

Recovering Health Care Costs with IDEAScripts

Challenge: Contract Management

Health care providers, such as hospitals and physician groups, are under pressure to effectively manage a broad network of direct and indirect contractual agreements. If performed manually, analysis of insurance payments in accordance with hospital contracts can be both tedious and time consuming.

Chris Peters, CFE, MBA, worked with a specialty hospital that was struggling to analyze all patient information, identify payment compliance and improve contract negotiation, identify discrepancies for financial recovery, and other issues. The hospital had assigned an employee to manually monitor and compare insurance payments with contractual provisions. Given the amount of information and required analysis, the employee was only able to analyze a small sample of the population of claims submitted for reimbursement each week.

When the client approached him with their plan to invest in a software solution designed to monitor insurance payers at the cost of \$180,000 per year, Peters jumped at the chance to find a more affordable solution.

Solution: Develop an Automated Process with IDEAScript

Since the hospital worked with three main insurance companies, Peters decided to start there, then build an automated process to capture and analyze all the information.

Peters began by reviewing all the clinical database information, procedure codes, claim information, and other data. He joined that information with the claims database to compare it with the provisions of the insurance contracts and actual payments. He utilized several of the features included in IDEA® – Data Analysis Software to perform his analysis work, including pivot tables, joins, subtotals and summarizations, to look for variances.

Peters used the Visual Script functionality available in IDEA Version Eight to capture, edit and customize the tasks he was repeatedly performing. He then wrote a customized IDEAScript to help him search for variances between the clinical database information, procedure codes, claim info, and other areas, to compare that data with the insurance contract agreements. Peters contacted the IDEA Help Desk at Audimation Services, Inc., for further customization assistance to develop the “run total” functionality of the script, which addressed a contractual provision that required ranking bundled procedures to calculate the reimbursement rate.

QUICK FACT

Visual Script allows you to automate tasks you perform repeatedly without writing any code or programming. You can then easily convert your Visual Script into IDEAScript.

The IDEAScript proved highly effective in taking new data sets for the week, month or other designated time period to browse the database of exported files, search for overpayments, underpayments, timely payments, denied claims, and other discrepancies that required further research.

Result: Less effort. Greater Impact.

Running the script was as easy as opening an attachment in an e-mail. Peters trained the IT and contract monitoring employees on how to set up and use IDEA to program in additional contracts. The team went from a manual process of reviewing only a sample of claims paid each week to reviewing 100% of the claims to ensure that reimbursement amounts were in accordance with provisions in the contracts.

This allowed the hospital to focus on resolving the reimbursement discrepancies on claims that were not paid in accordance with provisions in the contracts. The client immediately found discrepancies that required further attention, some of which totaled thousands of dollars.

During the development of the IDEAScript, Peters identified a provision in the contracts that impacted the reimbursement rate on inpatient procedures. The provision enabled the insurance company to pay the Hospital's charge master rate if it was lower than the insurance company's contracted case management rate. As a result of this finding, Peters identified several inpatient procedures that needed to be updated on the Hospital's charge master to avoid missing out on thousands of dollars per claim for those procedures. Using the IDEAScript Peters developed, the hospital worked to adjust contractual differences between the hospital's prices and contracted payer amounts. They were also able to check for updates on set payment amounts to ensure the insurance companies were not defaulting to the lower charge master rates.

Peters delivered an easy-to-use solution that saved the hospital from investing in a software tool that would have cost them \$180,000 every year. More importantly, he was able to take the work he completed for the specialty hospital and develop physician-level services as a result, which helped the firm he worked for expand their health care practice.

Share your IDEA success story, contact us at info@audimation.com.



IDEA User: Chris Peters, CFE, MBA, Founder of GPS Consultants, LLC

Chris Peters founded GPS Consultants, LLC in May of 2011, which specializes in assisting clients with Growth, Productivity and Strategy through enhancing performance monitoring and record keeping, streamlining accounting and administrative processes, and solving business problems through forensic accounting and database analytics. Prior to founding GPS Consultants, Peters worked for one of Louisiana's largest CPA firms and served as CFO of one of the nation's largest and fastest-growing home remodeling companies. Peters graduated from Louisiana State University with a degree in Management and concentration in Entrepreneurship. Following graduation, Peters joined the Louisiana Business & Technology Center and earned his MBA from LSU. Peters may be reached at cpeters@GPSconsultantsLLC.com.