



Medical Bill Blues: Pre-Payment Contracting and Negotiation, Pricing Alternatives, and Post-Payment Recovery of Overpayments

LEARN



PLAN



SAVE



PROTECT



www.phiagroup.com
|
PGCReferral@phiagroup.com
|
© Copyright 2017, The Phia Group, LLC

Today's Speakers



- **Adam V. Russo, Esq.**, Chief Executive Officer
➤ arusso@phiagroup.com
- **Ron E. Peck, Esq.**, Senior Vice President and General Counsel
➤ rpeck@phiagroup.com
- **Jon A. Jablon, Esq.**, Director, Provider Relations
➤ jjablon@phiagroup.com
- **Brady C. Bizarro, Esq.**, Consulting Attorney
➤ bbizarro@phiagroup.com






www.phiagroup.com
|
PGCReferral@phiagroup.com
|
© Copyright 2017, The Phia Group, LLC

PGCReferral @ phiagroup.com



Contact PGCReferral for all your consulting needs!

Specialties:

- Plan drafting, review, analysis, custom amendments
- ACA compliance questions
- Network, provider, stop-loss, client dispute resolution
- ...and so much more

Features:

- Simple submission process
- Same-day quotes in most cases
- Average turnaround of 8 business days
- Flat, transparent fees
- No surprises



www.phiagroup.com

| PGCReferral@phiagroup.com

| © Copyright 2017, The Phia Group, LLC

PGCReferral @ phiagroup.com



PGCReferral: February 2017's Most FAQ

- Can terminated employees be offered different plan options under COBRA than the plan options offered to active employees?
- An employer's cafeteria plan has a health FSA component. A carryover provision was elected (instead of a grace period). How does the health FSA carryover impact HSA eligibility?
- Can an employer prevent a third party from paying COBRA premiums?



www.phiagroup.com

| PGCReferral@phiagroup.com

| © Copyright 2017, The Phia Group, LLC

Flagship Plan Document: Phia's Best Practices



- Delays In Plan Drafting Cause Many Plans To Administer Old Plans – Or In Some Cases – No Plan
- To Combat This The Phia Group Has Developed Its Flagship Plan Document Template
- A Condensed Version Of Its Industry Acclaimed, Fully Customizable Template
- The Phia Group Has Created A Nearly Complete Plan Document – By Pre-Selecting What It Deems To Be The Best Provisions In Every Regard
- All That Remains Is To Fill In Biographical Information, Insert A Schedule Of Benefits, And Eligibility Criteria
- **Contact Tim Callender** at 781-535-5631 or tcallender@phiagroup.com



www.phiagroup.com

| PGCReferral@phiagroup.com

| © Copyright 2017, The Phia Group, LLC

Follow Us!



Looking to stay updated on the latest health insurance industry news?

Click on the link below to follow our LinkedIn page!



Or...

Go to LinkedIn and search for *The Phia Group, LLC*



www.phiagroup.com

| PGCReferral@phiagroup.com

| © Copyright 2017, The Phia Group, LLC

Overview



- Political Update
- Claim Negotiations
- Reference-Based Pricing
- “Partial” Reference-Based Pricing
- Overpayments



www.phigroup.com

| PGCReferral@phigroup.com

| © Copyright 2017, The Phia Group, LLC

Political Update: The American Health Care Act



www.phigroup.com

| PGCReferral@phigroup.com

| © Copyright 2017, The Phia Group, LLC

The AHCA



➤ Current Provisions

- Repeal ACA's individual and employer mandate penalties
- Liberalize some requirements pertaining to health savings accounts
- Create new fixed-dollar, age adjusted tax credits for after 2020
- Amend the ACA's current premium tax credits to allow them to be used for off-marketplace plans and to change the tax credit formula to make it more favorable to younger enrollees
- Phase out the ACA's Medicaid expansion
- Impose a per capita cap on Medicaid going forward
- Create a penalty for individuals who try to enroll in coverage who have not had continuous coverage
- Repeal the ACA's cost-sharing reduction payments
- Create a \$100 billion Patient and State Stability Fund for states to use for reinsurance and other purposes
- Defund Planned Parenthood

➤ Status

- Passed key House committees in the past few weeks, but...



