

Payment integrity solutions for Medicaid management



Improve end-to-end Medicaid payment integrity performance

Given the growth in Medicaid with many states witnessing double digit increases in enrollment annually it is imperative that health plans have in place robust end-to-end payment integrity capabilities. Being compliant and meeting all regulatory requirements has never been more important than it is now.

Additionally, the Centers for Medicare and Medicaid Services (CMS) is sharing plans to mandate additional Medicaid rules to be more on par with Medicare as it relates to fraud, waste and abuse prevention and overall eligibility and enrollment management.

Medicaid client expertise by Optum

5M+ Medicaid members serviced by payment integrity

35 Medicaid managed care plans

\$1M Daily savings on data analytics and management services

12 State Medicaid agencies

3,000+ Full-time employees solely focused on payment integrity

The Optum innovative payment integrity model

By mutually aligning incentives for both the health plan and Optum, this innovative model helps the plan achieve its compliance and cost-savings objectives.

The goal of the model is to have savings generated on behalf of the plan to "self-fund" the payment integrity solution.

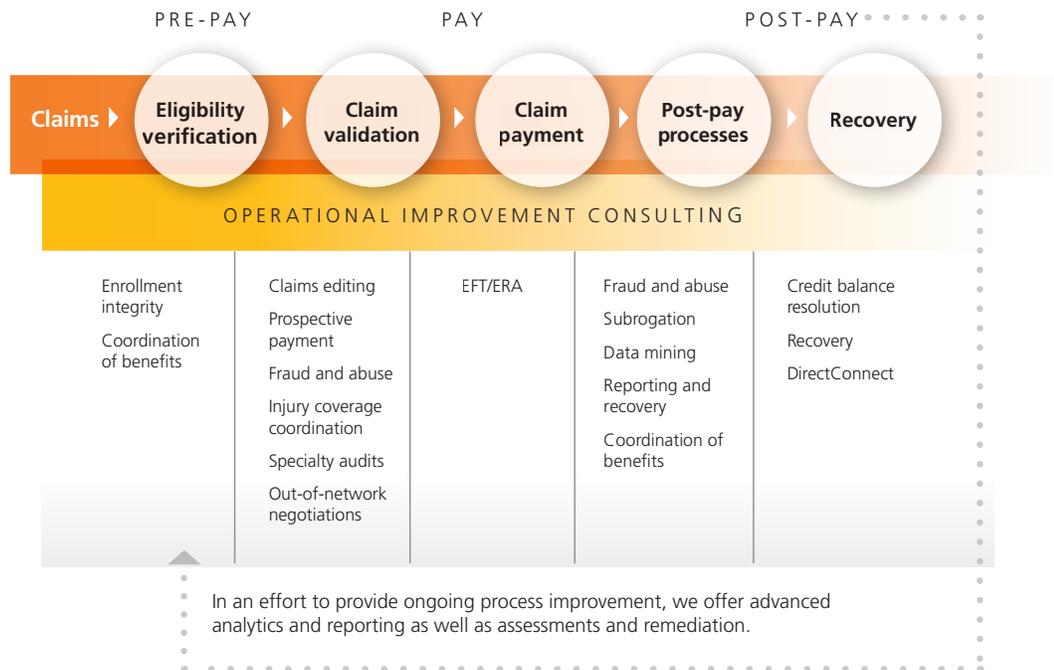
Medicaid management solutions for health plans

Optum® offers a full range of software, services, and consulting to optimize claims management and reduce administrative costs and medical expense.

50% PRODUCTIVITY INCREASE

A managed Medicaid plan experienced a heavy claims backlog due to extraordinary membership growth. Optum consulting services created a “business process outsourcing lite” offering that provided more accurate inventory reporting and standardized workload distribution.

The solution helped the client receive a commendation from CMS, reduce claims backlog by nearly 85%, and increase in-house process productivity by 50%.



Proactive model focuses on efficiency and accuracy

Optum offers a comprehensive set of prospective and retrospective solutions that inform and improve the entire claims management cycle. By simplifying claims processing, scrutinizing post-payment activity and applying feedback along the way, our solutions can help health plans strengthen the payment cycle to achieve accurate transactions that improve relationships and reduce costs.

We offer extensive expertise, rich data resources and innovative analytic tools to help health plans identify immediate and long-term performance improvement opportunities. As a true partner with clients, Optum builds on health plans’ knowledge of their enterprise and membership by providing a fresh perspective on their business.

