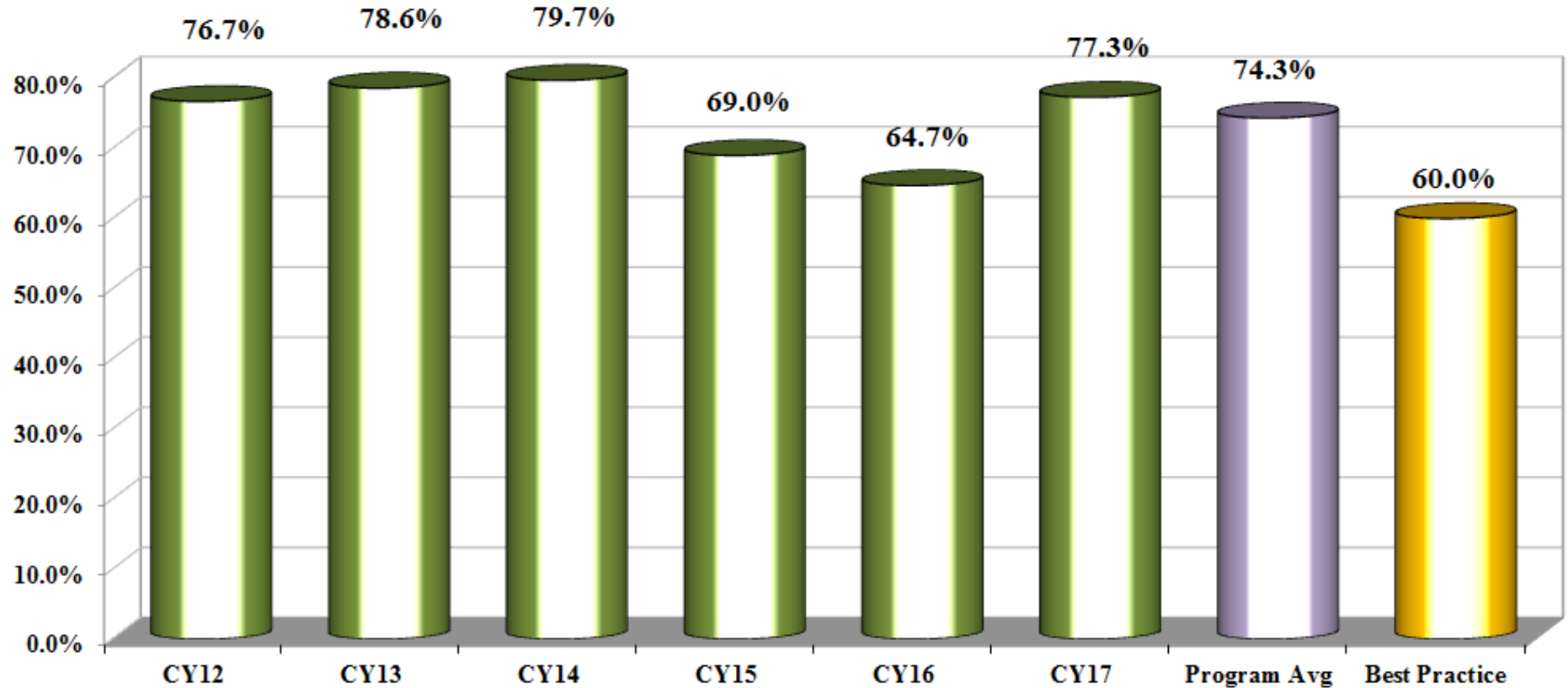
## *Savings Below Fee Schedule Comparative Analysis*



The SBFS results achieved since Program Inception or 13.8% is approximately 51% higher than the National Best Practice Benchmarks for a [REDACTED] Self Insured/Self Administered Employer



