



# Curing Employee Benefits Blues: Solutions That Work

*March 10, 2016*





## *Presenters*

*Alison Walker*

National Sales Director, HMS

*David Hines*

Benefits Director

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.



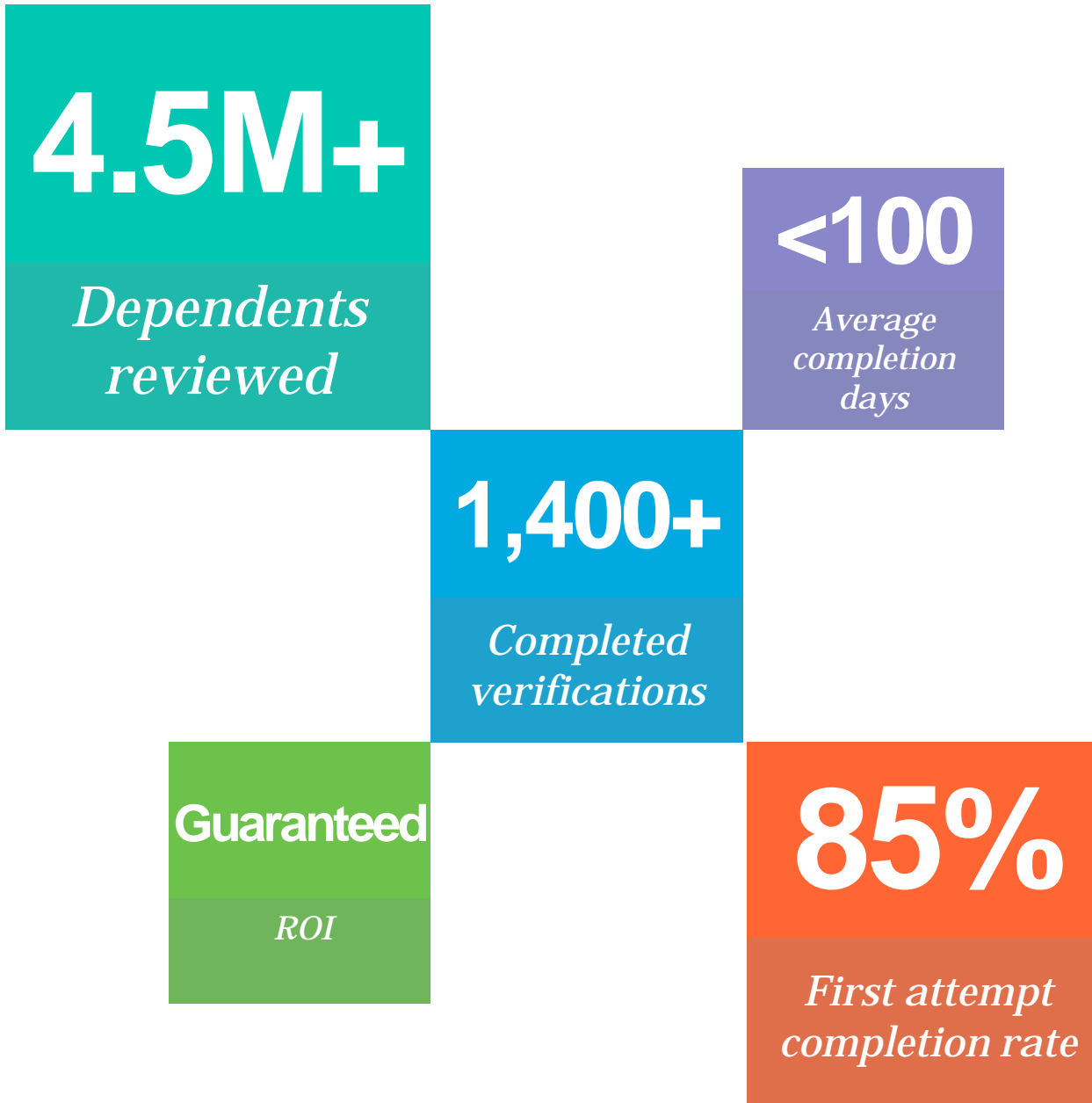


# *HMS* *Background*

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



# *HMS Background*





# *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



# *DEV* *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*

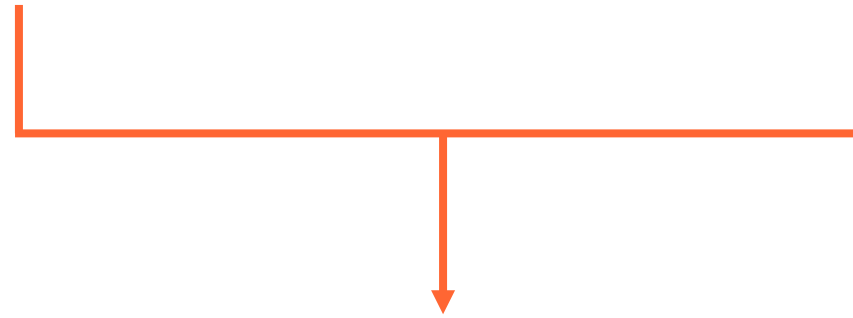
**4% – 8%**

*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*

# Real Schools Real Results

*Metropolitan  
Nashville  
Public Schools*

<b>Dependents Reviewed</b>	6,797
<b>Member Response Rate</b>	95.9%
<b>Ineligible Dependents</b>	6.0%
<b>Found Ineligible</b>	406
<b>First Year Savings</b>	<b>\$1.2M</b>



*Metropolitan  
Nashville  
Public  
Schools*

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

# Real Schools Real Results

	<i>IN</i>	<i>TX</i>	<i>FL</i>	<i>VA</i>
<b>Dependents Reviewed</b>	645	1,039	3,581	5,440
<b>Member Response Rate</b>	99.2%	95.4%	94.6%	97.7%
<b>Ineligible Dependents</b>	3.4%	8.6%	9.0%	5.1%
<b>Found Ineligible</b>	22	89	322	278
<b>First Year Savings</b>	<b>\$110,000</b>	<b>\$250,000</b>	<b>\$1 million</b>	<b>\$1.5 million</b>





# *Additional Audit Services*



# *Working Spouse Provision Verification*

- 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*

Alison Walker, National Sales Director  
[alison.walker@hms.com](mailto:alison.walker@hms.com)  
502.291.6978



[hms.com](http://hms.com)