



Innovative
Claims StrategiesSM

"Medical Cost Containment Solutions"

Integrated Medical Cost Containment Management Business Model

*Introductory Overview
Prepared for:*

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Today's Agenda

- Overview of Innovative Claims Strategies LLC
 - History
 - Structure
 - Core Competencies
- Understanding YOU
 - Vision, Mission & Guiding Principals
- Q&A





Corporate Overview

Leading provider of strategic medical cost containment solutions—content, technology, and services—to the Property & Casualty industry

- National provider of medical cost containment solutions through a unique business model that delivers innovative, integrated, and flexible services focused to improve healthcare management and costs
- Long history providing customized Integrated Cost Containment Service programs specifically to the Workers' Compensation, Auto, Liability and Disability markets with demonstrated result and unparalleled services
- Customer / Service Centric Culture
- Medical & Disability services applying "Best Practice" techniques
- Documented Savings & Results
- Comprehensive, innovative, and flexible technology solutions
- We create branded business models, not commodities

Corporate Facts:

Founded:
2006

Headquarters:
Piscataway NJ

Ownership:
Privately Held

Mission Statement

"Our principle objective is to deliver innovative, integrated, and flexible medical cost containment services to our clients that result in outstanding program outcomes"

*- Kay R. Estes,
President/CEO*



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Our Core Competencies



**24/7 Call
Center**



**Nurse Care
Mgt with
Return-To-
Work
Focus**



**Prospective
Concurrent
Retro UR
Programs**



**Medical
Bill Review
with PPO
ICING**



**Out of
Network
IRON**



**MSP
Compliance**

Best Practice Technology creates Integrated Cost Containment Service Model

Our Unique Auto Injury Management Service Experience



*Integrated
Auto
Injury
Management*

- ICS has industry **Subject Matter Experts** who understand the unique issues facing an Auto Insurer First Party Payer
- ICS has key personnel that assisted in the promulgation of the **AICRA laws** in New Jersey
- ICS has key personnel that implemented large, complex, integrated medical claims management programs for various **Auto Insurers** in New Jersey and nationally
- ICS has the **integrated** proprietary technology that allows for the effective and efficient utilization of early intervention cost containment techniques and our **business model** is further tailored to support the Policy Language (incentives/penalties) of each carrier

Managed Care Services Defined

- **Focus:** Help insurers understand, verify, and control the medical cost portion of claims. Our clients have achieved savings well beyond the jurisdictionally mandated values
- **Clients:** Public and Private Sector Markets, Risk Pools, State Funds, Insurance Carriers, Third Party Administrators, Self-Insured/Self-Administered Employers, and the Transportation Industry.
- **Typical Services:** Review of Medical Bills, PPO ICING, Out of Network Agreements, Early Intervention Triage & Nurse Case Management, MSP Compliance Management and more



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Target Markets



- Auto Insurance Carriers – NJ, NY, MI, PA
- WC Insurance Carriers – Mid Market space
- Strategic Auto/WC Third Party Administrators
- Self-Insured/Self-Administered Employers
- Transportation
- FELA – Class I Railroads
- Public Entity
- JIF & Municipal Pools
- State Funds
- Defense Attorney (MSA/Demand Package Reviews)



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Levels of Distinction



- Woman Owned/Minority Business Enterprise
- Superior Technology
- Customized Workflow Design
- Directly Contracted PPO Partners
- Strategic Partners (iCORE)
- New Jersey DOBI approved AICRA provider
- SSAE18 & URAC Certified platforms
- National Capabilities
- Senior Leadership Skills & Experience



Getting to know our Audience.....

- Workers' Compensation Process Overview
 - Claim & Bill Volume
 - Life of a Medical Bill – Receipt to EOR/Payment
 - PPO & Specialty PPO Utilization
 - Other Best Practice Medical Cost Containment Techniques (DME, Pharmacy etc)
 - Nurse Case Management/Utilization Review/MSP Compliance
 - Jurisdictional Footprint
 - Other Lines of Business Coverage (Auto/Liability)
- System Integration
 - Claim System Overview
 - UR & Case Management System Overview
 - Current Operational Throughput
- EDI Requirements
 - Feeds from Claims System (Claim File, Policy etc)
 - Feeds from UR/Case Management System (Determinations, Treatment Plan etc)
 - Feeds from current MBR System (Payment Feeds, EOR etc)

