

Highlights

- Managing direct and indirect contractual agreements is tedious and time-consuming
- Purpose-built monitoring solutions cost upwards of \$180,000 per year
- Custom IDEAScript automates analysis of clinical databases and contracts
- Self-service solution saves hundreds of man hours and saves thousands monthly

About

GPS Consultants, LLC is a management consulting firm focused on assisting organizations with growth, productivity and strategy. The firm specializes in streamlining accounting, auditing and administrative processes; and preventing and detecting fraud, waste and abuse. GPS worked with a specialty hospital to automate the analysis of clinical databases and contracts to reduce time-consuming manual processes, which saved tens of thousands of dollars.

Challenge

A specialty hospital struggled 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.

They were considering investing in a software solution to monitor insurance payers, which would cost \$180,000 per year. They reached out to Chris Peters at GPS Consultants to find a more affordable solution.

Solution

Peters focused on the three main insurance companies the hospital worked with by reviewing all the clinical database information, procedure codes, claim information, and other data. Using CaseWare IDEA®, he joined these data sets with the claims database to compare it with the provisions of the insurance contracts and actual payments. He then used a series of point-and-click features within IDEA to look for variances, including pivot tables, subtotals and summarizations.



IDEA has proven itself time and again as the tool of choice to get data from any platform, quickly find anomalies and compare data from different systems. There are so many formulas you can use and apply combinations to look at data in different ways. What takes you 20 steps in a spreadsheet will take you one click in IDEA.

— **Chris Peters**, CFE,
CIDA, MAFF

The Visual Script feature within IDEA tracked every step, which he was able to edit and customize to create a customized IDEAScript that would automatically search for variances between the clinical database, procedure codes, claim info and other areas, then compare that data against the insurance contract agreements. The Audimation Services Help Desk team assisted with developing a “run total” script, which addressed a contractual provision that required ranking bundled procedures to calculate the reimbursement rate.

Results

With just a few clicks, the hospital IT staff and contract monitoring employees were able to bring in fresh data each week or month and browse the database of exported files. They now had a self-service process to search for overpayments, underpayments, timely payments, denied claims, and other discrepancies that required further research.

The team went from a manual process of reviewing only a sample of claims paid each week to review 100% of the claims to ensure that reimbursement amounts were in accordance with provisions in the contracts. Hospital staff 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 chargemaster rate if it was lower than the insurance company’s contracted case management rate. Peters identified several inpatient procedures that needed to be updated on the hospital’s chargemaster to avoid missing out on thousands of dollars per claim for those procedures. The hospital adjusted contractual differences between its 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 chargemaster rates.