

Self-funded Clients

BCBSND is bringing claims payment accuracy to a new level

Are your health care claims paid accurately?

It's a question Blues plans nationwide are asking.

Until recently, the answer was a resounding "yes." However, as claims and billing systems become more complex, we're continually looking at ways to evolve payment integrity practices.



Introducing a two-level payment integrity strategy—core and enhanced

✓ Core Claims Analysis

Your health care claims will continue to be processed automatically through our in-house core claims processing cycle, which remains strong with a thorough system of checks and balances.

As in the past, 100% of recovered savings are returned to you.

★ Enhanced Claims Analysis

To take payment accuracy to the next level, we're augmenting our internal capabilities through a strategic partnership with Cotiviti and other Blues plans. Cotiviti's investments and expertise in advanced analytics help us identify additional savings for our self-funded clients. (Read more about Cotiviti below.)

The extra savings found through the added level of analysis will be distributed as follows:

- 70% returned to employer
- 30% retained by Blue Cross Blue Shield of North Dakota (BCBSND) to cover advanced program analytics

About our partner, Cotiviti

Cotiviti is recognized in the industry as the leading health care analytics company. One of their core strengths is payment accuracy. Among their clientele are 21 of the nation's top 25 health care payers.

Cotiviti's sophisticated technology examines billions of clinical and financial data points to which they apply decades' worth of health care logic and subject matter expertise to prevent and recover improperly paid claims. The cost of the enhanced analytic services (30%) is retained from the additional savings realized.

Other Blue Cross Blue Shield plans using Cotiviti for enhanced claims analysis have reported additional savings of 1-2% from their annual claims spend. We're expecting similar numbers for our self-funded clients once the program is fully implemented.

Core plus enhanced—ultimate accuracy

✓ Core Claims Analysis

By BCBSND

Includes:

- Primary Duplicate Checking
- Primary Coordination of Benefits
- Subrogation
- Primary Editing
- Credit Balance Checks
- High-dollar Case Reviews
- Provider Audit
- Preemptive Provider Education
- Fraud, Waste and Abuse Checks



100% Returned Savings

★ Enhanced Claims Analysis

By Cotiviti & Other Blues Plans

Includes:

- Secondary Duplicate Checking
- Secondary Coordination of Benefits
- Advanced Editing
- DRG/Hospital Bill Review
- Data Mining for Coding Irregularities
- Contract Compliance
- Advanced Payment Analytics



30% Retained Savings
70% Returned Savings

Why add the enhanced claims analysis now?

Coding and billing errors add up.

Claims and billing systems are becoming increasingly complex, requiring new levels of checks and balances. National statistics attribute 3-7% of health care spending results from wrongful charges—both accidental and intentional.

Cotiviti's sophisticated analysis helps identify potential and actual overpayments and returns the money where it belongs.

A phased implementation

Both in-state and out-of-state claims will receive the extra level of analysis.



1
Out-of-state claims (pre-pay and post-pay) will be applied monthly beginning in April '22.

2
In-state retrospectively audited claims (post-pay) will be applied monthly starting in late Q3 '22.

3
In-state prospectively audited claims (pre-pay) will be applied weekly starting in Q4 '22.


Your billing invoice will change

Since a portion of the savings found through enhanced claims analysis are retained to cover administrative costs, your billing will look different (see below).

Once per month, your weekly invoice summary will be adjusted to reflect savings for the previous month's enhanced program analytics.

- Claim adjustments will reflect 100% of savings found through enhanced program analytics (see A)
- The retained portion (30%) will appear as Other Claim-Related Fees or Additional Items (see B and C)
- The difference between total savings and retained savings yield your net savings (next page)
 - Detailed reports available upon request

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**REGULAR
INVOICE SUMMARY**

INVOICE NUMBER:	PAID CLAIMS MONTH:
BILL ACCOUNT NUMBER:	CLAIMS PAID THRU:
BILL ACCOUNT NAME:	BILL CYCLE:
CLIENT NUMBER:	PREPARED DATE:
CLIENT NAME:	PAYMENT DUE DATE:

Prior Billing Information	
Last Bill Amount	\$ 397,864.25
Payments Received Through	\$ (397,864.25)
Balance Forward	\$ 0.00

Current Charges	
Paid Claims/Expenses	\$ 131,005.32
Other Claim Related Fees	\$ 32.00
Additional Items	\$ 600.00
Total Current Charges	\$ 131,637.32

TOTAL DUE	\$ 131,637.32
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A

Your claims total reflects 100% of the savings

B

This line reflects 30% retained savings for in-state pre-pay program (see "B" on the next page)

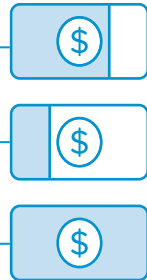
C

This line reflects 30% retained savings for out-of-state services and in-state post-pay programs (see "C" on the next page)

Detailed reporting will be available upon request

Client Name **Sample Client A**

Invoice Date	PI Type	Claim #	Incurred Date	Total Charge	Audit Amount Total Savings	BCBS Retained Savings (30%)	Client Net Savings (70%)
4/8/2022	Post-Pay	22069733333	3/2/2022	\$ 300,644.90	\$ 2,000.00	\$ 600.00	\$ 1,400.00
	Pre-Pay	22006111111	1/6/2022	\$ 142,805.00	\$ 53.33	\$ 16.00	\$ 37.33
		22041722222	2/10/2022	\$ 142,061.96	\$ 53.33	\$ 16.00	\$ 37.33
Grand Total				\$ 585,511.86	\$ 2,106.66	\$ 632.00	\$ 1,474.66



