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9.0.09 Commercial Insurance Coverage Verification/ Data Match

Commercial Insurance Verification and Data Match Overview

Nationally, HMS generates billions of dollars in cost avoidance savings for our clients by identifying and verifying millions of insurance policies and delivering verified Third Party Liability (TPL) information to over 40 Medicaid and state clients. We do not rely on reverse engineering, a handful of large carriers, or other indirect and incomplete approaches to identify third party insurance. [redacted]

In Arizona, we delivered more than 304,000 new policy segments in SFY 2017 to help the State avoid an estimated $154 million in Medicaid program costs.

[redacted]

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[redacted]

[redacted]

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[redacted]

HMS currently matches the Arizona Medicaid eligibility file against over 1.4 billion insurance records each month to identify and verify TPL coverage for Medicaid members.

[redacted]

[redacted]

[redacted]

HMS Insurance Verification and Data Match Success for Arizona

As part of our long-term relationship with AHCCCS, we currently provide First Party Liability (FPL) and TPL recovery services with predictable, consistent results—measured not only by actual dollars cost avoided or recovered, but also by our ability to operate effectively within Arizona's unique environment. **In State Fiscal Year (SFY) 2017, HMS delivered more than 304,000 new TPL segments that helped AHCCCS cost avoid over $154 million** and since SFY 2013, HMS has provided information that has saved the State an estimated $681 million.

Arizona-Specific Knowledge

No other vendor understands Arizona's TPL environment as well as HMS because no other vendor has worked side-by-side with stakeholders, including State staff, payers, providers, and AHCCCS Health Plan contractors. In a new contract term, we will continue using these established relationships, processes, and data, ensuring no disruption to commercial insurance recoveries and in continued support of commercial insurance coverage verification efforts.

[redacted]

[redacted]

[redacted]

In the following sections, we provide our method of approach to meeting AHCCCS and the State of Arizona Coverage Verification and Commercial Insurance Data Match scopes of work and continuing to provide industry leading commercial insurance verification and data match services. In response **Section 9.1** we provide a quick reference cross-walk to the requirements from AHCCCS's scope of work.

COVERAGE VERIFICATION

Insurance verification is performed for all third party insurance leads and insurance match results. No matter the source, a best practice remains confirmation of the accuracy of data supplied. Every newly identified instance of third party coverage we provide to AHCCCS is a verified record, so the State can confidently avoid paying future claims based upon the information we provide, and achieve savings worth many times the value of payments retroactively recovered. The quality of the verified TPL information we deliver means that we do not place unnecessary administrative burden on the stakeholder community.

[redacted]

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[redacted]

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- [redacted]
- [redacted]

Our vigorous Verification program for AHCCCS includes the following key features:

- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]

[redacted]

[redacted]

Table 9.0.09-1. Typical Challenges Associated with Results of Data Matches

Challenge	Description	Impact
False Positive	Match results return active coverage, but verification discovers policy termination; the carrier data files often lag behind in showing terminated coverage, especially with certain types of plans.	Incorrectly prevents a provider from reimbursement as well as burdens carriers with inappropriately billed claims.
False Negative	Match results return terminated coverage, but verification determines active coverage for the Member.	Prevents Medicaid from cost avoiding claims and recovering expenditures from the liable third party.
Coverage Issues	Match results indicate major medical coverage, but verification finds less-than-comprehensive coverage (e.g., HMO, AARP® policies).	Prevents Medicaid from knowing which segments of coverage are comparable.

HMS's Verification Services: COBConnect

HMS applies the most appropriate verification method to deliver results that comply with AHCCCS requirements for quality and timeliness. We understand that relying on only one method will not always achieve the desired results.

All of these verification techniques are currently operating under our existing TPL contract with AHCCCS and have been customized to meet AHCCCS's exacting requirements. **Figure 9.0.09-1** describes our verification process.