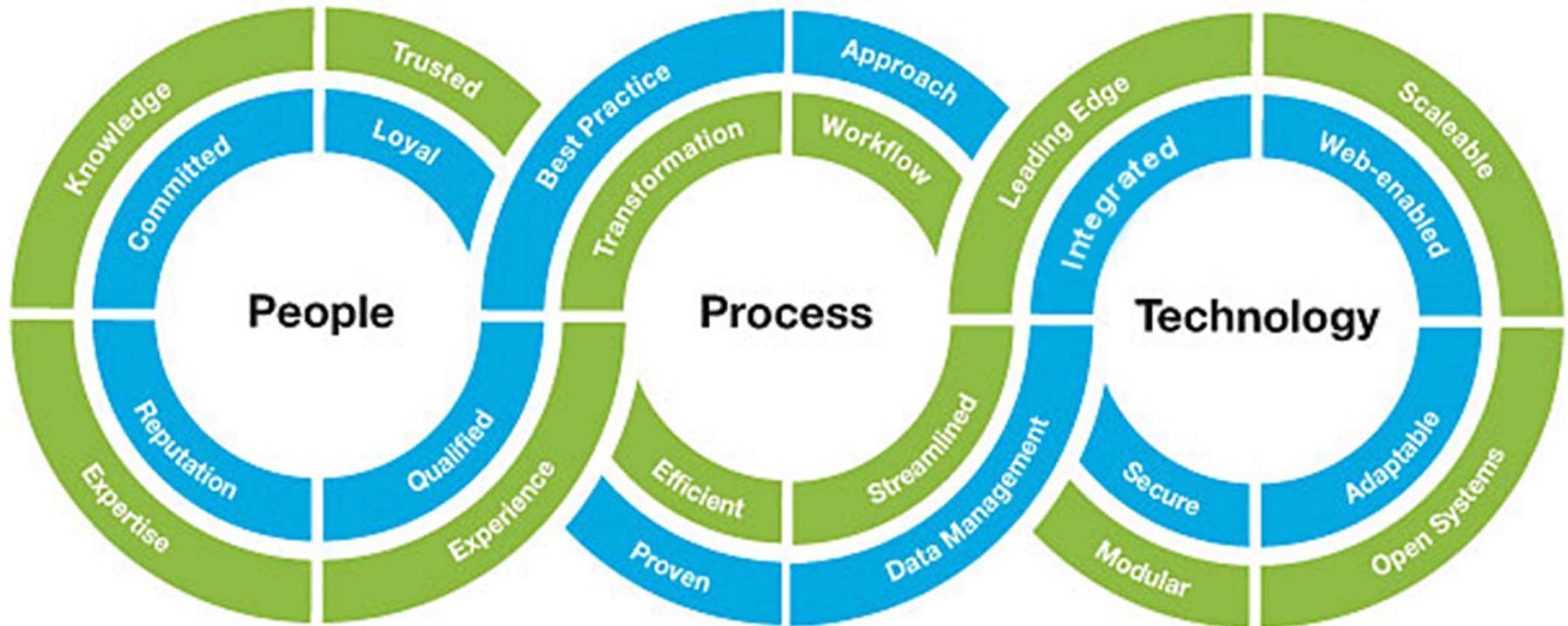
....the foundation for a successful partnership



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ICS Cost Containment Services – Our Approach





ICS Differentiators - Medical Bill Review



- Extensive knowledge and experience in creating & implementing integrated Medical Bill Review programs for Workers' Compensation, Auto Liability, and FELA clients
- Leader in innovative, flexible, technology-driven, Medical Bill Review service solutions
- Proven application of medical bill review decisions and workflows
- Committed to customize all aspects of service to ensure programs meet unique needs of each client
- PPO ICING & Out of Network IRON

Medical Bill Review Services Summary Overview

TECHNOLOGY

- Fee Schedule & UCR Application
- Capstone Rule Workflow Management
- Online Approval & Real Time Web Portal
- Data Integration & Electronic Interface
- Web based Management Reporting



SERVICE

- Mailroom & Claim Indexing
- Document Management
- Nurse Audit & Code Review
- Dedicated Account Management
- Provider Assistance Hotline



Medical Bill Review Services Summary Overview

DISTINCT ADVANTAGES

- PPO ICING
- Out of Network IRON – Signed Agreements
- Physician Bill Review
- State Reporting & Compliance Management
- Real Time Integration with Case Mgt/Pre Cert



RESULTS

- Increase PPO Penetration
- Increase Savings Below Fee Schedule
- Identify & Achieve Incremental Savings
- Reduce Administrative Cost
- Increase Return on Cost (ROC) outcomes

ICS PPO Network Business Model and Application

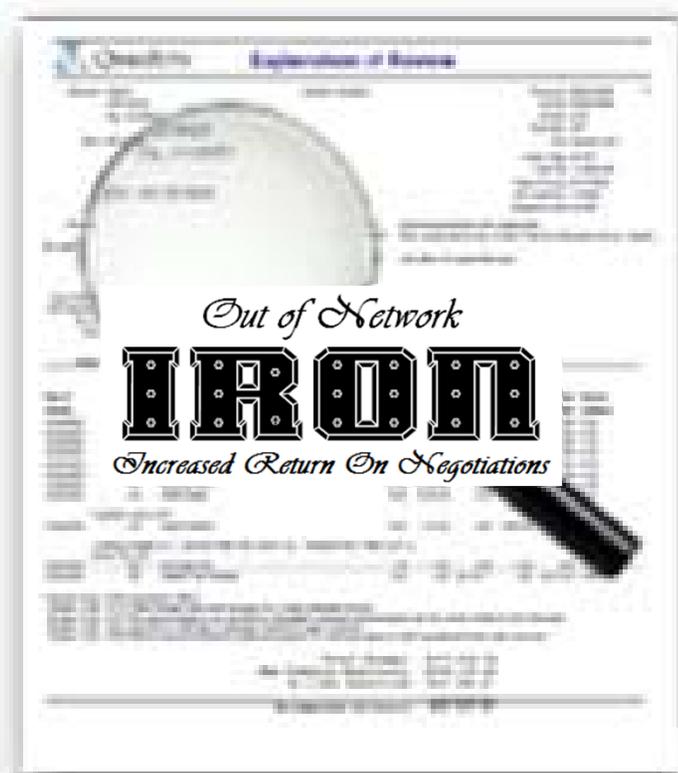


PPO-ICING
PPO-ICING
Integrated Coordination Increasing Network Growth

- Our PPO philosophy is that no singular PPO network exists that can offer the highest level of savings and penetration across multiple jurisdictions and lines of business
- ICS has developed a “mosaic” network offering in order to deliver the highest level of PPO penetration and savings for each jurisdiction
- Combination of National, Regional, and Specialty PPO networks
- Tiered Networks for "best in class" results
- ICS is directly contracted with its PPO Partners