## *PPO Penetration Results Comparative Analysis*

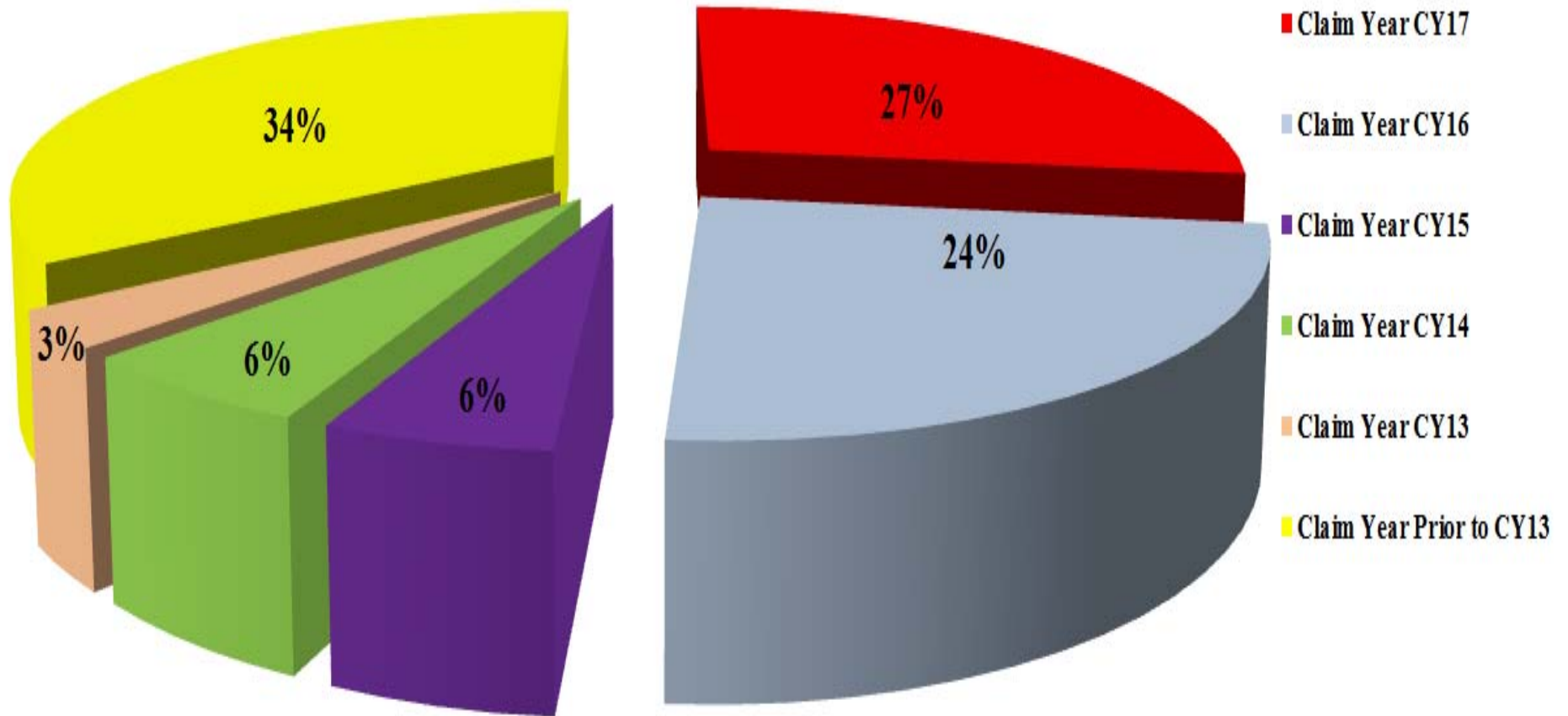


The PPO Penetration results achieved since Program Inception or 74.3% is approximately 23% higher than the National Best Practice Benchmarks for a [REDACTED] Self Insured/Self Administered Employer. There was nearly a 20% improvement in PPO Penetration from CY16 to CY17.





## *Medical Paid CY17 – By Claim Loss Year*





## *Medical Paid & Utilization Analysis – Dates of Services – CY17 Top Ten by Claim Number*

Claim Number	Paid	% of Total		Claim Number	Medical Services	% of Total
	\$227,264.48	5.90%			617	1.71%
	\$122,524.21	3.18%			533	1.48%
	\$56,467.22	1.47%			441	1.22%
	\$51,956.16	1.35%			440	1.22%
	\$44,567.28	1.16%			357	0.99%
	\$43,589.25	1.13%			327	0.91%
	\$43,493.77	1.13%			318	0.88%
	\$40,151.43	1.04%			304	0.84%
	\$38,432.68	1.00%			279	0.77%
	\$36,576.57	0.95%			265	0.74%
<b>Totals</b>	<b>\$705,023.05</b>	<b>18.30%</b>		<b>Totals</b>	<b>3,881</b>	<b>10.78%</b>



## *Medical Paid & Utilization Analysis – Dates of Services – CY17 Top Ten by Medical Provider*

Medical Provider	Medical Paid	% of Total	Medical Provider	Medical Services	% of Total
	\$362,955.42	9.42%		4,753	13.20%
	\$281,317.30	7.30%		2,356	6.54%
	\$203,806.62	5.29%		2,243	6.23%
	\$189,249.79	4.91%		2,166	6.02%
	\$176,092.74	4.57%		1,837	5.10%
	\$161,078.60	4.18%		1,577	4.38%
	\$122,034.55	3.17%		1,091	3.03%
	\$105,323.21	2.73%		967	2.69%
	\$96,061.88	2.49%		942	2.62%
	\$85,235.96	2.21%		915	2.54%
Totals	\$1,783,156.07	46.29%	Totals	18,847	52.34%