Figure 9.0.09-1. [redacted]

[redacted]

[redacted]

VERIFICATION TECHNIQUE NUMBER 1: ECARE

[redacted]

Using multiple verification techniques, including automated and batch verification, allows us to process large volumes of verification leads in a timely manner, ensuring that our clients receive the information quickly.

[redacted]

Figure 9.0.09-2. [redacted]

[redacted]

[redacted]

[redacted]

Figure 9.0.09-3. [redacted]

[redacted]

[redacted]

[redacted]

Verification Technique Number 2: 270/271 Transactions

[redacted]

[redacted]

We have customized 270/271 transaction platforms in place, developed specifically to exchange Medicaid data with carriers. Another vendor would have to develop and test numerous file exchange protocols based on what information the carrier needs to perform verification and what information comes back.

[redacted]

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- [redacted]

[redacted]

[redacted]

VERIFICATION TECHNIQUE NUMBER 3: EWORKER

[redacted]

[redacted]

HMS eWorker is an example of how our cultivation of innovative ideas fosters process enhancements and allows us to provide a cost-effective verification solution to our clients.

[redacted]

[redacted]

HMS'S VERIFICATION QUALITY ASSURANCE PROCESS

[redacted]

- [redacted]
- [redacted]
- [redacted]
- [redacted]

[redacted]

- **Fully Verified.** Without complete verification, match errors would cause a myriad of problems, including incorrect information sent to providers, errors in the processing of retroactive claims, erroneous denials, and added burden and frustration on the part of all stakeholders.
- **Reliable.** Our cost avoidance processes are operational, tested, and in place in Arizona. We have delivered more than 2.1 million verified cost avoidance records during the current contract term, with an estimated value of $681 million, and we will continue to deliver accurate records starting on Day One of the new contract term.

COMMERCIAL INSURANCE DATA MATCH PROCESS

[redacted]

Figure 9.0.9-4. [redacted]

[redacted]

[redacted]

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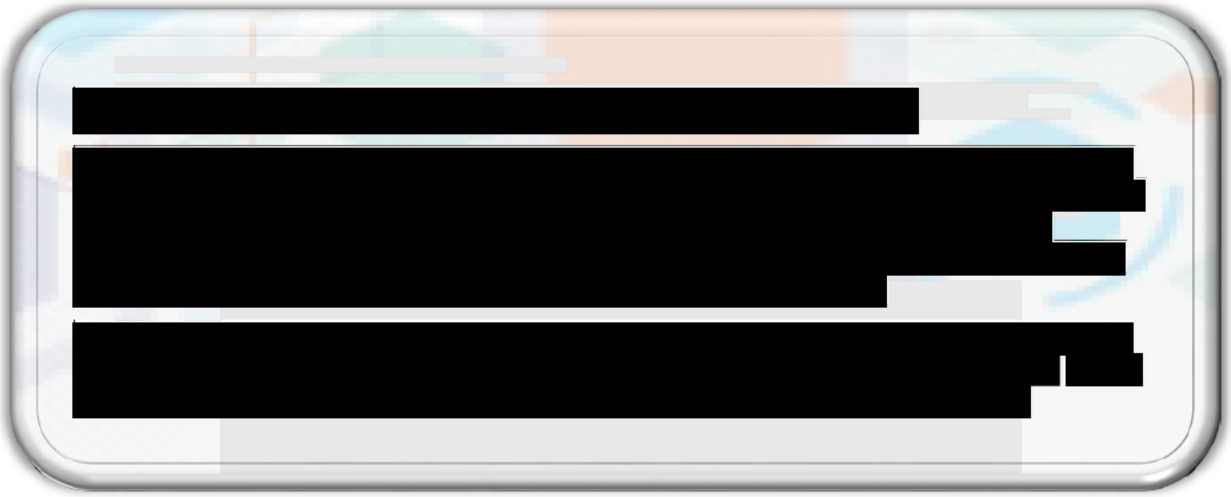
- [redacted]
- [redacted]
- [redacted]

[redacted].