Out of Network IRON – Signed Agreement Business Model



- Recommended referral criteria: Any medical bill that comes back without PPO savings and over \$1,500.00 in Charge Amount should be flagged for consideration
- Utilize proprietary application to identify past payment trends to establish appropriate negotiation baselines
- Our negotiators talk with providers to arrive at a mutually acceptable reimbursement within the regulatory parameters that apply, based on our benchmark data.
- A signed settlement agreement is obtained from the authorized provider representative to prevent legal disputes, reconsiderations and to aid in proper reserving of the claim.

Utilization Management – Retrospective UR



Augmenting the traditional Medical Bill Review adjudication process of securing savings via Contractual PPO discounts and Fee Schedule/UCR reductions

ICS has created comprehensive Retrospective Review Programs that are typically part of our overall Integrated Medical Management Program:

RETROSPECTIVE REVIEW PROGRAMS

- AuditMD/AuditRN desk audits
- DirectMD/DirectRN file reviews
- RN/Certified Coder code reviews
- Automated Flagging System





Medical Bill Review - Value in four key ways

1

EFFICIENT

Straight-through processing and workflow

2

CONSISTENT

Proven application of bill review decisions and workflows

3

CONTROL

Integrated state-level & regulatory body compliance and reporting

4

FLEXIBLE

Fully customizable & instantaneous application of business rules





Typical Medical Bill Review EDI

File	File Direction	Purpose of File
Claim	From TPA to ICS	To load into SmartAdvisor all workers' compensation claims. This will ensure data synchronicity between the TPA's claims system and ICS' medical bill review software system as well as eliminate the need for ICS to re-key redundant data.
Provider	From TPA to ICS	To load into SmartAdvisor the Payee database maintained by the TPA. This will ensure data synchronicity between the TPA's payee database and SmartAdvisor that will promote a more efficient and seamless payment interface.
Image	From TPA to ICS (presuming ICS is not serving as mailroom)	To load the bill images into SmartAdvisor that will promote the “KFI” workflow.
Medical Payment	From ICS to TPA	To load into the claims system the financial outcomes of a medical bill going through ICS' medical adjudication process in order to generate payments to the medical providers.
EOR	From ICS to TPA	Combined with the medical payment data file to allow for payments to be mailed with the EOR. The Completed EOR File can have the original medical image “stitched” to the applicable EOR for greater visibility and efficiencies.
Payment Data	From TPA to ICS	To load into SmartAdvisor the Check Number and Check Date information for a given medical bill. This will allow ICS' Provider Assistance Support staff to better interface with the Provider Community.



Early Intervention Nurse Case Management Business Model



- Upon completion of an Episode of Care, Nurse Case Manager will evaluate:
 - Medical Management
 - Disability Duration
 - Promote injured worker advocacy & goodwill
 - Necessity for Peer Review, IME or Field Case Management
 - Promote consistent application of Industry Best Practice clinical & disability guidelines
 - Medical Treatment Plan
 - Return to Work Coordination
- Continuously update Claims Adjuster, Work Site Coordinator or any other interested party with care management milestones via:
 - EDI to Claims System
 - Email Alerts to all interested parties
 - ReviewStat Browser accessibility to real time information

Early Intervention Nurse Case Management Business Model

ADVANTAGE

- Integrated with UR & Medical Bill Review
- Early Intervention Philosophy
- Access to Web Portal for Case Browsing
- Application of National Best Practice Guidelines
- Focused Return-to-Work coordination
- EDI technology supporting program transparency



RESULTS

- Reduction of overall Claim Cost
- Reduction of Lost Time Severity Ratios
- Reduction of Medical Claim Cost
- Improve Advocacy & Goodwill
- Improve ROI & Claims Adjudication



Return to Work in a new flavor – JaVA Online



- The days of a treating physician relying on a written job analysis is becoming obsolete
- JaVA (Job Availability Video Analysis) Online is a unique web based tool that allows employers to visually demonstrate specific transitional duty positions that can be offered to injured employees as a result of a work related accident
- With a unique password, employers can provide access to attending physicians to review actual transitional jobs within their organization
- Because it is done online, the physician can review each video job analysis from the comfort of their office or home

JaVA Online – How it works



- Return to Work Videos are created and uploaded to a secure client specific Cloud Repository. Each Video is indexed with a unique URL
- A Job Video Analysis need is identified. ICS Nurse Case Manager, or other designated individuals will send the URL link via email or embedded with a Treatment Plan Request
- Video can be streamed leveraging today's tablet technology for a real time review of the Job
- Tracking device allows for confirmation that Video was reviewed
- Treating Provider is able to make an informed decision on Return to Work either to Full Duty or Transitional Duty
- JaVA Online is also ideal when there is an onsite case management assignment and the Nurse needs to show the Job to the Treating Physician in real time