With this holistic approach, we can help:

- Identify and recover inappropriate claim payments and overpayments
- Simplify and reduce the administrative cost of the payment cycle
- Avoid and prevent inappropriate claim payments and overpayments
- Drive out unnecessary and inappropriate medical costs
- Outsource payment cycle services, enabling plans to focus on core competencies

Optum not only offers leading recovery strategies to maximize cost containment through increased identification, validation and resolution of overpayments, we focus on prevention and avoidance early in the claims process to significantly increase cost savings.

PRE-PAYMENT SOLUTIONS

Optum pre-payment solutions verify member data and eligibility to avoid and prevent overpayments, leading to substantial administrative and medical cost reductions that provide competitive advantage.

Claims Edit System — Automatically reviews and edits professional and facility claims to streamline claims processing workflows, reduce reimbursement errors and improve payment integrity.

Prospective payment solutions — Prices are pre-set using industry-standard classification systems, and payment is tied to the actual services delivered instead of billed charges.

Fraud and abuse — Advanced detection engines identify and flag suspicious claims based on questionable patterns and trends. Suspect claims are reviewed and scrutinized by experienced clinical and investigative personnel.

Pre-pay out-of-network fee negotiation and repricing — Initiated at utilization management, care management or pre-certification phase to contract favorable agreements and discounts, leading to savings.

POST-PAYMENT SOLUTIONS

Optum post-payment solutions help health plans recover overpayments and more importantly, use linked analytics to discover the root cause of overpayments to avoid and prevent unnecessary costs in the long term.

Fraud and abuse recoveries — Optum provides comprehensive retrospective case development and recovery services that include all aspects of the process, from initial identification to final recovery.

Subrogation services — Accident-related medical claims typically account for 8 percent to 10 percent of a health plan's claims volume. Optum helps identify, investigate, prevent and recover payments linked to accident-related medical and disability expenses.

Data mining solutions — Optum analytic tools identify errant payments due to COB and contractual issues. Then our experts validate the overpayment. Root cause analysis provides the business intelligence to prevent future overpayments.

Credit balance resolution — Designed to provide on-site and remote location resources to hospitals and health systems to assist them in researching and resolving their inventory of credit balance accounts on behalf of payer clients.

IOWA: RECOVERIES AND COST AVOIDANCE — MORE THAN \$86 MILLION

In fiscal year 2013, an aggressive program integrity initiative managed by Optum helped the Iowa Medicaid Enterprise (IME) save taxpayers \$34 million. Over the course of three years, this program integrity effort saved more than \$86 million for Iowa's Medicaid program.

OPTUM MEDICAID CLIENTS EXPERIENCED THE FOLLOWING:

Kentucky: Identification of excess Medicaid spending — Estimated at **\$27 million**

Illinois: Medicaid audit recoveries — **\$67 million**

Recovery — Optum recovery strategies facilitate the recovery of monies paid in error to providers and members through flexible, relationship-oriented practices.*

DirectConnect technology — A single universal portal allows payers and providers to communicate securely in real time to efficiently resolve errant claims, including credit balance, overpayments and underpayments.

Coordination of benefits — Retrospective coordination of benefits helps contain costs by using analytics to identify and validate other insurance (OI), determine the order of primacy for members and then recover overpayments. The OI information is updated in the payer's system to avoid future overpayments.

OPERATIONAL PERFORMANCE IMPROVEMENT CONSULTING

Optum experts help clients optimize operational performance and stakeholder experiences by clearly identifying and implementing changes to people, processes and technologies. We can assist plans in a variety of areas, including:

- Claims accuracy optimization including end-to-end assessment and remediation
- Evaluate and assess encounter data quality submissions and validate completeness in support of achieving quality metrics, accurate risk stratifying and its implications on rate setting.
- ICD-10 assessment, remediation, optimization, tools, testing and training
- Payer operations performance improvement
- Call center optimization

A transformative approach

Comprehensive Optum payment integrity solutions enable health plans to save significantly on their total medical and administrative expenses by paying the right claim at the right price at the right time.

Our broad range of capabilities, expertise and flexible approach result in a positive feedback loop that drives sustainable improvements and provides a competitive advantage — as well as a proven return on the investment in the technology and services.

All customer examples included for illustrative purposes and are not a guarantee of services and results.

*Collection services are provided by Payment Resolution Services, LLC.

LEARN HOW TO IMPROVE MEDICAID PAYMENT INTEGRITY

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