www.phiagroup.com

| PGCReferral@phiagroup.com

| © Copyright 2017, The Phia Group, LLC

The AHCA Is Already In Danger



- CBO Report Estimated 24 Million People Would Lose Coverage under ACHA
 - Est. 7 million would drop out of employer-sponsored health insurance over the next decade
- Key GOP Senators Keep Criticizing the Bill
- Enough House Republicans Have Come Out Against the Bill to Force the Speaker to Make Changes
- Leadership Is Pushing the Bill Anyway



www.phiagroup.com

| PGCReferral@phiagroup.com

| © Copyright 2017, The Phia Group, LLC

What's Next? The Three-Pronged Approach



- Step 1: Pass the American Health Care Act
 - House Rules Committee passed the AHCA and its amendments yesterday
 - Full House will be voting on the AHCA bill today
 - Bill must pass the Senate with 50 votes; expect a significant rewrite
- Step 2: Provide Essential Regulatory and Administrative Relief
- Step 3: Enact Bipartisan Healthcare Reform through Legislation



www.phigroup.com

| PGReferral@phigroup.com

| © Copyright 2017, The Phia Group, LLC

AHCA's Impact on Self-funding



- CBO Report Estimates 7 Million Will Drop Out of Employer-sponsored Insurance by 2026
 - Many policy experts think this number is overblown. There is good reason to think most employers will continue to offer health benefits to recruit and retain valuable talent
- What Changes
 - Penalties under the Employer Mandate Reduced to Zero, Retroactive to Jan. 1, 2016
 - States may try to enact their own employer mandates, i.e. Massachusetts
 - Incentives for Maintaining Continuous Coverage Replace the Individual Mandate
 - The Cadillac Tax Returns
 - AHCA Removes the 10% Tax on Employer Plans That Was in the Earlier "Policy Brief"
 - Cadillac Tax is pushed out 5 more years to 2025
 - Deregulation of Account-based Plans
 - HSA and FSA contribution limits modified
 - New Tax Credits are Not Available to Employees Eligible for Employer Coverage
- What Stays the Same
 - Budget reconciliation rules limit Congress's ability to repeal the ACA
 - Reporting Requirements Remain in Effect
 - Dependent children coverage to age 26, prohibition on pre-existing condition exclusions, prohibition on annual or lifetime dollar limits for Essential Health Benefits, and the requirement to cover preventive care without cost-sharing



www.phigroup.com

| PGReferral@phigroup.com

| © Copyright 2017, The Phia Group, LLC

Claim Negotiations



- What exactly *is* a claim negotiation?
- Stop-loss & plan language
- INN vs. OON



www.phigroup.com

| PGCReferral@phigroup.com

| © Copyright 2017, The Phia Group, LLC

Claim Negotiations



INN vs. OON

- Provider attitudes
- Contractual prohibitions
- Network complaints and involvement
- When to stop pushing



www.phigroup.com

| PGCReferral@phigroup.com

| © Copyright 2017, The Phia Group, LLC

Reference-Based Pricing



How to do it *right*

- Language, repricing, advocacy
- Attitudes to take
- Knowing your audience
- Recognizing providers' rights



www.phigroup.com

| PGCReferral@phigroup.com

| © Copyright 2017, The Phia Group, LLC

Reference-Based Pricing



How to do it *wrong*

- Waiting for collections
- Ignoring contracts
- Refusing to settle
- Calling bluffs



www.phigroup.com

| PGCReferral@phigroup.com

| © Copyright 2017, The Phia Group, LLC

Reference-Based Pricing



Horror Stories

- Plan ignores PPO and uses RBP for facility claims instead
- RBP without proper plan language
- Throwing members under the bus
 - DOL guidance?



www.phiagroup.com

| PGCReferral@phiagroup.com

| © Copyright 2017, The Phia Group, LLC

“Partial” Reference-Based Pricing



- Carve-outs: dialysis, hemophilia, specialty drugs, etc.
- Watch out for PPO pitfalls!
- Phia Unwrapped



www.phiagroup.com

| PGCReferral@phiagroup.com

| © Copyright 2017, The Phia Group, LLC

Overpayments



- Fiduciary duties
- Adverse benefit determination
- The business case
- Forget about “fault”
- Reasons for refund



www.phigroup.com

| PGCReferral@phigroup.com

| © Copyright 2017, The Phia Group, LLC

Overpayments



Reasons for Refund

- Accidental processing error
- Incorrect network repricing for PPO claim
- Claim later deemed medically unnecessary
- Duplicate billing
- Corrected claim received post-payment
- PPO claim audited post-payment



www.phigroup.com

| PGCReferral@phigroup.com

| © Copyright 2017, The Phia Group, LLC



THANK YOU.

PGCReferral @ phiagroup.com

www.phiagroup.com

Join us for our next free webinar:

April 27, 2017 at 1:00pm EST

www.phiagroup.com/media/webinars



www.phiagroup.com

| PGCReferral@phiagroup.com

| © Copyright 2017, The Phia Group, LLC