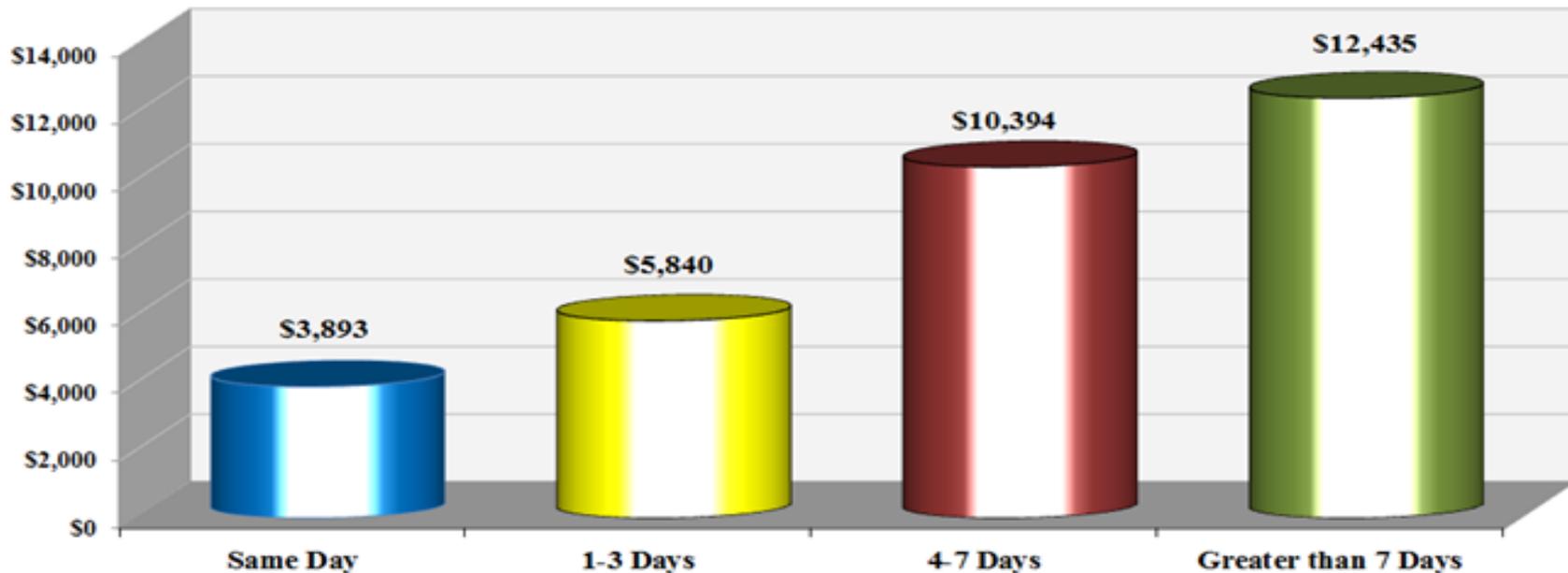


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Key Performance Indicator – Select CY17 Results

FROI Outcomes – The Importance of Early Notification & Intervention – Lag Time Impact on Medical Cost