HMS Excels at Health Insurance Data Matching

Currently, over 40 state and Medicaid agencies throughout the country—including AHCCCS—rely on HMS to perform data matches to identify other health coverage for their program members.

[redacted]

- [redacted]
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- [redacted]

[redacted]

[redacted]

[redacted]

[redacted]

NATIONAL ELIGIBILITY DATABASE (NEDB)

[redacted]

[redacted]

Figure 9.0.09-5. [redacted]

[redacted]

[redacted]

Maintaining a Data-Sharing Network for Arizona

[redacted]

Our NEDB contains more than 1.4 billion carrier eligibility records, including more than 1.2 million records on insured Arizona residents. We can use these resources to identify Medicaid TPL cost savings opportunities.

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

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[redacted]

Figure 9.0.09-6. [redacted]

[redacted]

HMS's Experience with Additional Insurance Carriers

Failure to look beyond traditional employer sponsored coverage segments to other insurance types places risk on the millions of dollars in savings AHCCCS experiences today as a result of HMS's third party insurance identification and verification process. In addition to receiving enrollment and eligibility data and information from major medical and pharmacy commercial insurance carriers, as aforementioned we identify and recruit other insurers, including commercial, self-funded plan, and managed care organizations.

[redacted]

Government-Sponsored Health Plans

[redacted]

We have performed TRICARE data matching and recovery services for the majority of Medicaid agencies. As a result, we understand the data irregularities and apply edits to exclude certain types of coverage categories from TPL services processes.

[redacted]

Long Term Care and Dental Insurance Plans

[redacted]

[redacted]

[redacted]

PHARMACEUTICAL BENEFIT MANAGERS

[redacted]

[redacted]

Table 9.0.09-2 [redacted]

[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]

ADDITIONAL STATE AGENCIES

[redacted]

EXPERTISE IN PERFORMING DATA MATCHES

Our Data Matching solution, illustrated in **Figure 9.0.09-7**, already delivers proven results to support the [redacted]

[redacted]

[redacted]

Figure 9.0.09-7. [redacted]

[redacted]

HMS'S IMATCH APPLIES ENHANCED DATA ANALYTICS

[redacted]

[redacted]

HMS developed our iMatch tool through years of experience working with healthcare eligibility data. Our thorough analyses leave no stone unturned, yielding more matches than other approaches. No other vendor can match our proven validation and verification best practices to weed out false positives.

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

Figure 9.0.09-8. [redacted]

[redacted]

iMatch Differentiators

[redacted]

- [redacted]
- [redacted]
- [redacted]
- [redacted]

Method of Verifying Data Matches

[redacted]

Results Delivery to AHCCCS

[redacted]

[redacted]

- What if the third party resource file has a terminated medical coverage for Recipient A and HMS identifies an active medical policy but the start date of the active policy is before the end date of the terminated one?
- Are there types of policies that cannot be coordinated with Medicaid and should be excluded, i.e. Pharmacy Discount Plans?
- What if the third party resource file has an active medical coverage for Recipient A and HMS identifies a different active medical policy with a different carrier and policyholder?

[redacted]

Figure 9.0.09-9. [redacted]

[redacted]

[redacted]

Transfer of Data to AHCCCS

Reporting

In partnership with AHCCCS, HMS has developed standard State-approved monthly reports that track AHCCCS daily lead referrals, aging of leads, and monthly TPL additions and terminations. Please see **Attachment 3** for sample reports associated with our commercial insurance verification and data match services on behalf of Arizona.

HMS Delivers Results

By continuing to select HMS as the TPL contractor, AHCCCS chooses a trusted, vetted, established cost containment partner. No other vendor can claim the success we have had in our over 28 years of delivering TPL cost avoidance and recovery services to Medicaid agencies. The more than 40 state and Medicaid agencies that choose us do so for a reason. Our solutions are time-tested and proven to deliver more and better quality results than other vendors. AHCCCS will continue to realize the value that HMS adds on Day One of a new contract.