SAMPLE CLIENT
 Monthly Cost Summary - Medical
 Claims Incurred 01/01/2022 - 4/30/2022
 Claims Paid Through 4/30/2022

Client	Client Name	Group	Group Name	Incurred Claim Month	BN1	EX1	ESP	FAM	Total Subscribers	BN1	EX1	ESP	FAM	Total Members	Health Payments	Flt Payments	Flt Allowance Case Management	Flt Allowance Shared Savings	Host Plan YTD	Payment Integrity Program Months	Host Plan Program Months	Total Group Paid	Stop Loss Credits	Adjusted Group Liability	Stop Loss Premium Total	Admin Fees	Flt Cost Admin Fees	Broker Commissions	Health Plan Reserves
123456	SAMPLE CLIENT A	105425	SAMPLE CLIENT A	202201	106	12	25	42	228	106	12	25	42	280	910	\$18,314.55	\$223,618.00	\$6.00	\$4.00	\$100	\$40.00	\$144,378.74	\$4,153.33	\$193,059.41	\$14,207.05	\$13,053.33	\$79.00	\$1,981.32	\$0.00
123456	SAMPLE CLIENT A	105425	SAMPLE CLIENT A	202202	106	12	25	42	228	106	12	25	42	280	925	\$18,391.10	\$20,744.25	\$6.25	\$4.00	\$100	\$40.00	\$215,939.64	\$2,014.45	\$219,659.19	\$14,209.65	\$13,053.33	\$77.00	\$1,981.32	\$0.00
123456	SAMPLE CLIENT A	105425	SAMPLE CLIENT A	202203	106	12	25	42	228	106	12	25	42	280	930	\$17,976.81	\$19,514.80	\$6.16	\$4.00	\$100	\$40.00	\$216,598.28	\$1,919.33	\$214,223.88	\$14,209.65	\$13,053.33	\$75.00	\$1,981.32	\$0.00
123456	SAMPLE CLIENT A	105425	SAMPLE CLIENT A	202204	106	12	25	42	228	106	12	25	42	280	936	\$18,219.12	\$19,514.40	\$6.16	\$4.00	\$100	\$40.00	\$216,967.83	\$1,919.33	\$214,448.50	\$14,209.65	\$13,053.33	\$75.00	\$1,981.32	\$0.00
Grand Total					430	47	100	168	246	430	47	100	168	532	2,805	\$70,821.58	\$79,737.45	\$24.57	\$16.00	\$400	\$160.00	\$843,262.82	\$13,386.66	\$829,876.16	\$56,726.65	\$51,215.99	\$312.00	\$7,924.96	\$0.00

SAMPLE CLIENT
 Monthly Cost Summary - Medical
 Claims Incurred 01/01/2022 - 4/30/2022
 Claims Paid Through 4/30/2022

Client	Client Name	Group	Group Name	Incurred Claim Month	IN	Payment Integrity Program	Host Plan Payment Integrity Program
123456	SAMPLE CLIENT A	105425	SAMPLE CLIENT A	202201		00	\$16.00
123456	SAMPLE CLIENT A	105425	SAMPLE CLIENT A	202202		\$0.00	\$16.00
123456	SAMPLE CLIENT A	105425	SAMPLE CLIENT A	202203		\$9.48	\$600.00
123456	SAMPLE CLIENT A	105425	SAMPLE CLIENT A	202204		\$0.68	
Grand Total						\$63.16	\$600.00



A man and a woman are sitting at a desk, smiling and looking at a laptop. The man is wearing glasses and a light-colored blazer over a blue shirt. The woman is wearing a light-colored top and a watch. They appear to be in a professional setting, possibly a meeting or a collaborative work environment. The background is bright and out of focus.

Anticipated questions
about the enhanced
payment integrity
program

Q. Why do we have to share 30% of the return? Isn't it your job to catch inappropriate and fraudulent billing?

A. BCBSND's current claims review process saves North Dakota employers millions of dollars. However, deeper savings require an expanded strategy, which includes advanced data analytics-based programs. We receive that level of analysis through a partnership with Cotiviti and other Blues plans.

Retaining 30% to cover program costs is the industry standard. And it's a necessary investment to protect our clients and members from inappropriate provider billing practices.

Q. Can we find out why the claims were reprocessed?

A. Yes. Reports are available to show the reason for and outcome of a reprocessed claim. Request a report through your BCBSND representative.

Q. Could the member have increased cost share due to reprocessing the claim?

A. The purpose of the program is to identify cost savings. In most cases, members will see a decrease in cost shares. Rarely, the reprocessed claim could result in a higher cost share for the member.

Q. Could reprocessing a claim ever result in more being paid by the carrier/self-funded plan?

A. Enhanced analytics are intended to find overpayments by the carrier/self-funded plan. If Cotiviti discovers an underpayment, they notify us to review and take appropriate action.

Q. What happens if it's discovered a claim should not have initially paid?

A. We anticipate finding claims that should not have paid. In that circumstance, we would recoup the money from the provider and make the appropriate corrections to claim expenses and member cost sharing. The provider would be allowed to appeal/dispute the findings.

Q. When a claim is reprocessed, are the accumulators readjusted?

A. Yes, the member's accumulators will be readjusted.

Q. Will an EOB be sent in a post-payment situation since claim is being reprocessed?

A. Yes. EOBs will be generated to reflect the correct claim determination and cost shares.



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