

# PAYMENT INTEGRITY (PI) SOLUTION FOR PRIVATE HEALTH INSURERS

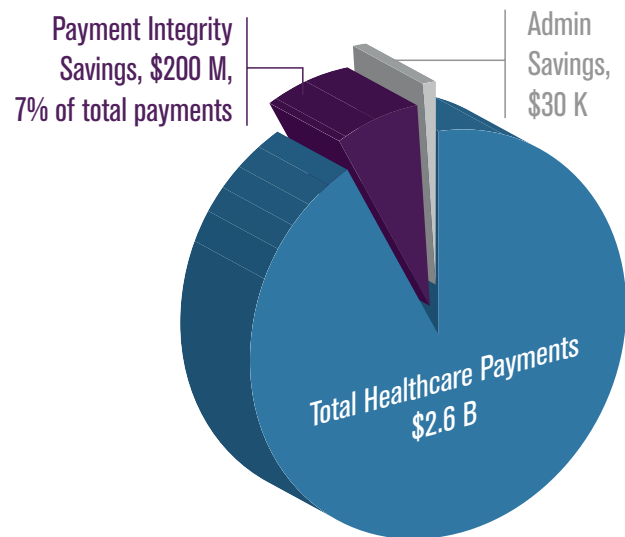




# Payment Integrity (PI) Solution for Private Health Insurers

Private healthcare payers have faced significant cost pressures for years and are now confronted with the recent changes to the healthcare system. With challenges such as the rise of complex payment systems, transformation from the B2B to B2C market and the addition of millions of beneficiaries who are likely to choose plans that reimburse at the lowest rates, the need for cost containment is more urgent today than ever.

One of the key factors in cost containment is Payment Integrity (PI), which includes management of fraud, waste, abuse, coordination of benefits (COB) / third-party liability, subrogation, error / clinical editing and excessive administrative costs. Between three and seven percent of healthcare claims are inaccurately paid in a continuum that ranges from mistakes to intentional fraud.



## PAYMENT INTEGRITY SOURCES OF SAVINGS:

- Avoid paying invalid claims by detecting, investigating and preventing payments before they occur.
- Reduce administrative time and cost by processing and accurately paying valid claims quickly and easily.
- Find lost dollars by auditing and recovering improper payments.
- Maintain a strong provider network with clear and engaged provider communication.
- Capture new savings with insights into emerging schemes that single payer data typically cannot predict by leveraging exclusive multi-payer data and proprietary analytics tools.

Through a systemic approach to PI using a comprehensive framework and predictive analytics to pre-score claims, health insurers can minimize overpayments and increase efficiencies.

Alvarez & Marsal (A&M)'s multidisciplinary team is comprised of leading healthcare industry executives, former regulators and world-class advisory and analytics experts. Our professionals leverage their business expertise, honed by decades of hands-on experience, alongside data-driven analysis, resulting in a comprehensive Payment Integrity Solution that is practical to implement.

# A&M'S APPROACH INCLUDES THREE PHASES:

## Diagnose and Assess:

A&M studies and assesses the maturity of the current PI process and creates a GAP document strategy to reach the desired maturity level.

## SERVICE PROVIDERS ARE AT VARIOUS POINTS ON THE PI CONTINUUM

MANUAL PI	CONSULTATIVE PI	POINT SOLUTION PI	STRATEGIC PI	ENTERPRISE PI
<ul style="list-style-type: none"> <li>▪ Fire fighting</li> <li>▪ No technology</li> </ul>	<ul style="list-style-type: none"> <li>▪ PI education</li> <li>▪ Consulting</li> <li>▪ Risk Assessment</li> <li>▪ Data sampling</li> <li>▪ Audit tools</li> </ul>	<ul style="list-style-type: none"> <li>▪ Early stage strategy</li> <li>▪ Internal development and/or fraud identifiers</li> <li>▪ Point solution automation</li> <li>▪ Technology trials</li> <li>▪ Targeted initiatives                             <ul style="list-style-type: none"> <li>- Smart bill review</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>▪ Corporate strategy</li> <li>▪ Internal PI SMEs</li> <li>▪ Multiple tools / applications</li> <li>▪ Dedicated resources</li> <li>▪ Broad initiatives</li> </ul>	<ul style="list-style-type: none"> <li>▪ Mature corporate strategy</li> <li>▪ Integrated tools / applications</li> <li>▪ Root cause analysis</li> <li>▪ Controls, metrics and ongoing monitoring</li> </ul>