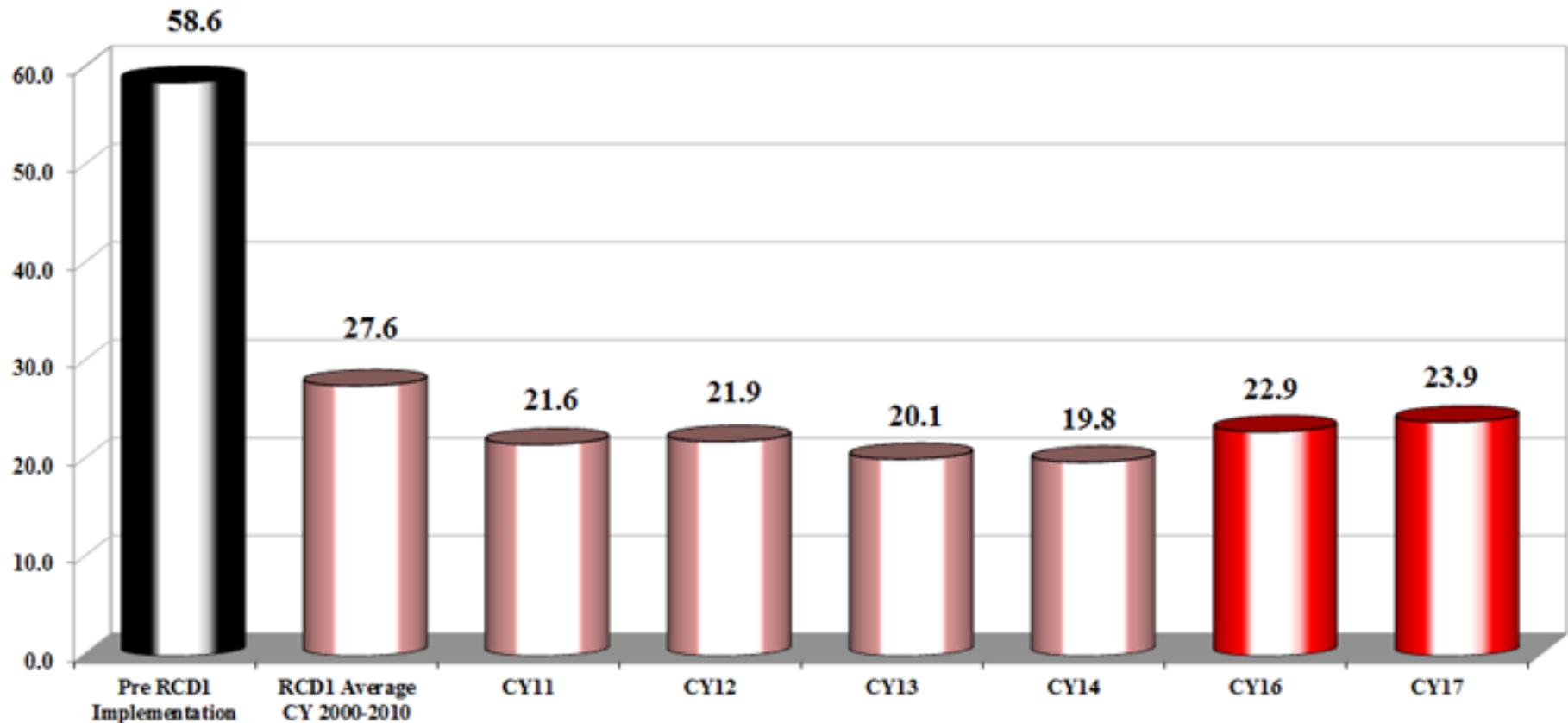


This chart illustrates the importance of Early Notification of a new On Duty Injury that triggers all of the facets of the Early Intervention Program including Nurse Case Management. As shown, the overall average medical cost associated with a claim increases as a claim is reported later post the Date of Injury.



Key Performance Indicator – Select CY17 Results

Average Lost Time Days per Lost Time Injury





Utilization Management – Prospective Pre-Certification



We have found combining the requirements of Pre-Certification and Telephonic Case Management services into one Subject Matter Expert Nurse has created an effective and efficient business model

- Medical services requiring pre-certification are reviewed by the Utilization Management Case Manager.
- During the Pre Certification process, objective findings supporting Treatment and/or Testing are recorded
- Real Time data integration ensures outcomes are embedded automatically to manage future reimbursement activity
- Determination compliance supported by our proprietary Automated Letter Generation module
- We pioneered and created the Decision Point Review/Pre-Certification Business Model that supports the requirements of New Jersey AICRA

MSP Compliance Services – Our Comprehensive Solution



As your Medicare compliance partner, our team of dedicated and experienced industry experts work hard to protect your financial assets.

We are committed to ensure you only pay what you owe and nothing more

- ICS provides clients with access to a comprehensive solution of MSP compliance services for the Workers' Compensation, Auto, and Liability markets.
- We provide clients with an integrated MSP Service Program focused on reducing claim cost, positioning a claim for settlement, and promoting compliance.
- Our staff is comprised of subject matter experts who demonstrate and are capable of defending the adequate consideration of Medicare's future interest for all types of claims.
- Our MSP Compliance Services include:
 - ❖ MSA Allocation Report
 - ❖ CMS Legal Submission
 - ❖ Conditional Payment Management

MSP Compliance Services – Our Comprehensive Solution

Medicare Set Aside Allocation Compliance & CMS Legal Submission

- Our Medicare Set Aside's create a measure of guidance on settlement language strategy and justification of the MSA amount
- Allocation figures are produced by our team of in-house compliance experts using our proprietary technology to accurately forecast future medical and pharmacy costs.
- As needed, our expertise allows you to submit the MSA to CMS for review and approval, while solidly protecting Medicare's interest.

