

SELF-INSURED HEALTH PLAN ADVISORY SERVICES

ELEVATING HEALTHCARE CLAIM PAYMENT ACCURACY

EXECUTIVE SUMMARY

In response to growing concerns about the accuracy of healthcare claim payments, a prominent national multiemployer plan sponsor, faced challenges related to uncertainties in claims accuracy, non-standard benefit designs, and financial risks due to overpayments. To address these issues, Withum worked with the client to design and implement a strategic approach that included a meticulous risk assessment, a comprehensive review of 100% electronic claims data, focused claims audits, and strategic negotiations with its third-party administrator (TPA). Through skilled negotiation and resolution, the client successfully reached a settlement with the TPA, recovering \$2.1 million in rightfully owed funds.



THE CLIENT

A National Multiemployer Plan Sponsor.



THE CHALLENGE

The client and its benefit consultants grappled with doubt concerning the accuracy of health claims payments from the plan sponsor's health plan. Furthermore, the intricacies of various healthcare plan TPAs and a non-standard benefit design further compounded the client's challenges, creating difficulty that every plan member received their entitled benefits. Lastly, the client faced financial risks, due to claims overpayments putting a strain on their financial resources.



CASE BRIEF

CLIENT: National Multiemployer Plan Sponsor

CHALLENGE: The client faced challenges related to uncertainties in claims accuracy, non-standard benefit designs, and financial risks due to overpayments

OPPORTUNITY: Withum worked with the client to design and implement a meticulous risk assessment, a comprehensive review of 100% electronic claims data, focused claims audits, and strategic negotiations with its third-party administrator (TPA)

OUTCOME: Withum's efforts led to the identification and validation of numerous improper payments. Through skilled negotiation and resolution, the client successfully reached settlements with the TPA, recovering \$2.1 million in rightfully owed funds





THE APPROACH AND SOLUTION

Withum initiated discussions with the plan sponsor and key stakeholders. Building on our insights and past history with the TPA, we collaborated with the plan sponsor to craft a strategic approach. The goal was to methodically identify and validate the issue, ensuring a well-informed process that would lead to the best possible outcome. The following outlines our approach:

Risk Assessment and 100% Electronic Claims Review: We initiated a meticulous risk assessment, accompanied by a comprehensive review of 100% electronic claims data. This step laid the groundwork for our subsequent actions.

Focused Claims Audits: Leveraging findings from the risk assessment, we conducted targeted claims audits, pinpointing specific instances of improper payments related to plan benefit exclusions.

Negotiation and Resolution: Armed with a robust understanding of the issues, we assisted the client with strategic negotiations that resulted in a settlement with the TPA and corrective action to rectify the problem.



THE RESULTS, ROI

Identification and Validation of Improper Payments: Through rigorous testing, we identified and validated numerous instances of improper payments, specifically related to plan benefit exclusions. These findings illuminated the path to resolution.

Successful Settlement: Our understanding of the issue, skilled negotiation, and resolution efforts culminated in a successful settlement that addressed the identified issues and recovered funds for the client.

Enhanced Financial Stability: By rectifying payment inaccuracies and aiding in the recovery of \$2.1 million in rightfully owed funds, we bolstered the plan's financial stability.

Withum's efforts led to the identification and validation of numerous improper payments, particularly related to plan benefit exclusions. Through skilled negotiation and resolution, the client successfully reached settlements with the TPA, recovering \$2.1 million in rightfully owed funds. This not only rectified payment inaccuracies, but also enhanced the financial stability of our client, mitigating the strain caused by overpayments.

The overall return on investment for the client was strong at 13:1, highlighting the effectiveness of our strategic interventions and their positive impact on the client's financial well-being.