## Benchmark:

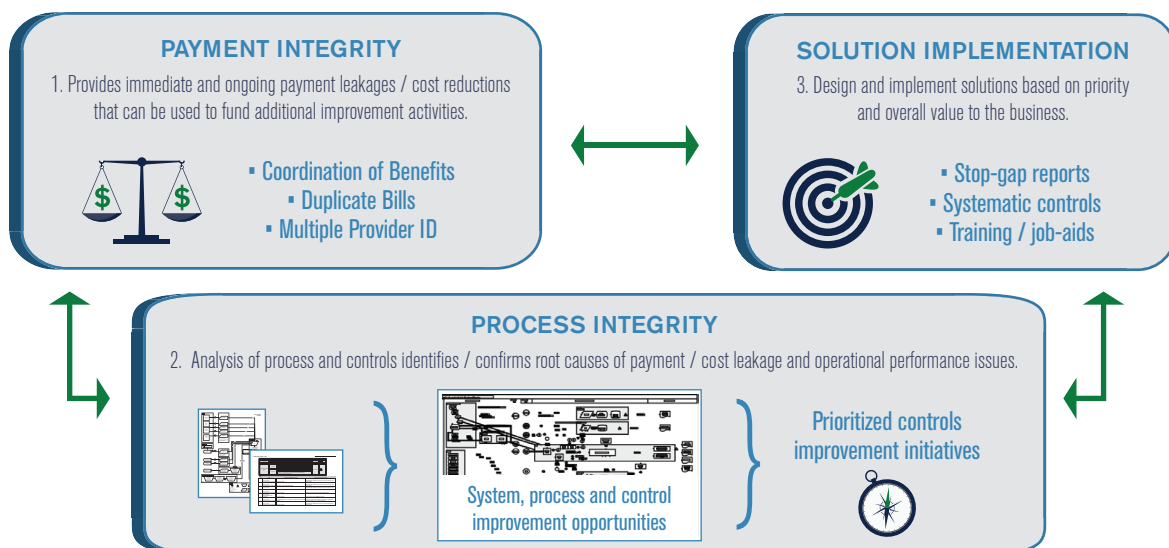
We examine the current performance metrics and conduct an accurate measurement of the quality of the current PI process. By comparing these metrics with standard industry measurements, we can (1) determine what and where improvements are needed, (2) analyze high performing organizations and benchmark against them and (3) use this information to improve performance.

## Improve:

Through Payment Integrity best practices, A&M drives successful outcomes for clients that include:

1. Making PI a strategic imperative for the entire organization
2. Eliminating silos and consolidating efforts
3. Focusing on intelligent, integrated analytics
4. Incorporating data analytics, clinical reviews and investigative results to provide a comprehensive picture
5. Executing a PI sweep post-adjudication / pre-check run
6. Defining a scorecard with relevant performance measures
7. Detailing performance process for new measures included in the scorecard
8. Adjusting governance process to provide real-time feedback

Through a cohesive Payment Integrity, Solution Implementation and Process Integrity method, A&M's holistic implementation of PI best practices provides immediate financial benefits, as well as an understanding of root causes of process and system breakdowns.



**Achieve superior Payment Integrity and cost containment, ensuring that each paid claim is an expense worth paying.**

When action matters, find us at:



[www.alvarezandmarsal.com](http://www.alvarezandmarsal.com)

#### FOR MORE INFORMATION, PLEASE CONTACT:



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**LEADERSHIP  
ACTION  
RESULTS**

Companies, investors and government entities around the world turn to Alvarez & Marsal (A&M) when conventional approaches are not enough to activate change and achieve results.

Privately-held since 1983, A&M is a leading global professional services firm that delivers performance improvement, turnaround management and business advisory services to organizations seeking to transform operations, catapult growth and accelerate results through decisive action. Our senior professionals are experienced operators, world-class consultants and industry veterans who draw upon the firm's restructuring heritage to help leaders turn change into a strategic business asset, manage risk and unlock value at every stage.

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