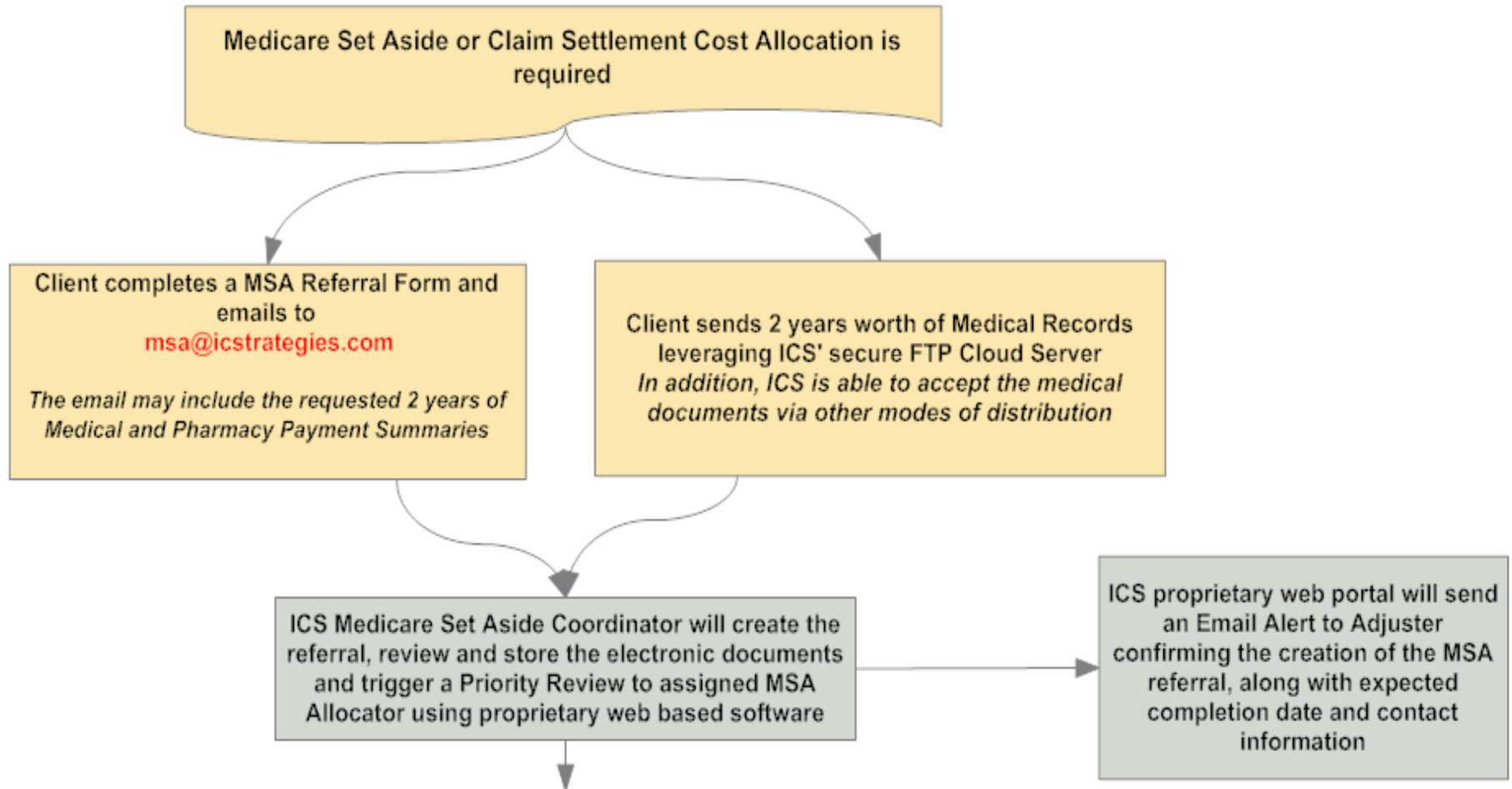


Medicare Conditional Payment Notice Management Services

- ICS has been reviewing and successfully disputing Conditional Payment Notices (CPN) for several years. We have proven process that works with Medicare
- Our Nurse Auditors experts review every CPN demand within 30 days of receipt and identify charges that are not related to the claim that guarantees our clients reimburse Medicare the correct and accurate amount