## *Medical Paid & Utilization Analysis – Dates of Services – CY17*

### *Top Ten by Medical Procedures*

Medical Procedures	Paid	% of Total	Medical Procedures	Medical Services	% of Total
097110 - THERAPEUTIC EXERCISES	\$322,268.42	8.37%	097110 - THERAPEUTIC EXERCISES	5,258	14.60%
278 - OTHER IMPLANTS	\$185,804.89	4.82%	097140 - MANUAL THERAPY 1/> REGIO	4,372	12.14%
097140 - MANUAL THERAPY 1/> REGIO	\$183,225.83	4.76%	097010 - HOT OR COLD PACKS THERAP	2,608	7.24%
099214 - OFFICE/OUTPATIENT VISIT	\$143,819.54	3.73%	097112 - NEUROMUSCULAR REEDUCATIO	2,238	6.22%
099213 - OFFICE/OUTPATIENT VISIT	\$139,560.49	3.62%	097014 - ELECTRIC STIMULATION THE	2,140	5.94%
270 - MED/SURGICAL SUPPLS/DRUG	\$115,423.46	3.00%	097530 - THERAPEUTIC ACTIVITIES	2,008	5.58%
097530 - THERAPEUTIC ACTIVITIES	\$100,295.70	2.60%	099213 - OFFICE/OUTPATIENT VISIT	1,570	4.36%
097112 - NEUROMUSCULAR REEDUCATIO	\$94,685.15	2.46%	0G0283 - ELEC STIM OTHER THAN WOU	1,143	3.17%
272 - STERILE SUPPLY	\$84,757.33	2.20%	099214 - OFFICE/OUTPATIENT VISIT	1,111	3.09%
360 - OPERATING ROOM SERVICES	\$83,847.66	2.18%	098941 - CHIROPRACT MANJ 3-4 REGI	704	1.96%
<b>Totals</b>	<b>\$1,453,688.47</b>	<b>37.75%</b>	<b>Totals</b>	<b>23,152</b>	<b>64.30%</b>



## *Medical Paid & Utilization Analysis – Dates of Services – CY17*

### *Top Ten by Diagnosis*

Diagnosis	Paid	% of Total	Diagnosis	Medical Services	% of Total
INJURY, UNSPECIFIED, SUBSEQUENT ENCOUNTER	\$363,715.64	9.44%	LOW BACK PAIN	2,089	5.80%
FISTULA OF INTESTINE	\$198,052.68	5.14%	PAIN IN LEFT SHOULDER	1,191	3.31%
SPINAL STENOSIS, LUMBAR REGION	\$149,999.57	3.89%	PAIN IN RIGHT SHOULDER	1,170	3.25%
LOW BACK PAIN	\$142,477.28	3.70%	SPRAIN OF LIGAMENTS OF THORACIC SPINE, INITIAL ENCOUNTER	1,152	3.20%
RADICULOPATHY, LUMBAR REGION	\$94,664.69	2.46%	CERVICALGIA	1,138	3.16%
POSTLAMINECTOMY SYNDROME, NOT ELSEWHERE CLASSIFIED	\$67,689.62	1.76%	PAIN IN LEFT KNEE	1,098	3.05%
PAIN IN LEFT KNEE	\$64,542.88	1.68%	SPRAIN OF LIGAMENTS OF LUMBAR SPINE, INITIAL ENCOUNTER	995	2.76%
CERVICALGIA	\$61,277.66	1.59%	INJURY, UNSPECIFIED, SUBSEQUENT ENCOUNTER	989	2.75%
PAIN IN LEFT SHOULDER	\$55,858.91	1.45%	SPRAIN OF LIGAMENTS OF CERVICAL SPINE, SUBSEQUENT ENCOUNTER	876	2.43%
OTHER CHRONIC POSTPROCEDURAL PAIN	\$51,654.68	1.34%	OTHER INTERVERTEBRAL DISC DEGENERATION, LUMBAR REGION	691	1.92%
<b>Totals</b>	<b>\$1,249,933.61</b>	<b>32.46%</b>	<b>Totals</b>	<b>11,389</b>	<b>31.63%</b>



## 2018 Road Map

- Continue Improvement of PPO Penetration
- Continue to refine EDI & Online Approval
- Implement Performance Based Provider Report Cards
- Maintain Gross & Net Savings Results
- Maintain ROC Results
- Obtain Loss Time Days on Claims to measure impact on Medical Cost
- Obtain FROI Lag Time to measure impact on Medical Cost





Innovative  
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“Medical Cost Containment Solutions”

## *Our Vision*

*“Every once in a while the unexpected arrives, a company that rises to the medical challenges of a new day”*

