Curing Employee Benefits Blues: Solutions That Work

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Metropolitan Nashville Public Schools
Agenda

- Introduction
- Audit approaches
- Case studies
- Metropolitan Nashville Public Schools
- Questions?
AASA School Solutions Partner for Dependent Eligibility Verification (DEV) and Medical Plan Audit.
Background

- Based in Irving, TX
- Focused on healthcare cost containment
- Proprietary technology platforms
HMS
Background

4.5M+
Dependents reviewed

<100
Average completion days

1,400+
Completed verifications

Guaranteed
ROI

85%
First attempt completion rate
Audit Approaches

- Dependent Eligibility Verification
- Working Spouse Provision Verification
- Medical Plan Audit
Dependent Eligibility Verification
DEV

- Identifies ineligible members on health plans
- Relies on documentation
- Comes in two options
  - Full audit
  - Ongoing/Perpetual Dependent Verification
Benefits

- Complies with plan provisions and applicable legislation
- Preserves benefits
- Provides cost savings
- Works for all employers
DEV
Success Factors

- More than 500% ROI
- Average 95% employee response rate
- Low employee abrasion
- Simple, repeatable process
DEV

Average Cost Savings

4% – 8%

The average amount of dependents found ineligible

$x$

$3,500$

The average annual cost of each covered person

Average Cost Savings
Case Studies and Examples
<table>
<thead>
<tr>
<th>Category</th>
<th>Value</th>
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<tbody>
<tr>
<td>Dependents Reviewed</td>
<td>6,797</td>
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<tr>
<td>Member Response Rate</td>
<td>95.9%</td>
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<tr>
<td>Ineligible Dependents</td>
<td>6.0%</td>
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<tr>
<td>Found Ineligible</td>
<td>406</td>
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<tr>
<td>First Year Savings</td>
<td>$1.2M</td>
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Metro
Nashville
Public
Schools

- Why DEV?
- Planning phase experience?
- Employee reaction?
- Was it worth it?
- Post-DEV?
Real Schools Real Results

<table>
<thead>
<tr>
<th></th>
<th>IN</th>
<th>TX</th>
<th>FL</th>
<th>VA</th>
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<tbody>
<tr>
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<td>645</td>
<td>1,039</td>
<td>3,581</td>
<td>5,440</td>
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<td>Member Response Rate</td>
<td>99.2%</td>
<td>95.4%</td>
<td>94.6%</td>
<td>97.7%</td>
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<tr>
<td>Ineligible Dependents</td>
<td>3.4%</td>
<td>8.6%</td>
<td>9.0%</td>
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<td>Found Ineligible</td>
<td>22</td>
<td>89</td>
<td>322</td>
<td>278</td>
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<td>First Year Savings</td>
<td>$110,000</td>
<td>$250,000</td>
<td>$1 million</td>
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Additional Audit Services
- Identifies employee spouses on health plan with other available coverage
- Relies on documentation
Medical Plan Audit

- Identifies claim errors
- For self-insured employers
- Review ASO agreement
- Compliance
- Plan intent vs. plan execution
- Process improvement, issue identification, and resolution
Enterprising healthcare

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