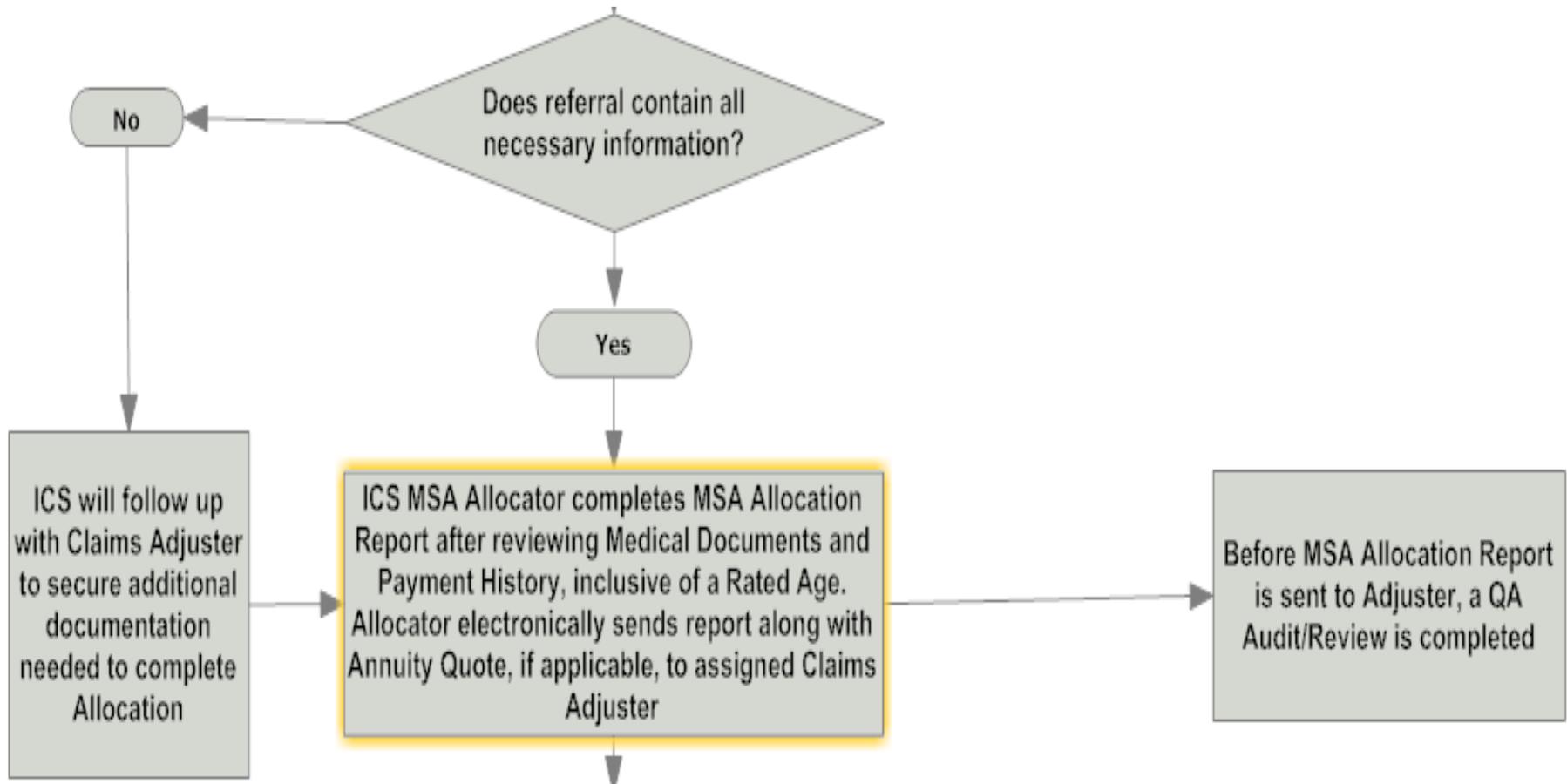


MSA Proposed Workflow – Referral Phase



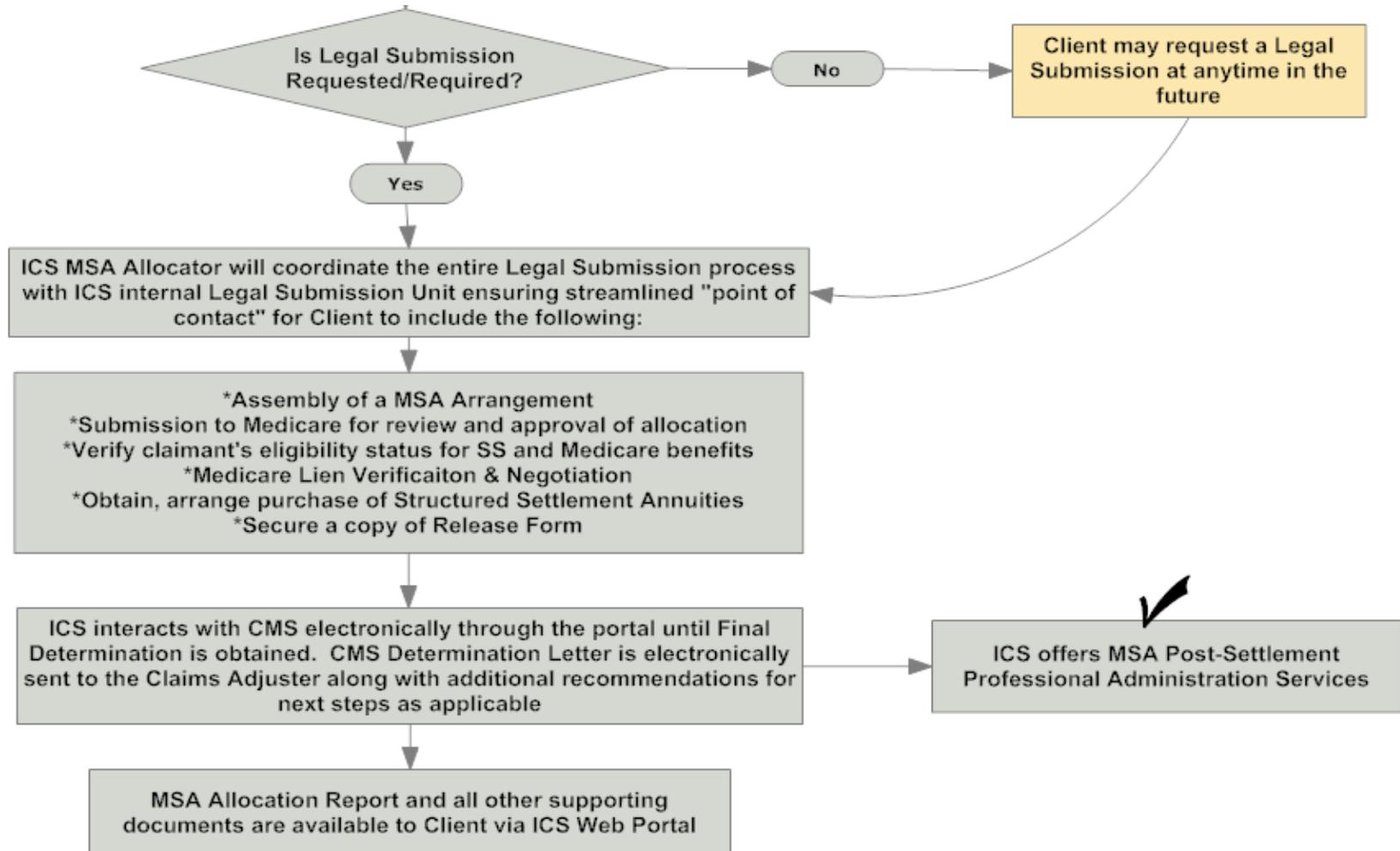


MSA Proposed Workflow – Management Phase





MSA Proposed Workflow – Value Add Services

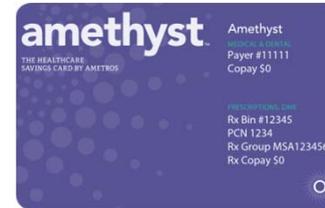


Settlement Initiative & Post Settlement – Best Practice Solutions



Professional Administration

CareGuard is designed to benefit injured parties after they settle their medical by providing savings, support and security.



Self Administration Tool

Amethyst is an innovative solution to help injured parties achieve healthcare savings from their settlement while receiving self-administration support.



Post-Settlement Pricing

CareQuote provides quotes for prescriptions, home healthcare, skilled facility, and durable medical equipment services.

Medicare Secondary Payer Recovery – Conditional Payment



While many RRE's have a fairly reliable method for Section 111 Reporting, many fall short in their recovery obligations. The recovery side of Medicare compliance involves actually reimbursing Medicare for the conditional payments they've already made that are related to the claim.

Conditional Payment - CMS increases recovery efforts

- A conditional payment is a payment made by Medicare for services on behalf of a Medicare beneficiary when there is evidence that the primary plan does not pay promptly. These payments are referred to as conditional payments because the money must be repaid to Medicare when a settlement, judgment, award, or other payment is secured.
- After a conditional payment notice (CPN) or a conditional payment letter (CPL) has been issued, users may submit unlimited disputes any time prior to the case being demanded.
- Conditional payment letters are sent out 65 days after the Rights and Responsibilities letter is sent.
- Update conditional payment amount within 10 calendar days of Submitting Notice of Settlement
- Conditional Payment notice- You have 30 days to respond. If you agree with amount you can initiate the demand letter early

Conditional Payment Management – Step by Step process to secure closure with CRC



The key is to send the final settlement documents to CMS to stop CP search and receive the Cease Recovery Letter. CMS does NOT have a time frame for generating the Cease or CMS closure letters. Reliance on the No Claim Found Letter and the Date of Settlement is imperative

- On all CP requests, once file is set up, CRC has **45 days to develop**
- CRC sends out a **No Claim Found** letter if the CP is \$0.00
- If there are Conditional Payments, CRC sends out the **CP Letter** for dispute or payment
- Upon receipt of the **No Claim Found** letter, settlement process should begin
- CRC will continue scanning the system for Conditional Payments
- The completed settlement documents should be sent to CMS to establish the **Term date** as the date of settlement
- CRC will stop scanning for Conditional Payments and work towards closing the file
- If additional Conditional Payments are found between the time of settlement and closure, CRC will forward the CP Letter for review
- Send a letter to CMS stating the claim has settled and the settlement documents have been previously forwarded. Attach the settlement document to the letter and CMS will proceed to send a **Cease Recovery Letter**
- CRC will send back the CP Letters to the BCRC to address with the beneficiary for payment since they would have received settlement funds



Liability & No Fault MSA – Considerations

- The following analysis is recommended for all parties to a liability settlement:
 - Evaluate open cases for potential Medicare eligible clients
 - Audit the files at the onset of the intake process and group the cases into categories:
 - ← Nuisance value cases
 - ← Catastrophic cases
 - ← Settlement value groupings

- Identify health insurance coverage and disability benefits:
 - Medicaid cases, as well as dual eligible claimants (Medicaid/Medicare)
 - Other forms of health insurance – Private, ERISA, Tri-Care, VA Benefits, etc.
 - Medicare / Medicare Advantage beneficiaries
 - Determine Social Security disability status and eligibility.
 - ← A Social Security Consent for Release of Information form can be submitted to claimant's local Social Security office to verify eligibility. This form is also known as the Form SSA-3288

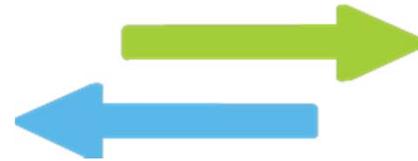


Our Technology Suite

MEDICAL BILL REVIEW/PPO



 Mitchell SmartAdvisor™



CASE MANAGEMENT/UR



ReviewStat®

“The ICS Web Portals provide visibility into the progress of a case under management for the adjuster and other stakeholders, as well as provides an entirely electronic internal workflow for addressing all service requirements of an Integrated Medical Claim Management Program as well as creating a “Paperless” medical file as all medical documentation associated with the claim will be available electronically”

Senior Vice President – Claims - PANYNJ

Claims Adjuster Tools



- Access to all completed historical bill data and images
- Access to all Case Management information, including return to work documentation, Nurse Notes, and Treatment Plan management
- Ability to interact directly with assigned Nurse Case Manager
- Follow the medical aspect of cases online
- Review disability guidelines by diagnosis code
- Find medical professionals by location/specialty
- Receive auto email alerts of new First Reports of Injuries
- Retrieve First Report of Injury documents online
- Retrieve Case Management Report online

Comprehensive Reporting Dashboard Capabilities & Sample Stewardship Report & Outcomes

- Standard report package designed to meet client needs
- Web based reports are concurrent with Real Time Data
- Customized Stewardship & Ad Hoc Reporting
- Auto Reporting Triggers
- Demonstrates program effectiveness
- State Reporting
- Identifies safety & loss control interventions





Implementation & Account Management Foundation

IMPLEMENTATION

- Implementation is the Key to Program success
- Kick-off assessment to set project expectations by dedicated Team
- Detailed knowledge gathering round table meetings to critical path deliverables
- Review current workflow, confirm business and technical requirements



ACCOUNT MANAGEMENT

- Senior Level Account Management
- Customized service programs and reporting
- Ad Hoc Status Calls
- Monthly Program Updates
- Quarterly Stewardship Meetings and Efficacy Outcomes

ICS offers a Unique Partnership

- Flexible Medical Cost Containment Business Model
- Comprehensive Service & Processing Solutions
- Collaborative & Customized Service Design
- Bundled or Unbundled program management
- Technological Innovations to provide maximum control, consistency, and flexibility
- Consistent utilization of Industry Best Practice criteria
- Lower cost solution due to integrated business model
- Integrate Best in Class Partnerships
- Enable Straight-Through processing to improve efficiency (*iSTEP*)
- Stop and prevent process leakage
- Integrated Medical Management and Medical Bill Review software programs
- Key Attributes: Integrity, Innovation, Service, Flexibility, Technology, Results

Why Us?





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”

